

**The University of Texas
Southwestern Medical Center at Dallas**

Materials Management

**Office of
Inventory Control**

**Policy & Procedures
For Personal Property**

February 2007

Table of Contents

Accountability and Responsibility

Policy overview.....	1
Procedure	1

Types of Property

Policy overview.....	2
Purchased Property	2
Transferred Property	2
Donated Property	2
Held In Trust Property (loaned to U T Southwestern)	2
Procedure	2
Capitalized Asset	2
Controlled Assets	2

Title to Property

Policy Overview.....	3
Procedure	3
Title vest with U T Southwestern	3
Title vest with Granting Agency	3

Transfer of Property - Internal

Policy Overview.....	4
Procedure	4
Transfer of property location	4
Transfer of property to other departments	5
Transfer of Property to other Departments – without cost.....	5
Transfer of Property to other Departments – with cost.....	5
Transfer of property to and from the Surplus Warehouse.....	5
Transfer of property <i>to</i> the Surplus Warehouse	5
Transfer of Non-State Vested property <i>to</i> the Surplus Warehouse.....	5
Transfer of property <i>from</i> the Surplus Warehouse.....	6

Transfer of Property - External

Policy Overview.....	7
Ownership of equipment purchased with sponsored project funds may be determined as follows	7
The eligibility for transfer of equipment may be determined as follows	7
Procedure	8
Transfer To or From a State of Texas Institution.....	8
Transfer of Equipment <i>To</i> UT Southwestern from a State of Texas Institution	8
Transfer of Equipment <i>From</i> UT Southwestern To a State of Texas Institution	8
Transfer of Equipment To or From a Non State of Texas Institution.....	9
Transfer of Equipment Purchased with Active Sponsored Project Funds <i>to</i> Another Institution	9
Transfer of Equipment Purchased with Expired Sponsored Project Funds or other funds <i>to</i> Another Institution.....	9
Transfer of equipment <i>to</i> UT Southwestern from another institution.....	10
Equipment transferring to UT Southwestern on an active grant or contract.....	10
Equipment transferring <i>to</i> UT Southwestern on a non-active grant or contract	10
Equipment transferring <i>from</i> UT Southwestern received on a non-active grant or contract.....	10

Transfer of Non-capital, Non-controlled Equipment

Policy Overview.....	11
The eligibility for transfer of non-capital and non-controlled equipment may be determined as follows.....	11
Procedure	11
Transfer of Equipment of a Technical/Specialized Nature Purchased with Non-sponsored Project Funds	11
Transfer of Equipment Purchased with Sponsored Project Funds.....	11

Removal of State Property from UT Southwestern Premises

Policy Overview.....	12
Procedure	12
Removal of Equipment from Campus by Medical Center Employee.....	12
Equipment Loaned to Another Institution	12

Discarding Obsolete Equipment

Policy Overview.....	13
Procedure	13
Transfer of Useable Equipment to the Surplus Warehouse	13
Trade-In of Equipment on the purchase of like items.....	14
Sale of Equipment with Significant Value.....	14
Equipment Used for Parts – Cannibalized	14
Discard of Obsolete and Worn Out Equipment	14
Discard of Non-State Vested Property	14

Lost or Stolen Property

Policy Overview.....	15
Procedure	15
Stolen Property.....	15
Lost or Missing Property.....	15
Reporting Stolen or Missing Property to the State Auditor’s Office	15

Physical Inventory

Policy Overview.....	16
Procedure	16
Initial Physical Inventory	16
Department Assistance.....	16
Final Physical Inventory.....	16
Removal of Non Located Property from Inventory	16

Surplus Warehouse

Policy Overview.....	17
Procedure	17
Surplus Property Pick up Request.....	17
Redistribution of Surplus Property to departments.....	17
Acquisition of Surplus Property by Political Subdivision or Assistance Organization.....	18
Storage of Furniture and Equipment for Departments.....	18
Surplus Property Placed on Hold in Warehouse	18

Appendix A - Transfer of Property to Other Departments

Appendix B - Removal of Equipment From Campus procedure

Appendix C - Surplus Warehouse Pick-Up Request

Appendix D - Surplus Warehouse Delivery Request

Appendix E - Surplus Warehouse Storage Request

Accountability and Responsibility

Policy overview:

The University of Texas Southwestern Medical Center at Dallas (UT Southwestern) manages the accountability and responsibility for state property according to the provisions of state law and the Board of Regents' Rules and Regulations.

The accountability for Medical Center property is an important responsibility under state law. The liability for property loss is explained in Sec. 403.275 of the Texas Government Code:

“The liability prescribed by this section may attach on a joint and several bases to more than one person in a particular instance. A person is peculiarly liable for the loss sustained by the state if:

- (1) Agency property disappears, as a result of the failure of the head of an agency, property manager, or agency employee entrusted with the property to exercise reasonable care for its safekeeping;*
- (2) Agency property deteriorates as a result of the head of an agency, property manager, or agency employee entrusted with the property to exercise reasonable care to maintain and service the property; or*
- (3) Agency property is damaged or destroyed as a result of an intentional wrongful act or of a negligent act of any state official or employee. “*

The department head has the ultimate responsibility for safeguarding all Medical Center property that is purchased by or assigned to their department. Department heads should designate appropriate employees to assure Medical Center property is properly maintained and controlled and that a physical inventory is taken on the prescribed records forms and at the prescribed date and time.

The Principal Investigator is responsible for safeguarding, properly maintaining and controlling all property purchased by and or assigned to their care.

Procedure:

Property is assigned to the Principal Investigator of the account(s) that purchased the property.

The Office of Inventory Control conducts the initial physical inventory each fiscal year. The department and principal investigator will be requested to assist in accounting for any property not located during the initial inventory. (see Physical Inventory)

Property removed from the campus by a Medical Center employee must be recorded on the prescribed forms and filed with The Office of Inventory Control. (See Removal of State Property from U T Southwestern Premises)

Each department must insure that all property assigned to an employee is accounted for upon that employee's termination or transfer from the Medical Center. The department must insure only property approved for transfer is removed from the campus. (See Transfer of Property - External)

The department must report any stolen or missing property to the Medical Center Police upon determining the item is stolen or missing. (See Lost or Stolen Property)

Types of Property

Policy Overview:

Property purchased by, transferred to or donated to U T Southwestern is subject to the reporting and tracking requirements in accordance with the Regents Rules, State and Federal laws.

Purchased Property

Property purchased by U T Southwestern regardless of the funding source and the acquisition cost meets the prescribed threshold is subject to reporting and tracking procedures as set forth in the Regents Rules, State and Federal laws.

Transferred Property

Property transferred to U T Southwestern regardless of the funding source and the remaining net book value meets the prescribed threshold is subject to reporting and tracking procedures as set forth in the Regents Rules, State and Federal laws.

Donated Property

Property donated to U T Southwestern must be reported to the Office of Development. The Office of Development will forward a notice of Gift-In-Kind to the Office of inventory Control.

If the fair market value as set by the donor meets the prescribed threshold the item is subject to reporting and tracking procedures as set forth in the Regents Rules, State and Federal laws.

Held In Trust

Property loaned to U T Southwestern must have a loan agreement issued by the lending agency or company and ratified by the Office of Contract Management. If the fair market value meets the prescribed threshold, such property is subject to reporting and tracking procedures as set forth in the Regents Rules, State and Federal laws.

Procedure:

Capitalized Asset

Property acquired by any of above methods that have a resulting value equal to or greater than \$5000.00 and are capitalized reported in the Medical Center's annual financial report. All capitalized assets are identified by a unique asset number and subject to be tracked by the physical inventory process. (See Physical Inventory) Art and artifacts with a significance value less than \$5000.00 are capitalized.

Controlled Assets

Property acquired by any of above methods that have a resulting value equal to or greater than \$500.00 and defined as high risk item by the Texas State Comptroller's office are identified by a unique asset number and subject to tracked by the physical inventory process. (See Physical Inventory) Such items are not included in the Medical Center's annual financial report. Weapons at any value are subject to be tracked by the physical inventory process.

Title to Property

Policy Overview:

The title to property purchased by or transferred to UT Southwestern, regardless of funding source, vest with U T Southwestern on the date of acquisition unless stated otherwise in the grant or contract providing the funds such property is marked as non-state vested. (See also Transfer of Property – External)

Procedure:

Title Retained by UT Southwestern

The title of property vest with UT Southwestern on the date of acquisition, regardless of funding source, unless stated otherwise in a grant or contract providing funding (see below). If an active grant or contract is transferred to another institution, equipment purchased with funds from that grant or contract can be transferred to the new institution if approved by the granting agency. (see Transfer of Property – External) The Medical Center must be reimbursed for the portion of funding provided by the Medical Center.

Property titled to the Medical Center are subject all rules & regulations as stated in this Policy & Procedures Manual.

Title Retained by Granting Agency

If the terms of a grant or contract awarded by agencies of the federal government or other granting and contracting agencies provide that the title vest with the granting or contracting agency the property is so marked as “non-state vested”.

All such property is subject identification and physical inventory procedures as set forth here in.

The principal investigator and or department of such grant or contract is responsible to inform the Office of Inventory Control of equipment acquired by such grants or contracts.

The principal investigator and/or department of such grant or contract in conjunction with the Office of Post Awards Administration are responsible for all reporting and disposition as required by the granting or contracting agency.

The principal investigator and/or department are to consult with the Office of Post Awards Administration for compliance with U T System Rules and Regulation, State and Federal laws pertaining to such grants & contracts.

Transfer of Property - Internal

Policy Overview:

The University of Texas Southwestern Medical Center at Dallas (UT Southwestern) is committed to the responsible use of capital equipment and the orderly transfer of capital equipment within its departments. Transfers of capital equipment within UT Southwestern must be made in a manner that clearly maintains the designation of responsibility for the property.

The department head has the over all responsibility, however the Principal Investigator is responsible for tracking the location of all property purchased by and assigned to their care.

If property is moved or loaned to another department, the responsibility for safekeeping, properly maintaining and controlling the property must be transferred to the department using the property.

Property that is no longer needed by the department and is not transferred to another department must be transferred to the Surplus Warehouse for redistribution to other departments. (see Discarding Obsolete Equipment)

The transfer of property is not complete until accepted by the department receiving the property as well as the prescribed form is filed with the Office of Inventory Control. (See Appendix A). Property that is sent to the Surplus Warehouse is not transferred from the sending department's inventory until it is received at the warehouse dock.

Any lab or clinic equipment with posted hazard warning signs (e.g., biological, chemical, radiological, ultraviolet [UV]), must have its safety status verified prior to relocation. The department must contact the Office of Environmental Health & Safety prior to moving the equipment.

Procedure:

Transfer of property location

When a property item is moved from an office or lab to another location the new location shall be reported to the Office of Inventory Control.

When moving less than ten (10) items, send a memo to Office of Inventory Control giving the inventory control number and new location of each item.

When moving more than ten (10) items, request Office of Inventory Control to conduct a physical inventory of the old location prior to the move to identify any unaccounted for items assigned to that location and conduct a new physical inventory of the new location after the move. The new physical inventory will register the new location and update the last physical inventory date for each item.

Transfer of property to other departments:

Property that is loaned to another department or will be used by another department on a permanent basis must be transferred to the using department. The original department is responsible for completing the prescribed procedure. Property that is unaccounted for (IE- on the un-located list) must have the present location verified prior to transfer.

Transfer of Property to other Departments – without cost

The original department must fill out an *Inter-Department Property Transfer Form* (See Appendix A) Both department heads must sign the form before it is sent it to the Office of Inventory Control. The property will be transferred to the new department at the original purchase value.

Transfer of Property to other Departments – with cost

A department has the option to request a reimbursement for the cost of the transferring property.

1. The original department completes the *Inter-Department Property Transfer Form* (See Appendix A). Both transferring and receiving department heads must sign the form before it is sent to the Office of Inventory Control. The property will be transferred to the new department at the original purchase value.
2. The receiving department must process an IDR through the Accounting Department to transfer the funds.

Transfer of property to and from the Surplus Warehouse

Transfer of property *to* the Surplus Warehouse.

The original department must fill out a *Surplus Warehouse Pickup Request Form* (See Appendix C) Send or fax the request form to the Office of Inventory Control. The items will be picked up on the next schedule pick-up day. When the item arrives at the warehouse dock, the item will be transferred to the warehouse inventory if the property item is capitalized or controlled. All items in the warehouse are available for other departments to claim (see Surplus Warehouse section for more detail.)

Transfer of Non-State Vested property *to* the Surplus Warehouse.

Property where the title is retained by the granting or contracting agency the department is responsible for obtaining disposal instruction for the said agency prior to transferring the property item to Surplus Warehouse.

Transfer of property *from* the Surplus Warehouse.

Any Medical Center employee may survey the Surplus Warehouse for items that may be utilized within their department. If an item can be used, the department must fill out a *Surplus Warehouse Delivery Request Form*. (See Appendix D) This form is available at the warehouse. The item will be delivered on the next scheduled delivery day. When the item leaves the warehouse dock, the item will be transferred to the department's inventory at the original cost value of the item if the property item is capitalized or controlled, a confirmation notice will be sent to the department head for all items claimed by department personnel and delivered.

Transfer of Property - External

Policy Overview:

The University Of Texas Southwestern Medical Center (UT Southwestern) is committed to the responsible use and orderly transfer of equipment to and from UT Southwestern to external entities. UT Southwestern adheres to University of Texas System guidelines and state and federal regulations regarding the transfer of supplies and equipment. For the purposes of this policy, "equipment" refers only to capital and controlled equipment.

For information on transferring non-capital and non-controlled assets, refer to the policy on Transfer of Non-capital and Non-controlled Equipment. (see also Title to Property)

UT Southwestern considers transfers of equipment only to other universities and approved institutions.

Ownership of equipment purchased with sponsored project funds may be determined as follows:

Ownership of equipment purchased with federal grant funds generally vests with UT Southwestern.

Ownership of equipment purchased with federal contract funds is determined by the terms of the contract. (see also Title to Property)

Ownership of equipment purchased with private grant or contract funds generally vests with UT Southwestern, unless specifically stated otherwise in the grant guidelines or contract terms.

Ownership of equipment purchased with sponsored project funds that expired prior to the equipment's transfer to UT Southwestern generally vests with UT Southwestern.

The eligibility for transfer of equipment may be determined as follows:

Equipment purchased using state funds, designated funds, or gift and endowment funds is **ineligible** for transfer except to another State of Texas institution, and then only if it is considered surplus to UT Southwestern.

Equipment transferred to UT Southwestern on behalf of a faculty member that was not purchased with active sponsored project funds may be transferred with the same faculty member to another university or approved institution.

Equipment purchased with active sponsored project funds is eligible for transfer only if the project is being transferred with the Principal Investigator to another university or approved institution.

Property where the title is retained by the granting or contracting agency, the department is responsible for obtaining transfer instruction for the said agency prior to transferring the property item to Surplus Warehouse.

Equipment purchased with sponsored project funds that originated at UT Southwestern and since expired is eligible for transfer with the Principal Investigator to another university or approved institutions. This transfer may only be done if:

- the department chair and the Assoc. Dean for Research approve the transfer, *and*
- the receiving institution agrees to purchase the equipment from UT Southwestern at a depreciated cost to be determined by the Office of Inventory Control.

Any lab or clinic equipment with posted hazard warning signs (e.g., biological, chemical, radiological, UV) must have its safety status verified prior to relocation.

The Principal Investigator must contact the Office of Environmental Health & Safety prior to moving the equipment.

Procedure

Transfer To or From a State of Texas Institution

Transfer of Equipment *To* UT Southwestern from a State of Texas Institution.

When equipment is transferred to UT Southwestern from another State of Texas institution, the transferring department must send to Office of Inventory Control a list of the equipment. This must be done prior to or upon arrival at UT Southwestern. The list must have a description, the property control number of the sending institution and UT Southwestern campus location for each item. The Office of Inventory Control will process the transfer via the State Property Accounting System. The Office of Inventory Control will assign a UT Southwestern Property number to the equipment. It will be added to the department's inventory at the original purchase value. The department is responsible for all transportation cost.

Transfer of Equipment *From* UT Southwestern To a State of Texas Institution.

When equipment is transferred from UT Southwestern to another State of Texas institution, the department must send a list of the equipment to the Office of Inventory Control prior to the departure date. The list must have a description and the property control number of each item. The Office of Inventory Control can assist in preparing this list. The department head and the Assoc. Dean for Research must approve the list. The Office of Inventory Control will process the transfer via the State Property Accounting System and remove the items from the department's inventory. The receiving institution is responsible for all transportation cost.

Transfer of Equipment To or From a Non State of Texas Institution

Transfer of Equipment Purchased with Active Sponsored Project Funds to Another Institution

Procedures for transferring equipment purchased with active sponsored project funds differ depending on the type of contract or grant. The Principal Investigator must contact the Offices of Grants Management and or Contracts Management to determine the appropriate procedure and obtain a Grant/Contract Equipment Transfer form.

Before completing the Grant/Equipment Transfer form, the Principal Investigator must contact The Office of Inventory Control to obtain a list of equipment that is eligible for transfer. The Principal Investigator must submit the completed Grant/Contract Equipment Transfer request list to the Office of Grants Management or the Office of Contracts, which ever is appropriate. The department head and the Assoc. Dean for Research must approve the list of equipment. The list must include the property control tag number, description, acquisition cost and account number(s). Any equipment item paid in part by non transferring funds is not eligible for transfer. The expenditures for such items must be reallocated in full from the transferring grant/contract prior to submitting the list of equipment to Grants Management and or Contracts Management. Upon receiving an approved list of equipment, the Office of Inventory Control will remove the property control tags and remove the equipment from the department's inventory. The equipment is not to be packaged or moved from the campus until the Office of Inventory Control has removed the property tags.

Transfer of Equipment Purchased with Expired Sponsored Project Funds or other funds to Another Institution.

A Principal Investigator may request to transfer equipment, not included on the eligible for transfer list, which was used in their research project. Such equipment must be surplus to the department and to the Medical Center. *Data processing equipment is not eligible for transfer*¹. The Principal Investigator must obtain a list of the requested equipment from the Office of Inventory Control. The list will include the property control number, description, account numbers and depreciated value of each item. The transfer is contingent on agreement from the receiving institution to purchase the equipment at the depreciated value. Upon receiving a list of equipment approved by the department head and the Assoc. Dean for Research, the Office of Inventory Control will invoice the receiving institution. The equipment is not to be packaged or moved from the campus until the Office of Inventory Control has received a purchase order from the receiving institution. Upon receiving this purchase order, the Office of Inventory Control will remove the property control tags and remove the equipment from the department's inventory. The Principal Investigator has the responsibility to arrange for transport of the equipment with the receiving institution.

¹ SECTION 3. Subchapter C, Chapter 2175.126, Texas Government Code

Transfer of Equipment *to* UT Southwestern from another institution

Equipment transferring *to* UT Southwestern on an active grant or contract

The department must submit a list of the equipment prior to or upon arrival at UT Southwestern. The list must include the sending institution property control, description, original purchase price, serial number and UT Southwestern campus location of each item. The ownership of such equipment is subject to the terms of the grant or contract. In most cases the titles vest with UT Southwestern. The Office of Inventory Control will assign a UT Southwestern property number to the equipment, and it will be added to the department's inventory at the original purchase value.

Equipment transferring *to* UT Southwestern on a non-active grant or contract

The department must submit a list of such equipment prior to or upon arrival at UT Southwestern. The list must include the sending institution property control, description, original purchase price, serial number and the UT Southwestern campus location of each item. The ownership of the equipment vests with UT Southwestern. The Office of Inventory Control will assign a UT Southwestern property number to the equipment, and it will be added to the department's inventory at the original purchase value.

Equipment transferring *from* UT Southwestern received on a non-active grant or contract

Equipment transferred to UT Southwestern on behalf of a Principal Investigator, will be eligible for transfer to another institution if the equipment was so identified upon arrival to UT Southwestern. Otherwise the equipment is not eligible for transfer (see above). The Principal Investigator must submit a list of the equipment to the Office of Inventory Control. The Office of Inventory Control will verify the eligibility for transfer of the equipment. The department head and Assoc. Dean for Research must approve the list of equipment. Upon receiving an approved list of equipment, The Office of Inventory Control will remove the property control tags and remove the equipment from the department's inventory. The equipment is not to be packaged or moved from the campus until The Office of Inventory Control has removed the property tags.

Transfer of Non-capital, Non-controlled Equipment

Policy Overview

In addition to the commitment to accurately maintain capital equipment inventory, the University of Texas Southwestern Medical Center at Dallas (UT Southwestern) is committed to the responsible use and transfer of non-capital and non-controlled assets. In this policy, all references to equipment indicate non-capital and non-controlled equipment.

The eligibility for transfer of non-capital and non-controlled equipment may be determined as follows:

Equipment purchased with state funds, designated funds, or gift and endowment funds is **ineligible** for transfer except to another State of Texas institution, and then only if it is considered surplus to UT Southwestern. Exceptions to this will be considered if an item is of such a technical or specialized nature that it cannot be used elsewhere within the department. Exceptions are handled on a case-by-case basis and must be approved by the department head.

Non-capital and non-controlled assets purchased with sponsored project funds (active and inactive) are eligible for transfer with the principal investigator of the sponsored project if approved by the department head.

Any lab or clinic equipment with posted hazard warning signs (e.g., biological, chemical, radiological, UV) must have its safety status verified prior to relocation. The Principal Investigator must contact the Office of Environmental Health & Safety prior to moving such equipment and or supplies.

Procedure

Transfer of Equipment of a Technical/Specialized Nature Purchased with Non-sponsored Project Funds

The departing Principal Investigator must submit a written request to the department head asking that an exception to institutional policy be made. The request must identify the specific items proposed for transfer and explain why an exception should be made. The equipment is not to be packaged or moved from the campus until approved by the department head. The approved list must be maintained as part of the departmental records for audit purposes.

Transfer of Equipment Purchased with Sponsored Project Funds

The departing Principal Investigator must prepare a written request and summary list of equipment proposed for transfer that was purchased from active or inactive sponsored projects for which they were the principal investigator, and submit it to the department head for approval. The request must include a statement that the items were purchased with the principal investigator's sponsored project funds. The equipment is not to be packaged or moved from the campus until approved by the department head. The approved list must be maintained as part of the departmental records for audit purposes.

Removal of State Property from UT Southwestern Premises

Policy Overview

The University of Texas Southwestern Medical Center at Dallas (UT Southwestern) allows state property to be removed from the premises if approved by department head. Such property must only be used for official business of the Medical Center by a Medical Center employee. The property must be in the possession of the Medical Center employee at all times. The Medical Center employee must safeguard and maintain the property at all times. The property is the financial responsibility of the individual removing the property.

Where a Medical Center employee will not have daily custodial care of the equipment item, said equipment may be loaned to an institution where there is a direct benefit to the Medical Center.

Procedure

Removal of Equipment from Campus by Medical Center Employee

Prior to the equipment being removed from the campus the Medical Center employee must fill out an on-line "Removal of Equipment from Campus" (REFC) form (See Appendix B) and have the department head approve the removal. The REFC form must be renewed annually via the on-line system.

Upon the return of the equipment to the campus on a permanent basis, the employee must perform the "Return" function of the on-line REFC form. The Return process will require the employee to indicate the present campus location of the equipment, and the Medical Center employee that has current custodial care of the equipment.

The department must insure that upon termination of an employee all equipment checked out to that employee has been returned to the department.

Equipment Loaned to Another Institution

Equipment loaned to another institution for the purpose of research that has a direct benefit to the Medical Center must be approved by the department head, Assoc. Dean for Research and the Vice President of Business Affairs. The Principal Investigator in charge of the equipment that is to be loaned must submit a request to the department chairman and Assoc. Dean for Research listing the equipment to be loaned and an explanation of the benefit to be received by the Medical Center. Upon approval the Principal Investigator must contact the Office of Contract Management to draw up an equipment loan contract between UT Southwestern and receiving institution. The Office of Contract Management will send a completed copy to the Office of Inventory Control.

Discarding Obsolete Equipment

Policy Overview

Any item of equipment having a useful value to the University of Texas Southwestern Medical Center at Dallas (UT Southwestern) may not be sold by a department. It must be transferred to The Surplus Warehouse for possible transfer to another UT Southwestern department.

Equipment may be traded in on the purchase of like equipment.

If the equipment has a significant value, it may be sold in accordance with UT System Regents Rules². The sale will be conducted by the Office of Inventory Control. Any proceeds from the sale of the item will be deposited in the "Sale of Surplus Property" account less the cost of conducting the sale. Distribution of the proceeds to other accounts will be determined on case by case basis by the Office of Financial Affairs.

Equipment that is obsolete, unserviceable, and useless shall be transferred in the best condition possible to the Surplus Warehouse

Departments may cannibalize any piece of equipment for parts if it has become obsolete and unserviceable.

Departments should not discard equipment directly. All discarded items should be sent to the Surplus Warehouse.

Any lab or clinic equipment with posted hazard warning signs (e.g., biological, chemical, radiological, UV) must have its safety status verified prior to relocation. The Principal Investigator must contact the Office of Environmental Health & Safety prior to moving such equipment and or supplies.

Procedure

Transfer of Useable Equipment to the Surplus Warehouse

Equipment that is still usable but is no longer needed by the department shall be transferred to the Surplus Warehouse. The equipment will be redistributed to departments, other state agencies, or donated to political subdivision. All remaining items will be sold in a public auction. (See Surplus Warehouse)

The transfer of equipment to the Surplus Warehouse must follow the procedures for transferring surplus property described in Transfer of Equipment-Internal.

² Rules and Regulations of the Board of Regents, Rule: 80201

Trade-In of Equipment on the purchase of like items.

Equipment that has a trade-in value may be traded in on the purchase of like equipment. The new item must be listed on the purchase requisition at list price. The trade in item must be listed on another line item of the purchase requisition with its trade-in value as a credit. The property control number and description of the trade in item must be listed on this line item. The Office of Inventory Control will remove the old item from the department's inventory at the time the new item is added.

Sale of Equipment with Significant Value

If an equipment item has become obsolete to the department and to the Medical Center but still has a useful life and a significant value, it may be sold in accordance with the UT System Regents Rules. The Office of Inventory Control will conduct the sale. The department must send the Office of Inventory Control a request to sell the item with an in-depth description of the item to be sold. Proceeds from the sale, less any sale expenses will be deposited in the "Sale of Surplus Property" account. Distribution of the proceeds from the sale will be determined by the Office of Vice President of Business Affairs.

Equipment Used for Parts – Cannibalized

Departments may cannibalize any piece of equipment for parts, if it has become obsolete and unserviceable, prior to sending the item to the Surplus Warehouse. The department must send the Office of Inventory Control a memo requesting the item to be removed from inventory as used for parts. The memo shall also indicate the final distribution of the remaining parts. When the department has harvested all of the usable parts, the remains of the equipment must be transferred to the Surplus Warehouse. See Transfer of Equipment-Internal.

Discard of Obsolete and Worn Out Equipment

Equipment that is obsolete and worn out and no longer needed by the department shall be transferred to the Surplus Warehouse. The department should not discard any item directly. See Transfer of Equipment-Internal. In the event the cost of transporting the item to The Surplus Warehouse exceeds any possible return on the item, the department may discard the item. The department must send a memo to The Office of Inventory Control requesting the item to be removed from inventory due to obsolescence. The memo should have the property control number, description and disposition of the item as well as an explanation as to why it was not feasible to transport the item to the Surplus Warehouse. The Office of Inventory Control will review the request and inform the department if approved.

Discard of Non-State Vested Property

Property where the title is retained by the granting or contracting agency the department is responsible for obtaining disposal instruction for the said agency prior to transferring the property item to Surplus Warehouse.

Lost or Stolen Property

Policy Overview

When items are determined to be lost or stolen from the premises of any unit of The University of Texas Southwestern Medical Center at Dallas (UT Southwestern) the department is responsible for immediately reporting the loss or theft to the Medical Center Police.

Procedure

When the department realizes that a property item is not in its accustomed place, a diligent search must be conducted until the item is either found or it is established that the item has been lost or stolen.

Stolen Property

If it is determined that a property item has been stolen from the premises of any unit of UT Southwestern, it must be immediately reported to the Medical Center Police. The Medical Center Police will conduct an investigation. The Medical Center Police will file a “Missing or Stolen Property Report” form to the Office of Inventory Control.

Lost or Missing Property

For instance when it is believed that the equipment has been lost or is missing, the department must report the occurrence to the Medical Center Police. The Medical Center Police will file a “Missing or Stolen Property Report” form to the Office of Inventory Control.

Reporting Stolen or Missing Property to the State Auditor’s Office.

In both of the above instances, the Office of Vice President of Business Affairs will review the Missing and Stolen Property Report and examine the circumstances surrounding the loss or theft to determine if proper controls were in place to safeguard the equipment at the time of the loss or theft. A determination will be made as to whether reasonable care to prevent loss or theft had been established, or whether negligence existed. In case of negligence, the employee entrusted with safeguarding the property may be held personally liable for the loss. (Refer to Accountability and Responsibility) If the employee is found personally liable, the employee will be requested to reimburse the Medical Center for the value of the property at the time of loss³. The Missing and Stolen Property form will be filed by The Office of Inventory Control with the State Auditor’s Office. If negligence was determined, the form is also filed with the Office of the Attorney General.

³ Sec. 403.275 of the Texas Government Code

Physical Inventory

Policy Overview

Each item of capitalized and or controlled property must be located once each fiscal year and recorded on the Medical Center inventory records. The Office of Inventory Control will conduct the initial physical inventory. It is the department's responsibility to assist the Office of Inventory Control in locating an item not located on the initial physical Inventory. (See Accountability and Responsibility)

Procedure

Initial Physical Inventory

The Office of Inventory Control will conduct a physical inventory of each building on or off campus. The Office of Inventory Control will search in the area of the last reported location for any item not located on the initial inventory.

Department Assistance

After the Office of Inventory Control has conducted a reasonable search for the non-located items on the initial physical inventory, a list of non-located items will be sent to each department in that building. The departments must conduct a search for the non-located item and report the finding on the prescribed form to the Office of Inventory Control. If located, the Office of Inventory Control will record the present location of the item. If the item was used for parts or discarded, the department must send a memo to the Office of Inventory Control as prescribed in the Discarding of Obsolete Equipment section.

Final Physical Inventory

After the above two procedures have been completed for all buildings on or off the campus, a final list of non-located items will be sent to each department. A second search must be conducted by the department and the results reported on the prescribed form to The Office of Inventory Control.

Removal of Non Located Property from Inventory

After the final physical inventory is completed, The Office of Inventory Control will report the status of the non-located items to Comptroller of Public Accounts. If an item is not located on two conceive physical inventories, the Office of Inventory Control will remove the item from inventory and report the item as missing.

Surplus Warehouse

Policy Overview

The Medical Center is committed to maximum utilization of equipment and furniture for the duration of its useful life. Equipment and furniture that is no longer needed by the department or has become worn out or obsolete must be sent to the Surplus Warehouse. The items will be redistributed to departments. Items that are surplus to the Medical Center may be transferred to political subdivision or assistance organizations. All remaining items except data processing equipment will be sold in a public auction. Data processing equipment will be transferred to Texas Correctional Industries a division of the Department of Criminal Justice for recycling⁴.

Any lab or clinic equipment with posted hazard warning signs (e.g., biological, chemical, radiological, UV) must have its safety status verified prior to relocation. The Principal Investigator must contact the Office of Environmental Health & Safety prior to moving such equipment and or supplies.

Procedure

Surplus Property Pick up Request

Equipment that is no longer needed by the department shall be transferred to the Surplus Warehouse. Fill out a Warehouse Pick up Request form (See Appendix C). List each item by property tag number and description. If the item does not have a property tag number, give a description and serial number, if any, for each item. Give the present location where the items are to be picked up. Equipment and furniture **must not be stored** in the hall ways, even temporarily, waiting for pick up. Send or fax the request to the Office of Inventory Control. The Office of Inventory Control will arrange for the items to be picked up on the next scheduled pick up day. The item will be transferred from the department's inventory when the item is received at the warehouse dock.

Redistribution of Surplus Property to departments

Any Medical Center employee may inspect and claim item(s) that are available in the warehouse for redistribution within the Medical Center. Equipment may not be disassembled in the warehouse for parts unless the item is so marked. Fill out a Warehouse Delivery Request form (See Appendix D), listing the property tag number, if any, and description of the item. Indicate the department and location where the item is to be delivered. The Office of Inventory Control will arrange for the item to be delivered on the next scheduled delivery day. The item will be transferred to the department's inventory.

⁴ Section 3. Sub-chapter C, Chapter 2175.126, Texas Government Code

Acquisition of Surplus Property by Political Subdivision or Assistance Organization.

Instructional material and property that is surplus to the Medical Center may be acquired by a political subdivision or assistance organization with or without cost. Assistance organization must be registered and in good standing with Texas Building and Procurement Commission before acquiring any items. The Political subdivision or assistance organization may come to the Surplus Warehouse and claim any instructional related item that has been declared surplus to the Medical Center needs. The Political subdivision or assistance organization must complete a Certificate of Acquisition for each item claimed. All items claimed must be removed from the Surplus Warehouse within one week of claim date at no cost to the Medical Center.

Storage of Furniture and Equipment for Departments

Furniture and equipment may be stored in the Surplus Warehouse to accommodate a renovation project for the duration of the project. Any items not removed from the warehouse at the completion of the project will be declared surplus and disposed of accordingly. The department must fill out a Storage Request form. (See Appendix E) prior to the date the area is to be vacated. After the Storage Request has been approved by the Office of Inventory Control and assigned a storage control number, the department is to arrange for the items to be moved to the warehouse. All items to be stored must be listed on the Storage Request form by the property control number or a unique number assigned to that item. All items must be labeled with the department's name, contact person's name, storage control number and the unique item number if there is no property control number. All items must have protective wrap and all small items must be packed in a box.

Surplus Property Placed on Hold in Warehouse

Surplus property in the warehouse may be claimed by a department and placed in storage, in accordance with the procedure above.

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER

INTER-DEPARTMENTAL PROPERTY TRANSFER

When to fill out an "Inter-Departmental Property Transfer Form", whenever a department wishes to transfer control and responsibility of a property item to another department. The original purchase value of the property is transferred regardless of the age or condition of the property. Items can be transferred with cost, IE: sold, to another department, if so indicate and process an IDR to transfer funds. Only items properly listed on the form and marked with a U T Inventory Tag will be removed from the "Transfer from" department inventory listing and added to the "Transfer To" department listing. The responsibility for the item remains with the transferring department until this form is processed by Inventory Control.

INVENTORY NUMBER - The assigned U T Inventory Tag number (Bar Code) of each item listed.

DESCRIPTION - A description of the item, preferably the one used on the inventory listing.

COST - If the item is transferring with cost, so indicate the agreed price.
If transferring with cost, process an IDR through Accounting.

NEW LOCATION - Give the room number as to where the item is to be located.

TRANSFER FROM

Dept/Div - Use the Department/ Division code assigned by the Accounting Department.

Approved, Department Head - A Transfer requires the signature of the Department Chairman, Head, or Director for approval.

Date - Dated signed.

TRANSFER TO

Dept/Div - Use the Department / Division code assigned by the Accounting Department.

Approved, Department Head - A Transfer requires the signature of the Department Chairman, Head, or Director for approval.

Date - Dated signed.

PROCESSED BY INVENTORY CONTROL

To be filled out by Inventory Control giving the date processed. The transaction will appear on the next "Department Inventory Listing".

SEND OR FAX FORM TO INVENTORY CONTROL

After approval by both departments send or fax a copy to Inventory Control for processing.

If transferring with cost, process an IDR through Accounting.

Inventory Control Mail Code 9076 or Fax 86038. Make copies as needed.

APPENDIX B

The Removal of Equipment From Campus (REFC)

The REFC paper form has been replaced with a web form. The paper forms will no longer be accepted. Hold CTRL and click on the link below to go directly to the REFC form.

<https://sws001.swmed.edu/ivin/InvEqp>

Otherwise please log into the iAim system using your U T Southwestern user Id and password.

Select Materials Mgmt. Inventory Control

Select **REFC - Removal of Equipment From Campus**

Fill out the form and “submit”, if you are the custodian then “approve”.

Please Note: If the custodian is new to the Medical Center or has not used the iAim system before the custodian must subscribe to iAim email notices. Other wise the custodian will not receive email notices or reminders issued by the iAim system.

Log into the iAim system using your U T Southwestern user Id and password.

Select Forms

Select **Function: Forms For You:** Email Subscribe List.

Then subscribe to the form you wish to receive email notices from. It is recommended to subscribe to ALL FORMS.

**THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER
Surplus Warehouse PICK-UP REQUEST**

Control Number: _____		
PICK-UP FROM: Build _____ Floor _____ Room _____ Sub _____		
Dept: _____	Requester: _____ Mail Code: _____ Phone _____ Fax _____ <i>Return Fax Number Required</i>	Date: _____

DELIVER TO: Surplus Warehouse

Inventory *** Number	Description *	Cond. Code**	

*****All computers (CPUs, Laptops) must have a UT Inventory Tag Number listed, if blank the Pick Up Request will be rejected. If assistance is needed to determine the Inventory Tag Number call the Materials Management Office of Inventory Control 86042.**

RELEASED BY		
Name: _____	Ext: _____	Date: _____

*** Refrigerator, Freezers requires a \$50.00 IDR to Inventory Control for degassing.**

**** Condition Code** *S - Surplus to needs of the department, Functional.
P - Dismantled for Parts, No Longer Functional.
O - Obsolete, Worn Out, No Longer Functional.*

All items transferred to the warehouse will be made available to any interested departments and or sold in the next auction.

Send/fax to Inventory Control 9076 / Warehouse fax 86020 - Make copies as needed.

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER

Surplus Warehouse Pick-up Request

When to fill out a " Surplus Warehouse Pick-up Request" - Whenever a department has a surplus piece of equipment or furniture, whether on inventory or not, functional or not, it should be sent to the Surplus Warehouse. The item can be reassigned to any department if needed. After due time the items will be disposed of in accordance with State Law. Items will be picked up by the Surplus Warehouse Crew and transported to the warehouse. Only items properly listed on the form will be transferred off the department's inventory listing.

CONTROL NUMBER - A document control number assigned by Inventory Control.

PICK-UP FROM

Building Floor & Room number where the items are to be Picked-up. Note **DO NOT STORE ITEMS IN THE HALL WAY.**

DELIVERY TO SURPLUS WAREHOUSE

All items are transferred to the Surplus Warehouse.

Note: The item must be properly listed by U T Inventory Tag Number and received in the warehouse before it will be transferred off the Departments Inventory Listing.

DEPT: Department /Division code as used in Accounting.

REQUESTER: Name, mail code, fax number (required) of the person requesting this pick up.

DELIVER TO: All items will be delivered to the Surplus Warehouse.

INVENTORY NUMBER - The assigned U T Inventory Tag Number of each item listed. If the item is not on inventory mark this space with "NOI", Not On Inventory. All Computers must be listed with a U T Inventory number. If blank or NOI the Pick Up Request will be rejected. If assistance is needed to determine a tag number, contact Materials Management Office of Inventory Control 86042.

DESCRIPTION - A description of the item, preferably the one used on the inventory listing.

CONDITION CODE - A code stating the condition of the item, see codes at bottom of form.

RELEASED BY

Name - The name of the employee that released the items to the Surplus Warehouse Crew.

EXT. - Phone number of person above.

Date - Date released.

SEND OR FAX FORM TO INVENTORY CONTROL

Mail Code 9076 Surplus Warehouse Fax 86020

Refrigerator, Freezers requires a \$50.00 IDR to Inventory Control for degassing. This IDR must be attached to the Refrigerator, Freezers **before it will be picked up.**

**THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER
Surplus Warehouse DELIVERY REQUEST**

Control Number: _____

Delivery/Assign to: Build _____ Floor _____ Room _____ Sub _____ Carry Out: _____		
Assign to Dept:	Requester: _____ Mail Code: _____ Phone _____ Fax _____	Date:

Pick Up From: SURPLUS WAREHOUSE

Item No.	Inventory Number	Description	
1			
2			
3			
4			
5			
6			
7			
8			
9			

RECEIVED BY		
Name:	Ext:	Date:

Send/fax to Inventory Control 9076 / Warehouse fax 86020 - Make copies as needed.

Photo ID of Requestor (required):
--

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER

Surplus Warehouse Delivery Request

CONTROL NUMBER - A document control number assigned by Inventory Control.

DELIVERY/ASSIGN TO: - Building Floor & Room number where the items are to be delivered to, and assigned to if "Carried out".

CARRY OUT: - If the item is removed from the warehouse by the requester, mark this spot.

ASSIGN TO DEPT: - Department / Division the item will be assigned to.

REQUESTER: - The person requesting the item. Photo ID required

PICK UP FROM SURPLUS WAREHOUSE - All Inventoried items will be transferred to the Department.

ITEM NO. – Line item number

INVENTORY NUMBER - The assigned U T Inventory Tag Number of each item listed. If the item is not on inventory mark this space with "NOI", Not On Inventory.

DESCRIPTION - A description of the item, preferably the one used on the inventory listing.

RECEIVED BY

Name - The name of the employee that RECEIVED the items from the Moving Crew.

EXT. - Phone number of person above.

Date - Date received

PHOTO ID: A copy of a Photo ID of the Requestor- Medical Center ID or Texas Driver license.

SEND OR FAX FORM TO INVENTORY CONTROL

Mail Code 9076 Warehouse Fax 86020

THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER

Surplus Warehouse Storage Request

STORAGE CONTROL NUMBER -A document control number assigned by Inventory Control.

PHYSICAL PLANT PROJECT NUMBER - Physical Plant's project identifier. **(Required)**

PICK-UP FROM

Building Floor & Room number where the items are to be Picked-up. Note DO NOT STORE ITEMS IN THE HALL WAY. Contact person's name and phone and date of request.

INVENTORY NUMBER - The assigned U T Inventory Tag Number (Bar Code) of each item listed. If the item does not have an inventory tag number assign a unique number to each item.

DESCRIPTION - A description of the item, preferably the one used on the inventory listing.

NOTE: Furniture and equipment may be stored in the Surplus Warehouse to accommodate a renovation project for the duration of the project. **Any items not removed from the warehouse at the completion of the project will be declared surplus and disposed of accordingly.**

After the Storage Request has been approved by the Office of Inventory Control and assigned a storage control number, the department is to arrange for the items to be moved to the warehouse.

All items to be stored must be listed on the Storage Request form by the property control number or a unique number assigned to that item. All items must be labeled with the department's name, contact person's name, storage control number and the unique item number if no property control number.

All items must have protective wrap and all small items must be packed in a box.

SEND OR FAX FORM TO INVENTORY CONTROL Mail Code 9076 Warehouse Fax 86020