

Memo To: All UH-Downtown/PS Holders
From: Dr. Loren J. Blanchard, President
Subject: Property Management Policy

UH-Downtown/PS 07.A.01
Issue No. 7
Effective date: 02/17/2023
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1. PURPOSE

This PS states the policy and procedures relating to the proper use, maintenance, and safekeeping of the University of Houston-Downtown's (UHD) state and federal capital property and state designated controlled items.

2. DEFINITIONS

- 2.1 Capital Property: Property valued at \$5,000.00 or over and having a useful life of at least one year.
- 2.2 Controlled Property: State designated property that must be secured and tracked due to the high-risk nature of the items. The property is valued between \$500 and \$4,999 and has a useful life of at least one year. The specific assets include: desktop and laptop computers, smartphones, tablets, and other hand held devices, all firearms regardless of amount, stereo systems, cameras, video cameras, video recorder/laserdisc players, camcorders, television/VCR combinations, television sets, video cassette recorders, data projectors, and drones.
- 2.3 Property Management: Property Management is responsible for promulgating guidelines to help ensure compliance with all applicable rules related to accounting for and controlling capital and controlled assets. Property Management is also responsible for communicating applicable rules to the university departments. Property Management will notify department heads, deans, and divisional heads of any instances of non-compliance with Property Management guidelines, as appropriate.
- 2.4 Property Custodian: Each college, division, department, and unit administrator is responsible for ensuring compliance with Property Management guidelines and is required to appoint a Property Custodian to perform the duties specified.

3. POLICY

- 3.1 Each Department/Unit Manager will designate a Property Custodian for their area. The assignment will be renewed annually with the [Custodian Designation Form](#). The link is available on the [Property Management forms site](#), and is to be completed and returned to the Property Manager by August 1st of each year. The Property Custodian will be the Department/Unit Manager unless designated otherwise. All property custodians will

receive training from Property Management on the duties and responsibilities of the property custodian. An alternate custodian must also be determined.

- 3.2 The State of Texas requires Property Management to maintain an inventory of university capital and controlled property. Items received through standard purchase procedures (purchase orders, direct vouchers, and service center requisitions) are identified by Property Management through the use of purchasing records and vendor documentation available from the Accounts Payable department. All property acquired by the university is to be centrally processed through the Shipping and Receiving department. Receiving reports should correctly identify property model numbers, serial numbers, and equipment locations. Immediately upon receipt of any capital or controlled item by loan or gift, the Property Custodian must notify Property Management. All computer equipment must be delivered to Information Technology, who will record warranty information, tag the items, and deliver to the department.
- 3.3 Departments are responsible for maintaining all capital and controlled property in their custody. This includes periodic inspections, calibrations, preventive maintenance, and repairs as specified by the manufacturer and conventional maintenance practices. In order to assess an item's worth, it is suggested that departments keep a maintenance history on each piece of equipment, including date of work done, a brief description of work done, and cost, if any. These records must be kept in the department office and must be made available to the Property Manager on request. Maintenance records are essential in determining current value when property is traded or sold.
- 3.4 The university is required by state statute to conduct an annual inventory of all capital and controlled property on campus. See [PS 07.A.03, Property Management Annual Inventory](#), for specific procedures.
- 3.5 The university's internal auditors or the [Texas State Auditor's Office](#) may inspect the Property Management records and the physical location of capital and controlled property, at any time, to verify their accuracy.
- 3.6 Employees failing to comply with this policy may be considered negligent and may be liable for any resulting loss or damage to university property.

4. PROCEDURES

- 4.1 Any changes in Property Custodian assignments during the year must be communicated in writing to the Property Manager within fifteen (15) days of the change. The [Change of Custodian](#) form is available on the [Property Management forms site](#).
- 4.2 When a new Property Custodian is appointed, the departmental inventory must be verified by the new and former Property Custodians, if, at the discretion of the Property Manager, the new appointment is within three months of the annual inventory. The

Department/Unit Manager will forward a signed copy of the [Change of Custodian](#) form to Property Management designating a new Property Custodian. Property Management will provide a current inventory listing at the time of the change.

- 4.3 The Property Custodian is specifically responsible for the proper management and control of university property and should ensure that:
 - 4.3.1 Capital or controlled property received by means other than purchase is reported to Property Management.
 - 4.3.2 Property is used for university purposes only.
 - 4.3.3 Property is not loaned, traded, discarded, or moved without approval of Property Management.
 - 4.3.4 Property is not defaced or damaged in any way.
 - 4.3.5 Property is not returned to a vendor as a trade-in without Property Management's approval.
 - 4.3.6 Obsolete and excess property is turned in to Property Management for disposal.
 - 4.3.7 Capital and controlled property are used for their intended purpose by properly trained personnel.
 - 4.3.8 Property within the department is tagged and listed on the departmental property inventory.
- 4.4 Capital and controlled equipment purchased from any source of funds is identified with a UHD property inventory tag, which bears the institution name and a unique property inventory number.
- 4.5 Any surplus capital or controlled property received as a gift or property on loan to the university from state or private sources is to be identified with a UHD property inventory tag. In the case of property on loan, the tag must be removed before the equipment is returned to the lender.
- 4.6 Non-capital and non-controlled properties are not reflected in the Property Management inventory.
- 4.7 The Receiving Department is responsible for overseeing the receipt of all capital and controlled property acquired by the university. The following process is followed:
 - 4.7.1 Appropriate documentation is secured and reviewed.

- 4.7.2 All equipment is identified as property of UHD. Numbered property tags are affixed to all capital and controlled equipment, and non-numbered property tags are affixed to all non-capital equipment if requested.
- 4.7.3 The Receiving Report is reviewed to ensure it contains the required information, as outlined below, before it is forwarded to Property Management.
 - 4.7.3.1 Complete description of the item
 - 4.7.3.2 Manufacturer's name, model number, and serial number
 - 4.7.3.3 Date of receipt
 - 4.7.3.4 Building and room number where the item will be located
- 4.8 When a department loans or transfers capital or controlled property to another department, an Asset Update form must be completed and forwarded to Property Management. The completed form will have the tag number(s) and a brief description of the item(s) being relocated, as well as the digital signatures of the Property Custodians from both the lending/transferring department and the borrowing/receiving department. An email will also be sent from the Information Technology department to the Property Custodians and alternate Property Custodians of both departments.
 - 4.8.1 University property may be loaned from one department to another only for the purpose of conducting official business and may not be loaned to individuals or organizations outside the university.
 - 4.8.2 Capital or controlled property transfers between university departments are not financial transactions. Forms, such as service center requisitions, are not to be used to document transfers.
 - 4.8.3 For capital or controlled property transfers between state agencies, see [PS 07.A.02, Property Management Acquisitions](#) for specific information on ownership and title.
- 4.9 All capital or controlled property in excess of the needs of the department should be turned in to Property Management so that other departments may use the existing property rather than having to make a new purchase. Authorization to move items to Property Management storage is requested on the Asset Update form.
- 4.10 University equipment, once tagged, may be removed from campus only for needed repairs or when necessary to conduct official university business. Requests for Property Management's approval must be made prior to the move by submitting the

Authorization for Off Campus Property form. Property Management may approve moving equipment to an off-campus location for a specific period of time which may not extend past the end of the fiscal year. If the equipment is needed for a longer time, the employee may renew the request without physically returning the equipment by resubmitting the above form prior to the beginning of the new fiscal year. It is important to note that off-campus capital property must be reported on the annual inventory.

- 4.11 Employees having university property at an off-campus location are responsible for that property and should consider providing insurance coverage under their own personal property insurance. Should the property be lost, stolen, damaged, or destroyed due to employee misconduct or negligence, the employee must reimburse the university, whether by an insurance check or personal funds.
- 4.12 The Property Custodian is responsible for reporting lost or stolen capital or controlled property to:
 - 4.12.1 Campus Police by a preliminary telephone report to initiate an investigation.
 - 4.12.2 Property Management by a descriptive email, which will include the police report number and flag the property on the inventory as lost or stolen. Capital and controlled property will be removed from the inventory if unrecovered in accordance with State guidelines.
- 4.13 The university is required to report capital and controlled property losses to the [Texas State Auditor's Office](#). If the State Auditor's Office determines that an employee is responsible for the loss of the property, the employee will be required to reimburse the State. Any lost or stolen property that is subsequently recovered should be reported immediately to Property Management and the UHD Police. The Property Manager will report the recovery to the State Auditor. Any unexplained loss of non-capital equipment or expendable supplies should be reported directly to the Campus Police by the Property Custodian.

5. REVIEW PROCESS

Responsible Party (Reviewer): Property Manager

Review: Every three years on or before November 1st.

Signed original on file in the Office of Human Resources.

6. POLICY HISTORY

Issue #1: 03/23/94

Issue #2: 08/09/99

Issue #3: 02/28/00

Issue #4: 11/05/10

Issue #5: 09/16/14

Issue #6: 02/01/19

7. REFERENCES

[PS 07.A.02, Property Management Acquisitions](#)

[PS 07.A.03, Property Management Annual Inventory](#)

[UH System Administrative Memorandum 03.E.02](#)

[SPA Process User's Guide](#)

[Texas State Auditor's Office](#)