



## Internal Audit

### INVENTORY CONTROL GUIDELINES

#### **PURPOSE:**

All property owned by the University of North Texas is subject to applicable state laws and university policies. University employees are responsible for proper management of property entrusted to them. As authorized by state law, the Attorney General reserves the right to hold Faculty and Staff personally liable for equipment under their control in the event it is determined that negligence was involved in circumstances surrounding lost, stolen, and/or missing state property.

The following guidelines, as a model for establishing an appropriate control environment, provide opportunities to enhance control procedures over the proper maintenance, utilization and custody of state property, more specifically sensitive items such as audio visual equipment and computer equipment.

#### **ASSIGNMENT AND LOAN OF EQUIPMENT:**

Equipment may be assigned or loaned to a department or individual only for official university business. When equipment is to be assigned to an employee for use overnight or the weekend at a location other than the authorized official work area, the Property Custodian must ensure that the employee complete a Custody Receipt Form (obtainable from Property & Inventory Control). Additionally a copy of custody receipt form must maintained by the Property custodian and a copy must be forwarded to Property and Inventory Control.

When items of equipment are specifically assigned to an employee for use in the employee's official duties, the property custodian must assure that if the employee transfers or terminates all equipment assigned to the employee has been inventoried and properly accounted for.

When equipment assigned to a specific property custodian is loaned to a department not under control of the property custodian, a interdepartmental transfer/release form (IDT) must be completed by the relinquishing and receiving department. A copy of the IDT must be maintained by the property custodian and a copy must be forwarded to Property & Inventory Control.

Note: When assignment of one item of equipment is issued to multiple personnel,, it is only necessary to complete one custody receipt form.

### **SECURING OF EQUIPMENT:**

Property Custodians are responsible for ensuring that equipment is tracked and secured in a manner that is most likely to deter theft, loss, damage, and or misuse. Each property custodian should encourage building security at all times. The property custodian should ensure that designated individuals assigned to assure security of equipment, inform the proper authority (Property & Inventory Control and/or UNT Police Department) of violations and/or changes to security that result in loss and/or theft of equipment.

Property Custodians and all designated departmental custodians must know where equipment is located at all times; must have a method for locating any equipment item whether on-site or off-site, under their control; and must be able to locate any item upon immediate request.

Where feasible, measures should be taken to properly secure equipment (i.e. equipment should be bolted, chained and/or locked in storage facility as appropriate).

### **STORAGE OF EQUIPMENT:**

During periods of transition (i.e. semester breaks, and/or intercampus moves), it is essential to secure equipment from theft and/or unauthorized usage as well as maintain the equipment in serviceable condition and an accessible location.

The placement of equipment in storage will not relieve a Property Custodian of the responsibility for proper maintenance, utilization and custody of state property. If equipment is stored in a storage facility under the jurisdiction of Property & Inventory Control, the property custodian may be relieved of his/her responsibility for proper maintenance, utilization and custody.

Property custodians must ensure designated storage facilities are approved by Property & Inventory Control.

### **WRITTEN PROCEDURES:**

It is strongly recommended that written procedures be developed and maintained by each university department that assumes responsibility over state property. Written procedures should minimally include procedures for handling, transferring, and surplus equipment; reporting loss, stolen and/or missing equipment; and completing/maintaining the custody receipt form.

**ADDITIONAL INFORMATION:**

These guidelines are provided to assist property custodians in meeting their responsibilities. Further inquiries relating to maintenance, utilization, and custody of state property should be directed to the Property & Inventory Control Area. In addition, Internal Audit is available for consultation regarding maintenance, utilization, and custody of state property.