Agency Policies and Procedures

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Property Management

Policy Objectives:

Agency policies and procedures for the management of property are designed to:

- Promote accountability for property,
- Maximize the utility of property,
- Set guidelines for division property management procedures, and
- Promote compliance with statutory requirements and guidelines pertaining to property management.

Background Information:

This revised policy implements a consolidated approach to property management. It replaces the property management policies and procedures set forth in FMR-1G-01, *Fixed Assets Inventory Management;* FMR-1G-02, *Sensitive Item Inventory Management;* and FMR-1H-01, *Inventory*. This policy and procedure relates to capital assets, sensitive items, consumable inventories, supplies, and non-state property in the workplace. In addition, this policy supplements the Department of Administration (Admin) Informational Bulletin 03.19**,** *Property Management Reporting and Accountability* and Admin Informational Bulletin 06-03, *New Property Management User Guide.* FMR-1G-03, *Management of Employee-Owned Property in the Workplace* continues to be a separate policy and procedure.

With the implementation of Statement 34 of the Governmental Accounting Standard Boards (GASB), the term fixed asset has been changed to capital assets.

When the term "purchase order" is used in this document, the reader should be aware that this term is used in the broadest sense to include professional/technical service contracts and other agreements.

When the term "packing slip" is used in this document, the reader should be aware that this term is used in the broadest sense to include receiving reports and other substitute receipt documentation.

Authority:

- **Minnesota Statutes:**
  Minnesota Statute 15.06, subd. 6(4) ***General Powers of Commissioners*** – This statute specifies the general powers of a state commissioner to prescribe procedures for the internal management of a department. (http://www.revisor.leg.state.mn.us/stats/15/06.html)

Minnesota Statute 16B.04, subd. 2(4) ***Powers and Duties, General*** – This statute authorizes the commissioner of Admin to manage and control state property, real and personal. (https://www.revisor.leg.state.mn.us/statutes/?id=16B.04)
Minnesota Statute 16B.24, subd. 4 ***Inspections; Appraisals; Inventories*** – This statute authorizes the commissioner of Admin to periodically inspect and appraise all state property and to require state agencies to prepare inventory reports as needed.
(http://www.revisor.leg.state.mn.us/bin/getpub.php?pubtype=STAT_CHAP_SEC&year=current&section=16b.24&image.x=16&image.y=8)
Minnesota Statute 43A.38, subd. 4 ***Use of State Property*** **–** This statute prohibits state employees from using state property for personal gain with exception of reasonable use of electronic mail and other communications. (http://www.revisor.leg.state.mn.us/stats/43A/38.html)

- **Admin Informational Bulletins:**
  Admin Informational Bulletin 03.19 ***Property Management Reporting and Accountability*** – This policy establishes a comprehensive statewide policy for the management, reporting and accountability of property, sensitive items, consumable inventory and employee-owned personal property in the workplace. (http://www.admin.state.mn.us/documents/bulletin_2003-19_property-mgmt-reporting.pdf)
  Admin Informational Bulletin 06-03 ***New Property Management User Guide*** **–** This user guide serves as a management tool for agencies and provides guidance for the efficient and effective use of state capital assets, software for internal use only, infrastructure, sensitive items, consumable inventories, and supplies. The requirements for handling surplus property, auction sales, employee-owned property in the workplace, and non-state property in the workplace are also included.
  (http://www.admin.state.mn.us/documents/bulletin_2006-03_new-property-managment-user-guide.pdf)

Business Risks:

Noncompliance and/or inconsistent application of this policy increase the likelihood for:

- Failure to protect the state's investment in property due to mismanagement or theft,
- Inaccurate financial information on property with subsequent poor business decisions,
- Underutilization of property due to lack of intra-agency and inter-agency surplus property transfers,
- Inappropriate risk management decisions by under/over insuring,
- Inadequate return on investment with untimely or improper disposal of surplus property, and
- Noncompliance with grant provisions and improper indirect cost reimbursements of federal programs.

Policies and Procedures:

PART ONE – AGENCY PROPERTY MANAGEMENT STAFFING

1. Agency Property Management Coordinator – The accounting director is the agency property management coordinator. Responsibilities include, but are not limited to:
   A. Developing, updating, and communicating written policies and procedures,
   B. Providing guidance to the divisions pertaining to property management,
   C. Monitoring the divisions for compliance, and
   D. Reviewing and authorizing in writing divisions' requests for exceptions to portions of this policy.

2. Division Property Management Coordinator – Each division director must designate an employee as the division property management coordinator and report the name of that individual to the agency property management coordinator. The division property management coordinators responsibilities include, but are not limited to:
   A. Communicating specific policies and procedures relating to property management within their division,
   B. Verifying that all purchases of property are accounted for and recorded as appropriate,
   C. Ensuring that capital assets are marked with a numbered asset label and sensitive items are tagged,

D. Ensuring physical inventories are completed as required and monitoring the accuracy and the completeness of all inventories, and
E. Arranging for the proper disposal of surplus property.

3. Division Management – Division management must ensure that the agency policies and procedures are followed such as:
   A. Restricting the use of state property exclusively for a business related purpose as allowed by the *Statewide Telecommuting Policy* and the *Statewide Policy: Appropriate Use of Electronic Communication and Technology*,
   B. Identifying the division property management coordinator,
   C. Complying with the accountability threshold as identified in Admin Informational Bulletin 03.19,
   D. Safeguarding property from loss due to theft, destruction, or misuse,
   E. Insuring property through Admin's Risk Management Division as appropriate, and
   F. Ensuring adequate internal control. Separation of duties is encouraged for the following activities:
      1. Purchasing activities,
      2. Receiving activities,
      3. Payment processing,
      4. Accounting for transactions in the general ledger, and
      5. Handling and tracking capital assets.

PART TWO – TYPES OF PROPERTY

1. Capital Assets
   For accountability and stewardship purposes, capital assets include property that costs $5,000 or more (including applicable sales taxes and other ancillary charges such as installation and shipping fees), has a normal useful life expectancy exceeding two years, and maintains its identity while in use. Examples include:
   - Equipment,
   - Vehicles,
   - Historical treasures,
   - Capital leases,
   - Infrastructure,
   - Leasehold improvements,
   - Software for internal use only with a cost of $30,000 or more,
   - Land and buildings, regardless of cost, and
   - Betterments to existing capital assets regardless of cost.

2. Sensitive Items
   Sensitive items are generally for individual use, or that could be easily sold and are most often subject to pilferage or misuse. The following are sensitive items:
   - Personal computers (PCs - both desktop and portable models),
   - PC printers,
   - Network servers and printers under $5,000 total acquisition cost,
   - Software for internal use under $30,000 total acquisition cost,
   - Wireless technology,
   - Audio and visual equipment such as televisions, projectors, citizen-band and other two-way radios, cameras, tape recorders, TTY equipment,
   - Global positioning satellite (GPS) devices,
   - Cellular phones and pagers,
   - Facsimile machines,
   - Personal digital assistants (PDA),
   - Portable power tools (including tool sets and tool boxes) as determined by the division, and
   - Firearms and other weapons.

3. Consumable Inventory
Items purchased by a division for (a) reissue/reuse/resale which the division controls as parts of its ongoing operations (e.g., office supplies, books, sandbags, and maintenance parts); or (b) items purchased to be incorporated into or attached to an end item during production, including raw materials or processed materials (e.g., work-in-process, finished goods).

4. Supplies
Items purchased by a division and used immediately or within a reasonable period of time after they are acquired (e.g., office supplies).

PART THREE – PROPERTY MANAGEMENT

1. Procedures for Property Identification
   A. Property classified as capital assets must be labeled with a numbered property label. Sensitive items must be labeled as property of the State of Minnesota. Consumable inventory and supplies are not labeled as property of the State of Minnesota due to the nature of the items. The numbered property labels and "Property of the State of Minnesota" labels can be purchased from Office Supply Connection. A supply should be kept on hand by the division property management coordinator. Engraving can also be done identifying the property number and that the property belongs to the State of Minnesota.
   B. Property numbers are to be assigned at the time of ordering. The assigned asset number should be entered on the purchase order.

2. Procedures for Receiving Property
   A. When the goods are received, safeguard the property until it can be delivered to its intended location or to the person who requested that the property be ordered. Every time that the property is given to a new recipient, the new recipient should sign and date the packing slip.
   B. Compare the package contents with the specifications and quantity of the good(s) indicated on the PO and the packing slip to ensure that the agency received what was ordered and what the vendor sent.
   C. Determine if the good(s) is/are in good condition or determine if the services are acceptable. If the goods or services do not agree with the PO or are unacceptable, contact the vendor to resolve the issue (e.g., when the quantity received is less than the quantity ordered) or to make arrangements to return the goods. Note on the packing slip the problem, the resolution, and the date resolved with the vendor. A vendor performance report should be sent to Materials Management Division (MMD) – Vendor Management, if appropriate.
   D. Return the good(s) to the vendor that do not agree with the PO or are unacceptable. The state does not pay for goods that were not received or not ordered. An exception would be a small overrun within the payment tolerance limits that the division decides to accept. If goods/services are accepted that exceed the payment tolerance limit, the division's decision must be documented with the division budget manager's approval on the packing slip and by increasing the encumbrance in MAPS.
   C. Record the date of receipt of the good(s) or acceptance of the services on the packing slip, and sign the packing slip to approve the receipt of acceptable good(s) or services. In the absence of a packing slip, refer to the *Payment Processing Guidelines* for acceptable documentation.
   D. The original packing slip should be submitted to payment processing personnel. For all property except supplies, provide a copy of the packing slip to the division property management coordinator as soon as new property is inspected and found to be acceptable. It is optional to retain a copy of the packing slip and attach it to the division's copy of the PO.
   E. Record the receipt in MAPS if using the three-way-match process. In the AGPS component, indicate the date the goods or services were received in the "receipt date" field. In the GFS component, indicate the date the goods or services were received in the "date of receipt" field.
   F. See "Intra-Agency Transfer of Property" for receipt of property from other divisions within Admin.

3. Marking Property Upon Delivery
   A. Capital assets and sensitive items should be marked as soon as they are received and found acceptable.
      1. Capital Assets should be marked with a numbered asset label.
      2. Sensitive Items should be marked with a “Property of the State of Minnesota” or numbered asset label. Numbered asset labels are recommended to be used to tag sensitive items to facilitate tracking.
   B. Capital assets and sensitive items should be marked in a place clearly visible whenever possible.
   C. Alternate methods of marking property, such as permanent engraving, stenciling, or painting, should be considered when the numbered asset label is inappropriate. The number assigned must correlate to a numbered asset property label. If property can not be marked, maintain a separate file including a complete description of the property, the location of the property, and the numbered asset label if appropriate.

4. Tracking Requirements
   A. Capital Assets:
      Capital assets must be maintained on a property inventory system. At a minimum, the records within this system should contain the data elements required by the MAPS Operating Policy and Procedure 0106-00, *Capital Asset Reporting* through MAPS Operating Policy and Procedure 0106-06, *Accounting for Software Intended for Internal Use Only*.
   B. Sensitive Items:
      Divisions are responsible for developing and maintaining a sensitive item property inventory recordkeeping system, regardless of size. At a minimum, the records within this system should contain the following data elements:
      1. Asset Number, if applicable,
      2. Description of the asset,
      3. Manufacturer’s name,
      4. Model Number,
      5. Serial Number,
      6. Acquisition date,
      7. Acquisition cost,
      8. Location (see following section),
      9. Employee assigned custody of sensitive items,
      10. Purchase Order Number, and
      11. Disposal Date (if applicable).
   C. Consumable Inventory:
      Divisions are responsible for developing and maintaining a consumable inventory recordkeeping system, if applicable. At a minimum, the records within this system should contain the following data elements:
      1. Description of the consumable inventory,
      2. Acquisition date,
      3. Quantity,
      4. Acquisition cost,
      5. Cost per unit,
      6. Location (see following section),
      7. Purchase Order Number,
      8. Date removed from inventory, and
      9. Inventory balance.

5. Location Information
   A. Location (e.g. building number and where applicable, room number) of each property must be reported in the applicable property inventory system.
   B. A location code schematic might be designed for a division that occupies more than a few rooms. A floor plan of the division may be a useful tool in planning this design. This schematic can be as simple or elaborate as required by the size of the division. Regardless of the system used, the system record should have sufficient location information to design a schematic that breaks down the division into easily identifiable locations small enough to quickly locate a property.

6. Disposal of State Surplus Property
   A. When state property is surplus to a division, the division property management coordinator should try to find other users within Admin. See Intra-Agency Transfer of Property section below.
   B. If the property cannot be used elsewhere within Admin, the division property management coordinator should make the property available to other state agencies. See Inter-Agency Transfer of Property section below.
   C. If the division can no longer use the property and no users from other state agencies have been identified, the division property management coordinator should complete a *Property Disposition Request* (PDR) form and submit it to MMD - Surplus Services for review and approval.
   D. MMD - Surplus Services will assign a control number, sign the form, and return a copy to the division.
   E. MMD - Surplus Services may either approve the division's recommended disposition of the property or may recommend an alternate method of disposal. Methods of disposal include transfer to another state agency, transfer or sale to another unit of government or eligible non-profit organization, sale by sealed bid, sale by auction, negotiated sale, trade-in, or scrap. The fair value of the property being traded-in must be included on the *PDR* form. Disposals must be made in accordance with Admin Informational Bulletin 06-03, *New Property Management User Guide.*
   F. The division property management coordinator is responsible for removing all State of Minnesota ownership identification from the property that is no longer owned by the state and ensuring that the property disposition is reported in the property inventory system, as applicable.
   G. All computers declared surplus must have data removed from their hard drives in accordance with Admin Informational Bulletin 03-01, *Data Removal from Surplus Computers*.

7. Intra-Agency Transfer of Property (Movement of Property within Admin)
   A. The division transferring surplus property to another division within Admin must obtain appropriate authorization and complete the *Intra-Agency Transfer of Propert*y form (FMR-001-02).
   B. The procedures in Admin Informational Bulletin 03-01, *Data Removal from Surplus Computers*, must be followed when items contain private or non-public data.
   C. The division transfers the surplus property to the receiving division by completing the *Intra-Agency Transfer of Property* form (FMR-001-02).
   D. The receiving division signs and dates the *Intra-Agency Transfer of Property* form (FMR-001-02), sends a copy to their division property management coordinator, and forwards the original to the transferring division property management coordinator.
   E. Upon receipt of the original form, the transferring division property management coordinator must sign and date the form.
   F. The transferring and receiving division property management coordinator must update their property inventory systems as appropriate.

8. Inter-Agency Transfer of Property (Movement of Property between State Agencies)
   A. To transfer surplus property to another state agency, prepare a *PDR* form, and submit it to MMD - Surplus Services for review and approval. A signed copy of the form with an approval number will be returned to the division if the transfer is approved. If the transfer is not approved, the form will be returned to the division with instructions for disposal of the surplus property.
   B. All computers declared surplus must have data removed from their hard drives in accordance with Admin Informational Bulletin 03-01, *Data Removal from Surplus Computers.*
   C. The division property management coordinator is responsible for removing the numbered asset label prior to the transfer of the property to another state agency.
   D. The division property management coordinator is responsible for ensuring that the property is transferred with the *PDR* form, and reported in the property inventory system, as applicable.

9. Utilization of Federally-Funded Property
   A. The division property management coordinator must ensure that federally-owned property utilized by the division is reported in the property inventory system when the property meets state and federal criteria. The state property reporting criteria policy supplements the federal reporting criteria policy. This means

that the information recorded on the property inventory system must meet state requirements as well as federal requirements. Federal grant programs may require reporting of property status periodically.

B. The division property management coordinator must ensure that property is marked with numbered asset labels or other alternate methods of marking when appropriate.

C. Disposal of federally-owned property or property purchased with federal funds must follow any applicable federal procedures. If there are no defined federal procedures, the state procedures must be followed.

PART FOUR – PROPERTY INVENTORY

1. Physical Inventory
   A. Definition of a Physical Inventory:
   Physical inventory is the act of accounting for, and the accurate verification of, information on file for state-owned property.
   B. Mandatory Physical Inventory Counts:
   Statewide policy requires that a complete physical inventory for capital assets and sensitive items must be conducted, at a minimum, biennially. Statewide policy requires that a complete physical inventory for consumable inventory must be conducted, at a minimum, annually. An alternative to the traditional complete physical inventory is to conduct cycle counts of the property inventory. A cycle count is an inventory management procedure where a small subset of inventory is counted on any given day. A cycle count contrasts with traditional physical inventory in that physical inventory stops operation at a facility and all items are counted at one time. For example, to conduct a complete physical inventory in one year through cycle counts, the division can be divided into 12 roughly equal areas. A physical inventory can be completely conducted and reconciled in a different area each month. After 12 months, a physical inventory will have been completed for the entire division.
   C. Other Conditions Requiring a Physical Inventory:
      1. If a physical inventory is conducted and a division's accuracy level is below 95 percent, a physical inventory of that area should occur every six months until the acceptable 95 percent accuracy level is achieved and maintained for at least one year.
      2. A physical inventory should be taken whenever the person acting as division property management coordinator is changed. The new individual in that position should conduct a physical inventory to verify the accuracy of the inventory information provided by the departing division property management coordinator. The new division property management coordinator can correct discrepancies immediately and start from a base that is accurate.
      3. If an audit is performed and a minimum inventory accuracy level of 95 percent is not achieved, a physical inventory is required as soon as possible.
   D. Conducting and Reconciling the Physical Inventory:
      1. Select the most advantageous dates for physical inventory and notify the division staff and customers as appropriate.
      2. Decide who will perform the physical inventory. The physical inventory should be performed by a properly trained team. It is essential that the persons taking the physical inventory counts are not the same individuals responsible for reporting activity (e.g. acquisitions and dispositions) in the property inventory system, unless others are involved.
      3. Conduct the physical inventory using a list of the inventory descriptions from the property inventory system to the actual property found. The inventory should include the quantity, location, asset number, serial number, and model number when appropriate. Items found but not included on the list of inventory descriptions, are to be added to the list including all appropriate information. A note should be added if the property needs repair or is not being used.
      4. Provide the information to the property management coordinator who will compare the data to the property inventory system.
      5. Resolve discrepancies immediately.
         a. For property recorded in the property inventory system but not found during the physical inventory, it will be necessary to return to the location and conduct a complete search for the missing property. It may be necessary to interview employees in the area to determine the disposition of missing property. The original purchase orders for the missing property may give

helpful information to pursue in order to locate the property. If the property cannot be found, follow the procedures for Stolen, Lost, Damaged, or Recovered Property.

b. For property found during the physical inventory but not recorded in the property inventory system, ensure that the property inventory system is updated. Research of the acquisition cost is necessary. Review the procedures for acquiring property and determine why the property was not recorded. The procedures may need to be updated or a training session may be needed.

c. If capital assets are found without asset numbers, the division property management coordinator must search the property inventory system and/or purchase order to determine the appropriate asset number that was assigned to the property. Mark the capital asset with the asset number label as appropriate.

2. Property Spot Checks
Spot checks are an effective tool for maintaining inventory accuracy. If an area of the division had a poor inventory accuracy level resulting from a physical inventory, spot checks are recommended in the interim until a complete physical inventory has established a satisfactory accuracy level. For more detail on spot checks see Admin Informational Bulletin 06-03, *New Property Management User Guide*.

PART FIVE – STOLEN, LOST, DAMAGED OR RECOVERED PROPERTY

1. A *Stolen, Lost, Damaged or Recovered Property Report* must be completed under the following circumstances regardless of whether the property was located at the work site or off-site (e.g. employee has authorization to use the property at the employee's residence):
   A. Property is stolen,
   B. Property is lost,
   C. Property is damaged,
   D. Stolen property is recovered, or
   E. Lost property is found.

2. A copy of the *Stolen, Lost, Damaged or Recovered Property Report* should be submitted to your division property management coordinator. If the report is for damaged or recovered property, send a copy to MMD - Surplus Services immediately.

3. Appropriate action should be taken immediately to locate the property if lost or stolen.

4. If the lost or stolen items contain private or non-public data, notify Admin's data practices compliance official immediately.

5. If the property is not found within five business days, the loss, theft or suspected theft within the capitol complex area must be reported to the Department of Public Safety's Capitol Complex Security Division. A theft or suspected theft outside the capitol complex area should be reported to local law enforcement authorities. The division property management coordinator should follow up with these authorities to ensure action has been taken to recover the property.

6. Notify the Risk Management Division claims manager of any lost, stolen, damaged, or recovered property. The Risk Management Division claims manager will check the division's property coverage for lost, stolen or damaged property. If the division has no insurance coverage or the deductible is higher than the value of the property, then the division must absorb the loss from its operating budget.

7. If an employee fails to return property to the division within a reasonable time frame following the request by management for the property, or upon the employee's separation from state service, the property is considered stolen. The employee's manager/supervisor must take appropriate action for stolen property as noted above. The employee's manager/supervisor should also report the incident immediately to the Human Resources Division director for possible disciplinary action, for recording in the employee's personnel file, and for possible reduction of employee's final pay.

8. After an extensive search has failed to result in the recovery of the lost or stolen property, submit a copy of the *Stolen, Lost, Damaged or Recovered Property Report* to the Human Resource Director, MMD - Surplus Services, and the Legislative Auditor's Office.

9. Damaged property and lost or stolen property that are not recovered must be recorded as a disposal in the division's property inventory system as appropriate.

10. If property is recovered, the division should notify the Risk Management claims manager. The claims manager should determine whether the property was covered by insurance and proper disposition of the property. If the property was not covered by insurance and is still usable, record the information in the division's property inventory system as appropriate. If the recovered property is not usable, follow the procedures for disposal of state surplus property. Notify the Human Resource Division Director of the recovered property if previously reported as lost or stolen.

PART SIX – APPROPRIATE/INAPPROPRIATE USE OF PROPERTY

1. State employees need to use good judgment in the use of state-owned property for conducting state business. *Statewide Policy: Appropriate Use of Electronic Communication and Technology* and *Statewide Telecommuting Policy* provides additional guidance on the appropriate use of state-owned property.

2. Examples of inappropriate use of property include, but are not limited to, the following actions:
   A. Theft,
   B. Damage and/or destruction with willful intent,
   C. Use of the property for personal gain,
   D. Permitting other individuals to use the property for non-state purposes,
   E. Non-return of a property when requested,
   F. Permitting an outside consultant to use the property without a contract term allowing them to use the property, or
   G. Inappropriate use (e.g. viewing adult-oriented material on the Internet).

3. When inappropriate use of property is suspected, it should be reported immediately to the division property management coordinator, the appropriate manager/supervisor, and the Human Resources Division director.

4. Any inappropriate use of property by an employee may lead to disciplinary action, up to and including termination.

PART SEVEN – CAPITAL ASSETS AND SENSITIVE ITEMS USED OUTSIDE THE WORKPLACE

1. Employees that have a need to take state-owned capital assets and sensitive items out of the workplace must complete the *Agreement to take State-Owned Property Outside the Workplace* form (FMR-007-01). This agreement must address the terms and conditions for their possession of the property, acceptable uses, and a requirement to return it when no longer needed for work-related use, when they depart from the division, or when requested by management.

2. The employee's manager/supervisor must ensure this agreement is in compliance with the applicable telecommuting policies prior to approval of this agreement. Approved agreements must be kept on file by employee's manager/supervisor and a copy with the division property management coordinator.

3. Divisions allowing individuals to take state-owned property outside the workplace which contains private or non-public data must ensure that appropriate procedures are in place to prevent unauthorized access to the private or non-public data.

4. The division's property inventory system must include the location of property used outside the workplace and

the consultant's contract number as appropriate.

5. State employees need to use good judgment in the use of state-owned property outside the workplace for conducting state business. Examples of inappropriate use of property outside the workplace include, but are not limited to the following:
   A. Using the property for personal use without express statutory authority (e.g. using a state vehicle for personal use),
   B. Giving the property to the employee for non-business use, or
   C. Permitting non-state employee use of state-owned property. Contractors may be permitted to use state-owned property off-site provided that their contract terms with the state:
      1. Identifies the property,
      2. Requires that the property is returned to the state upon termination of the contract or when requested by management, and
      3. Prohibits inappropriate use of the property.

PART EIGHT – FINANCIAL REPORTING

1. The financial reporting for capital assets varies depending on the fund type through which the asset is acquired.
   A. Capital assets acquired through proprietary funds are required to be capitalized and reported in the individual fund, since they are used in the production of goods or services provided, and/or the cost of services are recovered through charges to users.
   B. Capital assets acquired through governmental funds must be reported to the Department of Minnesota Management and Budget (MMB) upon request.

2. Sensitive items are expensed.

3. The financial reporting for consumable inventories varies depending on the fund type through which the inventory is acquired.
   A. Consumable inventory acquired through proprietary funds are generally reported as an asset.
   B. Consumable inventory acquired through governmental funds are expensed in the governmental fund.

4. Supplies are expensed.

PART NINE – NON-STATE PROPERTY IN THE WORKPLACE

Prior to commencing work, agency personnel need to advise contractors/individuals of the procedures for bringing non-state property onto state premises. Divisions should ensure procedures are in place regarding security, insurance, responsibility, tracking, safety, hazardous materials, and removal of items brought onto state premises by others.

Except as provided by statute, divisions should not allow display of non-state property on state premises for sale by private organizations.

Forms:

FMR-001-02 *Intra-Agency Transfer of Property*
FMR-007-01 *Agreement to take State-Owned Property Outside the Workplace*
Property Disposition Request (*http://www.fss.state.mn.us/pdf/pdr.pdf*)
Stolen, Lost, Damaged or Recovered Property Report
(*http://www.fss.state.mn.us/Forms/StolenLostDamagedReport.doc*)

See Also:

MAPS Operations Manual Policy and Procedure 0106-00 Capital Asset Reporting
(http://www.mmb.state.mn.us/chapter-1/204-204)
MAPS Operations Manual Policy and Procedure 0106-01, Equipment Reporting
(http://www.mmb.state.mn.us/chapter-1/205-205)
MAPS Operations Manual Policy and Procedure 0106-02, Land Reporting
(http://www.mmb.state.mn.us/chapter-1/206-206)
MAPS Operations Manual Policy and Procedure 0106-03, Building Reporting
(http://www.mmb.state.mn.us/chapter-1/207-207)
MAPS Operations Manual Policy and Procedure 0106-04 Construction-in Progress Reporting
(http://www.mmb.state.mn.us/chapter-1/208-208)
MAPS Operations Manual Policy and Procedure 0106-05 Infrastructure Reporting
(http://www.mmb.state.mn.us/chapter-1/209-209)
MAPS Operations Manual Policy and Procedure 0106-06 Accounting for Internally Developed Software Intended for Internal Use Only
(http://www.mmb.state.mn.us/chapter-1/210-210)
MAPS Operations Manual Policy and Procedure 0602-12 Gift Acceptance
(http://www.mmb.state.mn.us/chapter-6/277-277)
FMR-3C-01 *Gift Acceptance*
(http://www.admin.state.mn.us/fmr/documents/Policies%20&%20Procedures/Accounts%20Receivable-Receipts/FMR-3C-01%20Gift%20Acceptance.pdf)
Statewide Telecommuting Policy
(http://www.admin.state.mn.us/fmr/documents/Policies%20&%20Procedures/Statewide%20&%20HR%20Policies/Statewide%202006%20Cell%20Phone%20Policy.pdf)
Admin Informational Bulletin 03-01 *Data Removal from Surplus Computers*
(http://www.admin.state.mn.us/documents/bulletin_2003-01_HD-cleaning.pdf)
Statewide Policy: Appropriate Use of Electronic Communication and Technology
(http://www.admin.state.mn.us/fmr/documents/Policies%20&%20Procedures/Statewide%20&%20HR%20Policies/Statewide%202006%20Cell%20Phone%20Policy.pdf)
Minnesota Statute 609.456, subd. 2 *Reporting to state auditor and legislative auditor required*
(http://www.revisor.leg.state.mn.us/bin/getpub.php?pubtype=STAT_CHAP_SEC&year=current&section=609.456)
Minnesota Statute 43A.38 *Code of ethics for employees in the executive branch*
(http://www.revisor.leg.state.mn.us/bin/getpub.php?pubtype=STAT_CHAP_SEC&year=current&section=43a.38&image.x=17&image.y=4)
Minnesota Statute 16B.55 *Use of state vehicles; compensation for use of personal vehicles*
(http://www.revisor.leg.state.mn.us/bin/getpub.php?pubtype=STAT_CHAP_SEC&year=current&section=16b.55)

Refer to the *Glossary* for definitions of the key terms listed below:

betterments	capital assets
consumable inventory	cycle count
physical inventory	sensitive items
surplus property	