

**THE UNIVERSITY OF TEXAS AT TYLER
ASSET MANAGEMENT AND INVENTORY
CONTROL PROCEDURES MANUAL**



Asset Management and Inventory Control Program Procedures

In the event any of the provisions of this procedure conflict with state or federal law, or UT System rules or regulations, then those authorities will take precedence over the provisions set here.

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I. Objective

This procedure outlines and implements the Inventory Management System employed by the University of Texas at Tyler (the “University”). By these procedures, the University establishes and maintains standards of conduct and professional practice with the express goal of maintaining consistent compliance with all applicable state and federal laws and rules, as well as with University of Texas System rules and policies, regarding the protection of University property. The provisions of this procedure establish the requirements and protocol for the monitoring, tracking, reporting, annual inventory and follow-up inventory of University property. This procedure also defines the roles and responsibilities of all University stakeholders in the Inventory Management System and emphasizes the responsibility of every University employee to safeguard the University property within their custody and control. This procedure further provides University departments with guidance on the information to include in property records and how to maintain departmental property records of all university property in the department's possession.

II. **Scope**

All University personnel who have in their possession, control, track and / or use University property.

II. **Procedures**

A. **Rationale**

The University is accountable to the people and State of the State of Texas for all property within its custody. As a publicly funded institution of higher education, all property owned, possessed, and held by the University rightfully belongs to the State of Texas. Thus, the University and all University staff, students and any other individual having custody or control of said University property are subject to state laws pertaining to the control and protection of state-owned assets.

Texas State Code §403.2715(c) requires, “At all times, the property records of a university system or institution of higher education must accurately reflect the personal property possessed by the system or institution.” State Code §403.273(h) further provides the University could be subject to review by state auditors at any time “to determine if controls are adequate to safeguard state property.” Finally, State Code §403.275 provides the University or individual University personnel could be liable for the loss or damage of property that is not properly safeguarded. It states, “The liability prescribed by this section may attach on a joint and several bases to more than one person in a particular instance. A person is pecuniarily liable for the loss sustained by the state if: (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; (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 (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.”

The Texas State Comptroller requires that each state agency must conduct an annual physical inventory of the trust, capitalized and controlled University property in the agency’s possession at a time of its own choosing during the fiscal year. The Texas Comptroller requires that the physical inventory must be completed by August 31st of each fiscal year. However, the University’s self-imposed deadline, which is set each year, is generally no later than July 31st.

Therefore, the University must maintain strict controls on the tracking and reporting of all property within its control to ensure compliance with state law, as well as with UT System rules and requirements. It is highly important to the University as a whole that these procedural controls be followed by all University personnel because the University and individual University personnel could be held liable for lost or damaged property. Furthermore, future federal, state and private funding of the University, as well as public perception and the reputation of the University in

general could ultimately be affected by the University's implementation and enforcement of an effective and accurate inventory management system.

Each University employee is responsible for using state equipment only for state purposes and to exercise reasonable care for its safekeeping. The term "reasonable care" means that, at a minimum, steps are taken to maintain the asset in an acceptable manner, ensure the security of an asset, ensure that an asset can be located at any time requested, and ensure that the person responsible for the asset is known. At no time should state property be used for personal gain. The mandatory procedures comprising the University's Inventory Management System are set out below.

B. Responsibilities

Budget Authority and / or Department Head

1. Primarily responsible for ensuring the annual inventory of all department capital and controlled assets under their authority is completed and turned in according to this policy.
2. Primarily responsible for ensuring that all University property within their department(s) are properly tagged.
3. Each Budget Authority must have at least one individual designated to act as the inventory contact person for each department under their oversight at all times.
4. Different departments within the same Budget Authority's division may share an inventory contact person.
5. Primarily responsible for the care and safeguarding of all University property assigned to, possessed or in use by their respective departments.
6. Primarily responsible for ensuring inventory contact persons and all department staff abide by the requirements of these procedures.
7. Responsible for designating an inventory contact person for that particular department and ensures the inventory contact person completes the inventory certification required yearly.
8. Ensures the department inventory contact person has access to all offices, classrooms, labs, closets, rooms, and any other space in which department property is located on campus during the annual inventory review.
9. Ensures that University property is used by department staff and students for University business only.
10. Ensures accurate and current records of departmental property are maintained.

Inventory and Property Control Coordinator

1. Ensures required property records are maintained and serves as the designated custodian of all property possessed by the University.

2. Responsible for the review and approval for any asset transfers including departmental transfers, surplus transfers, custodian transfers and location transfers submitted through the asset module of PeopleSoft.
3. Responsible for the review and approval for all departmental property removals submitted in the asset module of People Soft.
4. Provides replacement inventory tags to the departments as needed.
5. Assigns inventory tag numbers and input the data entry into PeopleSoft for that asset.
6. Provides instructions to each department outlining the procedures to be used to conduct the annual inventory.
7. Receives completed inventory scanning information from departments inventory contact person and makes any necessary corrections in PeopleSoft to ensure it is current and up to date at all times. Reviews any other inventory-related request for the reconciliation of information received from University departments regarding data information in PeopleSoft
8. Provides the inventory contact person certification program.
9. Maintains a current list of designated inventory contact persons.
10. Schedules, distributes, and publishes the annual inventory schedule for each budget authority on or before November 15 of the new fiscal year.
11. Assists inventory contact person with completion of any asset workflow transaction, completion of the certification form for the annual inventory review, provides any other assistance including the collaboration between the inventory contact person and other University personnel as needed.

Inventory Contact Person

1. Serves as the department primary inventory contact regarding all University property in their possession and controlled by that department.
2. Serves as the departments' primary liaison to for the Asset Management and Inventory Control Department.
3. Completes all inventory transactions necessary including the disposition of any department property.
4. Maintains knowledge and access to all department classrooms, offices, labs, rooms, closets, and other spaces that would house department property during the yearly inventory review.
5. Completes scanning of all department assets during the assigned annual inventory schedule.

Custodian

1. Maintains possession of and control over department property assigned to their custody.
2. Responsible for the care and safeguarding of department property assigned to their custody.

3. Responsible for knowing the location of all property assigned to them at all times.
4. Provides asset information in a timely manner to the department's inventory contact person when requested, including communicating the change in status (missing, damage, theft, etc.) of any assigned asset to their inventory contact person immediately upon knowledge of the change in condition.

C. Tagging of New Assets

1. As assets are acquired / received by a department, as either capital and/or controlled assets regardless of source, must be tagged with a uniquely numbered, bar-coded University inventory tag obtained thru the Asset Management and Inventory Control Department.
2. All inventory tags must be applied to assets so that they are highly visible and easily accessible during the annual inventory.
3. This tag will include the statement "University of Texas at Tyler."
4. Previously assigned inventory tag numbers may not be reassigned or reused.
5. In the event the tag has been damaged, a reprint of the tag can be requested thru inventory service.
6. In the event a department receives any capital or controlled asset without a University inventory tag, it is the responsibility of the department / inventory contact person to contact Asset Management and Inventory Control to request a tag for the asset.
7. Any capital or controlled asset discovered without a required inventory tag at any given time, Asset Management and Inventory Control will need to be contacted for a Tag to be assigned to that asset.

D. Certification of Inventory Contact Person

1. Every Budget Authority must have at least one individual designated to act as the inventory contact person for each department under their oversight at all times.
2. Different departments within the same Budget Authority Divisions may share an inventory contact person.
3. Each designated inventory contact person must complete the Inventory Contact Person Certification Program provided by Asset Management and Inventory Control Department.

E. The Inventory Contact Person Certification Program

1. Introduction to the Asset Management and Inventory Control System.
2. Review important Terms and Definitions
3. Review Inventory policies and procedures, including the processes for acquisition, disposition and handling of University property, as well as the functions of Asset Management and Inventory Control.

4. Inventory Contact Person Certification per person is valid for a period of three (3) years after which time the certification must be renewed by re-taking the Inventory Contact Certification program. If significant inventory changes take place, a renewal may be required more frequently.
5. Inventory contact persons who have not completed the Inventory Contact Certification will not be permitted to participate in the annual inventory as provided herein.

F. Annual Inventory

1. The University's Budget Authority's Departments will be divided and assigned dates for the purposes of completing the annual inventory.
2. The scheduling of the Annual Inventory for each Budget Authority and dates for this inventory will be distributed by the Asset Management and Inventory Control Department on or before November 15th of each year.
3. At least ten (10) business days prior to the start of each Budget Authority's Annual Inventory start date, the Inventory Contact Person will run the inventory report for that department for the most current list of all capital and controlled assets, belonging to their departments.
4. On the business day immediately preceding the day a Budget Authority's inventory ("start date") is set to begin, Asset Management and Inventory Control will make scanning equipment available to the Budget Authority's inventory contact person for pick-up.
 - a. The receipt of the scanning equipment on a date other than the pick-up date will not affect or change the date on which the scanning equipment must be turned back into Asset Management and Inventory Control (the "completion date").
 - b. If the department has more than one certified inventory contact person, the department may request more than one set of scanning equipment.
5. The written request for more than one set of scanning equipment must be emailed to Asset Management and Inventory Control @ inventory@uttyler.edu no less than ten (10) business days prior to the start of the department's scheduled start date.
6. Approval of the request will be subject to the availability of sufficient scanning equipment and whether the department is deemed sufficiently large enough by Asset Management and Inventory Control to warrant multiple scanners.
7. On or before the completion date, the inventory contact person must return the scanning equipment to Asset Management and Inventory Control.
8. Asset Management and Inventory Control will provide the inventory contact person with a list of any discrepancies for their department.

IV. Definitions

Annual Inventory: The process by which the location and status of all capital and controlled assets in the possession of the various University departments, centers, and designated university offices are reconciled by scanning the inventory bar-coded tags

on the assets and comparing those results to the inventory of assets listed in PeopleSoft. The Texas Comptroller requires that the physical inventory must be completed by August 31st of each fiscal year. However, the University's self-imposed deadline, which is set each year, is generally no later than July 31st.

Budget Authority – An individual responsible for ensuring the University's Policy and Procedures. As well as safeguarding the use of University property for business purposes only. Budget Authorities may delegate their duties deemed as necessary.

Cannibalization: The act of removing or stripping part(s) or component(s) from one identifiable asset for use with or installation into or onto another identifiable asset, often to the extent that the original asset is inoperable or nonfunctional for its original intended use.

Capital Asset: Real or personal property that has an estimated life of greater than one year and a value equal to or greater than the capitalization threshold established for that asset type. The threshold values for capitalized assets include the following:

Account Code	DESCRIPTION	THRESHOLD AMT
86110	Furniture and Equipment	\$5,000.00 or More
86120	Computer Equipment and Monitors	\$5,000.00 or More
88210	Computer Software	\$100,000.00 or More
86115	Telecommunication Equipment	\$5,000.00 or More
86201/86202	Motorized Vehicles including electric and Gas-Powered Cart	Any Dollar Amount
86207	Unmanned Aerial Vehicle (UAV) DRONES	\$5,000.00 or More

Consumable: Items that typically have a useful life of less than one year.

Controlled Asset: An asset that does not meet the capitalization value threshold, but still must be secured, tracked, and accounted for in the annual inventory due to the nature of the item. Controlled assets include:

ACCOUNT CODES	Class Code	Property Type
63161	Handguns, Rifles	Any Dollar Amount

63162	Furniture, Equipment, TV's, Camera's, Projectors	\$500.00 - \$4,999.99
63163	Computer ONLY- Desktop, Laptop, Tablets, Smartphones, and any other Hand-Held Device	\$0.00 - \$4,999.99
63165	Telecommunications Equipment	\$500.00 - \$4,999.99
63162	Unmanned Aerial Vehicle (UAV) Drones	\$500.00 - \$4,999.99

Custodian: The individual primarily responsible for possession, use and oversight of a specific item of University property so as to maintain the asset in good working condition and prevent damage, loss, theft or other harm to the asset.

Department Head: An individual designated to lead the various departments within the respective division of the college. Department Heads may delegate their duties as they deem appropriate.

Equipment: A tangible asset that is functionally complete for its intended purpose, durable, nonexpendable, and needed for the performance of a contract or some other identifiable purpose. Equipment is not intended for sale and does not ordinarily lose its identity or become a component part of another article when put into use.

Inventory Contact Person: The individual or individuals designated by the Budget Authority to serve as the principal department contact in all matters pertaining to property possessed and controlled by that department. The inventory contacts are the departments' primary liaison to Inventory Services.

Inventory Control: The University department that is responsible for oversight of the annual inventory certification and associated follow-up inventory reviews, receipt and processing of inventory-related forms, reconciliation of information received from University departments, and maintenance of data and information in UT Share.

Missing Property: An asset that is absent and its whereabouts cannot be accounted for or verified. Missing property includes lost and stolen property.

PeopleSoft: The computerized accounting system used by UT Systems that includes an asset management module utilized to monitor, track and report all University-owned property.

Property: Any capital or controlled asset in the possession and control of the University that is not classified as real property. Property is any possession of the University of Texas that has sufficient value and/ or is of a particular nature to warrant inclusion in the

fixed asset financial reports and to have management controls placed upon it. For purposes of this procedure, it does not include consumable items, nor does it include real property such as land or buildings, improvements to land or buildings, or infrastructure.

Property Manager: The University designates a Property Manager who will maintain required property records and serve as the custodian of all property possessed by the University.

Salvage Property: Property that, because of its worn, damaged, deteriorated, incomplete condition, or specialized nature, has no reasonable prospect of sale or use as serviceable property without major repairs, but has some value in excess of its scrap value.

Scrap: Property that has no value except for its basic material content.

Stolen Property: Any equipment missing from the University as the result of forced removal, burglary, theft, misappropriation, or other criminal acts. Stolen property includes assets removed from the University premises, with or without consent, which are not returned to the University upon demand.

Surplus Property: Property that exceeds the University's needs and is not required for the University's foreseeable needs. The term includes used or new property that retains some usefulness for the purpose for which it was intended or for another purpose.

V. Relevant Federal and State Statutes

Texas State Code §§403.013, 403.2715, 403.272, 403.273(h), and 403.275 19 Texas Administrative Code Chapter 17 Texas State Comptroller State Property Accounting ("SPA") Process User's Guide

VII. Relevant UT System and UT Tyler Policies and Forms

- [UTTyler Handbook of Operating Procedures](#)
- [Inventory Control Person Responsibility Form – ACIM ICP Form 092022](#)

