



## **Property Inventory and Management**

### **Purpose**

This policy affirms that Stephen F. Austin State University (SFA) will comply with Texas Government Code § 403.2715, The University of Texas Board of Regents' *Rules and Regulations*, The University of Texas System (UTS) policies, and procedures outlined in the property management manual. Property acquired under federal or state grants and contracts will be identified and maintained according to the same guidelines as the university's centralized property management and control described herein, except as otherwise stipulated by the grant.

### **Persons Affected**

All SFA employees and anyone in possession of SFA property.

### **Definitions**

**Property:** personal property that is a fixed or movable tangible asset placed into service for operations with the benefits of the asset extending beyond one year from date of acquisition. Improvements or additions made (to existing personal property) are capitalized if they meet the capitalization threshold. The Texas Comptroller of Public Accounts defines personal property by rule in accordance with Texas Government Code §403.272. The property manager, in conjunction with the executive director of finance and administrative services, and with appropriate administrative approval may locally define additional equipment to be tracked in property records. Property can be purchased or donated.

**Salvage property:** personal property which through use, time, or accident is so depleted, worn out, damaged, consumed, or outdated that it is obsolete and/or can no longer serve the purpose for which it was originally intended.

**Surplus property:** personal property that is in excess of the needs of the department and which is not required for the foreseeable future. Surplus property may be new or used but must have additional useful life.

**Stolen property:** personal property that has disappeared by known theft, whether by forced removal, burglary, theft by employee, or other criminal act.

**Missing property:** personal property that has disappeared with no explanation.

**President:** responsible for all property owned or in possession of SFA.

**Property manager:** appointed by the president to maintain the records required and be the custodian of all personal property possessed by SFA.

**Property custodian:** individual listed on property records as entrusted with the care and safekeeping of specific pieces of personal property, and is liable for any university property



assigned to him/her.

Equipment manager: the chair or administrative head of a department.

Designee: named by the equipment manager to receive and submit property communications on his/her behalf. The designee is not delegated to assume property responsibility or liability in lieu of the equipment manager, but may sign property documents on behalf of the equipment manager with the exception of the Annual Property Inventory Audit Certification form.

## **Policy**

No person, organization, group, association, or corporation may use property owned or controlled by SFA for any purpose other than in the course of the regular programs or activities related to the role and mission of SFA unless authorized by the Regents' *Rules and Regulations*. Any authorized use must be conducted in compliance with the provisions of the Regents' *Rules and Regulations*, the approved rules and regulations of SFA, and applicable federal, state, and local laws and regulations.

The president has delegated to the executive director of finance and administrative services and the property manager responsibility for the overall management of university property, maintenance and control of centralized property records, and disposition of surplus and salvage property.

An equipment manager may not delegate their responsibilities and is ultimately liable for any property listed on his/her department property records. The equipment manager is responsible for assignment of property to the property custodian who uses and/or is entrusted with property on a daily/regular basis. If the equipment manager fails to assign property to a property custodian, the property manager will contact the department and assign custodial responsibility to the employee who uses and/or is entrusted with property on a daily/regular basis. The equipment manager is responsible for notifying the property manager of any property donations received to determine if the property must be added to property records.

The property custodian is responsible for locating all equipment for which he/she is responsible during the annual property audit, spot-check audit, or audits by audit services or state auditors.

All employees and/or property custodians are required to sign the property liability acknowledgement form advising that he/she may be entrusted with university property. The property liability acknowledgement described in SFA HOP 05-307 Property Liability advises the employee that he/she may be held personally financially responsible for any property determined to be damaged, destroyed, deteriorated, missing, or stolen due to employee failure to exercise reasonable care, an intentional wrongful act, or negligence, regardless of whether the employee is identified as a property custodian on property records.

## **Procedures**

### **A. Property Validation**

Each equipment manager and property custodian is to exercise care and control over the



property for which he/she is responsible. Property is to be monitored on a perpetual basis both by the property office and by university property custodians.

Once per year a property inventory audit will be conducted in one of two ways: 1) physical count by the department, or 2) bar code scan by the property office. The signed Annual Property Inventory Audit Certification form must be returned to the property manager by the deadline stated in the property inventory instructions. Forms in campus mail will not be considered received.

Departments failing to return the signed Annual Property Inventory Audit Certification form to the property manager by 5:00 p.m. on the deadline date will be given a second deadline and will have all ordering, including procurement cards (p-cards), suspended until the signed form is received in the property manager's office. Forms in campus mail will not be considered received.

Failure to return the signed Annual Property Inventory Audit Certification form to the property manager by 5:00 p.m. on the second deadline will result in all ordering continuing to be suspended until the signed form is received in the property manager's office. In addition, department information, including, but not limited to, department name, department head, and property values will be reported to the president. Forms in campus mail will not be considered received.

Spot-check audits will be conducted by property personnel throughout the year except during the annual property inventory. Transaction information for all additions to each department's property records will be emailed monthly to the equipment manager, along with a request to update location and custodian information.

Equipment managers, property custodians and/or designees are to advise the property office throughout the year of the following changes:

1. Equipment Manager - procedures apply to both outgoing and incoming department heads (interim or permanent); information regarding the change must be completed within 30 days of assuming or relinquishing duties.
2. Property Custodian - procedures apply any time there is a change in who uses and/or is entrusted with property on a daily/regular basis. The Change in Property Custodian form must be completed within 30 days of the change.
3. Property locations should be updated in a timely manner. Property custodians must be able to identify property locations at all times.

Departments may be required to write a detailed plan for monitoring and accounting for department property. A template for the plan will be provided by the property manager and can be found on the Procurement and Business Services website.

## B. Use of State Property

In accordance with Texas Government Code §2203.004 and Regents' *Rules and*



*Regulations*, Rule 80101, university property may be used only for state/university purposes. University property in the custody of any SFA property custodian may not be loaned, sold, traded, thrown away, cannibalized, or disposed of in any manner without the prior authorization of the property manager.

University property may be taken off campus only for official business of the university or another state agency. The individual taking equipment off campus assumes financial responsibility and must complete a Removal of Property from Campus Request form annually.

Items containing potentially sensitive, private, or confidential information are not to be stored in any leased premises unless specifically authorized in writing by the president. These items include but are not limited to computers, electronic or digital storage devices, and paper documents. Certain off-campus facilities may lack the security necessary to protect such sensitive information. University property may be loaned to another state agency or institution of higher education. The president must approve the loan of the property in writing and receipt of the property must be acknowledged in writing by the head of the borrowing agency.

#### C. Training

Mandatory training is required for all employees within 60 days of employment. Additionally, if a property custodian is not an employee, training will also be required.

Failure to complete training within 30 days of notification (equipment manager, designee, or property custodian) will result in having the individual's p-card inactivated. Failure to complete training within 60 days of notification will result in all ordering for the department, including p-cards, being suspended until the employee completes training. Reference Major Rule Violations in SFA HOP 03-304 Discipline and Discharge.

The property manager may extend the training timeframes for employees and/or property custodians on Family and Medical Leave Act (FMLA) leave, out of the country, or as otherwise deemed appropriate and approved by the executive director of finance and administrative services.

#### D. Salvage and Surplus Property

Salvage property may be discarded or retained for cannibalization of parts, but should be identified for deletion from property records with appropriate documentation and property manager approval. Data processing equipment can never be declared salvage.

Surplus property may be traded in, transferred to another department or transferred to surplus with appropriate documentation.

#### E. Property Disposal

University property is to be disposed of as described in the property management manual, with the exception that disposition of property acquired through federal or state grants and



contracts must respect the terms of the grant or contract under which it was acquired. The property manager will determine the disposal option that complies with applicable rules, regulations, policies and laws and best meets the needs of the university.

All property sales, including scrap metal, are to be overseen by the property office. All sale proceeds will be deposited to the surplus sales account, unless otherwise approved by the vice president for finance and administration.

Where possible hard drives ("loose", internal or external), memory cards from printers or scanners, or copiers must have all data removed before final disposal of the property. Memory cards from printers or scanners will be destroyed by the property office. Hard drives will be degaussed, destroyed, or overwritten and the disposal will be documented. Procurement will work with departments to document that data stored on copiers is removed before a copier leaves the campus.

#### F. Stolen or Missing Property

Stolen or missing property must be reported immediately to the property manager. A missing or stolen property report must be completed within 24 hours of reporting the missing or stolen property. The property office will make a determination of negligence on the part of the equipment manager and/or property custodian, or any other employee; see SFA HOP 05-307 Property Liability. Failure to report stolen property to the property manager and/or university police immediately may result in a determination of negligence.

Fines and other requirements will be imposed for missing property as stated in the property management manual.

Within 60 days of notification of a fine, responsible individuals identified by the property office will be required to complete a property training refresher course. The individuals identified for the refresher course may include equipment manager, designee, property custodian, or any other employee. Failure to complete the training within 60 days of notification will result in all ordering (requisition and p-card) being suspended for the entire department until the training is completed by all identified employees. Extensions of the 60-day limit may be made by the property manager as deemed appropriate and approved by the director of procurement and property services.

Within 60 days of notification of a fine, the equipment manager will be required to prepare a detailed department property control plan using the template provided by the property office. Failure to complete the plan within 60 days of notification will result in all ordering (requisition and p-card) being suspended for the entire department until the plan is received.

Any appropriations withheld from the university because it has exceeded the allowed value threshold of missing property, as defined in the General Appropriations Act, will be deducted from the budget of the department responsible for the property.

#### G. Individual Employee Negligence



In accordance with Texas Government Code § 403.275 all university employees are liable for the state property that they use. A determination of negligence will result in one or more employees being held liable to replace property or reimburse SFA for the determined value of property. See SFA HOP 05-307 Property Liability and the property management manual for definitions and requirements associated with negligence.

### **Related Statutes or Regulations, Rules, Policies, or Standards**

Tex. Gov't Code §§ 403.2715, .272, .273(h), .275, .278

Tex. Gov't Code § 2054.003(3)(A)

Tex. Gov't Code § 2175.304, .905, .908

Tex. Gov't Code § 2203.004

Regents' *Rules and Regulations*, Rule 80101, Category of Facilities and Authorized Users

Regents' *Rules and Regulations*, Rule 80201, Disposal of U. T. Surplus Property

UTS 159 Purchasing

SFA HOP 05-307 Property Liability

SFA HOP 03-304 Discipline and Discharge

Department of Information Resources Security Control Standards Catalog

State Comptroller eXpendit

SFA Property Management Manual

### **Responsible Executive**

Vice President for Finance and Administration

### **Forms**

Annual Property Inventory Audit Certification (provided by the Property Office)

Certification of Physical Inventory with Change In Equipment Manager (provided by department head)

Department Property Control Plan Template

Missing, Damaged or Stolen Property Report

Police Report (provided by University Police Department)

Change in Property Custodian

Property Liability Acknowledgement (provided by Human Resources)

Property Transfer Form – Department to Department

Property Transfer Form – Department to Surplus

Removal of Property from Campus Request

Salvage Property Request



**STEPHEN F. AUSTIN  
STATE UNIVERSITY**

Handbook of  
Operating Procedures

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## **Revision History**

September 1, 2023 (original)