C.2.7.4 (Procedure) Property Management: Inventory Control
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Property for the purposes of these procedures is defined as all ARTWORK, EQUIPMENT, FURNITURE, AND OTHER MOVABLE PROPERTY, excluding only real property and non-movable fixtures.   Thresholds are defined below and may be adjusted based on current need for internal review to mitigate loss and other risks.

The Inventory Control Department, as part of Finance and Administration, is responsible for the coordination, development and implementation of the policies and procedures for property accounting and inventory management.

The purpose of this guidance is to establish procedure delineating accounting control and operational actions for the institution's property and equipment.

All property acquired by purchase, donated to, found on campus, leased, transferred, or otherwise obtained by Alamo Colleges District is subject to all applicable policy and procedure, federal, state, local laws and regulations, institutionally funded and grant-sponsored contract requirements for the proper accounting of ACD inventoried property from acquisition to disposition. When in doubt concerning inventory matters, employees are encouraged to contact Inventory Control for guidance to ensure compliance.

In accordance with Property Management Policy C.2.7, Inventory Control developed a system of internal controls to assist with management of property. The components of this system include utilizing good business practices, ethical stewardship and collaborative accountability by custodial department. Additional training and guidelines are available for employees on the Inventory Control website.   Major aspects and expectations of this system and Roles and Responsibilities are expanded to include:

    A. ACCOUNTING FOR PROPERTY
    B. OWNERSHIP OF PROPERTY
    C. PROPERTY INVENTORY THRESHOLDS
    D. DONATIONS
    E. PROPERTY MANAGEMENT SYSTEM OF RECORD
    F. RESPONSIBILITY AND ACCOUNTABILITY FOR PROPERTY
    G. INTERNAL TRANSFER AND LOCATION MONITORING
    H. LOANED PROPERTY TO EMPLOYEES OR STUDENTS
    I. DISPOSITION
    J. REINSTATEMENT OF DISPOSITION
    K. GENERAL RULES GOVERNING ACQUIRING AND TAGGING INVENTORY
    L. PHYSICAL INVENTORY
    M. RECONCILIATION AND CERTIFICATION

A. ACCOUNTING FOR PROPERTY

All property purchased, donated or otherwise obtained by the Alamo Colleges District is subject to the following procedures for property accountability.

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The life cycle begins on the date the property is acquired and received and must be accounted for, documented and safeguarded until its disposition. Asset history and supporting documentation will be preserved for all property records. All property will be acquired by one of the methods below:

1. Purchase by requisition, *PCard, Construction Contractor, lease, trade-in or other means coordinated through the purchasing system.
2. Donation/Gift must be approved by the Board of Trustees, documented and coordinated through DSO's Institutional Advancement Office.
3. Transfers from other local or state entity must be coordinated through Purchasing.

*Pcards should not be used for purchasing inventoried items unless there is an immediate need for business purposes that could not otherwise be planned.

B. **OWNERSHIP OF PROPERTY**

All property described above is owned by Alamo Colleges District (ACD) and custodial stewardship responsibility is assigned by College/District to a Property Steward by a specific department based on the primary inventory Banner Organization account. ACD has sole ownership of all equipment acquired regardless of source of funding or method of acquisition with the following exceptions:

- The federal government or other sponsor retains ownership of property furnished for the duration of sponsored contract.
- Property owned by an employee of the Alamo Colleges District and is labeled as "Property of 'Jane/John Smith (***Employee Name)'***. A date should be annotated.
- Leased Equipment – Leased equipment must be labeled as "leased' with appropriate vendor contact information and must be maintained by department until contractual lease expires. Leased equipment in Alamo Colleges District's possession must be safeguarded at all times and inventoried by the Property Steward or by leasing agent until custody is returned to the vendor.

All property should be properly identified and/or labeled accordingly and safeguarded by all employees. Department custody is explained further below.

C. **PROPERTY INVENTORY THRESHOLDS**

The inventory thresholds are offered to provide guidance; however, all the items that are assigned and tagged with an inventory barcode number will be inventoried and required to be made available to account for by the department during any inventory review.

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Property Inventory Thresholds are defined as:

Classification	Original Cost	Examples
*Capitalized (Tagged)	$5,000 or greater	aircraft, file servers, forklifts, simulators, training equipment, vehicles
Controlled (Tagged)	$1,000 and $4,999.99	pianos, scanners, furniture
**Controlled – high risk (Tagged)	Regardless of Cost	cameras, camcorders, desktops, fax machines, *firearms, iPads/tablets, laptops, musical instruments, printers, projectors, televisions, recreational equipment, shop equipment
***Un-Tagged	Below Thresholds	Furniture, equipment, supplies and other property

*Additional information for capitalized assets may be found under policy C.1.11 **Accounting for Capital Assets**.

**High Risk - Firearms will be issued a barcode and added to the inventory and cross-referenced by serial number, but will not be physically tagged with a barcode.

***Employees should safeguard all property at all times and ensures resources are utilized for the purposes for which these resources have been procured. See Ethics Handbook.

In accordance with policy C.1.11, expanded definitions are provided below:

1. **Capitalized Property**
Property with a unit cost of $5,000 or more and a useful life of at least five years will be recorded on the inventory at the original cost of purchase. Capitalized property will remain on the inventory for internal control purposes until disposition.

2. **Controlled Property**
Property with a unit cost between $1,000 and $4,999.99, will not be capitalized but will remain on the inventory for internal control purposes until disposition.

3. ****Controlled Property– High Risk**
Property valued at ANY COST, identified as attractive, high-risk and susceptible to loss or theft will not be capitalized and will remain on the inventory for internal control purposes until disposition.

**Some items may be added if analysis determines the property is an accounting control risk.

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All items in the categories above are assigned an Alamo Colleges District inventory number and a barcode shall be affixed to each item indicating it is the property of ACD. Property defined by thresholds must be purchased following purchasing guidelines.

To facilitate the purchase process, inventoried items that meet the thresholds above should be identified by specific expense triggered by a selection of the correct *Account Code* in the FOAP or Fund Organization *Account* Program structure. This will ensure correct coding and accounting for the property. Also, this is an internal control indicator to alert that an item will potentially require inventory addition and tagging.

> *Examples of Account Codes are below:*
> − 74301 Furniture and Equip over 5K - 5 YRS
> − 74302 Furniture and Equip over 5K - 7 YRS
> − 74606 High Risk Comp & Other IT Equip <$5K
> − 74614 Computer Equipment 1K to 5K

Additional account selections for **inventoried items** may be found on the Inventory Control website.

D. DONATIONS

Donations must be approved by the Board of Trustees prior to acceptance. If any donation is valued in a property threshold category, these items will be tagged with a control barcode. All property will be added to the inventory and maintained by Property Steward for the custodial department to which the property was assigned.

Departments should review their work areas and ensure donations can be accounted for following these procedures.
Departments are required to follow a Donor Request Process. Additional questions should be directed to the Gift & Prospect Coordinator at the District Office of Institutional Advancement.

Once the items have been accepted by the Board, departments should notify Inventory Control. The request will be reviewed and an appointment will be coordinated to tag and inventory the donation with a barcode. Once validated, the donation will be added to the inventory and assigned to the Property Steward and department who will retain custodial responsibility. The Property Steward responsible for the department becomes the official custodial steward on record and should follow **Transfer and Location** monitoring to ensure the asset can be accounted for at all times.

E. PROPERTY MANAGEMENT SYSTEM OF RECORD

Alamo Colleges District utilizes an electronic property management system (the System) as the official inventory ledger for all property records. This system is administered by the Inventory

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Control Department and electronically maintained on-line with the support of barcode and scanning technology. The System is centralized, and organized to maintain integrity of the data used as a subsidiary ledger to record and track equipment which meet capitalized, controlled and high risk thresholds. The System is reviewed and reconciled against the general ledger for any property acquired by the Alamo Colleges District.

The System provides Self-Service access and should be used by employees to monitor and manage their inventory transactions. The System contains asset history and other pertinent information, including but not limited to:

1. Barcode Tag Number
2. Location (Campus, Bldg and Room)
3. Last Date of Physical Inventory
4. Description of Property
5. Custodial Department Inventory Account
6. Original Acquisition Cost (OAC)
7. Purchase Order
8. In-Service Date
9. Original Funding Source (OFS)
10. Serial Number
11. Manufacturer
12. Historical Data

Updates will be primarily accomplished by Property Stewards/ Assistants.

Departments will enter changes to locations and transfer of property to other departments into the System. Inventory training detailing Inventory Control procedures and guidelines is available. Property Stewards will be required to attend inventory training. All property inventory reports and statistical analysis will be executed utilizing data from the System in order to comply with annual reporting requirements.

F. RESPONSIBILITY AND ACCOUNTABILITY FOR PROPERTY

ALL EMPLOYEES are responsible for safeguarding, securing and accounting for property.

This includes taking the annual required inventory training, adhering to inventory procedures and collaboratively participating in resolution of inventory matters. This will ensure that property can be accounted for, safeguarded and successfully located at all times.

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ACD Ethics Handbook:

"We have a responsibility to make sure that Alamo Colleges District resources are used for the purposes for which these resources have been procured."

"All Alamo Colleges District employees who manage financial resources or are involved in financial transactions must be familiar with the Alamo Colleges District accounting structure and the policies and procedures that govern these transactions."

"Employees must record all financial transactions accurately and in a timely manner, leading to a clear identification of the true business nature of each transaction, and must make and approve payments on behalf of the Alamo Colleges District only for the purpose described in the supporting documentation."

1. **Department Custodial Accountability and Responsibility**

Custodial responsibility for property is based on original signature acceptance and assigned to the current supervisor/Property Steward accountable for the department.

Property Steward:

The **Property Steward (PS) w**ill generally be the **Budget Manager** responsible for approving purchases and he/she is the supervisor responsible for the custody and care of the property for department to which they are responsible. The PS is accountable for the annual inventory results and will ensure all employees adhere to inventory procedures and attend all necessary inventory training to assist them with ensuring proper stewardship of inventoried items.

Property Stewards are responsible for:
  • establishing and enforcing inventory procedures for property assigned to the department
  • ensuring that all staff employees attend inventory training
  • ensuring property is accounted for at all times

The PS will appoint a Property Assistant (PA) to assist with coordination and maintaining the day-to-day inventory matters within their department.

The Property Steward is further responsible for ensuring property is accounted for at all times and ensuring compliance with the annual and mid-year inventory reviews. 100% accountability can be achieved through routine monitoring and application of procedures as outlined.

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Property Steward *continued:*

The Property Steward will take and submit:

a. *Property Steward Training - required*
   In addition to required training for all employees, several short additional inventory training e-clips are required to assist with the inventory monitoring. The Property Steward will take this additional training to ensure he or she is familiar with the process.
b. *Property Steward Acknowledgement*
   Once training is complete, the Property Steward will submit the **Property Steward Acknowledgement Form** to Inventory Control. The form can be found in the forms section on the Inventory Control website.

Inventory Control will provide access to the inventory system for the Property Steward to approve, transfer and update locations.

Property Assistant:

The Property Assistant (PA) is the primary liaison for maintaining the day to day routine inventory matters and will coordinate with Inventory Control staff regarding all aspects of property management within their department. The PA will also maintain all related inventory documentation including purchasing, transfer and disposal information. This person is required to take training on the District approved inventory management system.

The Property Assistant (PS) will take and submit:

a. *Property Assistant Training*
   In addition to required training for all employees several short additional inventory trainings e-clips are required to assist with the inventory monitoring. The Property Assistant will take this additional training to ensure he or she is familiar with the process.
b. *Property Assistant Appointment and Acknowledgement*
   Once training is complete, the Property Assistant should submit the **Property Assistant Appointment Form** to Inventory Control. This form must contain the approval signature from the Property Steward. The form can be found in the forms section on the Inventory Control website.

Inventory Control will provide access to the inventory system for the Property Assistant to approve, transfer and update locations.

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2. **<u>Inventory Control administers the enterprise-wide property management function.
Coordination with various departments is essential for efficient and effective services.</u>**

   The inventory team is responsible for:

   1. Coordinating enterprise-wide and mitigating risks for property loss.
   2. Collaborative review of asset procedures for improving asset control.
   3. Utilizing best practices for efficient asset management.
   4. Training employees.
   5. Validating source data and recording timely entries.
   6. Assigning property to department inventory accounts.
   7. Inventory *tagging of new property.
   8. Location tracking and inventory of buildings.
   9. Recording adjustments and/or dispositions for inventory transactions.
   10. Reconciling financial records to physical property records.
   11. Analyzing and Reporting inventory data to stakeholders.
   12. Resolving and reconciling physical inventory differences with each college/district.
   13. Review process improvement opportunities.
   14. Administering and conducting the physical inventory of property.
   15. Providing annual inventory certifications management.

*Tagging property is a joint-responsibility of the Inventory Control and Receiving Departments.

G. DEPARTMENT TRANSFER AND LOCATION MONITORING

Assets are assigned to the department confirming receipt of the purchase order to ensure custody of the assets is acknowledged and accounted for as soon as Alamo Colleges District receives the item. This ensures integrity in the accountability process.

Custodial responsibility remains with the current department and Property Steward until custodial responsibility is transferred and accepted by the new department. Monitoring department to department transfers and location changes is essential to demonstrate stewardship and maintain an accurate inventory.

   a. **Department Transfer of Propert**y will be monitored. Property Stewards that approve the release of property to another department are required to ensure a chain of custody for the property exists when items are physically moved between departments. These actions will be documented using the Self-Service inventory system. This will ensure the transferring department has approved the release of the property and custodial acknowledgement and responsibility by the 'receiving' department has occurred. *Property Stewards and Property Assistants should discourage release or property to any department unless the required transfer action has occurred in the System to complete the transfer of chain of custody and to prevent loss of property.*

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b. **Location Monitoring** is required to safeguard property and assure the property is used for the intended purpose. **Location changes** will be entered by the current Property Steward/Assistant into the inventory system to facilitate the Property Steward's custodial responsibility.

H. LOANED PROPERTY TO EMPLOYEES OR STUDENTS

To facilitate the means for effective and efficient service provided by employees of the Alamo Colleges District and for educational success for students who attend the colleges, equipment may be borrowed on a limited basis by employees and students.

Loans will be monitored by the responsible custodial department.

When Alamo Colleges District's property is taken off-campus, the employee or student assumes financial responsibility for the property and if lost or stolen will be required to replace the item or reimburse Alamo Colleges District for the cost of the item. This applies regardless of whether or not approval has been obtained and if an employee obtains verbal permission and has acknowledged the loss. Failure to comply with obtaining authorizing approvals may result in disciplinary action taken on the employee and/or Property Steward and may result in budget reduction to department/college budget.

Any person who declines to comply with Alamo Colleges District loan procedures may be declined this service.

Employees are required to obtain authorization from their supervisor to utilize property at home for business use.

A Loaned Property Request Form is required when property is borrowed and removed from an Alamo Colleges District campus. This form must be completed by the requesting employee who will ensure all approving signatures are obtained prior to the release and removal of the property.

Once approved, the Property Steward and Property Assistant should ensure a Checkout/in entry is entered in the inventory system. The form should be attached as a permanent record. Training is available for this action.
A copy of the record should be kept with the property at all times and may be required to be presented to Alamo Colleges District Police upon request.

When the property is returned, the custodial department is required to update the Inventory System and location of the item and the form may be annotated once the item has been returned.

Property loan requests are valid for one year and will be updated annually each calendar year.

Additional information can be found on the Inventory Control website.

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Cost Recovery

Employees or students may be required to reimburse Alamo Colleges District for lost or stolen items. Property Stewards should coordinate with Inventory Control to identify items that will be reconciled through cost recovery.

Custodial departments with cost recovery for reimbursement of lost or stolen items must be reported to Inventory Control within 48 hours to ensure inventory adjustment is applied to the affected department inventory.

Employee Use

When Alamo Colleges District's property is taken off-campus, the employee assumes financial responsibility for the property and if damaged, lost or stolen will be required to reimburse the Alamo Colleges District.

Student Use

Students are required to follow the Loan Property Check out process. Employees should monitor the loans and are will coordinate with students to return the property upon the due date.

When Alamo Colleges District's property is taken off-campus, the student assumes financial responsibility for the property and if damaged, lost or stolen will be required to reimburse the Alamo Colleges District.

Property Stewards with custodial responsibility may incur a budget reduction to department/college budget for loss of item.

Students who do not comply with procedures to return the property to Alamo Colleges District within the timeline required, will result in the following actions:

1. **Hold placed on student account**
2. **Student will be required to reimburse Alamo Colleges District for the loss**

Payment for reimbursement of lost or stolen items may be made to the college Business office and must be reported to Inventory Control within 48 hours to ensure inventory adjustment is applied to the affected department inventory. A recovery form is available on the Inventory Control website.

I. DISPOSITION

1. **Trade-In of Property**
    a. Department must complete a Property Transfer Form (PTF) coordinated through Purchasing.

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      b. Either department or purchasing may coordinate a trade-in for an existing item when acquiring a new item.
      c. Trade-in information for old item must be annotated on the new purchase order.
      d. If inventory addition is required, department should notify Inventory Control.

2. **Surplus**
      a. Department must complete a PTF coordinated through Purchasing.
      b. *Recycling* – usually technology or other recyclable item.
      c. *Excess* – usually all other non-technology type items.
      d. *Trash* – broken equipment and other property.
      e. Department should monitor/verify inventory lists regularly to ensure updates occurred.

Note: For items B.1 Trade-In of Property and B.2 Surplus - Coordination with vendors and other agents is required. As such, the Surplus office in the Purchasing department will perform additional actions to ensure the trade-in and surplus process is accomplished.

Purchasing will also:
      a. Provide initial review and oversight of all Property Transfer Forms.
      b. Coordinate and schedule with vendor or agents to pick up property.
      c. Notify department when a pick up is scheduled.
      d. Assure request documentation is completed.
      e. Notify both the department and Inventory Control when the pick-up request is completed.

3. **Items Still Under Warranty**
      a. Department must complete a Defective Equipment Replacement Form (DERM) found on the Inventory Control website.
      b. Department may coordinate directly with the vendor.
      c. Department must provide the completed DERM and supporting documentation to Inventory Control within 3 – 5 business days.

4. **Cannibalization**
      a. Department, due to a defect, may reutilize parts from a failing item for continued instruction or recycling of materials.
      b. Department must complete a Property Cannibalization Request Form (PCRM) found on the Inventory Control website.
      c. Department must submit a completed PCRM to Inventory Control within 3 – 5 business days.

5. **Missing Property or Thefts**
      a. Employee must perform a thorough search for any missing item and inform their supervisor/Property Steward.

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b. Report incident to Alamo Colleges District Police within 48 hours of discovery. Police will review and determine if the incident is missing or if evidence suggests that a theft occurred and will prepare a report.
c. Report incidents that do not occur on an Alamo Colleges District college or official site to the appropriate police authority such as SAPD or another jurisdiction.
d. Department is responsible for requesting a copy of the incident report; usually available within 10 days.
e. Department should send copy of report to Inventory Control within 30 days.
f. Inventory Control will review and determine if an inventory adjustment is required and will notify the department of the outcome.

6. **Recovery and Disposition of Lost/Stolen Property**
If the item has been loaned to an employee or student and the item has been lost and cannot be returned to the college, the student or employee will reimburse Alamo Colleges District.
a. All supporting documentation should be provided to Inventory Control within 48 hours of reimbursement/recovery. Documents should include:
   1) Approved Property Loan Request Form
   2) Proof of payment to the Alamo Colleges District Bursar Office
b. Once documents are received and payment recovery has been confirmed, Inventory Control will enter an inventory adjustment.
c. Notification will be provided to the employee and department.

Additional information with detailed contacts and process steps may be found on the Inventory Control website.

7. **Inventory Loss/Write-Off**
As a result of any exceptions not resolved by the closing date for the official annual inventory, a disposition and write-off for the asset and financial records will be recorded for the asset history.
a. The department inventory records will be adjusted at the conclusion of the annual reconciliation and receipt of the certification.
b. The department, College and DSO leadership will receive notification.

J. REINSTATEMENT OF DISPOSITION

If a previously disposed item is identified or located later, a reinstatement of the inventory record is required. Custodial responsibility and acknowledgement of the item is required.
Follow the process below:

a. Department must complete a Property Reinstatement Form (PRM) found on the Inventory Control website.
b. Department must obtain Property Steward Approval.
c. Department must submit the completed PRM to Inventory Control.

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    d. Inventory Control will reinstate and coordinate replacement barcode if applicable.
    e. Inventory Control will notify the department when an adjustment has been made.

All property must be disposed of through appropriate disposal procedures. Proper disposal will ensure accountability through disposition of the property and reconciliation of the record.

Failure to comply with the notification process described above may result in additional inventory losses and incomplete inventory records. Custodial responsibility will remain with the Property Steward and department inventory account on record.

*Additional information regarding **Disposal of College District Property** and coordinating surplus and trade-in information may be found on the Purchasing website or Procedure C.2.7.3 **Disposal of College District Property.***

K. GENERAL RULES GOVERNING ACQUIRING AND TAGGING INVENTORY

As a compliance component of internal control, all inventoried property acquired is institutionally monitored. Several check and balances are in place to ensure compliance efficacy; including purchase account coding, receiving of goods, payment reconciliation, department acknowledgement and validation from Inventory Control.

Property Stewards and Property Assistants should be familiar with these general rules for all capitalized, controlled and high risk items. Employees should monitor these purchases to ensure the following guidelines are met.

These items:

1. Must be clearly itemized on the original requisition to ensure the purchase order contents and information can be understood to determine proper accounting and if tagging is required.
2. May not have combined funding sources unless approval is obtained from Finance.
3. Must be coded properly by the appropriate Banner expense account.
4. Will be inventoried, assigned an inventory tracking number, and tagged with a barcode label.
5. When received directly by the department, must be reported to Inventory Control within five (5) business days of receipt for addition to the inventory and tagging coordination, if applicable.
6. May only be purchased and used for official Alamo Colleges District business.
7. May not be bargained for trade without consulting with Purchasing.
8. May not be purchased to be given away without appropriate committee and leadership approvals.
9. May not be returned to the vendor without proper documentation and appropriate notification to Inventory Control.

The above actions will ensure the Property Steward has:

1. Approved and acknowledged custodial responsibility for the property.
2. Confirmed acceptance so vendor can be paid.
3. Coordinated with Inventory Control to ensure the new purchase is added to inventory and properly labeled.
4. Scheduled the purchase for tagging and that all appropriate funding source information is reconciled to the district's financial records.

L. PHYSICAL INVENTORY

An annual inventory of tagged property will be conducted by the Inventory Control Department in collaboration with each college/district. Property Stewards and Property Assistants should review the inventory for the department they are assigned to regularly. Each department is responsible for keeping inventory and records current at all times. The PS and PA are the official contacts and are responsible for monitoring their inventory year-round and ensuring records are up to date. This may require the department to perform its own periodic inventory more than once a year. Property Stewards will be accountable for the results.

A mid-year inventory review may be conducted as a result of repeated losses by a department. This additional tool will focus on process improvement, training and communication of property monitoring requirements to improve results and reduce losses. Property Stewards will be accountable for the results.

Inventory Control may conduct random inventory audit reviews to assist departments and ensure all the property is accurately recorded.

Communication Protocol

All communication for the annual or mid-year inventory reviews will be coordinated through each college Vice President of College Services, Vice Chancellor or Administrative designee to ensure stakeholder involvement. Leaders will share expectations with their college, department and team.

Intermediate status reports will be sent to each Property Steward. Property Stewards are responsible for resolving issues and communicating a change in their department contacts.

M. RECONCILIATION AND CERTIFICATION

Upon completion of a physical inventory, a reconciliation and certification of the results is required to finalize and close the results for the current year. The physical inventory results will be reviewed and reconciled to the financial records by Inventory Control Department in cooperation with the departments after the physical inventory is conducted.

Property Stewards and Property Assistants are important contributors to resolution of the final results. It may be necessary for coordination with other employees to successfully resolve any exceptions. Property Stewards are accountable for the results.

Certification

Once all exceptions have been reviewed and the reports are finalized, the results and certification will be released to the appropriate President and Vice President or Vice Chancellor. The appropriate official will be responsible for certifying that the physical inventory has been conducted and verified by the Property Steward as the accountable department representative.

Recording the Adjustment after the Annual Inventory

As a final step, exception items not reconciled will incur and inventory adjustment to remove the record and will be deducted from the appropriate college/department budget with the appropriate disciplinary action taken.

The adjustment to the inventory record is called a write-off.

At the beginning of the following inventory year, the inventory account begins the year with a 100% accountability. The succeeding inventory will validate continued achievement for this result.

PVC leaders should provide annual guidance to their teams to champion the inventory review, ensure successful resolution of exceptions and to assure an efficient reconciliation and certification of the results.

Overview of the Reconciliation of Inventory Process:

1. Property Stewards and Property Assistants maintain a current inventory and perform an interim inventory throughout the year
2. Physical inventory performed annually or mid-year by Inventory Control staff, coordinated through College Vice President/President and Vice Chancellor or DSO Leader
3. Intermediate status reports are sent to each Property Steward by department as field work progresses.
4. Inventory field work completed – preliminary results and exceptions identified
5. Departments have two-week reconciliation period to locate exceptions
6. Final reports submitted to College Vice President/President and Vice Chancellor or DSO Leader
7. College President/VC or DSO Leader certifies the results of the inventory
8. Possible consequences for missing inventory:
    a. Reduction in department budget

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      b. Disciplinary action for employee
      c. Mid-year Inventory Review
      d. Mandatory refresher inventory training

References:

Gov't Code, Sec. 403.271; Property Accounting System
State Property Accounting System – TX Comptroller's Office
Board policy C.2.7 – Equipment/Property Management
Board policy D.1.1 – Compliance with Policies and Procedures
Ethics Handbook – Code of Conduct