1.360 Revolving Account Property

Effective Date: 12/10/2025
Prior Dates Amended: 01/18/2017

Note: Effective July 1, 2023, all revolving accounts were transferred from RCUH to the University of Hawai'i (UH), with one exception. Only the Maunakea Shared Services (MKSS) project was allowed to remain as a revolving account under RCUH. ***This policy only applies to Maunakea Shared Services (MKSS).***

I. PURPOSE

To provide guidelines for acquisition, transfer, and disposal of revolving account property; guidelines for transferring property when the project closes; and guidelines for annual certification of property inventory. Refer to Policy 4.700 Equipment and Property.

II. DEFINITIONS

A. **CONTROLLED PROPERTY:** Tangible personal property with a useful life of more than one year and a per unit acquisition cost of at least $1,000 but less than $5,000, and meeting any of the following criteria: 1) firearms or weapons not classified as equipment, 2) property, regardless of cost, which is accountable to RCUH under provisions of a federal award/contract, or 3) theft sensitive personal property, e.g., computers, printers, monitors, scanners, fax machines, microscopes, balances, television sets, audiovisual recorders/players, cameras, etc.

B. **EQUIPMENT:** Tangible personal property having a useful life of more than one year and a per unit acquisition cost of $5,000 or more.

C. **EQUIPMENT FABRICATION**: Equipment that has been constructed or assembled into one identifiable unit having a useful life of more than one year and a total acquisition cost of $5,000 or more. The total acquisition cost assigned to the unit is the sum of its component parts, materials, consumable supplies, and applicable labor.

D. **PROPERTY CUSTODIAN:** The individual responsible for maintaining continuous, accurate property records; reporting on the property location and condition; coordinating the annual physical inventory of the property; and ensuring proper usage, safekeeping, and maintenance of the property.

E. **REVOLVING ACCOUNT:** A UH account established for a project that is self-sustaining and income-generating, and whose purpose is to support a specialized service facility, a recharge center, or other sales and service activities. Refer to Policy 1.300 Revolving Accounts.

III. RESPONSIBILITIES

The Principal Investigator (PI)/Project Manager (PM) and Fiscal Administrator (FA) have responsibility for:

A. Acquisition:

1. Project personnel shall complete the Equipment Inventory form when processing payment.

2. If additional space is needed, or if the Equipment Inventory form is not completed when processing payment, project personnel shall complete the Property Additional Inventory Information and submit it to RCUH Project Administration.

3. The PI or their delegated authority is responsible for affixing the decal to the property as soon as it is received from RCUH Project Administration.

B. Transfer:

1. The PI shall notify the RCUH Director of Finance or RCUH Project Administration Manager when transferring property.

2. The PI/PM and FA shall complete and sign Property Transfer (State) SPO-026-0314 and obtain the authorized signatures and titles of the gaining department's custodian and receiving personnel.

3. The PI shall route the completed and signed SPO-026 to RCUH Project Administration.

4. Upon RCUH approval, a signed copy of SPO-026 will be forwarded to the UH Property and Fund Management Office (PFMO) and the FA of the account requesting the transfer.

5. RCUH Project Administration shall record the inventory adjustment.

C. Disposal:

1. The PI shall notify the RCUH Director of Finance or RCUH Project Administration Manager when disposing of property.

2. The PI/PM and FA shall complete and sign the Property Disposal.

3. The PI shall route the completed and signed Property Disposal to RCUH Project Administration, with the decal of the to-be-discarded property attached.

4. Upon RCUH acknowledgment, a signed copy of the Property Disposal Memo will be forwarded to the FA of the account for the project's records. Property may not be disposed of until approval is received.

D. Closeout of Project:

1. The PI/PM shall complete and sign Property Transfer (State) SPO-026-0314 and obtain the authorized signatures and titles of the gaining department's custodian and receiving personnel.

2. The PI shall route the completed and signed SPO-026 to RCUH Project Administration.

3. Upon RCUH approval, a signed copy of SPO-026 will be forwarded to UH PFMO and the FA of the account requesting the transfer.

IV. POLICY

Prior to purchasing any controlled property or equipment, or property/supplies to fabricate equipment, the project should review the approved budget and obtain necessary approvals.

Project personnel shall ensure that controlled property, equipment, and equipment fabrication are assigned the appropriate budget category. Refer to Policy 4.010, Attachment 1 RCUH Standard Budget Categories.

A property custodian shall be assigned to keep accurate controlled property and equipment records and reports; ensure that all controlled property and equipment are properly maintained in good operating condition, properly secured, and safeguarded to prevent loss, theft, damage, and unauthorized use; and certify inventory statements.

Annually, RCUH Project Administration shall provide projects with an inventory listing of controlled property and equipment purchased/acquired. Project personnel are required to take physical inventory of properties, certify the inventory statement, and return the signed statement to RCUH Project Administration within 14 days of receipt.

At the closeout of a project, all property will be transferred to UH. RCUH Project Administration will provide SPO-026 (listing the inventory on record) to the project.

Acquisition of Surplus Property

In accordance with UH administrative procedures, federal surplus items acquired from the State of Hawai'i DAGS Surplus Property Office shall be valued at 23.3% of their original acquisition cost. Surplus property items meeting the criteria for equipment shall be capitalized. Refer to UH AP 8.521 Property and Equipment Acquisition and UH AP 8.540 Physical Inventory.

V. CONTACT INFORMATION

RCUH Project Administration
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VI. REFERENCES

A. Policy 1.300 Revolving Accounts
B. Policy 4.010, Attachment 1 RCUH Standard Budget Categories
C. Policy 4.700 Equipment and Property
D. UH AP 8.521 Property and Equipment Acquisition
E. UH AP 8.540 Physical Inventory
F. Property Additional Inventory Information
G. Property Disposal
H. Property Transfer (State) SPO-026-0314