

Property Control Manual

Revised 10/31/2023

Policy

The University of West Alabama's Property Control Department is responsible for ensuring that adequate accountability systems are established and administered for University equipment.

This policy is applicable to all equipment purchases, regardless of the funding source, including but not limited to the following:

- Equipment purchased from any University fund, including grant, state or gift funds.
- Equipment donated or transferred to the University by external entities.
- Equipment purchased by the Foundation for use by the University.

Inventory Control Requirements

Equipment on inventory is defined as movable, nonconsumable equipment and does not include the category of fixed equipment. The following requirements will determine when an item will be classified as "Equipment on Inventory":

1. Have a life expectancy of two years or more.
2. Have a value of \$5,000.00 or more with the following exceptions:
 - a. Where a group of similar items have a combined value of \$5,000.00 or more.
 - b. All books, films, tapes, maps, and bound periodicals, which form part of the library and maintain their usefulness after two years, are classified as books and maps.
 - c. Some items that cost more than \$5,000.00 should be classified as "expense" rather than "equipment" i.e. computer software programs (GASB 96 guidelines).

Resolution of specific situations where the status of a piece of equipment is questionable as to whether it is "fixed" or "moveable" will be left to the discretion of the Property Control Manager.

Assignment of Responsibilities

The dean, division head, budget administrator, and other designated officials are responsible for the custody, proper use, reasonable care, and maintenance of all equipment purchased or assigned to the respective division of the University. The Property Control Manager has final custodial and fiscal responsibility for all University property.

PROPERTY CONTROL MANAGER'S DUTIES & RESPONSIBILITIES:

1. Maintaining records of all non-expendable property.
2. Preparing inventory listings for each division or accountable officer
3. Disposing of scrap and surplus property.
4. Overseeing an annual physical verification of inventory

DIVISION HEAD'S DUTIES & RESPONSIBILITIES:

1. Accountability of all University property assigned to their respective division including tagging new equipment and assuring the tags are present on old equipment.
2. Physically verifying inventory of all equipment assigned to their respective division annually.
3. Preparing and submitting to the Property Control Manager an Inventory Report of Survey (Form RS) covering lost, stolen, or destroyed property.
4. Notifying the Property Control Manager of any lost or stolen property. Notification should be made by phone for immediate follow-up and should be confirmed by e-mail to the Property Control Manager with copies to the Vice President of Financial Affairs, Director of Physical Plant and Chief of Campus Police.

Tagging

A permanent property tag will be issued when an item has been invoiced, paid and received or installed. Positive identification of equipment is accomplished by the permanent affixing of small tags to each item of equipment. When practical, the tag will be placed near the manufacturer's plate that includes name, serial number and model number. In addition to the tag, the property number will be written on the asset when possible. For those items that cannot be physically tagged (i.e. equipment that may be sensitive or whose value may be diminished by affixing a tag), the tag will be given to the responsible administrator for safekeeping. With the exception of trade-ins and disposals, the tag should not be removed or otherwise altered once applied. Should the tag come off and be lost the tag number should be written on the equipment and documented that the tag was lost on the yearly inventory report.

Inventory

The need to respond to audits by internal and external auditors, State Examiners and grant sponsors requires the University of West Alabama to maintain an equipment inventory that can account for and report the location of capital equipment. A physical verification of all inventory items will be conducted annually. An inventory report will be sent to each responsible department by the Property Control Manager. The accountable officer should physically inspect each item, check it for appropriate tag number and note the equipment's location (building and room number). If there are any changes in the building or room number it should be noted on the inventory report so that it can be updated by the Property Control Manager.

Equipment Removal

State and Federal law limits the means by which worn-out, surplus or obsolete items can be disposed of, regardless of the dollar value. Under no circumstances can a department or individual give away, take item(s) for personal use or personal gain, or dispose of University property. The Property Control Manager will determine the method of disposal.

Trade-Ins:

In the situation where equipment on hand is traded in for the purchase of new replacement equipment, the transaction will be referenced on the requisition for the new equipment and the responsible department will complete a Form RS for the traded equipment and send this to the Property Control Manager.

Obsolete or Useless:

Equipment that is obsolete, useless or no longer of value to the University should be transferred to surplus property for disposal regardless of the dollar value. The responsible department should send a Form RS for inventory items that are being moved to surplus property to the Property Control Manager. The Physical Plant will move the items and dispose of as required.

Cannibalization:

Departments who want to cannibalize University owned property on their inventories must receive permission from the responsible department head. A Form RS should be sent to the Property Control Manager documenting this.

Sales:

The Property Control Manager will handle the sale of all inventoried and non-inventoried equipment and items in accordance with state laws. Items may only be sold through a public auction, to another public institution or donated to another public institution.