

-Truman State University

Property Control

Revised February 2008

It is the responsibility of each department to track, monitor, and locate capital assets assigned to the department and to account for items below the capitalization threshold purchased by, or transferred to, the unit. It is the Business Office's responsibility to maintain the computerized capital assets system, which includes adding new assets acquired, removing item surpluses, providing departments with information to assist with physical inventories, and maintaining the depreciation system for the University.

INVENTORY POLICIES AND PROCEDURES

Business Office Responsibility

The Business Office Inventory Control area is charged with identifying the capital assets to be tagged, assigning an inventory control number, affixing an inventory control tag, and recording in the inventory control system all equipment purchased by the University that conforms to, or is consistent with, the following criteria:

- Equipment items with an original acquisition cost of \$5,000 or more with a useful life of at least one year. The original acquisition cost includes the purchase price, shipping, handling, delivery charges, warranty costs, and installation fees.
- Computer equipment must be included in the inventory even if the cost is less than \$5,000. The original acquisition cost for computers includes; the computer and the cost of associated components including the monitor, keyboard, speakers, integral software, and any other components purchased with the computer.
- Any other sensitive equipment may be included in the inventory at the department's discretion.
- Donated equipment is subject to the same guidelines as purchased equipment; however, items that are donated must be processed through the Advancement Office prior to being added to a department's inventory.
- General Plant Equipment: Equipment that is hard-wired or plumbed into a facility is not assigned an inventory control number. Such equipment is coded to general plant.

Department Responsibility

A regular inventory is required by the statutes of the State of Missouri (Section 34.125, RSMo). Truman's policies require an inventory every other year. Departments are responsible for the equipment items purchased by, or transferred to, their units. An **Inventory Control Reconciliation Report** must be completed if the department is not able to locate items listed on the property report.

Offices must notify Inventory Control of location changes of inventory items so the system records can be updated. When equipment is relocated within a department, an email to the Inventory Control area of the Business Office may be used in lieu of the **Equipment Transfer/Theft Form**. Equipment Transfer/Theft forms must be used when inventory items are transferred to other departments. Items should not be transferred out of a department until Inventory Control receives a copy of the Equipment Transfer/Theft forms, signed by the receiving department. Allow 5-10 days before moving the equipment.

Should items on the inventory listing not be located, the following actions must be taken:

- If an item was lost through theft, contact Public Safety and complete the **Equipment Transfer/Theft form**. After a copy of the police report is sent to Inventory Control, the item will be removed from the inventory.
- If an item listed on the inventory has been sent to surplus or transferred to another department, forward a copy of the signed **Declaration of Surplus Property** form or **Equipment Transfer/Theft** form with the inventory so that Inventory Control may correct the inventory listing.
- If an item cannot be located, but is not believed to be permanently lost or stolen, a **Reconciliation Report** must be filled out and submitted with the inventory listing. Items that are lost or missing will remain on the departmental inventory for three years before they are deleted from the inventory listing. These lost or missing items are left on the inventory for three years in case they are found and to encourage units to continue seeking them after they are reported lost or missing.
- If an item listed on the Reconciliation Report is later found, the **Lost and Found Form** must be completed and returned to Inventory Control.

All of these forms may be found at <http://businessoffice.truman.edu/forms/index.asp> under Inventory Control.

DISPOSAL OF UNIVERSITY PROPERTY

All University property (which also includes items that are below the \$5,000 inventory threshold) owned through purchase or donation is to be disposed of through surplus property with a few exceptions. An example of an exception includes the transfer of surplus to “like funded” agencies.

Chapter 34, Section 34.140 RSMo stipulates the authority for redistribution and disposal of State property. Within the University, the responsibility for implementing the State Policy for redistribution and disposal of University property has been delegated to the Controller.

To dispose of unwanted property, a Declaration of Surplus Property form must be completed and returned to Inventory Control. When Physical Plant picks up surplus property, the Declaration of Surplus Property form is signed by Physical Plant, and the second copy is given to the department to serve as a receipt for the property. The signed surplus form should be retained by the department until an updated inventory is provided to the department and the department ensures that items sent to surplus have been removed from its inventory.

Computers must go through Inventory Control and Information Technology Services as well. It is recommended to list computer equipment on a separate form in order to have a faster disposal cycle.

Departments in possession of equipment that is purchased with grant monies must attach disposal instructions to the Declaration of Surplus Property form stating any special surplus stipulations within the funding grant. For some grants, the disposition of property is restricted.

Items of historical significance to the University are not sold or transferred through the redistribution and disposal process. Personnel from the Special Collections section of the library assist in determining historical significance.

University property deemed surplus by a University division/department will be made available to other divisions/departments. The Equipment Transfer Form must be completed by the department requesting the equipment. This form is used to update fixed asset records to the correct area of responsibility. The University reserves the right to deny the reallocation of certain surplus property items such as computers deemed obsolete by the University's IT Department.

The preferred method to dispose of surplus property is through a public auction or sealed bid process. The Purchasing Office is authorized to negotiate a sale if other methods of disposal are not practical. Negotiated sales are subject to as much competition as if feasible under the circumstances. University divisions/departments with items they feel should be sold through negotiation should contact Purchasing. If in the best interest of the University and if included in bid or proposal specifications, the Purchasing Office is authorized to dispose of surplus property through trade-in. In certain instances, University surplus property may be offered to alumni or other individuals as a part of fundraising effort for the University of the Truman State University Foundation. In these instances, the amount of the fair market value of the items to be surplusd is deposited to the University general revenues, with the excess going toward the fundraising effort. Each instance of a fundraising effort with used University's surplus property must be approved in advance by the Vice President for University Advancement and the Controller.

PROCEEDS FROM SALE OF SURPLUS PROPERTY

The proceeds from the sale of surplus property are normally credited to the current funds of the university, auxiliary or educational and general. Exceptions include items used as trade-in or for approved fundraising. Receipts from the sale of surplus property will be credited to a specific department if the property was donated from an outside donor, and the donor requested that the proceeds from the disposal of the surplus item were to be credited to a specific area.

UNIVERSITY EQUIPMENT OFF-CAMPUS

Portable equipment such as Lap Top Computers may be used off campus for business purposes. For these items a completed **Off-Campus Equipment Authorization** form is only necessary for use over an extended period of time. University equipment that is not portable in nature may also be used off-campus for a University-related business purpose. Such use must have a completed Off-Campus Equipment Authorization form signed by the department head. When

approval is granted, the department having ownership must keep the form on file until such item is returned.

A copy of the approval for tagged equipment that is approved for off-campus use for more than one month must be forwarded to Inventory Control. The individual removing the property from the University campus will be responsible for the care and returned of the property to the University department.

TRANSFERRING INVENTORY ITEMS TO ANOTHER DEPARTMENT

When equipment is transferred to another department, an Equipment Transfer/Theft form must be completed, signed by the department receiving the equipment, and forwarded to Inventory Control. Items will not be transferred on the inventory unless the form is signed by the department receiving the equipment.

EQUIPMENT LOCATION CHANGES

When equipment locations are changed, the Equipment Transfer/Theft form should be filled out and forwarded to Inventory Control. For location changes that involve a room change only, an e-mail to Inventory Control noting the location change will suffice.

APPROPRIATE USE OF ASSETS

Truman State University is responsible for the appropriate use of its assets. In substantiated cases of misuse of those assets, it is the policy of the University to obtain full restitution, to impose administrative sanctions, and to refer violations of criminal statutes for prosecution.

- I. All assets purchased with University's funds must be used to further the mission of Truman State University. **RESPONSIBILITIES OF ALL EMPLOYEES AND STUDENTS**
 - A. Employees and students may not misuse University assets.
 - B. Employees and students have a responsibility to report activities or significant incidents that appear to be misuse of University assets. Employees may report such suspected misuse to any manager or supervisor in the chain of authority (director, department/unit head, dean, or appropriate vice president). Employees need not report misuse to their direct supervisors, but may make a report of alleged misuse to any supervisor or vice president. Reporters of violations of this policy should be aware that some misuses of University assets are irrelevant and do not rise to the level to which a University administrator, auditor would consider the use a violation of this policy or of criminal law. However, if, combined with other incidents of reported misuse, the incident is not irrelevant.
 - C. "Misuse" is the illegal use of University assets and/or uses that are prohibited under this or another University policy, which result in loss, damage or financial liability to the University or gain to the individual or a third party and no benefit to the University. Examples include but are not limited to using University assets

for personal gain, fraud, theft or embezzlement, which violate provisions of criminal law of the State of Missouri; acts (such as disclosure of confidential, proprietary or privileged information) that reduce the value of University assets or expose the University to legal or financial penalties, or are conflicts of interest that benefit only the employee or a third party.