

THE TEXAS A&M UNIVERSITY SYSTEM
EQUIPMENT MANAGEMENT MANUAL

*To Be Used In Conjunction With The State Property Accounting Policy and Procedures Manual
Modified Based on Notice to State Agency FM01-20 "State Property Accounting Property Class Code Revisions"*

September 2001

TABLE OF CONTENTS

	<u>Page</u>
Chapter 1: General	1
Chapter 2: Assignment of Responsibilities for Equipment Management	2
Agency Head.....	2
General.....	2
Delegations	2
Distribution of Procedures	2
Sale of Surplus/Salvage Property.....	3
Loss of Property	3
Property Manager/Alternate.....	3
General.....	3
Annual Inventory	4
Transfers	4
Missing/Stolen Equipment.....	4
Found Equipment.....	5
Accountable Property Officer/Alternate	5
General.....	5
Transfers	6
Loans.....	6
Found Equipment.....	7
Surplus/Salvage	8
Missing/Stolen Equipment.....	8
Surplus Inventory Supervisor.....	9
General.....	9
Surplus/Salvage	9
Surplus Procurement Officer	9
General.....	9
Transfers	9
Employee	9
General.....	9
Chapter 3: Acquisitions	10
Gifts	10
U.S. Government Surplus	10
Chapter 4: Inventory Control	12
Tagging of Inventory.....	12
Securing of Assets.....	12
Storage	13
Utilization of Assets.....	13
Glossary.....	14
Index.....	17

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EQUIPMENT MANAGEMENT MANUAL

To Be Used In Conjunction With The State Property Accounting Policy and Procedures Manual
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September 2001

CHAPTER 1: GENERAL

This *Equipment Management Manual* (EMM) sets forth the overall policies for management of equipment within The Texas A&M University System and prescribes the duties and functions of selected key personnel. It must be used in conjunction with the *State Property Accounting Policy and Procedures Manual (May 1997)* and the *State Property Accounting User's Manual (February 1999)*. These State Comptroller manuals can be found on-line at http://www.window.state.tx.us/comptrol/san/fm_manuals/. In the event that this Equipment Management Manual is in conflict with the State Comptroller manuals or rules, the Comptroller guidelines shall prevail. Other basic controlling guidance for equipment management are the *State Purchasing and General Services Act* (Article 601b, VCTS) and Texas Government Code Ann. sec. 403.271 (Vernon Supp., 1997).

Equipment is defined as any possession owned by or entrusted to a Member of the A&M System having sufficient value to warrant inclusion in fixed asset financial reports or, due to the nature of the asset, is required to have management controls placed on it. Equipment does not include consumable items nor does it include real property such as land, buildings, facilities, infrastructure and improvements to land or buildings, or infrastructure. Capital items must be inventoried. Capitalization is mandatory for all equipment having a unit value of \$5,000 or greater and an estimated useful life of more than one year. Certain items falling below the capitalization threshold must be inventoried also. These assets are considered to be "controlled". Controlled items include fax machines, stereo systems, cameras, VCR's, televisions, certain medical equipment, certain scientific and lab equipment, micro computers and printers having a unit value of \$500.00-\$4,999.99, and all firearms. Inventory controls over other equipment valued at less than \$5,000 per unit may be required if the Agency Head deems such controls necessary.

Management of equipment funded or furnished by State, Federal or private agencies, by endowment, or by private donations is also subject to the rules and regulations of those agencies or terms of agreements under which funds to purchase equipment were acquired.

Equipment under the control of an A&M System Member must be maintained and reported using the mandatory inventory categories shown in the Class Codes section of the *State Property Accounting (SPA) User's Manual*. If necessary, the State Comptroller will review and modify the inventory categories maintained in the State Property Accounting System.

The policies set forth herein apply to all Members of The Texas A&M University System, but specific procedures for use in each location are maintained by the respective A&M System Members. Where another Member maintains one Member's equipment inventory, the latter Member's policies will be adopted.

**THE TEXAS A&M UNIVERSITY SYSTEM
EQUIPMENT MANAGEMENT MANUAL**

*To Be Used In Conjunction With The State Property Accounting Policy and Procedures Manual
Modified Based on Notice to State Agency FM01-20 "State Property Accounting Property Class Code Revisions"*

September 2001

**CHAPTER 2: ASSIGNMENT OF RESPONSIBILITIES FOR EQUIPMENT
MANAGEMENT**

A&M System Members are responsible for the accurate and timely reporting of all equipment in their possession. Members are also responsible for assuring the accuracy of all statements of financial condition relating to equipment.

Responsibility of Agency Head

GENERAL

The Agency Head is ultimately responsible for the custody and care of all equipment in his Member's possession. For purposes of equipment management, Agency Head refers to the Chief Executive Officer of each A&M System Member.

The Agency Head is responsible for assuring the accuracy of all statements of financial condition relating to the Member's property and evaluating the adequacy of inventory controls placed on equipment. If a Member wishes the assistance of the State Auditor's Office in developing internal control procedures, it should notify the State Auditor's Office directly.

The Agency Head will designate a Property Manager and inform the State Comptroller in writing, of the designated manager. This is accomplished by submitting a completed *Notice of Agency Head and Designation of Property Manager* form to the State Comptroller. An example of this form is shown in the *SPA User's Manual*. If desired, an Alternate Property Manager may also be designated on this form. An Agency Head is not relieved of responsibility for the Member's equipment by designating a Property Manager.

DELEGATIONS

The Agency Head may delegate to the following people:

Property Manager/Alternate Property Manager
Accountable Property Officer/Alternate Accountable Property Officer
Surplus Inventory Supervisor
Surplus Procurement Officer.

DISTRIBUTION OF PROCEDURES

Each Agency Head is responsible for the distribution of procedures regarding the accountability for and safekeeping of equipment maintained by the Member. All Member procedures must comply with the rules of property management and reporting as defined by the State Comptroller and this A&M System *Equipment Management Manual*. However, a Member may adopt a stricter policy that does not contradict State or System policy. Furthermore, it is the responsibility of the Agency Head to ensure that the Property Manager and Alternate Property Manager receive training in the rules, policies, procedures, and system

**THE TEXAS A&M UNIVERSITY SYSTEM
EQUIPMENT MANAGEMENT MANUAL**

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September 2001

operation of the State Property Accounting (SPA) System as administered by the State Comptroller.

SALE OF SURPLUS/SALVAGE PROPERTY

The Agency Head or designee is authorized to sell in an orderly manner all surplus and salvage property. No property with an inventory value greater than \$10,000 will be sold without the advance approval of the Agency Head. All requests for authorization for sale will include the asset number, description, date of acquisition, condition and inventory value for each item of property.

The Agency Head will insure that there are written procedures for that Member (including advance approval requirements) for requests for an authorization for sale of all other surplus and salvage property with an inventory value of \$10,000 or less per item. Requests for authorization for sale of items with an inventory value of \$10,000 or less but equal to or more than \$1,000 will include the asset number, description, date of acquisition, condition, and inventory value for each item. Content of requests for authorization for sale of items valued under \$1,000 will be at the discretion of each Member.

LOSS OF PROPERTY

If an Agency Head has reasonable cause to believe that a Member's equipment is missing, destroyed or damaged through the negligence or fault of an official or employee of the state, the Agency Head must report the occurrence to the State Auditor's Office and the Office of the Attorney General.

Responsibility of Property Manager/Alternate Property Manager

GENERAL

The Property Manager for each A&M System Member is responsible for the overall equipment management for the Member, including the maintenance and control of the central inventory records. Each Member must submit a completed *Notice of Agency Head and Designation of Property Manager* form to the State Comptroller to designate the Property Manager and his alternate (if any). An example of this form is provided in the *SPA User's Manual*. The Property Manager will have update capabilities for all State Property Accounting System information for the particular Member.

When a Member's equipment is entrusted to a person other than the Property Manager, the Property Manager shall require a written receipt from the person receiving custody of the equipment. This receipt shall transfer the responsibility for the equipment to the person receiving the custody of the equipment. The receipt must include a detailed list of the property entrusted to the individual, along with a statement of financial liability for loss or damage resulting from negligence, intentional act, or failure to exercise reasonable care to safeguard, maintain and service the property.

THE TEXAS A&M UNIVERSITY SYSTEM
EQUIPMENT MANAGEMENT MANUAL

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September 2001

Property Managers can delegate equipment responsibility to Accountable Property Officers when the receipt process is followed. The Accountable Property Officer is typically the Department Head. Property Managers will maintain a current list of Accountable Property Officers for every department/unit under their jurisdiction. Property Managers need to ensure that the Accountable Property Officers or their Alternates are trained in issues related to equipment management for equipment under their care.

ANNUAL INVENTORY

Each A&M System Member must conduct a physical inventory of its equipment each year, at a time of its own choosing. The Property Manager is responsible for coordinating this effort. When completed, the Agency Head or designee must forward a signed *Certification of Physical Inventory Conducted by Agency* form to the State Comptroller. A copy can be found in the Forms Section of the *SPA User's Manual*. The form must be submitted within forty-five days of the actual date of the inventory, but no later than twenty days after the last day of the fiscal year. In addition, each Member must report the method(s) used to verify its inventory to the State Comptroller.

During each annual physical inventory, the legibility of the inventory number should be verified. Missing or illegible labels and property numbers should be replaced or numbered before concluding the inventory process. The condition of each property item must also be evaluated during annual physical inventory.

TRANSFERS

The Property Manager will control transfers of equipment. Transfer of equipment includes any item of equipment transferred from or to a department of a Member of the A&M System by another department within the same Member, a department in another Member, or, another agency outside the A&M System. The Accountable Property Officers, or Alternates, will be responsible for transfers of equipment to or from their departments and will submit documentation for all transfers to the Property Manager. Accountability will be maintained throughout the transfer process. Items will not be deleted from the losing department until added to the gaining department. The Accountable Property Officer or Alternate from the two departments must put this in writing first. If the transfer involves another Member of the A&M System or an outside agency, the two Property Managers need this agreement in writing also. Additionally, when transferring in an asset, the original acquisition date must remain the same in order to comply with State procedures.

MISSING/STOLEN EQUIPMENT

The Property Manager must follow detailed rules found in the *SPA Policy and Procedures Manual* when equipment is reported to them as missing/stolen, or they discover equipment to be missing/stolen. Each System Member must have a missing/stolen property report that the Accountable Property Officer, or Alternate, will fill out when the equipment is discovered to be missing/stolen. The Accountable Property Officer, or Alternate, must notify the Property Manager within 24 hours of identifying missing/stolen equipment. Missing

THE TEXAS A&M UNIVERSITY SYSTEM
EQUIPMENT MANAGEMENT MANUAL

To Be Used In Conjunction With The State Property Accounting Policy and Procedures Manual
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September 2001

equipment must remain on the Member's inventory through two physical inventories and/or two calendar years from the time the item is determined to be missing.

When property is found after being reported as missing or stolen, a report must be submitted to the Property Manager certifying the recovery of the equipment. The report should include the following information: asset number, asset description, location of asset, and signature of the Accountable Property Officer, or Alternate. The Accountable Property Officer, or Alternate, should prepare this cancellation report. The Property Manager will follow the State Comptroller's guidelines on the filing of State reports and proper notification of State agencies. This information can be found in the *SPA Policy and Procedures Manual*.

FOUND EQUIPMENT

Equipment found within the System which appears to have been lost, abandoned, or not under the control of any individual or System activity, will immediately be reported to the Property Manager and placed under the control of either the Accountable Property Officer of the finding department/unit or the surplus property activity serving that Member of the System. Documentation of the return to control of the equipment is required. If the item is determined to be already assigned to a department, its discovery will be reported by the Property Manager to the Accountable Property Officer, or Alternate, of that department who will make arrangements for its recovery or turn the equipment in to an authorized surplus property activity of the System.

Responsibility of Accountable Property Officer/Alternate Accountable Property Officer

GENERAL

Accountable Property Officers (typically Department Heads) are responsible for the physical possession and control of all equipment entrusted to their activities. They are under financial liability for the loss or damage to items under their control if the loss or damage results from their negligence, intentional act, or failure to exercise reasonable care to safeguard, maintain, and service the items. Accountable Property Officers are also responsible for ensuring employees are aware of their responsibilities for property. An Accountable Property Officer may appoint, in writing, an Alternate Accountable Property Officer to act on his behalf.

Designated by the Accountable Property Officer, the Alternate Accountable Property Officer performs the daily functions of equipment management for the department. While the Alternate Accountable Property Officer exercises "due care", ultimate responsibility for departmental equipment belongs to the Accountable Property Officer. Since Alternate Accountable Property Officers generally fill out the paperwork and are aware of day-to-day equipment issues, Property Managers need to train these individuals on proper equipment management procedures for property under their care.

THE TEXAS A&M UNIVERSITY SYSTEM
EQUIPMENT MANAGEMENT MANUAL

*To Be Used In Conjunction With The State Property Accounting Policy and Procedures Manual
Modified Based on Notice to State Agency FM01-20 "State Property Accounting Property Class Code Revisions"*

September 2001

TRANSFERS

Transfer of equipment includes any item of equipment transferred from or to a department of a Member of the A&M System by another department within the same Member, a department in another Member, or another agency outside the A&M System. The Accountable Property Officer, or Alternate, will be responsible for transfers of equipment to or from the department and will submit documentation for all transfers to the Property Manager. Accountability will be maintained throughout the transfer process. Items will not be deleted from the losing department until added to the gaining department. The Accountable Property Officer or Alternate from each department must put this in writing first. If the transfer involves another Member of the A&M System or an outside agency, the two Property Managers need this agreement in writing also.

If research equipment is being sent to surplus or transferred out of the A&M System, the sponsored agreement should be reviewed to see if permission is needed from the sponsor. This review should be performed and documented accordingly prior to submitting the transfer form to the Property Manager.

When transferring equipment to another Member or State agency, all insignia of the releasing Member or State agency should be removed or permanently obliterated prior to delivery to the receiving Member or State agency.

LOANS

All loaned inventoried equipment must be reported in the physical inventory of the loaning Member. Upon completion of the assignment or loan period, the Accountable Property Officer will assure that the equipment is properly accounted for and the documentation reflects the end of the assignment and the return of property.

Equipment may be assigned or loaned to an activity or individual for the official benefit of The Texas A&M University System only. This assignment or loan can be considered temporary (i.e., overnight or for a weekend) or long-term.

When equipment is loaned to an activity not under the control of the Accountable Property Officer, the Accountable Property Officer will require the receiving activity to execute a receipt. If property is to be or has been loaned in excess of 90 days, the loaning Accountable Property Officer should review the need for the property in that activity to determine if the property should be transferred to the borrowing activity, returned, or reported to the Property Manager as surplus.

THE TEXAS A&M UNIVERSITY SYSTEM
EQUIPMENT MANAGEMENT MANUAL

*To Be Used In Conjunction With The State Property Accounting Policy and Procedures Manual
Modified Based on Notice to State Agency FM01-20 "State Property Accounting Property Class Code Revisions"*

September 2001

The Accountable Property Officer should establish procedures for management of equipment that are assigned or loaned. The procedure will include the following requirements as a minimum:

- receipt for the issue and return of equipment;
- receipt specifying, if applicable, restrictions on use, requirements for special handling or operator training, and any other specific stipulations;
- identification of the loan in the department's inventory records;
- specific time limits for the loan, if known; and,
- periodic review of items on loan.

When equipment is to be assigned to an employee for use overnight or during the weekend at some location other than the normal official work area, the Accountable Property Officer should require the use of a temporary receipt or sign out procedure.

When items of equipment, such as laptops, drafting sets, and cameras, are specifically assigned to an employee for use in the employee's official duties, the Accountable Property Officer must ensure that upon employee transfer or termination all equipment assigned to the employee is returned to the department or accountable unit.

Loans of certain types of equipment require special attention due to restrictions on utilization. Accordingly, written approval of the Chief Financial Officer or the official designated to circulate and/or control research activities is required prior to loan of research equipment. The loan of equipment acquired through the Texas A&M Research Foundation will require prior written approval of the Research Foundation and be subject to the conditions prescribed by the Research Foundation.

FOUND EQUIPMENT

Equipment found within the System which appears to have been lost, abandoned, or not under the control of any individual or System department/unit, must be reported immediately to the Property Manager and placed under the control of either the Accountable Property Officer of the finding department/unit or the surplus property activity serving that Member of the System. Documentation of the return to control of the equipment is required. If the item is determined to be already assigned to a department, its discovery will be reported by the Property Manager to the Accountable Property Officer, or Alternate, of that department who will make arrangements for its recovery or turn the property in to an authorized surplus property activity of the System. If the department charged with control of the item can not be identified, and the item is required by the finding department, it will be entered into the inventory records of the finding department. If such item is not required by the finding department/unit, it will be entered into the inventory records of the surplus property activity for either reissue or disposal.

THE TEXAS A&M UNIVERSITY SYSTEM
EQUIPMENT MANAGEMENT MANUAL

*To Be Used In Conjunction With The State Property Accounting Policy and Procedures Manual
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September 2001

SURPLUS/SALVAGE

The Accountable Property Officer or Alternate is responsible for promptly identifying and reporting to the Property Manager any excess equipment under the department's control. Once reported, the Property Manager will initiate action to transfer the equipment to a department which has need for the equipment or to the surplus property activity.

MISSING/STOLEN EQUIPMENT

The Accountable Property Officer, or Alternate, will notify the Property Manager within 24 hours of identifying missing/stolen equipment. In addition, a copy of the missing/stolen inventory report is to be sent by the Accountable Property Officer, within the 24-hour period, to the Property Manager.

The Accountable Property Officer will immediately initiate a formal investigation for any property not located in an effort to locate all property and/or prevent a repeat occurrence. This investigation must include the following (at a minimum):

- notify all departmental personnel of loss, and request any information known concerning the property;
- conduct a search of the department;
- identify the person responsible for the property;
- identify the date and place the property was last seen;
- identify the manner in which the loss occurred;
- determine if prescribed procedures were adequate to safeguard the property;
- recommend any revisions in procedures that might be required to assist in preventing future losses of the same type; and,
- recommend holding an individual or individuals pecuniarily liable and, if so, in what amount.

Results of the investigation should be provided to the Property Manager. Please be aware that missing equipment must remain on a Member's inventory through two physical inventories and/or two calendar years from the time the item is determined to be missing.

Any individual who, through misuse or neglect, causes or permits property to be lost (missing), stolen, damaged, or destroyed may be held pecuniarily responsible for the loss sustained. To determine the amount of the loss, such factors as original acquisition value, age, condition, cost of recent repairs or renovation, and estimated fair market value prior to loss or damage should be considered. If the Accountable Property Officer suspects employee theft or negligence, this must be indicated on the missing report.

When property is found after being reported as missing or stolen the Accountable Property Officer, or Alternate, will prepare, and submit to the Property Manager, a cancellation of the missing report previously submitted. This cancellation should provide the following information: asset number, asset description, location of asset, and signature of the Accountable Property Officer, or Alternate, certifying the recovery of property.

**THE TEXAS A&M UNIVERSITY SYSTEM
EQUIPMENT MANAGEMENT MANUAL**

*To Be Used In Conjunction With The State Property Accounting Policy and Procedures Manual
Modified Based on Notice to State Agency FM01-20 "State Property Accounting Property Class Code Revisions"*

September 2001

Responsibility of Surplus Inventory Supervisor

GENERAL

The Surplus Inventory Supervisor is responsible for the management of excess equipment. This individual may also be the Property Manager, the Surplus Procurement Officer, or another employee. For those A&M System Members having a separate property account for surplus property, this individual might also be the Accountable Property Officer for that account.

SURPLUS/SALVAGE

Basic procedures for disposition of equipment include the following:

- available for transfer to other departments or other System Members,
- transfer to public schools or school districts or other State agencies, or
- sold at auction.

The sale of property received under a contract or agreement will be in accordance with the terms of the contract or agreement under which the equipment was provided.

Responsibility of Surplus Procurement Officer

GENERAL

The Surplus Procurement Officer is the official representative of the Member in all matters pertaining to the acquisition of surplus property. The Texas Building and Procurement Commission will be provided the name and mailing address of the designated Surplus Procurement Officer.

TRANSFERS

Property held in trust cannot be transferred without the approval of the owning agency or entity. If property is U. S. Government surplus property, the Surplus Procurement Officer is responsible for coordinating and approving the transfer for that Member.

Responsibility of Employee

GENERAL

Each state 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.

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EQUIPMENT MANAGEMENT MANUAL**

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September 2001

CHAPTER 3: ACQUISITIONS

Gifts

Members of the A&M System receive furniture, equipment, works of art, etc. as gifts. These items, usually referred to as noncash gifts, become property of the Member upon formal acceptance. System Regulation 21.99.03 (Gifts, Grants, Loans and Bequests) should be followed when accepting such gifts. The Property Manager should be notified in writing of the acceptance of a gift that needs to be inventoried. The gift will be given an inventory number and will be tagged, if possible. If tagging or marking is not possible, an inventory number will be "assigned" for the item.

Equipment acquired through a donation must be recorded at its estimated fair market value on the date of acquisition. The method used should be based on a reasonable assessment. This method must be fully documented and maintained on file in accordance with State Comptroller policies and procedures. The method used to establish the appraised value must be reported to the State Property Accounting System.

U. S. Government Surplus Property

Under existing U. S. Government Regulations, the General Services Administration is responsible for donations of U. S. Government surplus property to the State agency responsible for distribution of such property within each State. In Texas, the allocations of this property are made to the Texas Building and Procurement Commission.

Unless otherwise indicated in the transfer documents, equipment acquired from U. S. Government surplus property sources becomes A&M System Member property upon acceptance by the department. If the unit value is \$5,000 or more, the item will be assigned a property number, tagged, entered on the acquiring department's inventory, and controlled the same way as any other equipment item.

The provisions under which this property may be transferred to Members of the A&M System include the following:

The property transferred is usable and necessary for educational purposes, or public health purposes, including research in this State, and is required by the applicant for its own use in the State to fill an existing need and is not being acquired for use outside the State, for sale or any other use or purpose.

Funds are available to pay the costs of care and handling incident to donation, including packing, preparation for shipping, loading and transporting such property.

The property shall be placed in use within one year of receipt and shall continue in use for one year from the date the property was placed in use. There shall be a period of restriction which will expire after property having a single item acquisition cost of \$5,000 or more and passenger motor vehicles, regardless of cost, have been used for the purpose for

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EQUIPMENT MANAGEMENT MANUAL**

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September 2001

which acquired for a period of 18 months from the date the property was placed in use (40 US Code 484).

Inventory records pertaining to property transferred must be maintained by the donee institution in the same manner as that of other properties belonging to the donee institution.

The Texas Building and Procurement Commission has the right to refuse violators of these provisions from further participation in the Donation of Federal Surplus Personal Property program.

THE TEXAS A&M UNIVERSITY SYSTEM
EQUIPMENT MANAGEMENT MANUAL

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Modified Based on Notice to State Agency FM01-20 "State Property Accounting Property Class Code Revisions"*

September 2001

CHAPTER 4: INVENTORY CONTROL

Tagging of Inventory

All Members' equipment shall be permanently marked as property of the State of Texas. Markings shall be considered permanently affixed when the marking can be removed only through considerable or intentional means.

Each item tracked on a unit basis must be assigned a unique individual property inventory number. Members may not place a new piece of equipment into service with a property inventory number previously assigned to another piece of property, even if the previous item has been deleted from the inventory system.

An inventory number is to be assigned and permanently affixed to each item of equipment whether received by a central receiving activity or directly by a property account prior to the item being placed in use or released outside the initial receiving activity. For an item received by a central receiving activity for a property account, the inventory number will be assigned and permanently affixed by the central receiving facility prior to the item being delivered or released to the property account. When central receiving assigns and permanently affixes the inventory number, the numbers will be recorded on the delivery document transmitted to the department or unit. For an item received directly by a property account, the inventory number will be assigned by the Property Manager and permanently affixed by the activity prior to the item being placed in use.

The inventory number must be permanently affixed to an item promptly upon receipt and acceptance but not later than ten calendar days after receipt, unless prevented by unusual circumstances. Examples of acceptable reasons for not accomplishing such within the ten calendar days would be that the item had to be assembled, calibrated, or connected to a system before it could be inspected properly and placed in use.

Members may choose to track equipment using appropriate labeling methods as long as they meet guidelines established by the State Comptroller in consultation with the State Auditor's Office. Both "Property of the State of Texas" labels and property number labels must be placed in a highly visible position on the asset, where it is easily accessible during an inventory. Members must locate labels in a consistent manner, by equipment category, in order to facilitate physical inventories.

Securing of Assets

Each Member is responsible for ensuring that equipment is tracked and secured in the manner that is most likely to prevent the theft, loss, damage, or misuse of assets. Each Member should be diligent to ensure building security at all times. The Member should ensure that individuals in charge of security apprise the Property Manager of violations or changes to security that could subject equipment to misuse or theft.

**THE TEXAS A&M UNIVERSITY SYSTEM
EQUIPMENT MANAGEMENT MANUAL**

*To Be Used In Conjunction With The State Property Accounting Policy and Procedures Manual
Modified Based on Notice to State Agency FM01-20 "State Property Accounting Property Class Code Revisions"*

September 2001

Members must know where all assets are located at all times, should have a method for locating any inventory item whether on-site or off-site under their control, and should be able to locate a given item upon request.

Equipment that is checked out to employees must be used for state purposes only, and the responsibilities of stewardship and care of the property are maintained at the Member level. Each Member must have a written policy about checking out equipment and require each employee to sign for any property when it is checked out. Please refer to the section on Loans under the Accountable Property Officer's responsibilities in Chapter 2 for more detailed information.

The State Auditor's Office and/or the Office of the Attorney General will, at the request of a Member, provide advice about procedures for the securing of assets. All Member procedures should be based on good business practices.

Storage

The primary concern with storage is providing security from theft or pilferage, and protection against the elements, while maintaining the equipment in a serviceable condition and accessible location. The placement of equipment in storage does not normally relieve a Property Manager or an Accountable Property Officer of the responsibility for proper care, maintenance, and utilization of equipment. The only exception will be when an item is placed in a central warehouse type of storage which is under the jurisdiction of another Property Manager. In this case, the Accountable Property Officer will retain accountability for the equipment while the person in charge of the central warehouse facility, having receipted the equipment, assumes responsibility for the care and safeguarding of the equipment and, unless there are agreements to the contrary, for whatever maintenance is required for the equipment while in storage.

Utilization of Assets

Federal equipment issued to or provided to a System Member is to be utilized in the manner for which it was originally furnished and authorized unless specific written exception is received from the grantor. In all cases concerning a change in utilization of equipment obtained through the Texas A&M Research Foundation, the request for change will be submitted through the Foundation to the grantor.

**THE TEXAS A&M UNIVERSITY SYSTEM
EQUIPMENT MANAGEMENT MANUAL**

*To Be Used In Conjunction With The State Property Accounting Policy and Procedures Manual
Modified Based on Notice to State Agency FM01-20 "State Property Accounting Property Class Code Revisions"*

September 2001

GLOSSARY

Accountable Property Officer	Individual responsible for the physical possession and control of all equipment entrusted to his departments' activities. The Accountable Property Officer (APO) is typically the Department Head.
Agency Head	Chief Executive Officer of each A&M System Member. Each Agency Head is responsible for the control of and accountability for all equipment possessed by the Member.
Alternate APO	Designated by the Accountable Property Officer, the Alternate Accountable Property Officer performs the daily functions of property management for his department.
Capitalized Asset	Equipment that has a value of \$5,000 or more and an estimated useful life of more than one year.
Controlled Asset	Equipment that does not meet the capitalization threshold but that must be inventoried and tracked due to the nature of the item.
Equipment	Any possession owned by or entrusted to a Member of the A&M System having sufficient value to warrant inclusion in fixed asset financial reports or, due to the nature of the asset, is required to have management controls placed on it. Equipment does not include consumable items nor does it include real property. It can be either a capital asset or controlled asset.
Equipment Held in Trust	Assets held by an A&M System Member on behalf of a non-state entity (such as art collections owned by families, estates, and others) and which are under the temporary control of the Member.
Member/A&M System Member	Any component institution or agency of The Texas A&M University System.
Missing	Equipment whose disappearance cannot be explained.

**THE TEXAS A&M UNIVERSITY SYSTEM
EQUIPMENT MANAGEMENT MANUAL**

*To Be Used In Conjunction With The State Property Accounting Policy and Procedures Manual
Modified Based on Notice to State Agency FM01-20 "State Property Accounting Property Class Code Revisions"*

September 2001

Personal Property	See Equipment.
Pilferable Item	An equipment item that is highly susceptible to theft, loss or damage due to monetary value, intrinsic value, convertibility to unauthorized use, attractiveness or relatively small size.
Property Manager	Individual responsible for the overall management of the Member's equipment, including the maintenance and control of the central inventory records.
Real Property	Land, buildings, improvements to land or buildings, and infrastructure.
Salvage	Any equipment that through use, time, or accident is so depleted, worn out, damaged, consumed, or outdated that it is obsolete and/or can no longer serve the purpose for which it was originally intended.
Sensitive Item	An equipment item that is potentially harmful or hazardous or is of high monetary value and easily converted to unauthorized use or disposal.
Stolen	Any equipment missing by theft, whether by forced removal, burglary, theft by employees, or other criminal acts.
Surplus	Any equipment which is in excess of the needs of a Member and which is not required for its foreseeable need. Surplus property may be new or used but must have additional useful life.
Surplus Inventory Supervisor	Individual responsible for the management and disposal of excess equipment.
Surplus Procurement Officer	The official representative of the A&M System Member in matters pertaining to the acquisition of surplus property.
Trade-in	Surplus or salvage property that is exchanged for new property of the same general type which is in the best interest of the State.

**THE TEXAS A&M UNIVERSITY SYSTEM
EQUIPMENT MANAGEMENT MANUAL**

*To Be Used In Conjunction With The State Property Accounting Policy and Procedures Manual
Modified Based on Notice to State Agency FM01-20 "State Property Accounting Property Class Code Revisions"*

September 2001

Trust Property

Assets held by an A&M System Member on behalf of a non-state entity (such as art collections owned by families, estates, and others) and which are under the temporary control of the Member. This is the same as Equipment Held in Trust.

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INDEX

-A-

Accountable Property Officer – 5-8, 13
Agency Head – 1, 2-3, 4
Alternate Accountable Property Officer – 5-8
Annual Inventory – 4

-C-

Capitalization – 1
Certification, Annually – 4
Certification of Physical Inventory Conducted by
Agency Form – 4
Controlled – 1

-D-

Definition of Equipment – 1
Deletion/Disposal of Property – 9
Distribution of Procedures – 2-3

-E-

Employee – 9
Equipment, Definition – 1

-F-

Found Equipment – 5, 7

-G-

Gift – 10

-I-

Insignia – 6

-L-

Loans – 6-7
Loss of Property – 3

-M-

Marking/Tagging Equipment – 12
Missing/Stolen – 4-5, 8
Missing or Stolen Property Report Form – 4-5

-N-

Notice of Agency Head and Designation of
Property Manager Form – 2, 3

-P-

Physical Inventory – 4, 6
Property Manager – 2, 3-5, 6, 7, 8, 9, 10, 12, 13

-S-

Sale/Surplus of Property – 3
 Over \$10,000...3
 Under \$10,000...3
Salvage – 3, 8, 9
Securing of Assets – 12-13
Stolen – 4-5, 8
Storage – 13
Surplus – 3, 8, 9
Surplus Inventory Supervisor – 9
Surplus Procurement Officer – 9

-T-

Tagging of Equipment – 12
Transfers – 4, 6, 9

-U-

US Government Surplus Property – 10-11
Utilization of Assets – 13