Property Management and Control

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General Description

Policy Summary:

The Business Office is responsible for managing, controlling and accounting for the University's property inventory and has assigned this function to the Inventory Coordinator. The inventory Coordinator is responsible for maintaining appropriate records for identification, location and disposition of property, and sets the time and provides the procedures for conducting the annual property inventory.

Administrative and department heads are responsible for ensuring the proper use, security, maintenance and disposition of all property assigned to their departments, and the must comply with the following procedures. Terminating or retiring administrative or department heads will be required to confirm their inventory before leaving Trinity University. Likewise, new incoming administrative or department heads will be required to confirm the inventory for which they will be responsible.

Exceptions:

None.

Policy Content

Acquisitions

Items are added to a department's official inventory by the Inventory Coordinator through one of the following sources:

1. Purchases

   Equipment purchases made by departments involve the use of DEPARTMENT PURCHASE ORDERS processed in accordance with established purchasing procedures. When the purchase of equipment involves trade-ins, the asset number, serial number and trade-in allowance must be noted on the DEPARTMENT PURCHASE ORDER.

2. Gifts

   Departments receiving property gifts must provide written notification of such gifts both to the Office of Development and to the Inventory Coordinator (see the chapter on "Donations"). The notification should include the donor's name and address, date received, description of items, and the location and condition of the gift. An appraisal certificate should be provided when available.

3. Equipment of Unknown Origin

   Through normal verification procedures, equipment is sometimes located which previously had been overlooked. If the origin of this equipment cannot be determined by the department, the Inventory Coordinator will conduct a review to determine if a reasonable estimate of value can be determined. When a value has been determined, the equipment will be treated like other acquisitions.

   Individuals using personally owned property for University business on campus are responsible for marking the equipment appropriately so as to avoid its being inventoried as University property. The University can provide insurance protection against loss on personally owned electronic equipment when proper written notification is submitted to the Risk Manager through the respective supervisor of the individual using the equipment.

Change in Property

Any equipment transaction involving a change to the inventoried property (e.g., disposal of surplus property, change in location, etc.) must be communicated to the Inventory Coordinator using an Equipment Transaction Form.

Transfer of Equipment

Complete and forward, an Equipment Transaction Form to the Inventory Coordinator in the Business Office, after the appropriate signatures have been obtained. retain a copy of the Equipment Transaction Form for verification during the actual inventory.

To utilize University Property effectively, departments are encouraged to call the Purchasing Office, ext. 8228, to inquire about existing equipment available to departments.

1. Excess, Obsolete, Worn-Out equipment

   Departments wishing to dispose of surplus items must complete an Equipment Transaction Form and submit it to the Inventory Coordinator through the appropriate vice president.

Excess property in serviceable condition is placed in storage until needed by another department, and unless it is reissued within six months, it will be sold at a fair market vale.

2. Sale of Equipment

   Any sale of University equipment must be coordinated through the Purchasing Office. The equipment transaction must be processed on an Equipment Transaction Form.

   All sale of equipment must be approved by vice president to whom the department reports to insure that the equipment is appropriate for sale.

   All proceeds will be deposited into a special account at the vice president's level for distribution back to any department reporting to that vice president. Funds will be distributed based on written proposals submitted by the department to the vice president.

   All proposals will be approved by both the vice president and the President.

   Sales tax will be collected on all sales made except to not-for-profit organizations or tax-exempt businesses, in which case a tax-exempt number or certificate must be obtained.

3. Non-University Use of Property

   Any University-owned or grant property will not be loaned or otherwise removed from the University premises for personal or other use without written approval from the vice president and final approval of the Associate Vice President for Finance & Administration.

   Insurance coverage is not provided against loss of University-owned and grant property removed from the premises (except for official business use); therefore, faculty or staff members will be held financially and personally responsible for its protection and safe return. A certificate of insurance of personal coverage will also be required. If a loss occurs, the incident must be reported immediately to the city police. Copies of the case report must be forwarded to the Risk Manager in the Office of Finance & Administration, and also to the Inventory Coordinator.

Loss of Equipment

Administrative and departments heads should exercise reasonable care to ascertain that the University property for which they are responsible is properly safeguarded.

For property items that have a high probability of loss (i.e., computers, typewriters, etc.), extra security precautions should be taken.

In the case of loss, the Trinity University Police Department (TUPD) should be notified immediately. The Inventory Coordinator will remove a missing asset from the inventory upon receipt of an Equipment Transaction Form and an incident report submitted by TUPD.

Grant-Funded Property

When property is acquired with grant or contract funds or transferred from a government installation or agency, the principal investigator is ultimately responsible for the purchase, maintenance, control and disposition of such property. The principal investigator is responsible also for furnishing the Inventory Coordinator with this information.

Property shall be requested, processed, maintained and disposed of in the same manner as University-owned property, except as outlined herein.

When a new faculty member brings to Trinity University property purchased with grant or contract funds from his or her previous institution, a memo listing such equipment must be submitted to the Inventory Coordinator and to the Associate Vice President for Academic Affairs. If the faculty member is bringing more than one item, he or she will need to list the items on a Purchase Order & Inventory Supplemental Form These items will be assigned asset numbers and will be included in the inventory.

If a principal investigator transfers from Trinity University to another institution and wishes to transfer grant-funded property, he or she must have written approval from the Associate Vice President for Academic Affairs. The Inventory Coordinator must be notified if approved.

Several factors should be taken into consideration when deciding whether to allow such a transfer:

- Who has title to the equipment?
- Is the property so specialized that it has limited use in other research projects at Trinity University?
- Is the property in excess of the needs of the University?

Principal investigators are required to account for al capitalized property during the annual inventory.

Federal Surplus Property

Federal surplus property is available through the Texas surplus Property Agency. Departments interested must designate a principal and alternate agent who will be authorized to make purchases.

The individual names and social security numbers should be forwarded to the Purchasing Office no later than January 15th of each year.

Certain obligations and restrictions must be adhered to in participating with the agency.

- Surplus inventory must be obtained only for bona fide University use.
- Property acquired must be placed in use within one year and used for one year after being placed in use.
- It is the period of use within one year and used for one year after being placed in use.
- It is the period of use, rather that the period of possession, that determines when surplus property may be disposed of without specific written authorization.
- Written authorization from the agency is required to cannibalize or alter surplus property for any legitimate use.

In order to comply with the amended Federal Property Administration Act of 1949, in maintaining required records, departments must furnish the Inventory Coordinator with a copy of the numbered invoice and DEPARTMENT PURCHASE ORDER.

Annual Inventory

The Inventory Coordinator sets the time and provides the procedures for conducting the annual inventory.

Each administrative and department head is responsible for taking the physical inventory of property assigned to the department. Departments will receive on copy of the property control report to be returned to the Inventory Coordinator after completion. The report will reflect only capitalized property.

All exceptions or corrections to the report shall be duly noted, signed and returned to the Inventory Coordinator. Copies of DEPARTMENT PURCHASE ORDERS for equipment not listed should be attached to the report.

Following the annual inventory, the Internal Auditor and/or the Inventory Coordinator will perform separate, random audits.

Terms & Definitions

Terms and Definitions:

Term:	Definition:
Movable Property	Any item of equipment, furniture, apparatus, machinery or other item not attached to or made a part of the building structure.
Fixed Property	Any item of equipment, furniture, apparatus, or other item that is attached and not easily removed, or is made a part of the building structure.
Acquisition Value	(a) The invoice price of an item, less discounts, plus freight and installation charges; (b) The certified appraised value or a statement from the vendor. When no appraisal certificate or statement is available, the acquisition value is

Term:	Definition:
	$1.
Capitalized Property	Fixed or moveable property with an acquisition value more than $5000.00 and a useful life of over two years.
Non-Capitalized Property	Fixed or movable property with an acquisition value of $5000.00 or less and/or a useful life of less than two years. Non-capitalized property is not recorded by Inventory Control.
Expendable Property	Property made of glass, having a value of less than $5000.00 and a useful life of less than two years. Expendable property is classified as supplies.

Attachments

Equipment Transaction Form

Purchase Order & Inventory Supplemental Form

Related Documents

Related Documents:

Document Type:	Document Name:	Document Number:
Policy	Donations	BUSO-0010

Revision Management

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Enter Vice President(s) that are responsible for approving this document

Name:	Title:
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