Instructions for Conducting Yearly Physical Inventory

1. Two departmental employees are to perform the physical inventory, unless department resources and logistics dictate using only one person. These individuals SHOULD NOT be responsible for the property being inventoried, or for the day-to-day accountability of the assets being inventoried. Consider using cross-department personnel to perform the physical inventory. Student workers should not be used to conduct inventory.

2. The inventory spreadsheet is protected to only allow changes to condition and notes and will need to be opened in Windows to allow sorting or filtering. Verify, make corrections, and add if missing the following:
   - Property description
   - Property serial number
   - Building and room number where the property is located. LOCATION IS REQUIRED ON ALL ASSETS. The inventory will be returned to the department if the asset's location is not provided.
   - Notate if LU property tag is missing.

   All corrections should be added to the notes section on the inventory spreadsheet.

3. If the property is assigned to one employee, please document his/her name. It is added to the property location to help find this item during future physical inventory counts.

4. Select the current condition of the asset using the drop menu in the column labeled Condition. The choices are good, fair, poor, or damaged. If damaged, please consider completing a Surplus Removal Request or IT Equipment Removal Request form.

5. If an asset is found with a value equal to or greater than $5,000 or any item on the list below with a value equal to or greater than $500 (unless otherwise noted) that was NOT tagged, please add the property to the Found Assets Not on Inventory Form.
   - Computers – Desktop, Laptop, and Servers (of any value)
   - Smartphones, Tablets, and Other Handheld Devices (of any value)
   - Audio and Sound Equipment
   - Cameras and Camcorders
   - Drones
   - Projectors
   - TV ≥ 40" (of any value)
   - VCR, DVD, and Laserdisc Players
   - Weapons (of any value)

   Add any tagged property found that is NOT on the department’s inventory list to the Found Asset Not on Inventory form. Another department may be looking for this property.

6. Notate in the notes section of the inventory spreadsheet any tagged property listed on the inventory previously transferred to a different department or sent to Surplus and provide a copy of the transfer or surplus form previously sent to Property Management.

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7. Complete a Surplus Removal Request form or IT Equipment Removal Request form to send excess, obsolete, and/or damaged items to Surplus. Please use the IT Equipment Removal Request form for any item with a hard drive (i.e. computers, laptops, copiers, etc.). Monitors, keyboards, printers, fax machines, and any other item should be listed on the Surplus Removal Request form.

8. Complete an Equipment Transfer Request form for any assets transferred to a different department. Both the transferring and receiving Department Property Custodian must sign the form PRIOR to submitting it to Property Management.

9. Only complete the Missing or Stolen Property Investigation Report form after an EXTENSIVE SEARCH to locate the asset was performed. Ensure that the LUPD Police Report number and all required signatures are on the form PRIOR to submitting it to Property Management. Incomplete forms will be returned to the submitting department for corrections.

*Please note: If a completed Missing or Stolen Property Investigation Report was not provided during the previous physical inventory, this is still needed by the Property Management department.

10. The Department Property Custodian must authorize employees to remove University assets from campus. The Remove Equipment from Campus Request form must be submitted to Property Management PRIOR to the employee removing any asset from campus. If the Department Property Custodian is the requestor, his or her immediate supervisor is required to sign the form. The request form is to be completed and submitted each fiscal year, September thru August.

University assets located off campus are required to 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 must be of the asset with the property tag visible and paper with the current date, FY20 Inventory, employee name, and his or her signature hand-written on it. The photo does not need to be submitted with the inventory, but it should be available for review if requested.

11. All forms can be found at www.lamar.edu/finance-and-operations/administrative-services/property-management.html. Please use the forms found here as many have been updated.

12. The Department Property Custodian must verify that the inventory was completed by signing and dating the liability statement. If possible, please submit the inventory spreadsheet electronically.

13. **All inventory must be completed and submitted to Property Management prior to Friday, March 27, 2020.**

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**GOVERNMENT CODE**

**TITLE 4. EXECUTIVE BRANCH**

**SUBTITLE A. EXECUTIVE OFFICERS**

**CHAPTER 403. COMPTROLLER OF PUBLIC ACCOUNTS**

**SUBCHAPTER L. PROPERTY ACCOUNTING**

<table>
<thead>
<tr>
<th>Liability for Property Loss</th>
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<tbody>
<tr>
<td><strong>Sec. 403.275. LIABILITY FOR PROPERTY LOSS.</strong> The liability prescribed by this section may attach on a joint and several basis to more than one person in a particular instance. A person is pecuniarily liable for the loss sustained by the state if:</td>
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<tr>
<td>(1) agency property disappears, as a result of the failure of the head of an agency, property manager, or agency employee entrusted with the property to exercise reasonable care for its safekeeping;</td>
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<td>(2) agency property deteriorates as a result of the failure of the head of an agency, property manager, or agency employee entrusted with the property to exercise reasonable care to maintain and service the property; or</td>
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<td>(3) agency property is damaged or destroyed as a result of an intentional wrongful act or of a negligent act of any state official or employee.</td>
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<th>Failure to Keep Records</th>
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<td><strong>Sec. 403.277. FAILURE TO KEEP RECORDS.</strong> If a state agency fails to keep the records or fails to take the annual physical inventory required by this subchapter, the comptroller may refuse to draw warrants or initiate electronic funds transfers on behalf of the agency.</td>
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