

UNIVERSITY *of* HOUSTON
MANUAL OF ADMINISTRATIVE POLICIES AND PROCEDURES

SECTION: Administrative Operations
AREA: Property Management

Number: 03.03.01

SUBJECT: Property Management Overview
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I. PURPOSE AND SCOPE

The university is responsible for complying with state and federal rules for property accountability and control. The purpose of this document is to outline the roles and responsibilities associated with accountability and control for capital and controlled assets.

II. POLICY STATEMENT

As required by state law, the President is required to ensure that the institution maintain adequate control over capital and controlled assets. The President has designated a Property Manager to carry out the manager duties in accordance with state and federal guidelines.

III. DEFINITIONS

A. Capital Assets: Possessions that have a single unit value of \$5,000 or greater and an estimated useful life of more than one year. Generally, a capital asset must be self contained for its primary use and have sufficient size to make its control feasible by means of marking with identification numbers and/or manufacturer's serial numbers. Items not meeting these criteria are classified as expendable, with generally two exceptions.

1. Component parts used to fabricate a larger capital asset assembly must be coded as capital expenditures.
2. Freight, transportation costs, and/or installation fees associated with the purchase of capital assets or components must be coded as capital expenditures.

B. Controlled Assets: Assets that the State Comptroller's office determines must be secured and tracked due to the nature of the items, between the ranges of \$500 and \$4,999.99, with an estimated useful life of more than one year. These assets are not capitalized assets, real property, improvements to real property, or infrastructure. The specific assets include firearms, TVs, cameras, camcorders, VCRs, stereo systems, data projectors, microcomputers and printers.

IV. RESPONSIBILITIES

- A. Property Management: Property Management is responsible for promulgating guidelines to help ensure compliance with all applicable rules related to accounting for and controlling capital and controlled assets. Property Management is also responsible for communicating applicable rules to the university departments. Property Management will notify department heads, deans and divisional heads of any instances of non-compliance with Property Management guidelines, as appropriate.

- B. Property Custodians: Each college, division, department and unit administrator are responsible for ensuring compliance with Property Management guidelines and are required to appoint a property custodian to perform the duties specified in the Property Management guidelines.

V. REVIEW AND RESPONSIBILITY

Responsible Party: Associate Vice President for Finance
Review: Every three years, on or before December 1

VI. APPROVAL

John Rudley
Vice President for Administration and Finance

Jay Gogue
President

Effective Date: May 31, 2006

VII. REFERENCES

State Property Accounting User's Manual

- Index Terms:
- Cannibalization
 - Capital equipment
 - Excess property
 - Expendable supplies
 - Fabrication
 - Federal property
 - Non-capital equipment
 - Property custodian
 - Surplus property
 - University property