

POLICY STATEMENT**NO. 6.03.01**

Issued By: The Office of the Chancellor

Coordinated By: Business Affairs

Effective: July 1, 2008

Revised: October 21, 2014

Subject: Property Control and Purchasing**I. Purpose**

In an effort to control property errors or fraud, LSUS has implemented critical controls throughout the university. Written instructions for these critical controls are issued to individuals responsible for maintaining control in their area of responsibility at the New Employee Training.

LSUS tags all moveable property that has a useful life of one or more years and costs \$1,000 or more. In addition, LSUS tags all computers and weapons, regardless of cost. Guidelines of the Louisiana Property Assistance Agency (LPAA) are followed when making the decisions concerning tagged property. LSUS Property Control has written procedures online at www.lsus.edu/purchasing/propertycontrol.asp that are followed when determining the capitalization of property.

II. Moveable Property:

"Moveable" property is defined as property that is not attached as a permanent part of a building. State law requires all moveable property purchased by the State of Louisiana with an "original" acquisition cost of \$1,000 or greater be placed on inventory. All weapons and computers, regardless of cost, must also be placed on inventory.

III. Purchase of Property:

LSUS Purchasing Department follows the Rules and Regulations and Executive Orders set forth by the State of Louisiana. These regulations may determine the vendor to be used and/or the price to be paid. The Office of State Purchasing has a website listing laws, regulations, policies, and procedures. Lease transactions follow the same procedures as all other purchases.

Procedures for initiating capital asset transactions clearly identify the individuals authorized to initiate the transaction and have a clear definition of the limits of their authority. Transactions are initiated at the department level by a requisition. The

requisition follows an approval path based on the type of purchase, type of funds to be spent, etc. Capital Asset transactions must follow all applicable rules and regulations.

Computer equipment purchases must be approved by the director of LSUS Information Technology Services Department. The final approval for purchase is the issuance of the Purchase Order which is signed by the Vice Chancellor of Business Affairs and the Director of Purchasing.

IV. Control of Property Records:

In order to maintain an accurate recording system for moveable property, additions and changes to existing files are coordinated by the LSUS Property Control Manager. The Property Control Manager is an employee of the Purchasing Department.

As needed, the Property Control Manager generates a report consisting of all property purchased during a particular month. The report is reviewed at that time to determine whether any listed items meet the criteria for being tagged. LSUS maintains its moveable property files in Protégé (LPAA Property Program). The State requires that a property tag number is assigned and recorded in Protégé for each piece of property that exceeds \$1,000 in value, as well as for all weapons, regardless of the value. In addition, LSUS requires that all computers, regardless of cost, are added to Protégé. This property database is updated continually and balanced monthly.

Physical safeguards of assets exist in the LSUS procedures. These safeguards include locking, labeling, and tagging of assets. Assets are insured by the Office of Risk Management.

V. Inventory of Property/Annual Inventory Certification:

Beginning in February each year, the Property Control Office conducts an annual inventory (physical count) of moveable property as required by the LPAA. Differences between records and physical counts are investigated at that time. The Property Control Manager is responsible for maintaining the property database and directs the annual inventory. Each department head is responsible for designating a property custodian to locate each piece of moveable equipment on that department's inventory. Once this is complete, the department head must certify that the property is located in the physical location listed on the worksheets, then forward the completed inventory worksheets to the Property Control Manager.

The inventory worksheets contain the asset number, description, serial number, cost center, acquisition cost, previous location, and a blank area (for noting where the equipment is now located, if moved).

VI. Disposal of Property/Relinquishing Equipment:

At the time property is outdated, broken, lost or no longer needed and requires disposal, LSUS follows the disposal guideline of LPAA (Title 34). Any disposal requires the approval of LPAA and certain procedures must be followed.

Disposal of Moveable Property: A Transfer to State Surplus Request form is completed by the responsible person indicating the item to be disposed. This form is sent to the LSUS Property Control Manager. The Property Control Manager inspects the item to determine what type of disposal will be required, such as scrap, surplus to LPAA, disassemble for parts, etc. After this determination, forms are completed by the Property Control Manager and entered into the LPAA system for approval of disposal. After approval has been received and the item(s) have been either scrapped, sent to state surplus, etc., the item is updated to “inactive” status in Protégé.

Relinquishing Equipment/Transfer Between Departments: In order to transfer ownership of equipment from one LSUS department to another LSUS department, the transferring department must complete a Property Transfer Between Departments form. Once the form is signed by the Department Head transferring the item and by the Department Head receiving the item, the signed request form is forwarded to the Property Control Manager so that the Protégé system can be updated.

VII. Damaged/Repairs/Items leaving campus:

Any moveable property that will be taken off campus temporarily by an employee must have a completed Request for Temporary Removal of State Property form on file with the department's property custodian. A copy of this form must also be forwarded to the Property Control Manager.

Any moveable property that will leave campus for service or repair must have a completed Equipment Sent Out For Service/Repair form on file with the department's property custodian. A copy of this form must also be forwarded to the Property Control Manager.

When an employee/department receives a new piece of equipment they are required to review the operation and service manual(s) so that proper operation and maintenance will be performed on the equipment. Employees are expected to use diligence and proper precautions with all equipment to prevent/avoid loss or damage.

If an item incurs damage or needs repair, the employee/department should first check for warranties/service contracts. The employee/department should notify the Property Control Manager if the equipment has to leave campus to be repaired. If the item is repairable but is not under warranty or covered by a service contract a requisition should be sent to Purchasing.

VIII. Lost/Stolen Items:

Lost or stolen property must always be reported as soon as possible to University Police. University Police will investigate to determine if items are lost or stolen. University Police will notify Human Resource Management of any stolen items. It is the responsibility of the department to obtain and forward a copy of the incident report to the Property Control Manager. State law requires that lost or stolen items remain on inventory for three years if University Police determine that there was no forced entry. If there was forced entry and the department wishes to remove the stolen item from inventory, a request to remove the item must accompany the incident report sent to the Property Control Manager.

Reference: Records Retention Policy

Records Retention Policy describes other documentation required by the departments for equipment not covered and covered (above).

Equipment Information: This record series contains repair reports, purchasing information, manuals, may include maintenance contracts, maintenance agreements, and so forth, for a specific piece of equipment. The office of record is the department owning the equipment.

Record Copy Retention: Life of Equipment +3 years

Duplicate Copy Retention: Life of Equipment +1 year

Record Copy Disposition: Recycling or Deleting, as appropriate

Duplicate Copy Disposition: Recycling or Deleting, as appropriate

Record Control Number: 00057

Inventories/Major Equipment: This record series contains property inventories of major equipment owned by the University. The office of record is Purchasing.

Record Copy Retention: Current Fiscal Year +3 years

Duplicate Copy Retention: Current Fiscal Year +1 year

Record Copy Disposition: Archives and Special Collections

Duplicate Copy Disposition: Wiping, Deleting, or Shredding, as appropriate

Record Control Number: 00058

Inventories/Minor Equipment and Supplies: This record series contains inventories of minor equipment and supplies owned by the University. The office of record is the department holding the inventory. (Note: since other campus departments may maintain this record series, instead of deleting it, we have simply removed Purchasing as the office of record).

Record Copy Retention: Current Fiscal Year +3 years

Duplicate Copy Retention: Current Fiscal Year +1 year

Record Copy Disposition: Recycling or Deleting, as appropriate

Duplicate Copy Disposition: Recycling or Deleting, as appropriate

Record Control Number: 00059

APPROVED

Michael T. Ferrell, Vice Chancellor of Business Affairs

Date

Larry Clark, Chancellor

Date