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 Vice President and Chief Financial Officer 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.

   c. **Missing Property.** Property that is not unlawfully taken from its rightful owner but is absent from the department. Misplaced property is not considered missing. All efforts should be made to determine that the equipment is actually missing. Missing property requires the submission of a Missing, Stolen, Damaged or Destroyed Property Form (Attachment B) but does not require a police report.

   d. **Stolen Property.** Something unlawfully taken from its rightful owner. Stolen property requires the submission of a Missing, Stolen, Damaged or Destroyed Property Form (Attachment B). A police report is also required.

3. **Property Inventory System.** The Property Inventory System (www.fiscal.ttuhs.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 an invoice 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 an invoice 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 an invoice has been processed.

iii. Items classified as controlled assets (see Attachment I for a list) should generally be purchased through TechBuy. If there is a business purpose for obtaining a controlled asset utilizing a PCard, forward a deviation request to Purchasing before making the purchase. Purchasing will forward approved requests to Property Management. In addition, the FOAP allocation in Citi for the controlled asset purchase must reflect the appropriate account code for a controlled asset. Proper coding will ensure that Property Management receives notification of the purchase and will allow for issuance of an inventory tag for the item.

iv. 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.

v. Requests to add equipment that has been discovered should be made by completing a Request to Add Property to Department Inventory That Has Been Discovered Form (Attachment G).

vi. Capital or controlled items donated to TTUHSC must comply with the guidelines provided in HSC OP 02.03, Acceptance of Gifts and Grants from Private Philanthropic Sources.

vii. 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 Missing Information” report in the Property Inventory System. Annual inventory certifications that are submitted with assets on the “Items Missing Information” report will be deleted and will need to be resubmitted after all missing information has been added.
   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.ttuhs.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."

iii. Annual inventory certifications that are submitted with assets on the “Items Missing Information” report will be deleted and will need to be resubmitted after all missing information has been added.

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.ttuhscc.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 ensure compliance with state rules and regulations.
   ii. For transfers to or from another state agency, an Interagency Property Transfer Request (Attachment F) should be completed and forwarded to PropertyManagement@ttuhscc.edu.
   iii. If a computing device or equipment containing electronic data is transferred, the originating department is responsible for making 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 a non-Texas university or agency, or a private institution, the department receiving the item must promptly notify Property Management by submitting a Property Transfer from Non-Texas University or Agency, or Private Institution form (Attachment E).
   v. If an item is transferred to a non-Texas university or agency, or a private institution, the department relinquishing the item must promptly notify Property Management by submitting a Request to Transfer Property to Non-Texas University or Agency, or Private Institution (Attachment K).
   vi. 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@ttuhscc.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, Stolen, Damaged or Destroyed Property Form (Attachment B). Misplaced property is not considered missing. All efforts should be made to determine that the equipment is actually missing. 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@ttuhscc.edu or Institutional.Compliance@ttuhscc.edu.
   ii. Missing property may be deleted only after that property cannot be located 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 in the Property Inventory System until they are either located or written off as lost after two years.
   iii. Stolen property must be reported to the 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,
Stolen, Damaged or Destroyed Property Form (Attachment B) must also be completed and sent to Property Management.

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 missing or stolen must be reported to Property Management in the same manner as state property. Property Management 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, eRaider ID, and email address 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 Property Management. Any changes to this contact should be sent to PropertyManagement@ttuhsc.edu.

iv. The Property Custodian may assign one or more departmental delegates.

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 Missing Information" report in the Property Inventory System. Annual inventory certifications that are submitted with assets on the "Items Missing Information" report will be deleted and will need to be resubmitted after all missing information has been added.

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 a TTUHSC facility to an employee’s personal residence or other like facility to accomplish TTUHSC work or business “at home,” Attachment D must be completed and processed as instructed on the form.
   
ii. Equipment should be returned annually to the authorized location so that it can be accounted for during the annual inventory certification process.

10. **Negligence** – Exercise reasonable care for equipment security. Negligence could result in financial responsibility for missing, stolen, damaged or destroyed assets.
    
i. When state property is missing, stolen, damaged or destroyed and there is reasonable cause to believe that the loss, damage or destruction to the property was through the negligence or fault of any state official or employee, Property Management may elect to investigate the matter. 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 A outlines the process to surplus an item on the Lubbock campus.

iv. When final disposition method is determined, the Final Disposition of Surplus Property (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 complete an "Items Used As Trade-In" (Attachment C) for equipment stating that the equipment will be used as a trade-in towards the purchase of new equipment and attach a copy of the form to the requisition for the purchase of the new equipment. The tag number and amount allowed for the equipment used as a trade-in must be shown on the form. To have the equipment deleted from inventory, the department must notify Property Management when the item has been removed from the department. The requisition number that was used to order the new equipment and references the trade-in must also be included on the form.

   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 of Gifts and Grants from Private Philanthropic Sources. 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 the lease agreement.
8. **Equipment Purchased from Sponsored Projects Funds.**

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

9. **Replacement of Missing, Stolen, Damaged or Destroyed Property.**

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

10. **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, Stolen, Damaged or Destroyed Property Form .......................... ATTACHMENT B
- Items Used As Trade-In ........................................................................... ATTACHMENT C
- Temporary Use of Property Authorization Form ....................................... ATTACHMENT D
- Property Transfer from Non-Texas University or Agency, or Private Institution .......................... ATTACHMENT E
- Interagency Property Transfer Request .................................................... ATTACHMENT F
- Request to Add Property to Departmental Inventory That Has Been Discovered .......................................................... ATTACHMENT G
- Fabrication of Equipment Authorization ................................................ ATTACHMENT H
- Property Controlled But Not Capitalized ................................................. ATTACHMENT I
- Final Disposition of Surplus Property ...................................................... ATTACHMENT J
- Request to Transfer Property to Non-Texas University or Agency, or Private Institution .................. ATTACHMENT K