

Towson University (TU) Policies and Procedures

VIII-1.10 (A) TU Policy and Procedures for Property Records

See the Material Management departmental page - when available!

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I. GENERAL

As part of the University System of Maryland (USM), Towson University is required by law to regulate and control all property in its possession.

Universities must capitalize all property with an acquisition value of \$5,000 or greater, and are responsible for maintaining inventory records for all capital and non-capital sensitive property, performing physical inventories of Capital and Sensitive Property at least once every two and three years, respectively, and reconciling additions and deductions in the inventory. Non-capital property has an acquisition value of less than \$5,000. The University is not required to report on these items for financial reporting purposes.

Each USM institution is given the responsibility of defining the appropriate level of control. Towson University has elected to centrally control firearms and computers, regardless of cost, and all other equipment and furniture at \$5,000 or greater. The Property Records Office of the Materiel Management Department is responsible for maintaining the University's central property records. Departments are responsible for the accuracy of the information in inventory records, and must report changes as soon as possible.

The following definitions may be helpful:

Property	Furniture and equipment with a useful life of a year or more.
Capital property	Property with an acquisition value of \$5,000 or greater.
Non-capital	Property with an acquisition value of less than \$5,000.

<u>Sensitive</u>	Property easily converted to personal use. Includes but is not limited to computer and peripherals, audio-visual equipment and office equipment. A detailed list is in <u>Section IX</u> .
Central record	Inventory record of capital property maintained by the Property Records Office.
Property Records	The section of Materiel Management responsible for the central record. (Formerly Property Control)
User employee	Primary person assigned to use property.

The Property Records Office is responsible for:

- maintaining the central record of University capital property, computers and firearms
- conducting a physical inventory of all capital and non-capital sensitive property at least once every two years
- reconciling the central record to the University's accounting system
- maintaining accurate records for audit purposes
- labeling all taggable property and supplying non-capital property labels

Departments are responsible for:

- labeling non-capital property with a value of \$500 or greater that is received directly or otherwise received unlabelled
- reporting any activity that will change the status of property on the central record
- maintaining an accurate inventory of University property in their custody
- assisting Property Records in performing a physical inventory of capital property, computers and firearms at least once every two years
- notifying the Property Records office of all capital property, computers and firearms that are not properly labeled and/or on the central record
- adhering to all procedures and regulations pertaining to property

It is necessary that an "Inventory Coordinator" be appointed by each department head to act as the liaison with the Property Records Office. The coordinator will be responsible for maintaining the department's inventory record and files. Departments must establish a process to have their personnel work with their inventory coordinators to report any

changes in status or to request disposal of ALL University property. Departments are responsible for enforcing these policies.

II. IDENTIFICATION [top](#)

A. CAPITAL PROPERTY

A central record is maintained on all capital property, computers and firearms. All capital property will be assigned a six-digit number. Where possible, an adhesive barcode label with the number, a barcode and "Towson University" will be attached to the unit. If a label cannot be affixed, a six-digit number beginning with "N" will be assigned by Property Records Office. Barcode labels will be applied and/or assigned by Materiel Management/Property Records' staff.

B. NON-CAPITAL PROPERTY

1. Sensitive equipment is property that is easily converted to personal use and has an acquisition value of \$2,500 to \$4,999.99. Plain TU logo labels will be applied by Materiel Management/Property Records staff when appropriate, and in most circumstances by the department of custody. See [Section IX Sensitive Equipment](#) for more detailed information.
2. Non-capital property is not capitalized as defined above in "A" nor controlled as defined in item 1. It is required that all non-capital property with an acquisition value of \$500 or greater be identified as Towson University property. Where possible an adhesive label will be affixed to this property. This label will have at the minimum "TOWSON UNIVERSITY". Whenever possible, non-capital will be labeled at the point of receipt by Materiel Management staff.

Departments must label non-capital property that is delivered directly to them. Property Records Office will supply the labels.

C. GRANT PROPERTY

Property procured with grant funds may be capital property or non-capital property as defined above. Budget codes beginning with number "4" or "5" identify grant accounts. Property Records is required to maintain central inventory records of capital grant property. This property will be identified with a "G" in the "FND" (FUND) field on the central records.

Office of University Research Services is responsible for notifying the Property Records Office of:

- Property obtained with grant funds

- Ownership of grant property. When not notified, Property Records will identify as University owned
- The final disposition of grant property. Property that reverts to the grantor will be removed from the active records

D. FIXED PROPERTY

Property that is not moveable, i.e. it is attached to the building by bolts, plumbing and/or electrical lines, is classified as “fixed.” This property is usually “not” recorded in inventory records, but is part of the value of the building. Some examples include wall-to-wall carpet and blinds.

III. RECEIVING PROPERTY [top](#)

A. NEW PURCHASES

Property with an acquisition value of \$500 or greater must be identified as Towson University property. When property received by Materiel Management staff is procured on a purchase order, they will apply the appropriate label (there may be exceptions), note it on the receiving report, and forward a copy to Property Records.

- Capital property as defined in [Section II](#) will have a TU barcode label/number affixed/assigned to the item.
- Other property will have Towson University label affixed to the item.

If assembly is required, the item will not be labeled at Receiving, but this information will be noted on the receiving report, and Property Records will apply a barcode label if required.

Departments must notify Materiel Management’s Central Receiving when property procured on a Purchase Order is received directly from the vendor.

Departments must notify the Property Record Office of any capital property and computers received without labels. Property Records will label the units.

Departments must provide proof of purchase documents for all computers procured/received directly.

Departments must label all non-capital property received directly by them or otherwise not labeled by Materiel Management staff. If the department procures items for installation onto or into a capital unit (e.g. board for a computer) they must notify Property Records of this addition. Furthermore, they must provide the cost of the items, the source of the item (purchase order, visa purchase, etc.), and the identification number of the unit. Property Records will determine if this addition changes the cost of the unit. If the items are installed onto or into a non-capital item, then the department

will add the value to the cost on. If the increase in cost changes the status of the item to a capital item as defined in [Section II](#), the department must notify Property Records.

B. GIFTS AND DONATIONS TO THE UNIVERSITY

Donations to the University, including gifts of furniture and equipment, are to be directed to the Office of University Advancement, TU Foundation. Once the donated property has been accepted, the Office of University Advancement must notify Property Records. Capital property will be labeled and recorded by Property Records.

2. UNIVERSITY SURPLUS

Departments seeking to obtain excess property can contact Materiel Management for availability. Materiel Management will attempt to match needs with requests for disposal of excess property. Property Records will update the central record for capital property transfers reported by Materiel Management.

Each department must record the transfer of sensitive equipment with a value of \$2,500 to \$4,999.99 in their department's record.

C. EQUIPMENT ON LOAN

Equipment on loan to the University from a non-State agency for official use shall be reported to Property Records Office. The University has no insurance coverage for the loss of the property. Therefore any loss would be the responsibility of the user department.

If a department wishes to temporarily loan any property to another department, it is the responsibility of the departments to maintain a record. See [Section V. F.](#)

IV. INVENTORY AND RECORD KEEPING [top](#)

A. GENERAL

Each employee is responsible to the University for maintaining and safeguarding all property entrusted to him/her. A central record will be maintained for capital property. Assuring the accuracy of records, including assisting Property Records in the periodical inventory of property is the responsibility of the departments where the inventory is assigned.

B. PHYSICAL INVENTORY

1. CAPITAL PROPERTY

Property Records, with the assistance of departments, will conduct a physical inventory of all capital property on a two-year cycle. Property

Records will search for capital property by the location of record only. The physicals will be done building by building.

After completing a building, Property Records will reconcile the physical inventory results to the central record. A report of the inventory results will be issued to each department. The report will consist of:

- a. A cover memo
- b. A printout of the property inventoried
- c. A printout of the property not located during the physical

Departments are responsible for reconciling discrepancies, e.g. property not found during a physical inventory. Departments must respond to the inventory report and provide verifiable explanations for property not located during the inventory. Acceptable responses include but may not be limited to:

- A Materiel Management Service Request for disposal, for transfer, or move to another location or department. The property identification number must be on the request.
- A police theft report. The report must list TU identification number and/or serial number.
- Vendor's documentation authorizing the return of property. The documentation must include tag and/or serial number.
- Identifying a new location.

A revised report will be provided to the department once Property Records has verified the information and updated the central record.

Unaccountable property will remain on the central record until the end of the inventory cycle. Upon completion of the physical inventory cycle, a list of unaccountable property will be submitted to the Vice-President of Administration and Finance for authorization to remove the items from the active central record. Capital property written off as unaccountable in one cycle will be placed back on the active central record if it is discovered in a future audit.

2. NON-CAPITAL PROPERTY

Property Records will conduct an audit of the departments' sensitive property (computers, including laptops and iPads, and firearms) at least once every two years simultaneously performed during capital property audits. A report of the audit results will be sent to department heads, deans, and vice-presidents.

C. RECORD KEEPING AND AUDITS

Property Records will perform periodic audits, simultaneously with capital property physical inventories, of individual department records. The audits will be performed to ensure compliance with the policies outlined in this manual.

Property Records will issue a report of its findings to the department head.

V. MOVEMENT OF PROPERTY [top](#)

A. GENERAL

The movement of capital property and computers must be reported to Property Records Office on a Materiel Management Service Request. The department must provide the property identification number and the "FROM" and "TO" locations including the building and room. This information must be provided even if the department moves the property.

If the move is the result of multiple offices being relocated, contact Property Records in advance to arrange an inventory audit in place of detailing the property on a request.

B. MOVES REQUIRING MOVING SERVICES

Materiel Management provides moving services. To request this service, a Materiel Management Service Request must be submitted. Moving Services will verify the property identification number on all items moved. Upon completion of the move, a copy of the request will be forwarded to Property Records for record updates.

C. OFF-CAMPUS REPAIRS

If capital property needs to be repaired off campus, departments must notify Property Records by submitting a Materiel Management Service Request. The form must include the name of the repair organization, the property identification number, and the "FROM" location. If a purchase order is issued to cover the repair, the order number should be referenced on the request. Property Records will update the central record to show the unit is off campus.

If the unit is to be replaced instead of repaired, the department must remove the property identification label.

Once the capital unit has been returned or replaced, the department must notify Property Records to update the central record. If the property identification label was removed during repair, Property Records will replace the label and update the central record accordingly. If the unit was replaced, Property Records will label the new unit and update the central record.

D. OFF-CAMPUS USE

Permission to take property off campus is limited to the faculty and staff for University business use only. Personal use is prohibited. The department head must approve all off campus use and is responsible for ensuring that the property is returned if

employment is terminated. The employee must be able to produce the property upon demand. If property is lost, stolen, or damaged, the employee is financially liable and responsible for the replacement value of the property.

Students are permitted to borrow University owned property if used in an academic context such as musical instruments. Departments are responsible for maintaining records of student loaned property. It is important to note when borrowing property, the borrower accepts responsibility for the security of the items and accepts liability for damage caused by negligence, loss or theft.

Capital property and computers being used off campus must be reported to Property Records on a Materiel Management Service Request. The form shall include the borrower's name, equipment description, property identification number, and "FROM" location. The request must be approved by the department head and the borrower must sign the request where indicated.

When the property is returned to campus, the department must notify Property Records Office to update the central record.

E. TRANSFERS

Property may be transferred between departments and state institutions. A Materiel Management Service Request must be submitted. Both the requesting and receiving department must sign the request. The request must contain the receiving department's name, description, property identification number, and "FROM" and "TO" locations including the building and room. If Moving Services is needed to move the property, they will verify identification numbers when moving the property and the central record will be updated accordingly.

If a transfer of capital property occurs without using Moving Services, a Materiel Management Service Request must be submitted for record update only. The request must be signed by both the requesting and receiving departments and contain the same information as defined above.

F. LOANS

Departments may make temporary loans of property. A Materiel Management Service Request must be submitted. Both the requesting and receiving department must sign the request. The request must contain the receiving department's name, description, property identification number, and "FROM" and "TO" locations including the building and room. If Moving Services is needed to move the property, they will verify the property identification numbers when moving the items and the central record will be updated accordingly.

If a loan of capital property occurs without using Moving Services, a Materiel Management Service Request must be submitted for record update only. The form must contain the same information and signatures as defined above. When the property is returned to the department, Property Records must be notified.

VI. STOLEN OR MISSING PROPERTY [top](#)

Stolen or missing property must be reported to the University Police immediately. The University Police will conduct an investigation and issue a report (which should include the property identification number, serial number, and description), and send a copy of the report to Property Records. Departments must submit a Materiel Management Service Request to report the loss of any capital property. The police case number must be recorded on the request. Upon receipt of the police report and service request, the central record will be updated.

Property being used off campus that is stolen must be reported to the local police department. The individual reporting the theft must obtain the case number from the police. If capital property was stolen, departments must submit a Materiel Management Service Request to report the theft with case number recorded on the request.

VII. PROPERTY DISPOSAL [top](#)

A. DISPOSAL

Departments are prohibited from disposing of property in any manner. A Materiel Management Service Request form must be submitted and include the property identification number, description, and "FROM" location including building and room.

Materiel Management will attempt to apply usable property to outstanding needs for excess property and donation requests; therefore, a ten-working-day turn-around time for service should be anticipated. If the property is to be donated, see [Section VII D](#).

Departments must arrange for secure storage of their surplus property until pickup can be arranged.

Property will remain on the central record until the property has been dumped, transferred, or otherwise disposed.

NOTE: All computer disposals must be coordinated with the Office of Technology Services (OTS). They will remove the hard drives from the unit(s) and hold for a 90 day period in case there is a need to recover the data. A label will be adhered to all the units from which hard drives are removed to confirm the service has been performed. Materiel Management cannot remove the units until the hard drives have been removed or the unit has undergone a DoD-type erasure of the drive. The department must check the applicable box on the Materiel Management Service Request to certify that the drive has been removed or wiped before the equipment can be disposed.

FREON must be removed from property prior to disposal. Departments need to contact the Facilities Management to have FREON removed. An orange sticker indicating this has been done will be applied to the property once this has been done.

These special requirements may delay the disposal process.

B. TRADE-IN OF PROPERTY

Departments may be able to trade-in property for new purchases. A notation must be made on the purchase document(s) that property to be traded will be part of the purchase. Departments must submit a Materiel Management Service Request which must include the property identification number, a description of the property, the "FROM" location including building and room, and the purchase order number. Departments must remove identification labels before the property is traded.

When Property Records receives a copy of the receiving report for the new purchase, they will match it with the service request. Where applicable, new property will be added to the records and traded property will be removed.

C. SALE OR AUCTION OF PROPERTY

University property may not be sold without advertising and soliciting bids in a fair and competitive process. Departments intending to sell property must contact Materiel Management or Property Records for direction before advertising for bids. Departments are responsible for any expenses incurred as the result of the sale. Any proceeds received, as the result of the sale must be in the form of a check payable to "TOWSON UNIVERSITY", and deposited with the Bursar's Office into the appropriate account, usually the department that owns the property. All property identification labels must be removed from property before it is sold.

Capital property that is sold must be reported to the Property Records Office on a Materiel Management Service Request. The department must include the property identification number, description, and "FROM" location on the request, and a copy of the bid and Bursar's Office receipt must be included with the request. Property Records will remove the property from the active central record.

Occasionally, an auction enterprise (e.g. Bel Air Auto Auction) is contracted to handle the auction of property for the University. Departments, working with procurement, are responsible for the arrangements with the auction firm. The auction firm must provide documentation showing the proceeds of the sale. Proceeds received as a result of the auction will be in the form of a check payable to "TOWSON UNIVERSITY" which must be deposited with the Bursar's Office.

Before capital property is moved off campus for auction, it must be reported to Property Records. The department must include the property identification number, description, and "FROM" location on the request, and Property Records will update the central record to show the item is off campus. When the department receives the confirmation of the sale and the check, they must send a copy of the all documentation, as aforementioned, to Property Records who will remove the property from the active central record.

D. DONATION OF SURPLUS TO NON-PROFIT ORGANIZATIONS

Donations may be made to non-profit or charitable organization e.g. local schools, shelters, religious organizations, etc.; however, before donations take place, they must be reported to Materiel Management on a Materiel Management Service Request form. Departments will further be required to complete a Surplus Property Donation Receipt,

supplied by Materiel Management after receiving the Materiel Management Service Request, signed by the department and the recipient non-profit entity.

Materiel Management will send a copy of the service request and donation receipt for capital property to Property Records, and the donated property will be removed from the central record.

One state institution does not “donate” property to another. Follow procedures in Section V.E. Transfers.

IX. SENSITIVE EQUIPMENT [top](#)

Sensitive equipment is defined by its desirability, susceptibility to theft and ease of adaptability to personal use. Typical examples include televisions, cameras, computers, laptops, iPads, fax machines, cell phones, electronic balances (scales), etc. Although most of this property usually costs less than the mandated limits that we must record and control, departments are expected to take appropriate measures to protect and secure all university property.

Departments are strongly advised to maintain, at a minimum and regardless of cost, a list of serial numbers for sensitive assets, especially those that may have a history of loss within the department and those that are not tracked in the asset records. The serial number may be the only means of recovering the stolen equipment. At the very least, it will allow departments to accurately report the loss to Property Records.

A list of sensitive equipment follows.

SENSITIVE PROPERTY

Sensitive property is equipment that is easily converted to personal use. It is equipment that may be removed from the University without authorization. This equipment consists of computers and related equipment, audio/visual equipment, and office equipment. Departments are expected to take appropriate measures to secure this type of equipment and that a record is maintained. Examples of sensitive property are:

Computer & Related Equipment

Computer Systems
Laptop Computers
Printers (All)
Disk Drive Units
Tape Drive Units
CD Drive Units

Audio/Visual Equipment

Recorders & Players
DVD Players
Stereos
Projectors
Cameras (All)
Musical Instruments

CD Burners
Monitors
Keyboards

Plotters
Scanners
Terminals

Office Equipment

Fax Machines
Copiers
Telephones (Mobile)
Typewriters
Calculators

Clocks
Cash Registers
Scanners

Televisions
CD Players
Radios
Amplifiers
Speakers
Headphones
Microphones
Tripods

Lab Equipment

Balances
Meters
Microscopes

The above list is not all-inclusive. If you have questions about equipment being "sensitive", please contact Property Records at extension 4-2175.

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