Objectives

Understand the duties and responsibilities assigned to Department Property Custodian

Gain an overview of Property Management
Topics

Who is responsible?
Who are the Department Property Custodians?
What are my responsibilities if I am assigned as the Department Property Custodian?
Why is Property Management important?
What are capital and controlled assets?
What do I need to know about the Annual Physical Inventory?
Which Property Management form should I use?
Whom should I contact for more guidance?
Who is responsible for University assets?

Everybody

President of the University
Chief Financial Officer
Property Manager
Department Property Custodian
University Faculty and Staff
Who are the Department Property Custodians?

The Department Property Custodian is the person designated by each department to be responsible for that department’s assets.

He or she is the only person Property Management recognizes as the Department Property Custodian.
The Department Property Custodian is specifically responsible for the management and control of University property within the department, ensuring that:

- All capital and controlled property is tagged,
- All property is used for University purposes only by properly trained personnel,
- Property is not loaned, traded, discarded, moved, or cannibalized without notifying Property Management,
- No property is defaced or damaged in any way,
- No property is returned to a vendor as a trade-in without notifying Property Management,
- All obsolete and excess property is turned into Property Management for disposal or redistribution,
- Remove Equipment from Campus Request forms are obtained and submitted annually, and
- Annual physical inventory is conducted in a timely manner.
Department Property Custodian Forms

The Designation of Department Property Custodian form is due at the beginning of each fiscal year.

Transfer of Department Property Custodian Responsibility form is required whenever a change of Department Property Custodian occurs.

A full physical inventory must be conducted when the Department Property Custodian changes.
Why is Property Management Important?

As an agency of the State of Texas, Lamar University follows the procedures set forth by the State and applicable Texas State University System Administrative Memoranda.

Lamar University is responsible for property record maintenance and safekeeping of the state and federal property in its possession.

This ensures that Lamar University:
- Is in compliance with State Guidelines,
- Is in compliance with Federal Guidelines, particularly those related to sponsored research,
- Maintains accurate and timely records,
- Maximizes the use of resources, and
- Has proper stewardship of assets and supplies.
Capital vs. Controlled Assets

Capital Assets
- Real or personal property that has a single unit value of $5,000 or greater and an estimated useful life of more than one year.
- Must be self-contained for its primary use and have sufficient size to make its control feasible by means of marking with identification numbers and/or manufacturer’s serial numbers.
- Reported on annual financial report.

Controlled Assets
- Assets that the State Comptroller’s office and/or Lamar University determines must be secured and tracked due to the nature of the item.
- Threshold depends on the asset and has an estimated useful life of more than one year.
- Classified as expendable and are not listed on annual financial report.

Refer to Most Commonly Used Banner Account for Capital and Controlled Tagged Assets PDF located on Property Management’s webpage for more information.
Common Misconceptions in Selecting Accounts for Assets

Unit Cost vs. Total Cost

◦ If more than one unit is purchased, consider the unit cost when selecting the account not the total cost of all units combined.

◦ Example: An office desk may have multiple line items to each unit. The value of all line items that make up the desk is one unit. This will not be combined with credenzas, tables, chairs, filing cabinets, etc. when determining the unit value.

Computer Equipment vs. Computer Accessories

◦ Use account code 720018 for computers, laptops, tablets, servers with a cost of less than $5,000 per unit. An example of a unit is a computer, monitor, keyboard, mouse, etc. when purchased in the same fiscal year.

◦ Use account code 720017 for computer accessories (i.e. monitor, mouse, keyboard, etc.) purchased in different fiscal years from the computer equipment.
Tagging Assets

A property tag must be affixed to all tangible items that Lamar University considers capital or controlled assets.

Contact Property Management if your department receives a capital or controlled asset that is missing its property tag.

Contact Property Management if your department receives a capital or controlled asset as a donation or gift, so it can be tagged and added to inventory correctly.
Annual Inventory

Lamar University is required by state statute to conduct an annual inventory of all capital and controlled assets both on and off campus. [Texas Gov’t. Code Ann. § 403.273 (f) and (g)]
Conducting the Annual Inventory

Departments will receive inventory instructions, Physical Inventory Certification form, and a spreadsheet listing all capital and controlled assets for your department.

Two departmental employees should perform the physical inventory.
  ◦ These individuals should not be responsible for the property being inventoried, or for the day-to-day accountability of the assets.
  ◦ Consider using cross-department personnel to perform the physical inventory.
  ◦ Do not use students.

Please make sure the people conducting the department’s inventory have support from fellow faculty and staff.

Please emphasize the importance of timely response to communications regarding inventory as this could delay meeting deadlines.
Conducting the Annual Inventory cont’d

University assets located off campus
- Must be verified for the physical inventory.
- If the employee is unable to bring the asset to campus, the Department Property Custodian may use a photo as verification. The photo does not need to be submitted with the inventory, but it should be available for review if requested.
- Must have a Remove Equipment from Campus Request form for FY19 fiscal year.

Verify and correct
- Property description
- Serial number. Please provide the asset’s serial number if this field is empty.
- Building and room number location. Location is required on all assets. The inventory will be returned to the department if the asset’s location is not provided.
- Assigned to only if the asset is assigned to a specific person.

All corrections should be added to the notes section of the inventory spreadsheet.
Conducting the Annual Inventory cont’d

Select the current condition of the asset using the drop menu on the spreadsheet. The choices are good, fair, poor, or damaged.

Please consider sending damaged assets to Surplus.

Found Assets Not on Inventory form
  ◦ This is for any tagged asset found but is not on your department’s inventory list. Another department may be looking for this asset.
  ◦ Asset that should be tagged but is not.

Please note that recently purchased assets will not be added to a department’s inventory until it is paid in full.
Conducting the Annual Inventory cont’d

Equipment Transfer Request form
• Used to transfer equipment between departments.
• Must be signed by both the transferring and receiving Department Property Custodian before submitting the form to Property Management.

Send obsolete and damaged items to Surplus:
• Surplus Removal Request form.
• IT Equipment Removal Request form for all items with hard drives, i.e. computer, laptops, tablets, copiers, etc. Monitors, keyboards, printers, fax machines, etc. should be listed on the Surplus Removal Request form.
• If the asset was previously sent to Surplus, notate this in the notes section of the inventory spreadsheet and provide a copy of the form previously sent to Property Management.
Conducting the Annual Inventory cont’d

Missing, Damaged, or Stolen Property Investigation Report form

◦ Only complete after an extensive search to locate the asset is performed.

◦ One form must be completed for each asset. Do not submit the form multiple times for the missing, damaged, or stolen event.

◦ The Department Property Custodian, Dean/Department Chair, and Vice President must sign the form before submitting it to Property Management.

◦ Make sure the LU Police Department Police Report number is on the form before submitting it to Property Management.

◦ Incomplete forms will be returned to the submitting department.

◦ Department Property Custodians must contact the Information Security Officer if a computer, laptop, tablet, or server is missing or stolen.

◦ Any missing or stolen property that is subsequently recovered should be reported immediately to Property Management and the LU Police Department.

◦ Missing and/or stolen property will remain on the department’s inventory for two years.
Conducting the Annual Inventory cont’d

The Department Property Custodian must verify the inventory has been completed by signing and dating the Physical Inventory Certification, which reads:

“By signing below, I confirm this department has completed an actual physical verification of equipment with the assigned inventory listed as required by Texas Gov’t. Code Ann. § 403.273 (f & g). I understand that I am under financial liability for loss or damage to any property on my department’s inventory if the loss or damage results from my negligence, intentional act, or failure to exercise reasonable care, safeguard, maintain, and service the property.”

Submit all paperwork to Property Management before Friday, March 29, 2019.
Supplemental Physical Inventory Audit

Audit is conducted by Property Management of approximately 1% or greater of campus personal assets.
- Sample includes assets located both on and off campus.
- Selected assets should reconcile to the master records within 99% accuracy.

All firearms will be audited and must reconcile to the master records with 100% accuracy.

Any department with unfavorable results will be required to re-do its annual physical inventory.

The State requires the annual physical inventory and supplemental audit to be completed by August 31, the last day of the fiscal year.

Property Management, Internal Audit, and State Auditors may periodically examine property records or inventory to determine if controls are adequate to safeguard state property.
Property Management Forms

www.lamar.edu/finance-and-operations/administrative-services/property-management.html

Acknowledge Receipt of Gift-in-Kind or Loaned Inventory
Designation of Department Property Custodian
Equipment Cannibalization Record
Equipment Transfer Request
Found Asset Not on Inventory
Improvement and Betterment of Existing Asset
Inventory Tag Request for Fabricated Equipment
Property Management Forms cont’d

- IT Equipment Removal Request
- Missing, Damaged, or Stolen Property Investigation Report
- Remove Equipment from Campus Request
- Surplus Removal Request
- Transfer of Department Property Custodian Responsibility
- University Property/Equipment Checkout
- Warranty Equipment Replacement Request
Property Management Team

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