

CS 3.11.1 - Control of Physical Resources

The institution exercises appropriate control over all its physical resources.

Compliance Finding: In Compliance

Narrative:

The University of South Carolina Beaufort (USC Beaufort) exercises appropriate control over all physical resources.

Property Control

The Code of Laws of South Carolina SECTION 10-1-140 [i], requires the heads of State agencies and institutions to be responsible for property under their supervision and requires that such property, except expendable items, be inventoried annually. The accountability, proper care, maintenance and security to prevent misuse or loss for all University of South Carolina personal property is delegated to vice presidents, chancellors, deans and department heads, depending on their division or area of responsibility.

USC Beaufort adheres to the USC policy, BUSF 5.00 [ii], Property Accountability. This policy identifies property in one of three ways:

- ***Equipment:*** Inventory equipment is defined as furniture, fixtures, and equipment that has a value of \$5,000 or greater and a useful life of over two years. All items that meet these criteria will be tagged and inventoried.
- ***Expendable property:*** Items that are consumed or become unidentifiable with use are considered expendable property and classified as supplies.
- ***Permanently attached equipment:*** Items that become a part of a building will be classified as ‘permanently attached equipment’ and will not be tagged. Departments are responsible and accountable for all University property and supplies under their domain, regardless of value. No University property shall be disposed of without the prior review and approval of Consolidated Services, a unit of the Department of Purchasing.”

A central computerized system generates identification decals when items exceeding \$5,000 are purchased. Decals are sent to the department making the purchase and are affixed to the equipment. An annual visual inspection of inventoried equipment is made at the department level. An inventory list is signed at the department level and returned to the central facilities management inventory control department. Discrepancies are resolved immediately.

Deferred Maintenance

Routine maintenance of campus facilities has been directly affected by state appropriations that have not kept up with inflation and growth over the past several years. In May 2007, the South Carolina Commission on Higher Education (SCCHE) adopted a policy which requires institutions to submit annual plans which identify the amount of funding needed to bring maintenance to an acceptable level (i.e. defined as a building condition of 90 or higher). These

annual plans allow SCCHE to review ongoing maintenance needs in addition to assessing the amount of maintenance that has been deferred [iii].

Reducing deferred maintenance is a primary goal of the institution in order to protect state resources and enhance the learning environment. USC Beaufort allocates \$110 per full-time equivalent (FTE) from student tuition to address a portion of maintenance, renovations, and repairs.

The SCCHE requires a building quality survey every three years. Only buildings with 25 percent or more of space dedicated for Educational & General (E&G) are included. The evaluations are updated every three years and used to calculate building condition codes which are submitted to the South Carolina Commission on Higher Education's Management Information System (CHEMIS). Deferred maintenance is not regularly funded by the State and must be planned within institutional budgets. The South Carolina state legislature can approve Capital Improvement Bonds (CIB) for specific deferred maintenance projects, but has not done so in seven years.

Risk Management

USC Beaufort recognizes the stewardship of its resources, both in people and property. The protection of these assets is the foundation for the USC Risk Management program [iv], which incorporates the fundamentals of risk identification, risk evaluation, risk control and risk financing alternatives in reducing loss potential and ensuring continuous improvement of the overall program.

Supporting Documentation

- i [The Code of Laws of South Carolina SECTION 10-1-140](#)
- ii [USC Policy, BUSF 5.00](#)
- iii [SCCHE Deferred Maintenance Annual Plan](#)
- iv [USC Risk Management Program](#)