1. **Annual Physical Inventory Training**

   Property Management

2. **Objectives**

   To understand the duties and responsibilities assigned to departmental property custodians and gain an overview of the inventory process.

3. **Topics**

   • What are the responsibilities of a property Custodian?
   • Who are the Department Property Custodians?
   • Why is Property Management important
   • How should I keep track, maintain, and/or dispose of University Property?
   • How to complete the year end inventory?

4. **What are Department Property Custodians?**

   • The person 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 property 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.
     • Annual physical inventory is conducted in a timely manner.

5. **Designation of Department Property Custodian**

   • Designation of Department Property Custodian
     • Every Department has a Property Custodian Appointed by the Division/College Administrator annually.
     • Form should be submitted at the beginning of every fiscal year.
   • Transfer of Department Property Custodian Responsibility form
     • When responsibility needs to be transferred in the middle of the fiscal year.
     • Form should be submitted as soon as the Department Property Custodian changes.
     • Both outgoing and incoming signatures are required along with a witness signature.
     • If outgoing Property Custodian can no longer be reached for a signature, please provide signature of his/her direct report.
     • Conduct a full physical inventory when the custodian changes.

6. **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 and Federal Guidelines.
     • Maintains accurate and timely records.
• Maximizes the use of resources.
• Has proper stewardship of assets and supplies.

7 ☐ **Title to Equipment**
Lamar University is the sole agent to accept contracts and grants awarded to the University, and it is responsible for the disposal of any property furnished by those awards.

The title to any equipment purchased by Lamar University is vested in the University and the State of Texas.

8 ☐ **Conducting the Annual Inventory**
• Your department will receive
  • Inventory instructions
  • A spreadsheet listing all capital and controlled assets
  • A Physical Inventory Certification form

9 ☐ **Inventory Instructions**
• Identify assets
• Notate mistakes on inventory sheet
• Complete accompanying forms
• Sign Inventory Certification form
• Submit all to LogisticalSupport@lamar.edu

10 ☐ **Inventory Instructions Continued**
• Two departmental employees should perform the physical inventory.
• Consider using cross-department personnel.
• Do not use student workers.
• These individuals SHOULD NOT be responsible for the property being inventoried, or for the day-to-day accountability of the assets being inventoried.

11 ☐ **Identify**
• Verify all the following fields are correct on the Inventory sheet:
  • Tag #
  • Description
  • Serial #
  • Building
  • Room Number
  • Assigned to    (if applicable)

12 ☐ **Inventory Sheet**

13 ☐ **Inventory Sheet Notation**
• Notate all changes in the NOTES field.
• Notating an error is not solely sufficient for change, corresponding forms are required.
• All other cells are locked.
• This is done to protect the Integrity of the information.
• The notes field has “wrap text” on, the cell will grow as you type.

14 ☐ **What items are inventoried**
• Always (Controlled)
• Computers – Desktop, Laptop, and Servers
• Smartphones, Tablets, and Other Handheld Devices
• TV ≥ 40"
• Weapons
• More than $500 but less than $5,000 (Controlled)
  • Audio and Sound Equipment
  • Cameras and Camcorders
  • Drones
  • Projectors
  • VCR and DVD players
• More than $5,000 (Capitalized)
  • Copying equipment or printer
  • Furniture (individual unit not set)
  • Lab equipment
  • Tools
  • Vehicles
  • All the Above

15 Paperwork / Forms

Found Asset Not on Inventory
  • Any tagged asset not on your department’s inventory list – another department may be looking for this asset.
  • Asset that is not tagged but should have been.

Equipment Transfer Request
  • Transferred between physical locations.
  • Transfer ownership to another department.
  • Transfer Items from surplus to department.

Surplus Removal Request
  • For the removal of property without a hard drive from a departments Inventory.
  • Be on the lookout for out or underutilized equipment.

IT Equipment Removal Request
  • For the removal of property that has a hard drive from a departments inventory.

16 Paperwork / Forms Continued

Equipment Cannibalization Record
  • Removing parts or subsystems necessary for repair from another similar device, rather than from inventory, usually when resources become limited.

Improvement and Betterment of Existing Asset
  • Major modifications of an existing asset that will significantly increase its efficiency or the quality of the asset.

Inventory Tag Request for Fabricated Equipment
  • Scientific or other complex equipment comprised of several individual components that are fabricated/built into a single functional unit.

Warranty Equipment Replacement Request
  • For when an asset is going to be replaced by warranty.
17 **Paperwork / Forms Continued**

- **Missing, Damaged, or Stolen Property Investigation Report**
  - Only complete after an extensive search to locate the asset is performed,
  - Make sure the LUPD Police Report number is on the form before sending it to Property Management.
  - Obtain the Department Property Custodian, Dean/Department Chair, and Vice President’s signature,
  - Missing and/or stolen property will remain on the department’s inventory for two years.

- **Remove Equipment from Campus Request**
  - 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.
  - Form is good for one year.

18 **Inventory Criteria and Dates**

- Any department with unfavorable results will be required to re-do its annual physical inventory.
- Departments turn in the inventory sheet and all accompanying forms into Property Management by June 15th.
- Property Management completes inventory and supplemental audit by August 31, the last day of the fiscal year.
- Submit electronically if possible.

19 **The Department Property Custodian must verify that 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.”

20 **Supplemental Physical Inventory Audit**

- An audit of approximately 1% or greater of campus assets is conducted by Property Management.
  - Sample includes assets located both on and off campus.
  - Selected assets should reconcile to the master records within 99% accuracy.
- Property Management will audit all firearms.
  - Must reconcile to master records with 100% accuracy.
- Property Management, Internal Audit, and State Auditors may periodically examine property records or inventory to determine if controls are adequate to safeguard state property.

21 **Property Management Department**

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