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**LAKE-SUMTER STATE COLLEGE  
ADMINISTRATIVE PROCEDURE**

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TITLE: PROPERTY CONTROL

NUMBER: PRO 7-07

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REFERENCE: Chapter 10.350, Rules of the Auditor General  
Board Rule 6.12, College Property Board Rule 274, 1001.64, 1013.28

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**I. PURPOSE**

To establish policy and procedures for the proper control of College-owned property.

**II. BACKGROUND**

Lake-Sumter State College's investment in accountable and minor property comprises a substantial portion of the total assets of the institution. It is imperative, therefore, that appropriate procedures be established and implemented to ensure its proper use, care and preservation.

**III. DEFINITIONS**

- a. Control Accounts - The inventory accounts designed to control accountability for the individual property records. Control accounts shall accumulate the total investment in property and - through entries to these accounts documenting acquisitions, transfers and dispositions - provide evidence of the change in that investment over periods of time as well as the total investment at any point in time.
- b. Cost - The acquisition or procurement cost (invoice price plus freight and/or installation charges, if any, less discounts). In determining the acquisition or procurement cost of an item, the value of property exchanged (traded-in) in satisfaction of a portion of the total purchase price of the new property shall not be deducted from the price which would have been paid had the previously owned property not been traded-in.
- c. Custodian - The person to whom custody of accountable property has been delegated by the District Board.
- d. Identification Number - The unique number assigned and affixed to each accountable property item to positively identify it as property of the College and to differentiate one item of property from another.
- e. Individual Property Records - Those records used to establish accountability for particular items of property.
- f. Master Program Specialist Duplicating/Shipping/Receiving or Designee - The individual charged with the responsibility for maintaining the individual property records and the control accounts.

- g. Property - Fixtures and other tangible personal property of a non-consumable nature, the normal expected life of which is one year or more.
- h. Accountable Property - Property, the value of which is \$1000.00 or more.
- i. Minor Property - Property, the value of which is less than \$1000.00.
- j. Property Manager - The individual delegated authority for ensuring the proper use, care and preservation of the accountable property assigned to his/her control account(s).
- k. Value - The worth or marketable delivered price (fair market value) of an item at the date of acquisition or any subsequent evaluation or appraisal date.
- l. Unaccounted-for Property - Accountable property which cannot be physically located by the Property Custodian, Property Manager, and/or Master program Specialist/Dup/Ship/Receiving or Designee, and which has not been otherwise lawfully disposed of.

#### **IV. RESPONSIBILITIES**

- a. The College President shall act as custodian for all College property (Board Policy 6.12).
- b. The Property Custodian or Property Manager or the President's designee, shall be responsible for the proper use, care and control of that property assigned to his/her property account(s) (cost center(s)). NOTE: Cost Center Managers may, in the interest of improved control, delegate such authority, in writing, to another member of their department/staff. When this option is exercised, the person to whom such authority has been delegated becomes the Property Manager for that account or accounts.
- c. The Master program Specialist/Dup/Ship/Receiving or Designee working under the cognizance of the Vice President of Business Affairs shall be responsible for the proper maintenance of inventory and other property control records.
- d. The College staff, individually and collectively, shall be responsible for the proper use and care of that equipment/property personally used in their academic and/or administrative work. NOTE: The unauthorized use of College property by employees, non-employees or organizations; on or off-campus; for private, personal or any other use which does not benefit the College or its direct support organizations is prohibited.

**V. PROCEDURES****a. Acquisition**

1. Accountable property acquired through donation, to include that property acquired by the L-SCC Foundation for subsequent transfer to a College Control Account, shall be handled in accordance with Board Rule 6.15 (Receipt of Donated Property). All such tangible personal property, equipment or non-consumable supplies shall be added to the inventory records as soon as possible, but not later than ten working days, after acceptance of the donated item(s) by the District Board. Value shall be determined by:
  - i. Dated and signed correspondence from the donor which states the estimated worth in U.S. currency; or,
  - ii. A written appraisal from a qualified appraiser establishing current market value.
2. Accountable property acquired through purchase using the College operating budget shall be handled in accordance with AMB-1800, Requisition/Purchasing Procedures; AMB-1900, Purchasing Services for Commodities Less than \$5000; and/or AMB-2000, Purchasing Services for Commodities \$5000 and Above. The "Property Records" copy of each Purchase Order shall be forwarded to the Master Program Specialist Dup/Ship/Receiving or Designee for record-keeping purposes and to serve as the individual property record.

**b. Receipt**

1. All materials, equipment, etc. purchased through use of the College operating budget shall be received through the Central Shipping and Receiving Department. Upon arrival, all accountable property shall be:
  - i. Inventoried in the presence of the assigned Property Manager by the Master Program Specialist Dup/Ship/Receiving or Designee to ensure all items ordered have been received and are in acceptable condition;
  - ii. Logged in to the Banner Inventory Module using the "Property Records" copy of the original Purchase Order as the individual property record form. Each individual property record shall, as a minimum, include:
    - The identification number;
    - The description of the item;
    - The physical location (site, building and room numbers);
    - The name of the Property Custodian and Property Manager assigned responsibility for the item;
    - The name, make and/or manufacturer;
    - The year and/or model name/number;
    - The manufacturer's serial number, if any, and if a vehicle, the Vehicle Identification Number (VIN) and Title Certificate Number;
    - Cost or value at date of acquisition for the item;
    - The signature of the Property Manager;
    - Date of last inventory and condition of the item;
    - Method of acquisition;
    - Date and method of disposition.

## 2. Permanently marked as follows:

- i. In a consistent, readily identifiable location with a LSSC property tag showing the identification number;
- ii. In a less-obvious location by means of:
  - A branding iron;
  - Paint or stencils;
  - An electric pencil, or;
  - India or indelible ink.

NOTE: Any item of property whose value would be significantly impaired by the attachment or inscription of the above required markings is exempted from this requirement. However, in all such cases, the property records must contain such sufficient descriptive detail to permit positive identification of the item. Under no circumstances shall an accountable property item be permitted to be "checked out" of the Shipping/Receiving Facility without an identification number being assigned.

## c. Record-Keeping

1. As soon as possible, but not later than ten(10) working days after placing a newly acquired item of accountable property into use, the data set forth on the individual property record shall be entered into the Banner Inventory Module by the Master Program Specialist/Dup/Ship/Receiving or Designee. In addition, these accounts shall contain:
  - i. The method of acquisition, and for purchased items, the voucher and check or warrant number;
  - ii. The date the item was last physically inventoried and the condition of the item at that time;
  - iii. At disposition, the full circumstances of the disposition to include:
    - The date of disposition;
    - The authority for disposition (date on which the District Board of Trustees authorized disposal);
    - The identity of the staff personnel witnessing the disposition, if scrapped;
    - The receipt number and dollar amount received if disposed of by outright sale or auction;
    - The value of the insurance proceeds and the receipt number, if any, for those items disposed of as a result of a casualty loss (fire, flood, vandalism, etc.);
    - The date of the investigative report and the identity of the investigator(s) if disposed due to loss or theft (see Paragraph 6 below).

## d. Inventories

1. A physical inventory of all accountable property shall be conducted by the Property Manager, or his/her assigned delegate, and the Master Program Specialist/Dup/Ship/Receiving or Designee on the following occasions:
  - i. A change (reassignment, resignation, transfer, etc.) of the Property Manager or Custodian;
  - ii. Annually (at least once each Fiscal year);
  - iii. At such other times as may be directed by competent authority.

## 2. Upon completion of each physical inventory:

- i. The noted data on the inventory forms shall be compared to the data on the individual property records and/or the Control Accounts and all differences as to location, condition, Property Manager, etc. shall be reconciled and corrected as appropriate.
- ii. Unaccounted-for property (items not located during the inventory process) shall be promptly reported to the Property Manager and, in turn, the Custodian. The Custodian shall cause a thorough investigation to be made in accordance with the procedures set forth in Paragraph 6 below.
- iii. All accountable property items found during the course of an inventory which are not included on the property records shall be added to the inventory form for additional investigation. After appropriate investigation to establish ownership, the item shall be added to the property records or, if ownership cannot be reasonably established, disposed of in a manner provided by law as applicable to abandoned property.

## e. Disposal, Relocation or Storage

All action to dispose of, relocate or store accountable or minor property shall be initiated by means of the Property Relocation/Storage/Disposal Request Form. Under no circumstances shall an item of accountable property be moved, discarded or stored until proper approval to do so has been obtained from all parties concerned.

**VI. DAMAGED, MISSING OR STOLEN PROPERTY**

- a. Damaged or missing property shall be immediately reported to the Property Manager and, in turn, the Custodian. In addition, if theft or vandalism is suspected, the appropriate law enforcement agency shall be notified.
- b. As soon as possible after receiving a report of damaged or missing property, the Custodian shall appoint, in writing, one or more disinterested members of the College staff to conduct an informal, albeit thorough, investigation into the circumstances surrounding the damage/disappearance. The investigator(s) shall submit a written report to the Custodian within ten working days of the incident. This report shall contain, as a minimum, the following information:
  1. Findings of fact in regard to the circumstances involved in the damage, loss or theft;
  2. A recommendation as to what action should be taken, if any, to prevent a re- occurrence;
  3. A recommendation as to what disposal action may be appropriate;
  4. A recommendation as to whether or not disciplinary action should be taken and, if warranted, what form such action should take and to whom it should be directed.
- c. Subsequent action to dispose of any damaged, missing or stolen property shall be initiated by use of the Property Relocation/Storage/Disposal Request Form. District Board approval is required prior to final disposition.

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