



THE UNIVERSITY OF MEMPHIS OPERATING PROCEDURE

SUBJECT: Lost or Stolen University Property

PROCEDURE NO.: 2D:06:03A

DATE: July 1, 1994

SUPERSEDES PROCEDURE NO.: 2D:06:03A

DATED: July 1, 1992

A. Purpose

The purpose of this procedure is to establish appropriate reporting procedures for lost or stolen University property, including instances of theft or potential employee misfeasance. This procedure applies to all University property whether or not the property is recorded in the Equipment Inventory System.

B. Reporting to the Public Safety Office

1. Lost, stolen, or missing items must be reported immediately by the responsible department to the Department of Public Safety (telephone 4357) in order for an Incident Report to be completed and investigation to begin. When appropriate, the Department of Public Safety will notify the Memphis Police Department.
2. The responsible department will also file a "Report of Lost or Stolen Property" form with the Department of Public Safety. The Director of Physical Plant and Planning will be responsible for reporting to Public Safety significant damage to buildings on a "Report of Lost or Stolen Property" form. This form is available from the Department of Public Safety, Administration Building, Room 151, telephone number 4357. In addition to the preparer and the department head, the "Report of Lost or Stolen Property" will be signed by the dean/director of the department/activity reporting the lost/stolen item. This signature must be that of an individual who is one level above the department/activity from where the item is missing.
3. It is imperative that each department file the "Report of Lost or Stolen Property" whenever University property is lost, stolen, or missing, whether or not the item is on the equipment inventory.
4. The Department of Public Safety may need to contact the department for more details or return the "Report of Lost or Stolen Property" form for corrections.

C. Report to Tennessee Board of Regents

1. The Department of Public Safety will be responsible for sending a "T-11, Final Property Loss Report" to the TN Board of Regents for loss of property when the value is less than \$5,000. A copy will also be provided to the Internal Auditing Department. (No "T-10" is necessary



for values under \$5,000.)

2. If the value of the item or damage is \$5,000 or greater, the Department of Public Safety will be responsible for completing and sending a "T-10, Initial Property Loss Report" to the TBR. If the lost, stolen or damaged property is to be replaced, the preparer of the "Report of Lost or Stolen Property" should contact the Assistant to the Director of Finance, Office of the Director of Finance, to initiate an insurance claim with the State of Tennessee, Department of Risk Management. The Assistant to the Director of Finance will process the claim and submit the "T-11, Final Property Loss Report."
3. Since timing for the submission of claims and the "T-11, Final Property Loss Report", is crucial, the department should expedite the replacement of items stolen or damaged.

#### D. Equipment Records

1. Deletions from the equipment inventory records are necessary when items are lost, stolen, or missing. Refer to The University of Memphis Operating Procedure No.: 2D:01:01H for more information on the equipment inventory control program.
2. The Department of Public Safety will forward a designated copy of the "Report of Lost or Stolen Property" form to the Property Section of the Accounting Office. In the case of equipment which is determined to be actually lost or stolen, the equipment is deleted from inventory after the Department of Public Safety provides the Property Section of the Accounting Office with a copy of the "Report of Lost or Stolen Property" form and the "T-11, Final Property Loss Report."
3. In cases where an equipment inventory item is not located but the Department of Public Safety believes that the item was not actually lost or stolen (i.e., was cannibalized without approval, probably traded in but not properly reported to the Accounting Office, etc.), the Department of Public Safety will provide its information to the Accounting Office. The Accounting Office will determine if the items will be deleted from the equipment inventory and whether or not the Department of Public Safety will file a State of Tennessee Form T-11. Both the Department of Public Safety and the Accounting Office will refer to the Director of Finance for follow up any issues of management, supervision, or failure to follow University procedures.

#### E. Potential Employee Misfeasance

1. The "Notification of Potential Employee Misfeasance" form and the "Case Resolution Report" form are used in the following instances:
  - a. Any cash shortage of \$50 or more.
  - b. A cash shortage of less than \$50 where employee



misfeasance (wrong-doing) may have occurred based on the facts of the loss.

- c. Any loss of other University property of any value where employee misfeasance may have occurred based on facts of the loss, such as submission of improper travel claims, charging personal expenses such as long distance telephone calls to the University, or submission of false time and leave reports.
2. The Director of Finance will coordinate the submission of reports and will sign as the submitting official on the "Notification" report and as the "Reviewed by" official on Case Resolution Reports. When either report is prepared by someone else, they will sign as "Report prepared by" and a place for this signature will be added to the "Notification" reports.
3. The Bursar's Office will prepare the "Notification of Potential Employee Misfeasance" in the case of cash shortage or loss of cash which is reported to the Bursar's Office. The Bursar's Office may also prepare a "Case Resolution Report" when cash shortages or losses occur and their review provides a basis for the report. Reports will be submitted to the Director of Finance. The Bursar's Office will provide required telephone notification to the Board staff on cash shortages.
4. The Department of Public Safety will prepare the notices in instances brought to their attention and which they will investigate. Reports will be submitted to the Director of Finance.
5. The Director of Finance will prepare and submit all other reports or determine that they are submitted. All officials will advise the Director of Finance of incidents which may require a report. The Director of Finance will also follow up on all Notification Reports to see that a Case Resolution Report is submitted. The Director of Finance will provide copies of records to Internal Auditing if they have not received copies.

F. Negligence and Failure to Follow Procedures

If University property is lost or damaged due to negligence, refer to The University of Memphis Operating Procedure No.: 2D:01:05A, "Reimbursement and Responsibility for the Loss or Damage of University Property Due to Negligence." Where property loss or unaccountable disposition occurs, all management levels for the unit where the loss occurs are responsible for correcting deficiencies in procedures or supervision and taking other managerial actions as appropriate.