



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 (TTUSC El Paso) Operating Policy and Procedure (HSCEP OP) is to define the scope of property management at TTUHSC El Paso.

REVIEW: This HSCEP OP will be reviewed on November 1 of every odd numbered year by the Property Manager, Institutional Information Security Officer, Institutional Privacy Officer, and the Chief of Police, or his/her designees, with recommendations for revisions forwarded to the Chief Financial Officer, or his/her designee by November 15.

POLICY/PROCEDURE:

I. Background.

As a state supported educational institution, TTUHSC El Paso 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 TTUHSC El Paso is subject not only to these requirements, but also to those of the state auditor.

II. Definitions.

- A. **Computing Device.** An all-inclusive term referring to, but not limited to, desktop computers, laptop computers, tablets, printers, servers, external drives, and any other computer device that should be listed in the institutional property inventory.
- B. **Confidential Information.** Please refer to [HSCEP 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 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 TTUHSC El Paso 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.** TTUHSC El Paso 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. **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](#).

- H. **Surplus Property Manager.** The section supervisor of General Services has been designated as the surplus property manager for TTUHSC El Paso and is responsible for the disposal of surplus property.

III. **Property Inventory System.**

The Property Inventory System will be maintained by the TTUHSC El Paso Finance Systems Management (FSM) Department.

- A. **Banner.** Property management personnel will enter the following information into the Banner financial system:
 - I. **Inventory Tag Number.** The number assigned by TTUHSC El Paso to the specific item. Property tags are automatically generated when an invoice is processed against an account code that has been identified as a capital or controlled account code. Property tags are mailed to the Property Custodian/Delegate. If you have not received a property tag for equipment that has been received, please send an email to [Property Management](#).
 - II. **Description.** Description of the item (i.e., computer).
 - III. **Model Number.** Model of the item (i.e., Precision 390), if available.
 - IV. **Manufacturer.** Manufacturer of the item (i.e., Dell), if available.
 - V. **Cost.** Purchase price or other established value for the item such as fair market value at the time of donation.
 - VI. **Date Acquired.** Date purchased or otherwise identified as belonging to TTUHSC El Paso
 - VII. **Department Org Code.** Org code for the department to which the item is assigned.
 - VIII. **Custodian.** Individual to whom item has been assigned.

IV. **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 annual physical inventory is completed and that a 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 TTUHSC El Paso Facilities, Equipment, Supplies, and Services for Private Purposes Prohibited.)
- B. **Department.** 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 internal inventory tags, tags can be requested from [Property Management](#). The individual department will be responsible for tracking

equipment not defined in 2c. In the event that a transfer needs to be made from one department to another for a non-inventoried computing device or equipment that contains confidential information, the department will be responsible for ensuring that all electronic media is destroyed/removed prior to being transferred. For more information please contact Information Technology Services @ 915-215-4111 or submit a [SysAid](#) ticket.

- C. **Custodian.** The comptroller of public accounts permits that a custodian may be designated for specific items of personal property. The custodian will have the responsibility to manage, control, and account for those items within their department. Custodians must ensure that property inventory tags are affixed to equipment in a timely manner.
1. **Delegates.** The assigned custodian may delegate his duties to an assigned person he/she chooses. Only the Custodian can assigned them in the Property Inventory System.
 2. **Missing/Pending Information.** The property custodian, and/or his/her designee, will enter the following information into the property inventory system within three business days of receiving the property tag
 - I. **Serial Number.** Serial Number assigned by the manufacturer.
 - II. **Building and Room Number.** Location of the item.
 - III. **Condition.** New, Good, Fair or Poor will be the condition options.
- If any asset data in the asset system is incorrect, changes can be made by property management. Requests should be submitted to [Property Management](#).
3. **Property Transfers.** The property custodian, and/or his/her designee, will also be responsible for the following actions in the property inventory system.
 - A. Initiating/Accepting transfer requests for assets going to another department within TTUHSC El Paso.
 - B. Accepting/Rejecting transfer requests within 7 business days for assets coming from one department to another department within TTUHSC El Paso.
 - C. Departments are responsible for software and data files on computing devices and equipment before they are transferred from one department to another. In the event that the transfer is a computing device or equipment that contains confidential information, the department is responsible for ensuring that all electronic media is destroyed/removed prior to being transferred. For more information please contact Information Technology Services @ 915-215-4111 or submit a [SysAid](#) ticket.
 - D. 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](#)). When a transfer within TTU/HSC 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.

4. Vehicles.

- A. If a TTUHSC El Paso vehicle of any type is obsolete or unserviceable, , the department must attain approval from the Office of Vehicle Fleet Management before transferring vehicle to Surplus.. TTUHSC El Paso vehicles being disposed of as surplus property shall also comply with [HSCEP OP 63.04](#) on Disposal of Motor Vehicles.
- B. If a TTUHSC El Paso-owned vehicle of any type needs to be transferred to another department within the university, the transferring department must notify Vehicle Fleet Management as outlined in [HSCEP 63.03](#) Vehicle Fleet Management Program. Upon approval, the transferring department will enter the transfer request via the Property Inventory system. Non-approved requests will be returned to the department that originated the request.
- C. If a TTUHSC El Paso 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 El Paso will be removed prior to final disposition of the vehicle. The Office of Vehicle Fleet Management will be provided a fully executed copy of a Deletion of an Inventoried Item (Attachment A).
- D. Motor vehicles donated to TTUHSC El Paso 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.

5. **Lost or Missing Property.** 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 ISO at elpasoitsecurity@ttuhsc.edu and the IPO at Institutional.Compliance@ttuhsc.edu. All efforts should be made by the department to locate property inventory **before** reporting it as missing or lost.

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.

6. **Stolen Property.** Stolen property must be reported to Texas Tech Police Department 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 ISO and the 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.

7. Trade-in of Equipment.

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 El Paso. The department must file a Deletion/Trade-In 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 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. Please submit a SysAid ticket to have IT remove any confidential information.

7. Cannibalization of Equipment.

In some instances, the benefits to TTUHSC El Paso 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 for assistance with this request.

8. 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. Please submit a SysAid ticket to IT to remove confidential information.

9. **Fabricated Equipment.** 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 the Fabrication of Equipment Authorization form ([Attachment H](#)) and send this form with your requisition. If purchasing materials are 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.

10. Deletions.

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

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 El Paso departments.

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.

11. Equipment Purchased from Sponsored Projects Funds.

Please refer to [HSCEP OP 72.04](#), Equipment Purchased for Sponsored Federal Projects.

12. Title to Equipment.

a. Title.

- i. Title to purchased equipment vests in TTUHSC El Paso and the State of Texas; however, equipment purchased with sponsored project funds may also be subject to sponsor regulations regarding title.
- ii. Title to transferred equipment vests in TTUHSC El Paso and the State of Texas unless the former owner notifies TTUHSC El Paso of other arrangements or conditions, and TTUHSC El Paso specifically accepts these arrangements or conditions upon accepting the equipment.
- iii. TTUHSC El Paso 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.
- iv. Title to equipment donated vests in TTUHSC El Paso and the State of Texas by virtue of the fact that TTUHSC El Paso is a Texas state agency.
- v. The presumption in all cases is that title vests in TTUHSC El Paso and the State of Texas unless explicitly stated otherwise by an authoritative source.
- vi. 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.

- i. If title vests in TTUHSC El Paso 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.
- ii. If title vests in TTUHSC El Paso 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.)
 1. The item may be transferred to another agency of the State of Texas.
 2. The item may be declared surplus and disposed of in accordance with Article 601b, V.T.C.S.

3. The item may be disposed of in accordance with sponsor (donor) regulations or advice, provided that TTUHSC El Paso and the State of Texas are reimbursed at fair market value of the property.

13. Private Use Prohibited.

Equipment that TTUHSC El Paso owns or is responsible for shall not be used for personal purposes. TTUHSC El Paso owned and controlled equipment should not be removed from the premises of TTUHSC El Paso. In the event a tagged item of equipment is needed to be removed from TTUHSC El Paso property to an employee's personal residence or other like property to accomplish TTUHSC El Paso 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 TTUHSC El Paso Facilities, Equipment, Supplies, and Services for Private Purposes Prohibited.

14. 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 <https://busaff.elpaso.ttuhs.edu/PropertyManagement/>.

Discrepancies found on the federal portion of the annual physical inventory shall be reported to the cognizant federal property administrator.

Departments that do not submit the annual physical inventory certification by the designated deadline, will be reported to the CFO in accordance with our escalation procedures. A missing item report will be forwarded to the CFO for review and a six month follow up will be made by our Property Management office for an update on the missing items and consideration of whether items should be updated to lost or stolen status.

Property Management personnel will be available to assist and advise departments with problems encountered during the physical inventory.

15. Federal Property.

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.

16. Discovered/Donated Assets

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).

17. 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.

18. Insurance.

TTUHSC El Paso 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.

19. Form Changes to Departmental Inventory.

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

Deletion/Trade-In 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