



TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER EL PASO

Operating Policy and Procedure

HSCEP OP: 63.10, **Property Management**

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

REVIEW: This HSCEP OP will be reviewed on November 1 of every odd numbered year (ONY) by the Director of General Services and the Chief of Police or designees, with recommendations for revisions forwarded to the Chief Financial Officer or designee by November 15.

POLICY/PROCEDURE:

1. **Background.** As a state supported educational institution, TTUHSCEP must meet the requirements of the state Purchasing and General Services Act (Texas Government Code §403.271 [a] and [b]) with regard to personal property, and the Texas Capital Trust Fund (Texas Government Code § 403.271 [a] and [b] and § 2201.002) relating to real 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 TTUHSCEP 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. **Equipment.** An item of state property acquired or possessed with an expected life of one year or more and acquisition cost of \$5,000.00 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). Please also refer to Attachment I concerning class codes/controlled assets.
 - d. **Property Custodian.** An employee of TTUHSCEP to whom property has been assigned. The Property Custodian is usually the head of the department or designated by the head of the department.
 - e. **Property Manager.** TTUHSCEP employee charged with the responsibility of accounting for all institutional property to the Comptroller of Public Accounts for the State of Texas.
 - f. **Real Property.** Land, buildings, land improvements and building improvements.
 - g. **State of Texas Personal Property.** The Comptroller of Public Accounts has defined personal property as all non-consumable institutional property having an acquisition cost of \$5,000.00 or more, or any property of the state of Texas, which, due to the nature of the asset, is required to be managed by the state.
 - h. **Surplus Property.** Any item that exceeds a department's needs and is not required for the department'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. Includes excess, non-operational, obsolete, or uneconomically repairable items whether or not inventoried. See HSCEP OP 63.11.

- i. **Surplus Property Manager.** The Director of General Services has been designated as the Surplus Property Manager for TTUHSCEP and is responsible for the disposal of surplus property.

3. **Responsibility.**

- a. Department Head- Items of personal property are assigned to individual departments. The department head is usually the Custodian of these items and is responsible for their safekeeping. The department head ensures that the Temporary Use of Property Authorization form (Attachment D) is submitted to [Property Management](#) and Texas Tech Police whenever property is temporarily removed from the department. (Please refer to HSCEP OP 61.01, Use of TTUHSCEP Facilities, Equipment, Supplies, and Services for Private Purposes Prohibited.)
- b. Property Manager- Under the General Services Act as mentioned above, it is the responsibility of the Property Manager to account to the Comptroller of Public Accounts for all institutional property and computing devices.
- c. Custodian- The Comptroller of Public Accounts permits that a "Custodian" may be designate for specific items of personal property. The custodian will have the responsibility to manage, control, and account for those items within their department.
- d. Department- Tracking of property costing less than \$5,000.00 and items not on the controlled asset list is the responsibility of the individual department. If a department desires to track these items with internal inventory tags, tags can be requested from [Property Management](#). The individual department will be responsible for tracking equipment not defined in 2c.

4. **Asset Systems**

The asset systems will be maintained by the TTUHSCEP Finance Systems Management (FSM) Department.

- a. **Banner**-Property Management personnel will enter the following information into the Banner financial system:
 - (1) **Inventory Tag Number.** The number assigned by TTUHSCEP to the specific item.
 - (2) **Description.** Description of the item (i.e., computer).
 - (3) **Model Number.** Model of the item (i.e., Precision 390), if available
 - (4) **Manufacturer.** Manufacturer of the item (i.e., Dell), if available.
 - (5) **Cost.** Purchase price or other established value for the item such as fair market value at the time of donation.
 - (6) **Date Acquired.** Date purchased or otherwise identified as belonging to TTUHSCEP
 - (7) **Department Org Code.** Org Code for the department to which the item is assigned.
 - (8) **Custodian.** Individual to whom item has been assigned

b. **Property Inventory System-** The Property Custodian will enter the following information into the Property Inventory System.

- (1) **Serial Number.** Serial Number assigned by the manufacturer
- (2) **Building and Room Number.** Location of the item.
- (3) **Condition.** New, Good, Fair or Poor will be the condition options

The Property Custodian will also be responsible for the following actions in the Property Inventory System.

- (1) Initiating transfer requests for assets going to another department within TTUHSCEP
- (2) Accepting transfer requests for assets coming from another department within TTUHSCEP
- (3) Submitting and Certifying inventory annually
- (4) Assigning delegates if needed

If the item is transferred from another institution or agency, the department receiving the item must promptly notify [Property Management](#) by submitting an Inter-Agency Property Transfer Request (Attachment F).

If the item is fabricated on campus, the department must submit a Fabrication of Equipment Authorization (Attachment H) to [Property Management](#) so that the item may be added. There are times when equipment that is needed for a project is not available or when the equipment that is needed can be constructed for less than the cost to purchase the equipment. This practice is referred to as "Fabrication of Equipment." When the equipment to be fabricated 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), prior approval from the Property Manager is required for these projects. If purchasing the materials needed to fabricate equipment, complete Fabrication of Equipment Authorization form (Attachment H) and send this form with your requisition. If purchasing materials needed to fabricate equipment with the procurement card, complete Attachment H and send the form and a copy of the receipt/invoice to Property Management.

5. **Deletions.**

The process of obtaining approval to delete property from the Fixed Assets System starts with the submission of the Departmental Certification for Surplus of an Inventoried Item form (Attachment A) or the Missing, Damaged, Lost or Stolen Property Report (Attachment B) by the property custodian.

Surplus-When final disposition method of surplus is determined, the Final Disposition of Surplus Property form (Attachment J) will be completed by the appropriate Surplus Property Manager (as defined in 2g) and forwarded to [Property Management](#).

If the surplused item is a computing device, the Institutional Information Security Officer (ISO) must be notified at elpasoitsecurity@ttuhsc.edu and the Institutional Privacy Officer (IPO) at Institutional.Compliance@ttuhsc.edu. Departments are responsible for software and data files on computing devices and equipment before they are transferred or surplused unless the software license is transferable. In the event that the computing device contains any confidential information in electronic media, the department is responsible to ensure that all

electronic media is destroyed prior to being transferred or surplus. Identify theft, privacy concerns, and compliance with HIPAA regulations are concerns shared by all TTUHSC departments

If a TTUHSC vehicle of any type is deleted from inventory, the Office of Vehicle Fleet Management (TTUHSC General Services) will be provided a fully executed copy of Departmental Certification for Surplus of an Inventoried Item form (Attachment A). TTUHSC vehicles being disposed of as surplus property shall also comply with OP 63.04 on Disposal of Motor Vehicles.

Lost or Missing Property should be reported immediately to [Property Management](#) by completing the Missing, Damaged, Lost or Stolen Property Report (Attachment B). If missing property is a computing device Attachment B should also be forwarded to the Institutional Information Security Officer (ISO) at elpasoitsecurity@ttuhsc.edu and the Institutional Privacy Officer (IPO) at Institutional.Compliance@ttuhsc.edu.

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.

Stolen property must be reported to Texas Tech Police Department at ttpelpaso@ttuhsc.edu and [Property Management](#) immediately after the theft is noticed by completing a Missing, Damaged, Lost or Stolen Property Report (Attachment B). If stolen property is a computing device the Institutional Security Officer (ISO) and the Institutional Privacy Officer (IPO) should also be notified as mentioned above.

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 loss, destruction or damage shall immediately be reported to the State Auditor and the Attorney General as required by Sec. 8.06, Art. 601b, V.T.C.S. 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, the Attorney General shall make written demand upon such state official or employee for reimbursement to the state for the loss so sustained.

6. **Trade-in of Equipment.**

(1) 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 Surplus of an Inventoried Item form (Attachment A) 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.

(2) 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 HSCEP OP 63.03, Vehicle Fleet Management Program and HSCEP OP 63.07, Vehicles - Inscription and Painting. Any signage associated with TTUHSC will be removed prior to final disposition of the vehicle. The Office of Vehicle Fleet Management will be provided a fully executed copy of Departmental Certification for Surplus of an Inventoried Item (Attachment A).

7. **Donated Vehicles.**

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

8. **Vehicle Transfers.**

If a TTUHSCEP-owned vehicle of any type is transferred to another department within the University, the transferring department will initiate the transfer online via the Property Inventory system to the Vehicle Fleet Manager for approval. The transfer request must include justification and appropriate approvals as outlined in HSCEP OP 63.03 Vehicle Fleet Management Program. Upon approval, the transferring department will enter the transfer request online. Non-approved requests will be returned to the department that originated the request with recommendations for disposal.

9. **Cannibalization of Equipment.**

In some instances, the benefits to TTUHSCEP from cannibalization of obsolete equipment may outweigh the benefits that would otherwise be realized from the sale of the equipment or the transfer of the equipment to another department. In such cases, the department must contact Property Management at for assistance with this request.

10. **Changes.**

If any asset data in the Asset System is incorrect, changes can be made by Property Management as requested by the department. Requests should be submitted to [Property Management](#). Changes in location of equipment should be made through the online Property Inventory System at www.fiscal.ttuhsce.edu/propinv.

11. **Other dispositions.**

If a department believes they have a need to dispose of equipment in a manner that is not addressed in the items above, they must contact [Property Management](#) to determine the appropriate action.

12. **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.

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

Please refer to HSCEP OP 72.04, Equipment Purchased for Sponsored Federal Projects.

14. **Title to Equipment.**

a. **Title.**

- (1) Title to purchased equipment vests in TTUHSCEP and the State of Texas; however, equipment purchased with sponsored project funds may also be subject to sponsor regulations regarding title.
- (2) Title to transferred equipment vests in TTUHSCEP and the State of Texas unless the former owner notifies TTUHSCEP of other arrangements or conditions, and TTUHSCEP specifically accepts these arrangements or conditions upon accepting the equipment.
- (3) TTUHSCEP and the State of Texas have no control over loaned equipment other

- than stewardship responsibilities to protect such property from loss, damage or unauthorized use. Disposition is completely at the discretion of the owner.
- (4) Title to equipment donated vests in TTUHSCEP and the State of Texas by virtue of the fact that TTUHSC is a Texas state agency.
 - (5) The presumption in all cases is that title vests in TTUHSCEP and the State of Texas unless explicitly stated otherwise by an authoritative source.
 - (6) Approval for transfer of items purchased from sponsored project funds is made by the Office of Sponsored Programs. Please refer to HSCEP OP 72.02.

b. Disposition.

- (1) If title vests in TTUHSCEP and the State of Texas and there are no sponsor (donor) regulations pertaining to disposition of property, the item may be transferred to another agency of the State of Texas, or the item may be declared surplus and disposed of in accordance with Article 601b, V.T.C.S. Approval of the Information Technology Department (BB183, 806-743-2870) must be obtained when the property consists of computer and/or telecommunications equipment with a fair market value of at least \$15,000.
- (2) If title vests in TTUHSCEP and the State of Texas and there are sponsor (donor) regulations or advice pertaining to disposition of property, one of the following procedures may be followed. (When the property consists of computer and/or telecommunications equipment with a fair market value of at least \$15,000, approval must be obtained from Information Technology Department [BB183, 806-743-2870] before the transaction takes place.)
 - (a) The item may be transferred to another agency of the State of Texas.
 - (b) The item may be declared surplus and disposed of in accordance with Article 601b, V.T.C.S.
 - (c) The item may be disposed of in accordance with sponsor (donor) regulations or advice, provided that TTUHSCEP and the State of Texas are reimbursed at fair market value of the property.

15. Private Use Prohibited.

Equipment which TTUHSCEP owns or is responsible for shall not be used for personal purposes. TTUHSCEP 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 TTUHSCEP property to an employee's personal residence or other like property to accomplish TTUHSCEP work or business "at home," a Temporary Use of Property Authorization form (Attachment D) must be completed and processed as instructed on the form.

Please also refer to HSCEP OP 61.01, Use of TTUHSCEP Facilities, Equipment, Supplies, and Services for Private Purposes Prohibited.

16. Annual Physical Inventory.

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 Fixed Asset System. The listing and instructions will be provided through the online Property Inventory System at www.fiscal.ttuhsce.edu/propinv.

All discrepancies found on the federal portion of the annual physical inventory shall be reported to the cognizant Federal Property Administrator.

Property Management personnel will be available to assist and advise departments with

problems encountered during the physical inventory.

17. **Changes to Departmental Inventory.**

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

DEPARTMENTAL CERTIFICATION FOR SURPLUS OF AN INVENTORIED ITEM.....	ATTACHMENT A
MISSING, DAMAGED, LOST OR STOLEN PROPERTY REPORT	ATTACHMENT B
NOT ASSIGNED	ATTACHMENT C
TEMPORARY USE OF PROPERTY AUTHORIZATION	ATTACHMENT D
TRANSFER FROM SURPLUS TO DEPARTMENT REQUEST	ATTACHMENT E
INTER-AGENCY 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
CLASS CODES – PROPERTY CONTROLLED BUT NOT CAPITALIZED	ATTACHMENT I
FINAL DISPOSITION OF SURPLUS PROPERTY	ATTACHMENT J

18. **Federal Property.**

- a. Federal property found to be lost or stolen shall 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.

19. **Property Transfers.**

- a. Property which is surplus to a department or activity may be transferred to another TTUHSCEP department. 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, except directly between the losing and gaining TTUHSCEP accounts, must have the prior approval of the Director of Accounting Services and the Chief Financial Officer to insure compliance with state rules and regulations.
- b. 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 Departmental Inventory That Has Been Discovered or Transferred from Off-Campus or Donated form (Attachment G).
- c. To accomplish a prearranged transfer, the Property Custodian should initiate an online transfer via the Property Inventory System for intra-Texas Tech transfers or an Inter-Agency Property Transfer Request form (Attachment F) for transfers to another state agency and forward it to the TTUHSCEP Property Manager.
- d. If a computing device or equipment containing electronic data, the originating department is responsible to make sure that all confidential information is destroyed prior to transfer.

- e. All equipment must be checked to make sure all items have been removed.
- f. When a transfer within TTU is to be made on a reimbursable basis, the Request for Interdepartmental Cost Transfer form should accompany the Inter-Agency Property Transfer Request form (Attachment F). When a transfer to another state agency is to be made on a reimbursable basis, the Director of Accounting Services or the Chief Financial Officer will arrange for the Accounting Services Department to handle the necessary billing.

20. **Disposal of Surplus Property.**

Property which becomes surplus, obsolete or uneconomically repairable will be disposed of under the control of the Surplus Property Manager. Refer to HSCEP OP 63.11 for more information.

21. **Insurance.**

TTUHSCEP **does not insure** against the loss or damage of any item of property. Departments must replace lost, damaged, stolen, or destroyed property from their own departmental funds.