PURPOSE: The purpose of this Health Sciences Center Operating Policy and Procedure (HSC OP) is to define the scope of property management at Texas Tech University Health Sciences Center (TTUHSC).

REVIEW: This HSC OP will be reviewed on November 1 of every odd numbered year (ONY) by the Property Manager, the Director of General Services-Lubbock, Institutional Privacy Officer, and Institutional Information Security Officer, with recommendations for revisions forwarded to the Executive Vice President for Finance and Administration by November 15.

POLICY/PROCEDURE:

1. **Background.** As a state supported educational institution, TTUHSC must meet the requirements of the state Purchasing and General Services Act with regard to personal property. These requirements apply regardless of funding source. Additionally, if the property was acquired with non-state fund sources or by donations, the requirements associated with those funds or donations must be met. The inventory system at TTUHSC is subject not only to these requirements, but also to those of the State Auditor.

2. **Definitions.**
   
   a. **Computing Device.** An all-inclusive term referring to, but not limited to, desktop computers, laptop computers, network, terminals, tablets, and any other computer device that should be listed in the institutional property inventory.

   b. **Confidential Information.** Please refer to OP 52.09, Confidential Information.

3. **Property Inventory System.** The Property Inventory System (www.fiscal.ttuhsce.edu/propinv) provides listings of departmental property inventory. The system allows for changes to condition code, serial number and location codes for assets, as well as transfers of property from one TTUHSC department to another. The required annual certification of department inventory is also processed through the online system.

4. **Property Custodian Responsibilities.**

   a. Department property custodians are employees of TTUHSC to whom property has been assigned and have the responsibility to manage, control and account for all assets within their department. Property custodian responsibilities include (Attachment A):

   1. **Tagging** – Ensure that property tags are affixed to equipment in a timely manner.
      
      i. Equipment is defined as an item of state property acquired or possessed with an expected life of one year or more or other property which, due to the nature of the asset, is required to be managed by the State (also referred to as controlled assets). Refer to Attachment I for a list of class codes/controlled assets.

      ii. Property tags are automatically generated when a payment is processed against an account code that has been identified as a capital or controlled item account code. Tags are mailed to the departmental person designated by the Property Custodian. If a tag has not been created for equipment that has been received, check for the following:
1) Was the appropriate account code entered on the PO?
2) Has payment been processed for the item? The Encumbrance Detail Report located in Public Folders>HSC Finance>Encumbrances, Invoices and Checks in Cognos will confirm whether or not a payment has been processed.

iii. Tracking of property costing less than $5,000 and items not on the controlled asset list is the responsibility of the individual department. If a department desires to track these items with inventory tags, blank tags can be requested by emailing PropertyManagement@ttuhsc.edu.

iv. Requests to add equipment that has been discovered, transferred from off-campus or donated should be made by completing a Request to Add Property to Department Inventory That Has Been Discovered or Transferred from Off-Campus or Donated Form (Attachment G).

v. Prior approval from Property Management is required when equipment is to be fabricated on campus and meets the criteria for capitalization (acquisition cost of $5,000 or more and a useful life of at least one year), or as a controlled asset (defined in Attachment I). For approval for fabrication, complete the Fabrication of Equipment Authorization form (Attachment H) and submit to Property Management.

2. Location – Update the building/room location of assets in the Property Inventory System.
   i. The location of an asset should be updated in the Property Inventory System.
   ii. Items that do not have a building/room location will remain on the “Items Not Yet Tagged” report in the Property Inventory System.
   iii. If equipment is located in a building or room that is not included in the Property Inventory System, send an email to PropertyManagement@ttuhsc.edu to have the location added.

3. Certification – Complete an annual certification of departmental inventory in the Property Inventory System.
   i. State law requires that a complete physical inventory be taken each year. This inventory will be taken by departmental personnel using the most recent listing from the Property Inventory System (www.fiscal.ttuhsc.edu/propinv).
   ii. Annually, Property Custodians are required to approve the following statement regarding their departmental inventory:

   “In accordance with the Texas Gov’t Code Ann. Sec. 403.273 (f) and (g), I hereby certify that a physical inventory was conducted for all capitalized and controlled personal property for which I am Property Custodian. I further certify that the status, condition, and value of all property for which I am responsible is accurately reflected in the TTUHSC Property Inventory system. Changes needed as a result of this inventory were made to the TTUHSC Property Inventory system and are now reflected on the above listing. Paperwork for missing, lost or stolen property has been submitted to the Property Manager, and these items are appropriately reflected on the Missing Property or Lost and Stolen Property Report.”

4. Transfers – Initiate/receive transfers in the Property Inventory System when equipment is moved from one department to another.
   i. Property which is surplus to a department or activity may be transferred to another TTUHSC department by initiating an online transfer at www.fiscal.ttuhsc.edu/propinv. The transfer will be made on a non-reimbursable basis unless the department administrator originating the transfer makes prior arrangements with the recipient for reimbursement. Any proposed reimbursement arrangement must have the prior approval of the Director of Accounting Services to insure compliance with state rules and regulations.
ii. For transfers to another state agency, an Interagency Property Transfer Request form (Attachment F) should be completed and forwarded to PropertyManagement@ttuhsc.edu.

iii. If a computing device or equipment containing electronic data is transferred, the originating department is responsible to make sure that all confidential information is destroyed prior to transfer and that all items have been removed. The originating department shall check all storage areas (i.e. file cabinets, drawers, enclosed areas, etc.) and remove all items contained therein, including confidential information.

iv. If an item is transferred from another institution or agency, the department receiving the item must promptly notify the Property Management Department by submitting an Interagency Property Transfer Request (Attachment F).

v. If a TTUHSC-owned vehicle of any type is transferred to another department, the transferring department will contact the Office of Vehicle Fleet Management (TTUHSC General Services, STOP 9012 or GeneralServices@ttuhsc.edu) for approval.

5. **Missing & Stolen** – Report missing or stolen property to Property Management in a timely manner.

   i. Missing property should be reported immediately to Property Management by completing the Missing, Lost or Stolen Property Report (Attachment B). If missing property is a computing device, the Institutional Information Security Officer (ISO) or the Institutional Privacy Officer (IPO) should be notified immediately via email at IT.security@ttuhsc.edu or Institutional.Compliance@ttuhsc.edu.

   ii. Missing property may be deleted only after that property is not found for a minimum of two physical inventories and/or two calendar years from the date that it was reported missing. The items will remain on the “Missing Property” report until they are either located or written off as lost after two years.

   iii. Stolen property must be reported to Texas Tech Police Department immediately after the theft is noticed. If stolen property is a computing device, the Institutional ISO or the IPO should be notified immediately. The Missing, Lost or Stolen Property Report (Attachment B) must also be completed and sent to the TTUHSC Property Management Department.

   iv. Items identified as stolen will appear on the “Lost and Stolen Property” report in the year that the item is reported as stolen.

   v. Federal property that is lost or stolen must be reported to the Property Manager in the same manner as state property. The Property Manager will forward the information to the Federal Property Administrator for responsibility determination.

6. **Accessible** – Ensure equipment is accessible at all times for audit purposes.

7. **Custodian** – Inform Property Management of changes in Property Custodian for the department.

   i. The head of each department is responsible for identifying a departmental Property Custodian, who will be responsible for all property inventory assigned to the department.

   ii. When a change to a Property Custodian is necessary, the name and contact information for the new custodian should be sent to PropertyManagement@ttuhsc.edu.

   iii. The Property Custodian should identify the person in their department who will receive the property inventory tags from the Property Management office. Any changes to this contact should be sent to PropertyManagement@ttuhsc.edu.

8. **Serial Number** – Update the serial number of assets in the Property Inventory System.

   i. The serial number for an asset should be updated in the Property Inventory System.

   ii. Items that do not have a serial number will remain on the “Items Not Yet Tagged” report in the Property Inventory System.

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9. **Off Premises** – Complete Temporary Use of Property Authorization Form (Attachment D) or approved alternative form for property that is temporarily removed from the department.
   i. TTUHSC owned and controlled equipment should not be removed from the premises of TTUHSC. In the event a tagged item of equipment is needed to be removed from TTUHSC property to an employee's personal residence or other like property to accomplish TTUHSC work or business “at home,” Attachment D must be completed and processed as instructed on the form.

10. **Negligence** – Exercise reasonable care for equipment security. Negligence could result in financial responsibility for lost/stolen assets.
   i. When there is reasonable cause to believe that state property has been lost, destroyed or damaged through the negligence or fault of any state official or employee, the TTUHSC Office of Property Management and/or the Attorney General may elect to investigate the matter, and if the investigation discloses that any injury has been sustained by the state through the fault of a state official or employee, a demand will be made upon such state official or employee for reimbursement to the state for the loss so sustained.

11. **Surplus** – Coordinate with the campus Surplus Property Manager for proper removal of equipment that is no longer needed.
   i. The Director of General Services has been designated as the Surplus Property Manager for TTUHSC Lubbock and is responsible for the disposal of surplus property for the Lubbock campus. At the Regional Centers, the Regional Deans are to designate a department or employee to be responsible for accepting and securing surplus property into a warehouse/storage area.
   ii. Property which becomes surplus, obsolete or uneconomically repairable will be disposed of under the control of the Surplus Property Manager. Refer to HSC OP 63.11 for more information.
   iii. HSC OP 63.11, Attachment B outlines the process to surplus an item on the Lubbock campus.
   iv. When final disposition method is determined, the Final Disposition of Surplus Property form (Attachment J) will be completed by the appropriate Surplus Property Manager and forwarded to Property Management for removal of the item from the Property Inventory System unless another method of notification has been approved by Property Management.

12. **Maintenance** – Ensure equipment is in good working condition and equipment maintenance needs are met.

13. **Business Purpose** – Ensure that all equipment is used for approved TTUHSC purpose and not for personal gain.
   i. Equipment which TTUHSC owns or is responsible for shall not be used for personal purposes.
   ii. Refer to HSC OP 61.01, Use of TTUHSC Facilities, Equipment, Supplies, and Services for Private Purposes Prohibited.

5. **Trade-in of Equipment.**

   a. Equipment which has become inadequate for the needs of a department may be used as a trade-in towards the purchase of new equipment when the Property Custodian determines that such action is in the best interest of TTUHSC. The department must file a Departmental Certification for Removal of an Inventoried Item form (Attachment C) for equipment stating that the equipment will be used as a trade-in towards the purchase of new equipment. The amount allowed for the equipment used as a trade-in must be shown on the form to have the equipment deleted from inventory. The purchase order number that was used to order the new equipment and references the trade-in must be included in the deletion reason section.
In the event the equipment is a computing device that contains confidential information in electronic media, the department shall destroy all electronic media before trade-in, and notify IT to ensure that confidential information has been appropriately destroyed.

b. If a TTUHSC vehicle of any type is to be traded toward another vehicle and is to be deleted from inventory, the department making the trade will comply with the guidelines provided in HSC OP 63.03, Vehicle Fleet Management Program and HSC OP 63.07, Vehicles – Inscription and Painting. Departments must work with the Office of Vehicle Fleet Management (TTUHSC General Services, STOP 9012 or GeneralServices@ttuhsc.edu) on all vehicle transactions.

6. **Donated Vehicles**

Motor vehicles donated to TTUHSC must comply with all the standards set forth in HSC OP 63.03 Vehicle Fleet Management Program and HSC OP 02.03 on Acceptance and Processing of Gifts-in-Kind. Acceptance of the vehicle is subject to approval by the State Office of Vehicle Fleet Management.

7. **Leased Computing Devices and Equipment.**

It is the department’s responsibility to remove any electronic data containing confidential information before returning computing devices or equipment under terms of lease agreement.

8. **Equipment Purchased from Sponsored Projects Funds.**

Refer to HSC OP 72.04, Equipment Purchased for Sponsored Federal Projects.

9. **Additional Information and Changes to Departmental Inventory.**

Changes to departmental inventories may be requested through the use of the following forms:

- Property Custodian Responsibilities .......................................................... ATTACHMENT A
- Missing, Lost or Stolen Property Report.................................................. ATTACHMENT B
- Departmental Certification for Removal of an Inventoried Item ................. ATTACHMENT C
- Temporary Use of Property Authorization Form ........................................ ATTACHMENT D
- Not Assigned .......................................................................................... ATTACHMENT E
- Interagency Property Transfer Request .................................................... ATTACHMENT F
- Request to Add Property to Departmental Inventory That Has Been Discovered or Transferred From Off Campus or Donated .................. ATTACHMENT G
- Fabrication of Equipment Authorization ................................................ ATTACHMENT H
- Property Controlled But Not Capitalized................................................ ATTACHMENT I
- Final Disposition of Surplus Property....................................................... ATTACHMENT J

10. **Replacement of Lost, Damaged or Stolen Property.**

Departments must replace lost, damaged, stolen or destroyed property from their own departmental funds.