

POLICY 405.11: PROPERTY CONTROL

OBJECTIVE

To establish procedures for the accountability of Aviation Authority Property. The Assistant Director of Purchasing and Material Control or the Purchasing Manager is responsible for administering these procedures.

DEFINITIONS

Accountable Officer: The Department Director or any designated unit supervisor having Property in his/her custody.

Acquisition: The act of receiving the item into the financial system at Material Control Receiving.

Custodian: The person whom an accountable officer designates as agent for internal responsibility for custody of Property and liaison with Material Control.

Property: Any item or sub-component of an item that is of a non-consumable nature and has a useful life in excess of one (1) year, including Fixed Assets, as defined in Policy 450.09, Procurement/Material Control.

Exceptions: Real estate intangibles, or any consumable that loses its original identity when used. The decision of accountability in each instance will be the responsibility of the Assistant Director of Purchasing and Material Control or the Purchasing Manager.

Property Control Record: The entry made into the financial system database to record the Property Control Number.

Property Control Number: A series of numbers assigned and affixed to a piece of Property or a system used to identify Property items in the inventory control process.

Inventory Control: The continuing procedure for maintaining an adequate record of the existence, location, and responsibility for each item of Property.

Physical Inventory: A physical determination that a specific item exists and is in the location stated in the financial system Property Control Record.

Transfer: The approved and permanent change in accountability for Property from one accountable officer to another.

Surplus Item: The approved removal from the inventory record of Aviation Authority Property resulting from the Property being turned in to Material Control. See Section 450.05, Disposal of Surplus Property, Scrap, and Trash.

PROCEDURES

These procedures will be used to account for Aviation Authority Property, including acquisition, physical inventory control, and disposal.

VEHICULAR ACCOUNTABILITY

The accountability for motorized and accessory equipment is vested in the Directors of the Operations and Facilities Departments. Thus, the accountability procedures for such vehicular and accessory equipment are the responsibility of these departments.

RESPONSIBILITIES

The Assistant Director of Purchasing and Material Control or the **Purchasing Manager** is responsible for the accountability of Aviation Authority Property and the implementation of approved inventory control procedures to reflect the acquisition and disposal of Aviation Authority Property.

Department Directors:

- Ensure that these procedures are followed within their respective departments on a continuing basis.
- Establish any intradepartmental procedures necessary to avoid loss or misappropriation of Aviation Authority Property to private use.
- Are directly responsible for any Property assigned to their immediate office, including items not subject to formal tracking and inventory due to their cost.

ACQUISITION

Property received at Central Receiving is tagged prior to delivery to the department ordering the item. Whenever Property is received by an accountable officer (or designated custodian) that has not been tagged, the accountable officer will notify the Property Specialist in writing listing all items received and the purchase order number(s).

Upon receipt of the notification, the Property Specialist will assign a Property Control Number to the item if necessary.

PHYSICAL INVENTORIES

Physical inventories will be conducted by the Property Specialist in coordination with, and with the assistance of, the appropriate accountable officer or a designated custodian. Inventory listings will be certified by the accountable officer or designated custodian and the Property Specialist completing the inventory. If any items are missing, the accountable officer will immediately initiate the procedures for Lost or Misplaced Property.

The Assistant Director of Purchasing and Material Control or the Purchasing Manager may waive the requirements for the annual inventory if an initial or special inventory has been conducted during the fiscal year.

The Assistant Director of Purchasing and Material Control or the Purchasing Manager will make a report of the results of the annual inventory to the Chief Executive Officer at the end of the fiscal year or at a date determined by the Chief Executive Officer.

TYPES OF INVENTORIES

All inventories will be actual sight-and-site verification of each item. The latest financial system listing of Property, as amended by changes, will be used as a point of reference in the inventory. The following types of inventories are performed:

- **Initial.** The initial inventory to establish the Property accountability record of a division or department.
- **Special.** An inventory initiated at the request of the accountable officer, or by direction of the Chief Executive Officer.
- **Annual.** An inventory taken once during each fiscal year of each department and unit.

NON-RECORDED PROPERTY

If Property is found during any inventory that is not on the inventory record, action will be taken to list such Property on the Property Inventory List.

MISSING PROPERTY

Property listed on the Property Inventory List that cannot be found is processed as outlined under Lost or Misplaced Property.

FINANCIAL SYSTEM LISTING

Each accountable officer will receive annually a listing of all Aviation Authority Property under their control.

**TRANSFER OF
PROPERTY BETWEEN
ACCOUNTABLE
OFFICERS**

A Request for Transfer of Property (Form 450.11.1), initiated by the losing accountable officer and endorsed by the gaining accountable officer or custodian (to acknowledge receipt and custody of the Property), will be sent to the Property Specialist. This form will list the Property Control Number, the description of the Property as shown on the inventory listing, and the reason for the transfer.

The Property Specialist will update the financial system database.

**TRANSFER OF
PROPERTY TO A
NEW LOCATION**

When Property is permanently moved to a new physical location (another floor, building, or office,) the accountable officer will send a memorandum listing the Property Control Number, description of the Property, and the new location to the Property Specialist.

**PROPERTY THAT IS
UNSERVICEABLE
AND
UNECONOMICAL TO
REPAIR**

When the accountable officer determines that Property is unserviceable and uneconomical to repair, he or she will initiate a Request for Transfer of Property (Form 450.11.1) to the Property Specialist. This form will include the Property Control Number, the condition and location of the Property (in detail), and recommended action.

The Assistant Manager of Material Control, or the Material Control Supervisor, in coordination with the Assistant Director of Purchasing and Material Control or the Purchasing Manager, will determine the disposition method per Section 450.05, Disposal of Surplus Property, Scrap, and Trash, and provide the instructions to the accountable officer.

The Property Specialist will draft an Aviation Authority Board agenda item asking approval to dispose of the excess items. In accordance with Section 709 of the bond resolution, the authority to dispose of Surplus Property rests with the Aviation Authority Board.

When the Property is disposed of the General Ledger staff will update the financial system to indicate the deletion of the item from the Inventory Record.

EXCESS PROPERTY

Serviceable Aviation Authority Property that has been replaced or is in excess to the Aviation Authority's needs will be turned over to Material Control for reissue to another Aviation Authority department or will be declared surplus Property and disposed of per Section 450.05., Disposal of Surplus Property, Scrap, and Trash.

**LOST OR MISPLACED
PROPERTY**

When a physical inventory indicates that Property is lost or misplaced or when the accountable officer (or designee) determines that Property is missing, the accountable officer will take immediate action to locate the item and will immediately report the missing item to the Property Specialist.

If the missing Property cannot be located, the accountable officer will provide all facts surrounding the situation to the Assistant Director of Purchasing and Material Control or the Purchasing Manager. The Assistant Director of Purchasing and Material Control or the Purchasing Manager will investigate as necessary and report its findings to the Chief Executive Officer.

The Chief Executive Officer may, if warranted by the circumstances, delete the item from the inventory.

FORMS

Form 450.11.1 Request for Transfer of Property

SEE ALSO

Policy 450.05, Disposal of Surplus, Scrap, and Trash

APPROVAL AND UPDATE HISTORY

**FORMAT AND RE-
NUMBERING
AUTHORITY**

Aviation Authority Board: August 28, 1991 (4R)

LAST APPROVAL

Aviation Authority Board: September 16, 2020
Chief Executive Officer: December 12, 2014

SUPERSEDES

All Previous



**REQUEST FOR TRANSFER OF
PROPERTY**

TO: INVENTORY SPECIALIST, MATERIAL CONTROL

FROM: _____
(Print name, designated custodian)

DEPARTMENT #: _____

DESCRIPTION OF ITEM

TAG NUMBER

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Item(s) listed are to be held until transfer is arranged by Material Control.

REASON FOR TRANSFER

_____ TRANSFER TO ANOTHER DEPARTMENT

DEPARTMENT # _____

_____ ITEM NOT NEEDED BY DEPARTMENT

_____ UNSERVICEABLE OR UNECONOMICAL TO REPAIR

_____ HOLD UNTIL ____/____/____ (Enter date)

_____ OTHER (EXPLAIN)

(Signature of releasing designated custodian)

DATE: _____

(Signature of receiving designated custodian)

DATE: _____

Entered into the Property record by:
(Material Control Inventory Specialist)

DATE: _____