



# Conducting the Annual Inventory Certification

## Objectives:

- Locate all assets
- Report zero assets as missing
- Identify idle assets
- Complete the certification within 30 working days



Effective September 1, 2009, the Texas State Property Accounting (SPA) office adopted a new American Society for Testing & Measurements (ASTM) missing property standard:

0% of an agency's high-risk assets; firearms, other weapons

1% of an agency's non-high-risk assets; furniture, equipment, vehicles, etc.

At the time the asset is written off, if SPA staff determines that the calculated loss ratios exceed ASTM standards, they will direct Appropriation Control staff to reduce the appropriations of the agency that owns that property in an amount equal to 50 percent of the depreciated value of property (net book value) that exceeds the standard.



## Annual Inventory Certification Timeline

March 1: Determine your inventory start date

March 1 – May 15: Begin your inventory

Your certification due date will be provided in the initial email containing your annual inventory certification documents. This date will be 30 working days (approximately six weeks) after your start date.

If for any reason you are unable to turn in the certification by your due date, the AAPO can request an extension by emailing the Property Office. Extensions are granted in ten day increments

All inventories must be turned in by July 1<sup>st</sup> or the department will be reported to the CFO. Extensions past July 1 must be requested by the APO and approved by the CFO.



The TEES Property Office will forward by e-mail all documents and listings necessary to begin the annual inventory certification on the date selected by the Department/Division.

The e-mail will be addressed to the Accountable Property Officer (APO) and Alternate Accountable Property Officer (AAPO).

The file will include one copy of the following:

1. Their Annual Inventory Certification (AIC) in PDF format sorted by numerical order.
2. Their Annual Inventory Certification (AIC) in Microsoft Excel.
3. A blank copy of the Missing or Stolen Property Report, TFO Form 7812.
4. A blank copy of the Equipment Checkout Request Form, TFO Form 7816.



## Annual Inventory Certification - PDF

This listing must be returned to the Property Office at the conclusion of the inventory.

The APO is required to sign the financial liability statement at the end of the listing. The AAPO may not sign on behalf of the APO.

In the designated column – if an asset is found place a check-mark, but if an asset is not found write the code “MI” to indicate that the asset is missing.

In the designated column – write an “A” if an asset is actively being used, but write an “I” if the asset is idle, i.e. held for storage/needs to be sent to Surplus.

Incomplete transfers, additions or deletions should be properly documented and forwarded with the inventory package.



## **Annual Inventory Certification - Excel**

This listing is to be used as a tool to complete your inventory and is not required to be returned to the Property Office.

Use this spreadsheet to sort by:

- User Name
- Building Location
- Etc.



## TFO Form 7812 - Report of Missing or Stolen Property

Submit one copy for each item indicated as missing.

The APO must conduct an investigation to determine the facts surrounding the loss of the asset and identify the responsible person. The APO will review the information and provide a recommendation of Negligence or Lack of Negligence in regards to the responsible individual. Assets cannot be reported as missing without a responsible individual being identified. Assets for which no individual is held accountable revert to the APO for responsibility and liability.

The AAPO may not sign on behalf of the APO.



## **Negligence**

Negligence is described as a responsible individual's act or omission resulting in the loss or damage of equipment through their failure to exercise reasonable care to safeguard, maintain and/or service assets.

If the APO or AAPO has reasonable cause to believe that any property in the agency's possession has been lost, destroyed or damaged through the negligence of any employee, the APO must report the loss, destruction or damage to the Property Manager at the time of the discovery.





## Example

A laptop computer is left in the back seat of a rental car while an employee was traveling on state business. The car was locked and parked in a lot near the hotel. The laptop was in view of passers by through both rear windows of the vehicle. The car was broken into as indicated in the Police Report and the laptop was stolen. The Police Report and agency documents were forwarded to the state and a finding of negligence was determined by the State's Attorney General.

Corrective Action: The laptop should have been removed from the vehicle or locked in the trunk of the vehicle out of sight to minimize the probability of theft.



## Found Assets

If an asset has been located that was previously reported as missing:

- Return a copy of the original missing form to the Property Office.
- The lower section should be updated to include the location information.
- The “If Recovered” section of the form must also be signed by the APO.



## **TFO Form 7816 – Equipment Checkout Request Form**

All divisions should ensure assets located off-campus are identified with a Building Number 00001 and Room Number HOME.

TFO Form 7816, Equipment Checkout Request Form, should be signed by the APO. The AAPO may not sign on behalf of the APO.

Used for TAMUS employees.

Do not submit to the Property Office. Please retain for your departmental inventory records.

The TFO Form 7815 can be found on the TEES website, and is used for organizations/universities not affiliated with TEES.



## Issues to Monitor

### Split Purchases

- Review split purchases between TEES and other agencies
- Process transfers as necessary
  - The owner should be the agency responsible for the maintenance and upkeep for the asset
  - List both TEES asset number and other agency's asset number in the notes section of the TDP

### Items under the proper threshold:

- Review assets less than \$500
- Review capital assets less than \$5,000



## Issues to Monitor

### Serial Numbers

- Identify assets without a serial number
  - If one exists, send the serial number to the Property Office via email so that the official record can be updated
  - If a serial number does not exist notify the Property Office so that the official record can be updated with the designation of “None”
- Identify serial number discrepancies
  - If a serial number needs to be updated, send an email to the Property Office describing why the change needs to be made. Provide evidence such as a picture to support your claim.

\* If a serial number is currently listed as TBD (to be determined) a serial number was not provided at the time of purchase and needs to be addressed at the time of inventory.



## Issues to Monitor

### Asset Information

- Update descriptions to include generic information to help identify assets easier in the future
    - Asset description should be generic to specific
      - Example: Computer, Laptop, MacBook Pro
    - Record any changes on the Annual Inventory Certification - PDF
  - Make location changes for items that have relocated within the department
    - Make all updates in Canopy or on screen 535 in FAMIS
- AND
- Notate all updates on the Annual Inventory Certification – PDF

**\*\*AAPOs should update locations as assets move throughout the year\*\***



## Issues to Monitor

### Transfers

- Review transfers and deletions recently forwarded to the Property Office. Annotate report to eliminate search for assets known to have been removed from the inventory. Include the TDP Doc ID or the Agency Reference Number from the corresponding form.

### Assets located off-campus

- Off-campus and loaned equipment remains on inventory and must be accounted for during the annual certification. Ensure the location and contact information is current to avoid having to report any equipment as missing.
- During the inventory certification ensure the proper forms are on file, and can be located in case of an audit.



## Issues to Monitor

### Asset tags

- A unique inventory number is assigned to every asset acquired.
- The inventory number must be permanently affixed to an item promptly upon receipt; no later than ten calendar days, unless prevented by unusual circumstances.
- During the inventory certification process please identify assets missing a permanent tag, as well as tags that need to be replaced due to wear.
- If a replacement tag is needed notate the inventory for your records, and send an email to the Property Office requesting a new tag.





## Issues to Monitor

### Extra Assets?

- Document any asset numbers not on your inventory.

These assets may:

- have been cannibalized and dropped from inventory
- or be missing from another department

Example:

- Department A drops off a computer at Surplus. A TDP is processed to transfer the asset. Department B picks up the computer from Surplus, but a subsequent TDP or transfer form is not processed, and therefore the computer is now missing from the Surplus inventory.
- After contacting the Property Office, if an owner is not found, mark any unresolved assets non-inventory to eliminate future questions.



## Issues to Monitor

### Construction in Progress – Capital Equipment

- Review the inventory for assets with a class code of 873301. These are fabrications, where individual pieces are purchased and put together to create one single item. If a fabrication appears to be functional and in use coordinate with the PI to confirm that the fabrication is complete. Report all completed instances by email to the Property Office for reclassification.

### Unmanned Aircraft Systems (UAS, UAV, Drones, etc.)

- While accomplishing the annual inventory certification ensure all systems are on an agency's inventory, regardless of value. If a UAS is discovered without an asset tag email the Property Office with the serial number for confirmation.



## Helpful Links

AggieBuy: <https://sso.tamus.edu/>

AggieBuy Resources: <https://aggiebuy.tamu.edu/>

Canopy: <https://canopy.tamus.edu/>

TEES Property Resources:

[http://coe-intranet.tamu.edu/Business\\_and\\_Finance/TEES/Property/](http://coe-intranet.tamu.edu/Business_and_Finance/TEES/Property/)

## Need Help?

Access Related Questions: [teesfamissecurity@tamu.edu](mailto:teesfamissecurity@tamu.edu)

Property/Inventory Questions: [jcaddel@tamu.edu](mailto:jcaddel@tamu.edu)