

SUNY DOWNSTATE MEDICAL CENTER

UNIVERSITY HOSPITAL OF BROOKLYN
POLICY AND PROCEDURE

No. BO-8

Subject: PROPERTY CONTROL SYSTEM
(PCS) EQUIPMENT POLICY

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I. PURPOSE

To provide a means for uniform reporting and control of capital assets by all SUNY Campuses

- To meet the requirements of NYS Division of the Budget and Department of Audit and Control as well as the needs of the SUNY system itself.
- To project and budget funds required to replace old equipment and to acquire new equipment.
- To provide the basis for Downstate's Capitalization Policy for asset depreciation records.

II. POLICY

It is the policy of SUNY Downstate Medical Center/University Hospital of Brooklyn that each location unit (department or group of departments) is responsible for following established procedures to control and dispose of equipment and to report events, such as equipment location changes or thefts, which require record updates.

Annual inventories are required by the State and at most SUNY campuses. These inventories are conducted by the 'Property Control Department Inventory Coordinator.

THE SUNY PROPERTY CONTROL SYSTEM (PCS)

III. DEFINITION

Major moveable equipment: equipment generally capable of being easily moved, having a useful life of at least 2 years, which cost \$5000 or more.

Fixed equipment: equipment that is affixed to, and is a structural component of the building, not subject to transfer or removal in the ordinary course of the institution activities, having a useful life of at least 2 years.

Acquisition cost of equipment: includes purchase price, freight charges and cost of installation, and other cost items related to the acquisition of the asset and its preparation for use. The acquisition cost must be at least \$5000 in order to consider the expenditure as a capital asset and include it, in the Property Control System.

IV. RESPONSIBILITY

Each Department or Group is responsible to comply with the Downstate Medical Center Property Control System (PCS) User Manual procedures.

V. PROCEDURES/GUIDELINES

1. State University Controller's Office in Albany and SUNY campuses maintain the system jointly. An inventory file for each campus is stored in SUC Office's computers. They run programs, which update the Property Control database files and generate various reports. Campuses are responsible for controlling their equipment and transmitting (via local terminals) the data changes necessary to keep their inventories current. Each campus Property Control Office is responsible to administer the local system for maintaining the inventory. This includes:
 - Placing identifier decals (tags) on new equipment
 - Preparing, entering and auditing PCS update transactions reconciling new asset data to equipment expenditure records (will be performed by University Hospital General Accounting staff as soon as General Ledger System is implemented)
 - Scheduling and coordinating annual department inventories
 - Conducting independent record audits
 - Coordinating surplus equipment disposal
 - Informing departments of proper procedures for equipment disposal, inventories, and record maintenance.
2. At Downstate, an Equipment Coordinator has been designated in each location unit. This person is responsible for routing tasks related to Property Control including:
 - Maintain unit equipment records
 - Report losses or thefts
 - Submit proper forms for surplus equipment and updating the record for equipment additions and moves
 - Conduct the annual unit inventory
 - Provide Property Control Office personnel with requested information and access to equipment for tagging or audit purposes

THE SUNY PROPERTY CONTROL SYSTEM (PCS)

3. Purpose of the System

The property control system was established primarily to ensure the recording of capital assets and to provide Downstate Medical Center with an accurate detailed listing of equipments.

Accurate equipment records are important to University Hospital for a number of reasons:

- As a basis for projecting funds required to replace old equipment and purchase new equipment, and to support budget requests for these funds
- To enable capital asset accounting and support the Institutional Cost Report (ICR) on which hospital reimbursement rates are based
- To meet State and SUNY requirements to report, control and establish accountability and to increase security against pilferage of vulnerable equipment
- To improve equipment and space utilization through identification of property that is excess, unusable or underutilized.

4. Policy System

Any requisition for purchase of equipment and a completed surplus form for the equipment being replaced must be forwarded to the Director's Office for approval. (A letter of justification is normally requested to accompany requisitions for equipment when the equipment is purchased for a sole source).

1. Upon receipt of the equipment, the Requisitioning Department must complete the Equipment Addition form and forward the completed form to the Property Control Office for processing into the Property Control System.
2. The Property Control Office is responsible to place asset tags (identifying decals) on new equipment as soon as the equipment is in service.
3. All departments in the hospital are required to annually conduct general physical inventory of assets so as to comply with third party payers and State Controller's Office requirements.

VI. ATTACHMENTS

None

VII. REFERENCES

Joint Commission Standards

Date Reviewed	Revision Required (Circle One)		Responsible Staff Name and Title
9/01	Yes	No	Joe Gelbel, Director of Reimbursement
11/05	Yes	No	Maxine Bennett, Manager Property Control
1/08	Yes	No	Maxine Bennett, Manager Property Control
11/09	Yes	No	Maxine Bennett, Manager Property Control