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SYNOPSIS

The University of Alabama is required by the State of Alabama, federal grant sponsors, and good business practice to maintain a current inventory of all capital equipment. The need to be able to respond to audits of University equipment by our internal and external auditors, the State Examiners of Public Accounts, and grant sponsors as well as the need to account for capital equipment as a part of The University's indirect cost recovery calculations, all necessitate that the University maintain a capital equipment inventory through which it can account for, and report, the room location of capital equipment purchased, donated or otherwise legally transferred to The University. "UA capital equipment" generally is equipment which cost \$5000.00 or more per item. This includes equipment regardless of source, such as follows:

- a. Equipment purchased with funds from any UA fund, grant fund, state fund, or gift fund,
- b. Equipment donated to the University by external entities,
- c. Equipment purchased by related foundations for use by the University,

A complete inventory of all equipment to verify through physical count will be done annually. The property management policy attached hereto outlines the responsibilities and procedures developed to respond to this requirement. It assigns the ultimate responsibility for assuring compliance with the laws regarding equipment inventory to the vice presidents to be delegated as they see fit.

The success of this policy lies in the designation of departmental property managers, appointed by the appropriate Dean, Director, or Department Head, whose responsibilities will be — in addition to the responsibilities they may already possess — to represent their departments in all property-related matters. Property and Inventory Management will depend on these managers to keep departmental inventories in order. The University of Alabama Property and Inventory Management staff will conduct periodic training sessions for these department managers and will be available at all times to answer questions.

Definitions of various equipment categories have been clarified and strengthened. Distinctions between "University-Owned" and "University-Controlled" property as well as "moveable" and "fixed" equipment are made.

In an attempt to obtain maximum utilization of University property, every effort should be made to encourage departments to turn in surplus equipment to Surplus Property. Property may be transferred from one using department to another and from one building to another within the same department. Property can also be "loaned" to other University of Alabama departments.

Redistribution, trade-ins, cannibalization, scrap metal and public sales are the most frequently used of the acceptable methods of property disposal.

Proper disposal of “University-owned equipment” is simplified in this procedure by, in most cases, simply turning equipment over to Surplus Property along with the necessary paperwork. This should result in more accurate inventory records and make proper disposal much easier.

The physical counts required by law are the responsibility of the departments and shall be subject to subsequent verification by Property and Inventory Management. Should the responsibilities of Department Property Manager be assigned to another person, please notify The University of Alabama Property and Inventory Management immediately. Provisions have been made for the orderly transfer of property management responsibility from one individual to another. This provision dictates that a complete physical inventory be taken prior to impending personnel changes of the property manager or department head or in other situations as deemed necessary. We will be happy to assist in an orderly transfer of responsibility in any way we can including an additional physical inventory.

Our goal in Property and Inventory Management is to make the safeguarding and eventual disposal of University property as effective and easy as possible.

PROPERTY AND INVENTORY MANAGEMENT POLICY

The University is committed to maintaining proper accountability and control over its equipment. This policy for University wide property management outlines the responsibilities and procedures developed in response to this need. It is the responsibility of every employee of the University to abide by these property management procedures.

The dean or department head have the ultimate responsibility to insure compliance with these property management procedures. In performing this responsibility, they may designate property managers.

The effectiveness of this property management policy is dependent upon a coordinated working relationship between Property and Inventory Management and the respective property manager. The procedures outlined in the following text provide the means for the property manager to coordinate his or her responsibilities with those of the Property and Inventory Management.

PROPERTY AND INVENTORY MANAGEMENT PROCEDURES

I. DEFINITIONS

A. University-Owned Property

“University-Owned Property” is all property acquired by the University by whatever means, title to the property being vested in the University. Where applicable, University-owned property is subject to the laws of the State of Alabama as well as to this policy, in addition to State and University policies, items purchased on contracts and grants are subject to A-110, FAR Part 45, and grant agreements.

B. University-Controlled Property

“University-Controlled Property” is all property acquired by the University by whatever means, title to the property being vested in someone other than the University. Where applicable, University-controlled property is subject to the terms and conditions of any contract, grant, agreement, regulation, or other obligation under which the University assumed possession, as well as to this policy. In addition to State and University policies, items purchased on contracts and grants and controlled by the University are subject to A-110, FAR Part 45, and grant agreements.

C. Property Not Subject to Inventory

For the purpose of this procedure, “Property” is defined as moveable and non-consumable items. “Property subject to inventory control” includes University-controlled property as well as University-owned property. It does not include the category known as “fixed equipment or software,” nor does it include items customarily installed as part of a building.

Examples of items excluded from University inventory:

- a. Water heaters, built-in appliances, central air-conditioning systems, boilers, chillers, etc.

- b. Some items that cost \$5,000.00 or more are considered consumable/supplies and should be classified as “expense” rather than “equipment” and will not be subjected to be inventoried by the University:
 - i. Glass, cloth, rubber, filament, and inflatable products
 - ii. Repair and replacement parts
 - iii. Tool kits or assortments of small hand tools
 - iv. Toys used for instructional or recreational purposes
 - v. Various instructional cassette tapes

D. Property Subject to Inventory Control

Generally, property subject to inventory control (i.e. equipment) should satisfy the following requirements in order to be included:

1. Have a life expectancy of one (1) year or more.
2. Have an acquisition value of \$5,000.00 or more and an identity not altered materially through use.
3. Special property items that are non-consumable, have an acquisition value of less than \$5,000 and have a useful life of one (1) year or more should be tagged and/or inventoried as follows:
 - a. Equipment acquired from the Alabama State Agency is tagged and recorded in accordance with the restrictions placed on the use of equipment. These restrictions apply where the government’s initial acquisition cost is \$5,000 or more and to passengers motor vehicles regardless of cost. The restriction period runs for 18 months from the date of purchase, during which time this equipment must be used in its original form; (i.e., it cannot be used for secondary utilization). This restriction applies except where prior written approval to cannibalize a piece

of equipment has been granted by the Alabama State Agency. All requests for cannibalization will be coordinated through the Property and Inventory Management Office. (See Section II-A-7, Alabama State Agency for Surplus Property).

4. Resolution of specific situations where the status of a piece of equipment is questionable as to whether it is “fixed” or “moveable” will be left to the discretion of Property and Inventory Management. Decisions will be made on the most consistent basis possible.
5. If a piece of equipment was classified as “University Controlled property or University Owned property” at the time it was purchased but later falls under the threshold because the threshold has been raised, then the “University Controlled property or University Owned property” will be taken off the University Inventory. Effective October 1st, 2005 The University of Alabama threshold is \$5,000 or more.

E. **Property Manager**

The dean or department head may delegate the authority for property responsibilities and assign it to any employee(s) within their division who will be designated “property manager” in addition to any other titles held. A current master list should be forwarded to Property and Inventory Management by each dean or department head and maintained on a current basis. A list of all persons who have been designated by their property manager to act as representatives will likewise be maintained by the office of the appropriate dean and Property and Inventory Management.

1. **Training and Orientation**

It is the responsibility of Property and Inventory Management to provide for the training and orientation of each property manager. A training session for each newly appointed property manager and/or the designated representative(s) will be conducted on either a

group or one-to-one basis. Attendance of a training session by each property manager is considered essential for the effective performance of these duties. Property managers should also view training as a continual process and should not hesitate to contact Property and Inventory Management for guidance in property-related matters.

II. **ACQUISITIONS OF EQUIPMENT**

A. **Requisitions – When do I use Commodity Level Accounting?**

When creating a requisition for Capital Purchases \$5,000 or more (using account codes 791XXX), you should use Commodity Level Accounting ONLY when you are combining fixed asset items and non-fixed asset items on a requisition. To choose COMMODITY level accounting rather than DOCUMENT level accounting, uncheck the Document Level Accounting box. With commodity level accounting you assign specific accounting to each commodity (line item) on the requisition. That way you assign the fixed asset accounting to the fixed asset item and the general accounting to the other items. Otherwise document accounting “shares” the accounting distributions among the commodities which then cause problems when property control assigns a tag and amount to your fixed assets. You normally receive a warning when trying to mix and match fixed asset accounts and non-fixed asset accounts in a requisition using document level accounting. Please note the warning and uncheck the document level accounting box before completing the requisition. If Purchasing or Property Control discovers this error before the purchase order is processed, you will be required to delete and re-enter the requisition. Only those items that are invoiced can be issued a permanent property tag. Each UA department is responsible for receiving and physically examining the property acquired from the vendor, ensuring that it is in good condition, and delivering the property to the appropriate area. The staff verifies the packing slip, designates the item as “received” in the Banner System, and forwards the

invoice to Accounts Payable for payment. Property and Inventory Management is responsible for assigning asset tag numbers to each item received, updating the master asset files, maintaining all property records, conducting physical inventories every year and sending inventory reports to the custodian departments. Property and Inventory Management makes any adjustments that need to be made to permanent assets (i.e. a deletion of asset, etc.). Fixed asset items are physically tagged with asset numbers. For those items, which cannot be physically tagged, the items will be assigned a number generally in the same format and the number is given to the responsible department.

1. **Equipment Picked Up by Departmental Personnel**

- a. Should departmental personnel at any time pick up equipment from a vendor's place of business, they should, immediately upon return to campus, notify Property and Inventory Management so that it may be properly tagged and recorded. Contact Property and Inventory Management at 348-7501.

2. **Equipment Received by Off-Campus Departments**

- a. Equipment purchased by off-campus departments will be delivered directly to these departments. The departments should then notify property and inventory management once the equipment has been received.
- b. Property and Inventory Management will then process the addition(s) to the appropriate departmental inventory file and will provide to the property manager the property tags to be affixed to the equipment received. As with on-campus departments, the property manager is responsible for equipment received until the time of its disposal.

3. **Lease/Purchase Agreements**

- a. Equipment acquired via lease/purchase agreements falls within the category of “University-owned property” and is subject to the controls and restrictions as stated in “I. DEFINITIONS.” As such, the property manager is responsible for this equipment.
- b. Equipment acquired in this manner will be added to the appropriate departmental inventory file at the time that the initial payment occurs. If the lease/purchase agreement is terminated prior to fulfillment, it is the property manager’s responsibility to advise the Property and Inventory Management of that fact in order that The University of Alabama property tag and other markings may be removed and the equipment deleted from the department’s inventory records.

4. **Departmental Transfer Authorization**

- a. Property acquired by “Departmental Transfer Authorization” with a \$5,000.00 value is also subject to inventory control.
- b. Equipment purchased in this manner will be delivered to the property manager of the receiving department. The property manager’s signature on the Departmental Transfer Authorization form will acknowledge receipt of the equipment items listed. A copy of the DTA should be sent to Property and Inventory Management, along with a completed Transaction Form.
- c. All items purchased in this manner will be tagged and added to the appropriate departmental inventory in accordance with current procedures.

5. **Alabama State Agency for Surplus Property**

- a. Departments wishing to purchase equipment from the Alabama State Agency for Surplus Property are invited to do so in accordance with established University procedures.
- b. Equipment acquired from the Alabama State Agency is tagged and recorded in accordance with the restrictions placed on the use of such equipment. These restrictions apply where the government's initial acquisition cost is \$5,000 or more and to passenger motor vehicles regardless of cost. The restriction period runs for 18 months from the date of purchase, during which time this equipment must be used in its original form (i.e. it cannot be used for secondary utilization). This restriction applies except where prior written approval to cannibalize a piece of equipment has been granted by the Alabama State Agency. All requests for cannibalization will be coordinated through Property and Inventory Management. After approval has been received, departments may then cannibalize equipment as desired. The property manager should complete a Transaction Form to remove the item from the department's inventory records.
- c. After expiration of the restriction period, departments desiring to cannibalize equipment acquired from the Alabama State Agency may apply in writing to Property and Inventory Management for permission to do so. It is the responsibility of the property manager to request authority to cannibalize equipment as well as to complete a Transaction Form checking "Delete: Cannibalized" to remove the equipment from the department's inventory records.

B. Other Than Purchases

1. Gifts

- a. It is the property manager's responsibility to notify the Office of University Advancement/Development Office utilizing Gift Transmittal Deposit Form when equipment is received as a gift from an outside source. Property and Inventory Management should be notified of the receipt of equipment as a gift by the Financial Accounting Office and will record the equipment received to the appropriate departmental inventory as long as the equipment is valued at \$5,000 or more.

2. Fabrication by a Department

- a. At the discretion of Property and Inventory Management, items of equipment which are fabricated by any University department will be tagged and recorded as a moveable equipment and as such will be considered "property subject to inventory control." If fabrication cost of these items exceeds \$5000.00 these items would generally fall in the category of "not built-in."
- b. It is the responsibility of the property manager to make Property and Inventory Management aware of equipment items fabricated by/and for them.

3. Consignments, Loans, or Donations of Equipment by Using Department

- a. Equipment acquired by departments through any of the three methods referenced above will be reported to Property and Inventory Management by the property manager by completing an appropriate Transaction Form.

4. Transfer of Grant and Contract Equipment to the University

- a. When equipment is transported to the University in conjunction with the transfer of a grant or contract, Property and Inventory Management should be notified of the items that are received, so they can be recorded in the Property System, that are valued at

\$5,000 or more. Please send a complete list with the description, serial number, current location, and department information. Also, attach any other correspondence or information that is pertinent. It is the responsibility of the recipient department to notify Property and Inventory Management and Sponsored Programs Financial Services of any equipment received by grant or contract transfer. Once the information has been received, someone from Property and Inventory Management will notate federal, state or other ownership and will label the equipment with University property tag and any special label supplied stating ownership. If there are any questions, please contact Property and Inventory Management at 348-7501.

III. **TRANSFERS OF EQUIPMENT**

A. **Transfers to Other Departments**

Transfer of excess or unwanted property is encouraged. Departments wishing to transfer equipment to any other department on campus may do so through Property and Inventory Management.

1. The property manager of the transferring department should initiate a Transaction Form (Exhibit No. 1) to initiate the desired transfer for items costing over \$5000.00 and which appear on the department inventory. This form is to be completed and signed by the transferring and receiving property managers as well as the dean or division head to whom the transferring department reports. This form should then be forwarded to Property and Inventory Management.
2. Upon receipt of the necessary paperwork, Property and Inventory Management will assume the responsibility for transferring equipment between inventories. Departmental personnel should schedule moves of equipment directly with Logistics Support Services. Logistics Support Services personnel are not authorized to move any equipment or

property without prior knowledge and written approval of Property and Inventory Management, a completed Transaction Form will be required for Logistics Support Services to move equipment.

3. Equipment that is excess in one department is normally transferred to other departments without charge. However, in certain cases, the department from which the property is being transferred may require reimbursement for this equipment from the receiving department. Reimbursement for equipment will be initiated by the receiving department through the preparation of a "Request for Budget Change" form and a "Report of Transfer of Equipment" form. The budget transactions will be recorded and the equipment transferred accordingly.

B. Transfers to Surplus Property

1. Departments wishing to transfer excess or unwanted equipment to Surplus Property may do so by preparing a Property and Inventory Management Transaction Form for all items whose cost is greater than \$5,000.00 and for any computer items which has/had University licensed software installed. If the items are not computer equipment and are no longer on departmental inventory due to the dollar value a memo, fax, or e-mail will suffice. Upon receipt of the appropriate form, Property and Inventory Management will accept the transfer of these items. As stated above the physical move will need to be scheduled by the department with Logistics and Support Services. Only the specific items listed on the form approved by Property and Inventory Management will be moved by Logistics and Support Services. Items to be moved that are not on an equipment inventory listing will have to be included on the appropriate form in order to be moved. No moves of equipment to Surplus Property will be performed by Logistics and Support

Services prior to receipt of the completed form(s) by the Property and Inventory Management.

2. It should be noted that when equipment is transferred to “surplus property,” the transferring department automatically relinquishes all control over that piece of equipment. All funds realized from the sale of these surplus items accrue to the appropriate Financial Affairs revenue account. Equipment that is in the surplus property area, however, is available to all departments alike on a first-come, first-served basis. Departments receiving surplus must have appropriate signatures on the Property and Inventory Management Transaction Form before items can be removed from surplus.
3. Property and Inventory Management will review the items to determine ownership. If the items are bought on contracts and grant funds, Property and Inventory Management will contact Contract and Grant Accounting to determine how to proceed with disposal.

C. Transfers to Other Rooms/Buildings

1. Departments wishing to have equipment under their control moved from one room/building to another may do so by preparing a Transaction Form and checking the appropriate box. It is the responsibility of the property manager to complete and sign this form and forward same to Property and Inventory Management to accomplish the desired physical move of equipment.
2. Upon receipt of the completed form, Property and Inventory Management will assume the responsibility approving the scheduled physical moves of equipment. Departmental personnel should schedule moves of equipment (that is on inventory) directly with Logistics and Support Services, and should have moves approved by Property and Inventory Management. The department should be prepared for Logistics and Support

Services to request additional authorization before completing the move if all required approvals by Property and Inventory Management have not been received.

3. This procedure is to be followed where the desired effect is to change the building or room location only. Accountability for this equipment remains with the department on whose inventory it appears.

D. Transferring Equipment Affiliated with an Active Grant

The only equipment items that are eligible for release of ownership are items that are purchased solely from an active grant/contract, or from a fixed price grant/contract that is being transferred to another institution. To initiate a request for legal authorization to transfer equipment ownership to another institution, the department must complete a list of ALL items to be transferred and have the department head or division head approve the list. Once this is done, it must be sent to Contracts and Grants accounting for approval. When approval has been received, there will need to be a Property and Inventory Management Transaction Form completed with the list attached. The reason on the form will be “Other” and indicate “Release of Ownership.” Also, include on the form, the description along with model number, serial number, UA property tag number and the location of the future owner institution. Where applicable, it is especially important to provide serial numbers on all proposed items leaving the University to ensure proper identification. If the item does not have a UA property tag, then a copy of the purchase order where the item was bought should be included. Improper or insufficient identification of equipment requested for transfer could delay the process significantly. After the form is completed, it should be sent to Property and Inventory Management which will verify the approval from Contracts and Grants for the transfer. If the equipment is approved for transfer, the University will issue an official authorization letter and Property and Inventory Management will update its records

accordingly. Only then can the equipment be transferred to the other institution. No equipment can be physically moved from the University for transfer of ownership without the signed release of equipment letter in hand. Make sure to initiate this request for release of ownership. If there were items that were purchased with matching funds or strictly University funds these items must be put out for sale in order for the other school to purchase.

IV. **LOANS OF EQUIPMENT**

Before any item owned by the University that is valued at \$5,000 or more leaves campus, even just overnight, a Transaction Form detailing “On Loan” MUST be filled out and signed by the appropriate person(s) and filed with the property manager for the department.

- A. Prior written permission from the appropriate dean or department head is required before University-owned or University-controlled equipment can be loaned to other departments within the University or to institutions external to the University. This authorization will be retained by the property manager subject to verification by Property and Inventory Management. The receiving department or institution borrowing equipment from the University must sign the Transaction Form and check the appropriate box “On Loan” acknowledging receipt of the equipment item(s) listed. This will serve as the department’s or institution’s authority to be in possession of equipment belonging to The University of Alabama.
- B. Upon the return of loaned equipment to the University or to the appropriate department, the property manager will sign and date all copies of the Transaction Form acknowledging the return of equipment items listed in good condition, except as noted.

C. Any equipment may not be disposed of by the area that it is loaned to without getting permission from the University loaning department and Property and Inventory Management in writing with the explanation for the disposal and approval by both the department and Property and Inventory Management. Otherwise the item **MUST** be sent back to the department and then to surplus for disposal.

V. **DISPOSAL OF EQUIPMENT**

A. **Lost, Missing or Stolen**

1. When equipment has been lost, missing or stolen, the property manager should immediately notify the University police requesting an investigation of the loss. The property manager should then notify Property and Inventory Management by forwarding a completed Transaction Form with “Lost” or “Stolen” appropriately checked along with a copy of the police report of the investigation. When proper paperwork has been prepared and sent to Property and Inventory Management, then they will complete the requirements to remove the item(s) from inventory. Property manager(s) must keep a copy or copies of all paperwork for their department records.

B. **Trade-Ins**

1. In situations where equipment already on hand is “traded in” on the purchase of new replacement equipment, the property manager will advise Property and Inventory Management of this fact by completing a Transaction Form and a copy of the purchase order on which credit was given for trade-in of equipment. The “Delete: Trade In” box should be checked on the Transaction Form. This paperwork should be completed before the purchase of the new equipment and before the old equipment is removed from the University campus.

2. Trade-ins of equipment should be so noted on the appropriate purchase order, referenced by property number and serial number, and should have the prior approval of the Purchasing Department.

C. **Obsolete or Useless**

1. Equipment that is obsolete or has been rendered useless should be transferred to Surplus Property for disposal by Property and Inventory Management regardless of the dollar value.
2. Transfers of equipment that are obsolete or useless are handled by the property manager and are essentially the same as any other transfer to Surplus Property.

NOTE: STATE AND FEDERAL LAW LIMITS THE MEANS BY WHICH WORN-OUT, SURPLUS, OR OBSOLETE ITEMS CAN BE DISPOSED OF, REGARDLESS OF THE DOLLAR VALUE. (Furniture and equipment cannot be destroyed, cannibalized or discarded without coordinating with Property and Inventory Management).

D. **Cannibalization**

1. Departments desiring to cannibalize “University-owned property” on their inventories may do so only after receiving written permission secured from the responsible dean or department head.
2. To secure this permission, a Transaction Form with “Delete: Cannibalized” checked, requesting permission to cannibalize the equipment items listed on that form should be filled out and approved. In all cases, this form should be forwarded to Property and Inventory Management for approval prior to cannibalization. Equipment may be cannibalized upon receipt of the approved Transaction Form by the property manager.

3. In case of emergency, verbal permission for immediate cannibalization can be secured from Property and Inventory Management. The property manager shall then be responsible for ensuring that the Transaction Form is filed subsequently.

NOTE: STATE AND FEDERAL LAW LIMITS THE MEANS BY WHICH WORN-OUT, SURPLUS, OR OBSOLETE ITEMS CAN BE DISPOSED OF, REGARDLESS OF THE DOLLAR VALUE. (Furniture and equipment cannot be destroyed, cannibalized or discarded without coordinating with Property and Inventory Management).

E. Sales

1. The University of Alabama Property and Inventory Management will handle the sale of all inventoried and non-inventoried equipment and items in accordance with state laws pertaining to the disposal of surplus personal property as well as any policy pertaining to contracts and grants such as A-110, FAR Part 45 and grant agreements. Property and Inventory Management will review the items to determine ownership. If the items are bought on contract and grant funds, Property and Inventory Management will contact Contract and Grant Accounting to determine how to proceed with disposal.
2. The property manager of the department wishing to sell any items should submit a transaction form requesting that the item(s) listed thereon be advertised for public sale. The only time the disposal method of public sale should be requested is when the property is not intended for use by other department on campus, such as aging computer equipment that is not supportive of the University's network. The Transaction Form should contain a complete description of each item to be sold, including its corresponding University of Alabama property number, if applicable. The Transaction Form should be signed by the property manager and approved by the dean or department head. The

approved Transaction Form will be required to be at Property and Inventory Management prior to advertisement for sale.

3. All proceeds will initially be deposited into the Property and Inventory Management account, and once all proceeds for the public sale are received an entry will be made to provide other funds with the deposits they are due. A portion of the proceeds from sales of equipment will be deposited in the General Fund (A-11000-100125-516110-700). Proceeds from the sale of items that are considered to be of value may be transferred to the appropriate departmental budget with the prior approval of the property manager (A-#####-#####-516110-###). Items of value would include the following: those that are listed on the moveable fixed asset inventory, vehicles, items that by themselves would bring considerable value in a public sale (such as athletic equipment, facilities equipment i.e. chillers), and items that other departments on campus have expenses to collect as directed by the University leadership (such as bicycles). The University of Alabama Property and Inventory Management will retain a portion of all sales to defray the handling costs. The following rates will apply, 17% of the proceeds from the sale of vehicles and 9.5% of the proceeds of sale of all other items, and will be deposited in (A-11000-503154-516110-700).

VI. **PHYSICAL VERIFICATION OF INVENTORY**

Federal guidelines and state regulations dictate that a complete physical inventory of all equipment items under each department's accountability be taken at least once every other year. The property manager should have good business practice of performing self-audits of inventory. Property and Inventory Management will conduct an inventory of the University's moveable fixed assets annually.

- A. Property and Inventory Management shall be responsible for establishing and announcing each physical inventory period. By the beginning of February of each year, Property and Inventory Management shall inform each departmental property manager, of the upcoming inventory. Property and Inventory Management employees will physically scan and verify all items on inventory within the University of Alabama campus. This physical process will be completed by the end of July of each year. Property and Inventory Management will provide each department's property managers with a copy of their inventory listing upon the completion of the annual inventory for the University as a whole. Beginning with the year ended December 31, 2013 inventory process Property and Inventory Management will notify the Vice President for Financial Affairs and Treasurer, and the Associate Provost for Academic Affairs, and the Executive Associate Athletic Director/CFO with the assets that were determined to be lost or stolen for that year. This notification will be complete no later than September 15th of each year. Specific instructions relative to each inventory may be given to help provide guidance of the property manager's inventory for future inventories with possible guidance for the reporting of lost, stolen, destroyed, obsolete, or otherwise missing equipment. A Transaction Form, with the appropriate box checked, will be necessary to effect the desired changes in the equipment listing should a department request changes to their inventory. The property manager should retain this copy of the equipment listing for the departmental property files.
- B. Periodic inventory verifications, other than the planned annual inventory, may be arranged by Property and Inventory Management with the departmental property manager. To the extent possible, these verifications shall be arranged at mutually agreeable times. They shall be conducted by a representative of Property and Inventory Management with the assistance of the property manager and other faculty and/or staff members as may be required. If the

verifications indicate to Property and Inventory Management that the inventory maintained by the property manager was inadequate, then this matter will be reviewed with the property manager. Unresolved discrepancies will be reported to the appropriate department head, dean or division head, and vice president.

- C. If at any time, University-owned or University-controlled equipment is removed from University premises for purposes relating to the performance of one's duties (use the Transaction Form and check "On Loan"), it shall be required that permission in writing from the appropriate department head is secured prior to said removal. This permission shall include, but not be limited to, the address of on loan location, the description of the equipment, manufacturer's serial number (if applicable), and the University identification number (property number). It shall be retained by the property manager subject to verification by Property and Inventory Management.
- D. When equipment is returned to a manufacturer or his service representative for repairs, the same procedures as outlined in "C." above will apply.

VII. **TRANSFER OF PROPERTY MANAGEMENT RESPONSIBILITY**

The appropriate dean or department head appointing authority of the property manager shall be responsible for requesting a complete physical inventory prior to impending personnel changes of the department head, the property manager, or in other situations where deemed necessary. At the time a property manager within a division or department is relieved of property management responsibilities, for whatever reason, the property manager will conduct a physical inventory of all property subject to inventory control. This should occur prior to the property manager's being formally relieved of property management responsibilities. The dean or department head in charge of the division in which the past property manager worked should appoint a succeeding property manager to effect the transfer of accountability. The succeeding property manager and

the departing property manager shall conduct a joint physical inventory of all inventoried property within the department or division. As with other inventories, all items will be identified as being on hand or, if not, they should be properly reported as lost, stolen, destroyed, obsolete, or otherwise missing. The succeeding property manager shall sign a transfer acknowledging receipt of all equipment shown on the verified inventory and then shall assume the responsibilities of property manager.

If there are any questions relating to this policy, please contact Property and Inventory Management at 348-7501 and we will be glad to assist you.

