


LDH Moveable Property

	Louisiana Department of Health (LDH)	
	Policy Number	61.2
	Content	Responsibility and accountability for property owned by LDH
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LDH is committed to fostering, cultivating and preserving a culture of equity, diversity and inclusion. Our human capital is the most valuable asset we have. The collective sum of the individual differences, life experiences, knowledge, inventiveness, innovation, self-expression, unique capabilities and talent that our employees invest in their work represents a significant part of not only our culture, but our Department’s reputation and achievement as well.

If there is a discrepancy between an LDH Policy and a Program Office or facility policy, the LDH policy shall govern/override/supersede the conflicting section within the Program Office or facility policy.

I. PURPOSE

It is the purpose of this policy to provide a uniform method of maintaining accurate records of all capital assets (over \$5000) and moveable property (\$75-\$4999) within the Louisiana Department of Health (LDH) and to assure compliance with Louisiana State Property Control Laws, Regulations, Administrative Codes, Policies, and any applicable federal funding source requirements.

II. APPLICABILITY

This policy applies to all agencies and facilities under the LDH and is authorized pursuant to the Louisiana Administrative Code (“LAC”), Title 34, Government contracts, procurement and property control, Part VII, Property Control, Chapters 1-9. This policy adheres to the guidelines

promulgated by the Division of Administration's (DOA) Office of Risk Management (ORM) to assure compliance as contained in the Louisiana Administrative Code, Title 37, Part I, Subpart 1, Chapter 3 regarding blanket fire and extended coverage on all LDH owned buildings and content within and/or LDH owned/leased contents in a leased building. Failure to comply with the State Property Control Regulations may result in disciplinary action up to and including dismissal from employment.

III. DEFINITIONS

- A. **Agency** - any state office, department, board, officer, division, bureau or unit that reports to LDH.
- B. **Agency/Facility Property Coordinator** - the employee designated by the head of the agency/facility who is responsible in assisting the Agency/Facility Property Manager for all capital assets, moveable property, and consumable inventory owned by that agency/facility.
- C. **Agency/Facility Property Manager** - the employee designated by the head of the agency/facility who is responsible for all capital assets, moveable property, and consumable inventory owned by that agency/facility and shall be covered by the faithful Performance of Duty Bond.
- D. **Blanket Fire and Extended Coverage** - insurance which covers all LDH owned buildings and its contents and/or LDH owned contents within a leased building.
- E. **Building Code** - the code given by ORM that is used to identify all state owned or state leased buildings.
- F. **Capital Asset – any movable property (i.e. fleet vehicle) or real property (i.e. building) that is \$5000 and over.**
- G. **Classification Code:** a means used by the State Official System of Record to identify a category in which capital assets and/or movable property lies. (i.e. computer-desktop, computer-laptop, computer-accessory)
- H. **Commissioner** - the Commissioner of the Division of Administration.
- I. **Complete** – in its entirety, to make whole or perfect, having all the necessary or appropriate parts to include signature and submittal.
- J. **Consumable Inventory** – consumable items used for day-to day operations at a 24 hour facility, public health clinic/laboratory, or for medical sheltering operations (i.e. syringes, band aids, etc.)
- K. **Department** - for the purpose of these regulations, means Louisiana Department of Health (LDH) and its agencies, boards and/or commissions.

- L. **Division of Administration** - the state government's hub of all management and financial operations that is responsible for the development of the state budget and has oversight of agencies' spending.
- M. **Facilities** - the 24-hour residential facilities that reports to the LDH.
- N. **LDH Assistant Secretary** - the person responsible for appointing their agency level property manager and property coordinator.
- O. **LDH Facility Administrator** – the person responsible for appointing their facility level property manager and property coordinator.
- P. **LDH Property Monitor** - the manager and/or employee designated by the LDH Undersecretary or designee as LDH Property Monitor. This individual shall monitor and assist all Agency/Facility Property Managers, Agency/Facility Property Coordinators, and/or Section/Facility Property Liaisons.
- Q. **LDH Undersecretary** - the person responsible for LDH's administration and operation of property management for all LDH agencies and facilities.
- R. **Louisiana Property Assistance Agency (LPAA)** - the DOA agency responsible for the control and disposition of all state moveable property and management of the state's fleet of vehicles.
- S. **Louisiana Property Assistance Agency Director** - the individual in the Louisiana Property Assistance Agency of the Division of Administration (DOA) who has been designated by the Commissioner as the person responsible to the Commissioner for the Administration of the State Property Inventory regulations.
- T. **Location** - the physical address of the assets located in state owned or state leased buildings.
- U. **LPAA Asset Certification Report** – the certification of annual property inventory as per Louisiana Administrative Code Title 34 Section VII §313 F.11.
- V. **Medicaid Director** - the person responsible for appointing their agency level property manager and/or property coordinator.
- W. **Office of Risk Management (ORM)** - the DOA office that is responsible for managing all state insurance coverage covering property and liability exposure.
- X. **Office of State Buildings (OSB)** - the DOA office that is responsible for managing all state owned buildings.
- Y. **Section** - the unit within an agency.
- Z. **Section/Facility Purchasing/Receiving Agent(s)** - this person conducts the purchases on behalf of an LDH agency/facility.
- AA. **Section Chief/Director** - the LDH Division Director or Agency's Section Chief or their designee who appoints their Section Property Liaison.
- BB. **Section Property Liaison** - the person designated by the Organization Manager who is responsible for all capital assets, moveable property, and/or consumable inventory

owned by the organization and shall be responsible in assisting the Agency/Facility Property Manager/Coordinator.

CC. **Office of Technology Services (OTS)** – the agency which functions as the centralized provider of IT support services for executive cabinet agencies of state government and is designated as the sole authority for information technology procurement.

DD. **Property** - all tangible non-consumable moveable property owned by an agency except for property specifically exempted by the Commissioner.

EE. **Property Exposure Report** - a report that list all buildings LDH owns or occupies and the value of all contents located in each building. The purpose of the report is for LDH to verify that ORM's records are correct. ORM has a scheduled property policy, if buildings and contents are not reported, then those buildings and/or contents are not insured and claims may be denied. The values reflected on the report are limits of insurance.

IV. APPOINTMENTS

- A. LDH Undersecretary or designee shall appoint and submit to LPAA a LDH employee as the LDH Property Monitor.
 - a. The LDH Undersecretary or designee may appoint one LDH Property Monitor within the Department that shall oversee all agencies compliance to the Movable Property policy and serve as the single point of contact for all policy and procedural matters/concerns.
- B. LDH Assistant Secretary/Medicaid Director shall appoint and submit to LPAA and the LDH Property Monitor one employee as the Agency Property Manager.
 - a. In addition to the Agency Property Manager, the LDH Assistant Secretary/Medicaid Director may appoint no more than two (2) Agency Property Coordinators to assist the Agency Property Manager and enforce a segregation of duties required to complete tasks that enhances the internal controls needed to prevent fraud and error. Only the LDH Property Monitor shall be notified when a Agency Property Coordinator is appointed.
 - b. Only the Agency Property Manager and/or Agency Property Coordinator(s) shall have access to modify/edit/scan within the State System of Record.
- C. LDH Facility Administrator shall appoint and submit to LPAA and the LDH Property Monitor one employee as the Facility Property Manager.
 - a. In addition to the Facility Property Manager, the LDH Facility Administrator may appoint no more than four (4) employee(s) as Facility Property Coordinator(s) to enforce a segregation of duties required to complete tasks that enhances the internal controls needed to prevent fraud and error. Only the LDH Property Monitor shall be notified when a Facility Property Coordinator is appointed.
 - b. Only the Facility Property Manager and/or Facility Property Coordinator(s) shall have access to modify/edit/scan within the State System of Record.

- D. The Facility Section Chief/Director shall appoint one employee as the Section’s Property Liaison to oversee the location(s) of assets owned.

The LPAA Director or their designee, and the LDH Property Monitor shall be notified via the LPAA Designation of Property Manager Form when a new Agency/Facility Property Manager is appointed. At the LDH Property Monitor’s discretion, an examination of the inventory/movable property records under the jurisdiction of the Agency/Facility Property Manager may be conducted at any time. In cases of damage and/or property shortages, the LDH Undersecretary, or their designee, shall take necessary steps to satisfy the claims of the State, as provided by LA R.S. 39:330.

V. RESPONSIBILITIES OF LDH PERSONNEL

- a. It shall be the responsibility of the **LDH Undersecretary, LDH Assistant Secretary, Medicaid Director, or Facility Administrator** to:
 - a. Appoint necessary personnel and allow necessary time to provide Agency/Facility Property Managers with the necessary supplies and assistance to perform the duties under Louisiana Administrative Code, Title 34, Part VII, Chapter 3, Section 305(F).
 - b. Assist the Agency/Facility Property Managers in their performance of property-related functions and in identifying and determining non-compliance with the Louisiana Property Control laws and policies by seeing that the provisions of these regulations are carried out.

The LPAA Director or their designee, and the LDH Property Monitor shall be notified via the LPAA Designation of Property Manager Form when a new Agency/Facility Property Manager is appointed.
- b. It shall be the responsibilities of the **LDH Property Monitor** to:
 - a. Maintain a listing of all Agency/Facility Property Managers for LDH.
 - b. Assist all Agency/Facility Property Managers in their performance of property-related functions and in identifying and determining non-compliance with the Louisiana Property Control laws, Administrative Codes, and Policies by seeing that the provisions of these regulations are carried out.
 - c. Revise and submit property policy revisions as needed.
 - d. Attend required training/meeting(s) with LPAA regarding property compliance.
 - e. Attend required training/meeting(s) with ORM regarding property exposure.
 - f. Conduct training/meeting(s) for Agency/Facility Property Managers of LDH regarding property management and property exposure and maintain a record of attendees.
 - g. Monitor audits and Annual Asset Certifications for all LDH Agencies/Facilities.
 - h. Monitors semi-annual Property Exposure Reporting for all LDH Agencies/Facilities.

- i. Maintains a file of claims submitted to ORM and LPAA for lost, stolen or damaged property reported by the Agency/Facility Property Manager.
 - j. Sends out updates/notices on LDH policy and procedure to Agency/Facility Property Managers.
- c. It shall be the responsibilities of the **Agency/Facility Property Manager** to:
- a. Be the custodian of and responsible for all property and or records within that agency/facility until notification is provided to the LDH Undersecretary or his/her designee and the agencies Assistant Secretary, Medicaid Director or Facility Administrator that he/she ceases to function in that capacity.
 - b. Attend required training/meetings(s) for Agency/Facility Property Managers regarding property management hosted by LDH, DOA, and/or LPAA.
 - c. Attend required training/meetings(s) for Agency/Facility Property Managers regarding property exposure hosted by LDH and/or ORM.
 - d. Conduct required training(s) for the Organization Property Coordinator/Liaison and maintain a record of attendees.
 - e. Complete, to include signing and submitting LPAA Annual Asset Certification by adhering to the assigned certification date.
 - f. Complete, to include signing and submitting ORM Semi-Annual Property Exposure Report(s) for all locations that fall under the agencies purview and adhering to the assigned deadline.
 - g. Comply with request of LPAA, LDH Administrative Services, and LDH Internal Audit Section in regard to scheduled and/or unscheduled property audits/reviews.
 - h. Oversee the property related responsibilities of the Agency/Facility Property Coordinator/Liaison.
 - i. Ensure all acquisitions related to movable property be tagged with a uniform state/agency identification tag. The State of Louisiana identification tag approved by the Commissioner of Administration shall be adhered to assets over \$1000. Agency identification tags shall be adhered to all assets \$75 - \$999. All pertinent inventory information must be correctly input into the State Official System of Record **within 60 days after the receipt of these assets.**
 - j. Establish and maintain location codes based on state owned or leased building numbers.
 - k. Maintain and monitor the State Official System of Record with required content.
 - l. Initiate, accept, or decline asset transfers from other state agencies/facilities.
 - m. Report to LPAA all assets of qualifying moveable property in accordance with the Louisiana Property Control Law, Administrative Code, and LDH Moveable Property Policy #61.1.

- n. Notify the LDH Property Monitor, LDH Undersecretary, LDH Assistant Secretary, Medicaid Director, a Facility Administrator, and/or the LDH Internal Audit Section Director of any violation related to the adherence of the Louisiana Property Control Law, Administrative Code, and the LDH Moveable Property Policy.
- o. Notify the LDH Property Monitor, LDH Undersecretary, LDH Assistant Secretary, Medicaid Director, Facility Administrator, and the LDH Internal Audit Section Director immediately of knowledge/reason to believe that LDH property is lost, stolen, damaged, or destroyed through vandalism, fire, or acts of nature.
- p. Maintain a file of any lost, stolen, or damaged property claims filed with ORM and immediately notify the LDH Property Monitor.
- q. Notify LPAA of any lost, stolen, or damaged property and immediately submit proper documentation to LPAA.
- r. Approve and/or sign requests related to internal/external transfers, data sanitization, surplus, and/or disposal of assets.
- s. Ensures that Section/Agency Property Liaisons/Coordinators notify the Office of Technology Services (OTS) of any changes/transfers/damages to OTS leased property.
- t. Sends out updates received from LDH Property Monitor to Agency/Facility Property Coordinators and Section Property Liaisons.
- u. Maintain and updates annually the agencies standard operating plan (SOP) for movable property.
- d. It shall be the responsibilities of the **Agency/Facility Property Coordinator** to:
 - a. Assist the Agency/Facility Property Manager in conducting training/meeting(s) related to property management and property exposure.
 - b. Assist the Agency/Facility Property Manager in completing LPAA Annual Asset Certification.
 - c. Assist the Agency/Facility Property Manager in completing the ORM Semi-Annual Property Exposure Report.
 - d. Oversee the property related responsibilities of the Section's Property Liaison.
 - e. Ensure all acquisitions related to movable property be tagged with a uniform state/agency identification tag. The State of Louisiana identification tag approved by the Commissioner of Administration shall be adhered to assets over \$1000. Agency identification tags shall be adhered to all assets \$75 - \$999. All pertinent inventory information must be correctly input into the State Official System of Record **within 60 days after the receipt of these assets.**
 - f. Process requests and collect necessary documents from Section's Property Liaison for new state purchased assets, internal/external transfers, data sanitization, surplus, and/or disposal.

- g. Input required asset information mandated by LDH into the State Official System of Record, according to policy timelines regarding new state purchased assets, internal/external transfers, data sanitization, surplus, and/or dismantlement.
- h. Coordinate and assist Section's Property Liaison with the pick up or delivery of assets to surplus to/from LPAA.
- i. Monitor report in the State Official System of Record.
- j. Inform other LDH agencies/facilities of available and usable assets prior to submitting for surplus.
- k. Obtain approval and/or signature from Agency/Facility Property Manager related to internal/external transfers, data sanitization, surplus, and/or disposal of assets.
- l. Must keep the Office of Technology Services (OTS) informed of any changes/transfers/damages to OTS leased property.
- e. It shall be the responsibilities of the **Section Chief/Director** to:
 - a. Appoint one Section Property Liaison for each location based on the physical address where the assets are located for that organization.
 - b. Allow necessary time to provide Section Property Liaison with the necessary supplies and assistance to perform the duties under Louisiana Administrative Code, Title 34, Part VII, Chapter 3, Section 305(F).
 - c. Monitor LPAA Asset Certification and/or any Audit recommendations by formulating a Plan of Action to improve the section's effectiveness related to property management.
 - d. Monitor the responsibilities of the LDH employee(s) assigned as the Section Property Liaison and refer responsible employee for consideration of corrective and/or disciplinary action when the LDH Moveable Property Policy is violated.
- f. It shall be the responsibility of the **Section Property Liaison** to:
 - a. Attend LDH required training(s) related to property management.
 - b. Account for all moveable property at the assigned location(s).
 - c. Physically show or have paperwork/photos of movable property available for the PM or PC to scan during the Annual Asset Certification physical inventory at the time designated by LPAA and/or by the LDH Property Monitor.
 - d. Immediately notify the Agency/Facility Property Coordinator and Agency/Facility Property Manager, in writing, when property locations or organizations are added, deleted, or transferred.
 - e. Ensure all acquisitions related to movable property be tagged with a uniform state/agency identification tag. The State of Louisiana identification tag approved by the Commissioner of Administration shall be adhered to assets \$1000 and over. Agency identification tags shall be adhered to all assets \$75 - \$999. All pertinent inventory information must be submitted to your agency/facility property

manager/coordinator to input into the State Official System of Record **within 60 days after the receipt of these assets.**

- f. Submit a copy of all receiving records on moveable property to the Agency/Facility Property Coordinator and/or the Agency/Facility Property Manager **within five days of receipt of asset** for the issuance of property tags to insure all pertinent inventory information will be correctly input into the State Official System of Record **within 60 days after the receipt of these assets.**
 - g. Maintain and provide original records upon request for any organization assets.
 - h. Affix and verify that the property identification tag is properly affixed to the asset specified, if not, notify your Agency/Facility Property Coordinator and/or Agency/Facility Property Manager.
 - i. Submit necessary documents/forms to the Agency/Facility Property Coordinator and/or Agency/Facility Property Manager.
 - j. Prepare assets for surplus based on the following:
 - i. Any asset that has not been used within three (3) months is considered idle.
 - ii. Once the asset is idle, it should be submitted for surplus.
 - iii. Assets that are secured as “spares” should be **kept to a minimum** based on the specific need of the Agency/Facility.
 - iv. OTS should be consulted when decisions need to be made pertaining to capable use of any OTS-related asset.
 - k. Inform Agency/Facility Property Coordinator of available assets prior to requesting surplus.
 - l. Prepare assets for surplus per instructions of Agency/Facility Property Coordinator/Manager.
 - m. Coordinate with Agency/Facility Property Coordinator/Manager any pick up or drop off of assets to LPAA.
 - n. Notify law enforcement in the cases of state stolen property within a state owned, leased, or 24 facility as it pertains to your domicile.
 - o. Properly file any lost, stolen, or damaged property claim with ORM and immediately notify and submit a copy of the claim to the Agency/Facility Property Manager.
 - p. Must keep the Office of Technology Services (OTS) informed of any changes/transfers/damages to OTS leased property.
- g. It shall be the responsibility of the **LDH Employee** to:
- a. Safeguard all LDH moveable property including any untagged property (under \$75).
 - b. Return any equipment upon termination, resignation, change in job duties, or upon request in proper working condition to the Organization Property Liaison.

- c. Immediately report any lost, stolen, or damaged equipment to their immediate supervisor.
- d. Must notify law enforcement officials in the case of state stolen property in your possession, and obtain a police report.
- e. Maintain liability for the payment of damages whenever wrongful or grossly negligent act or omission causes any loss, theft, disappearance, damage or destruction of property of their agency for which he/she is responsible as provided herein, and such damages shall be recoverable in a civil lawsuit therefore prosecuted on behalf of the State by the Attorney General” (LAC Title 34, Part VII, Chapter 3, 305.E).
- f. Renew required Form B (Employee Assignment) at the time of Annual Asset Certification or upon request.
- g. Provide state owned asset(s) to any LDH official or their designee, at any time, for inspection of the equipment and/or property for certification purposes.
- h. Remain responsible for the property until release of responsibility is approved by the Agency/Facility Property Manager and return of equipment is acknowledged.
- i. Notify their Section Property Liaison when property is no longer needed or used.
- h. It shall be the responsibility of the **LDH Internal Audit Section** to:
 - a. Monitor adherence to the Louisiana Property Laws, Administrative Codes, and LDH Moveable Property Policy and report any discrepancies and/or violations to the LDH Secretary, LDH Deputy Secretary, LDH Undersecretary, and LDH Property Monitor.
- i. It shall be the responsibility of **Section/Facility Purchasing/Receiving Agent(s)** to:
 - a. Provide their Section Property Liaison and Agency/Facility Property Coordinator/Manager with a monthly Purchasing Control Report containing **all acquisitions** related to movable property that was purchased either by purchase order, i-card, or p-card. The report should include that date in which the item was purchased and received and the coding that was used to fund the purchase.
 - b. It shall be the responsibility of the requisitioning party to notify the receiver of equipment on the order (i.e. drop shipments issued by State Office personnel) and provide them with the necessary documents required for receipt and to the Agency/Facility Property Coordinator/Manager.

VI. STATE OFFICIAL SYSTEM OF RECORD

The State Official System of Record is used for accountability purposes in annual reporting and audits of assets with an original cost of one thousand dollars (**\$1000**) or greater and property **less than one thousand dollars (\$1000)** but **greater than seventy-five dollars (\$75.00)**, with the exception of leased computers, cell phones, and mifi’s

The Agency/Facility Property Coordinator/Manager shall input all pertinent information required by the DOA **and** LDH into the State Official System of Record as defined in these regulations as capital assets/movable property to be certified. **All capital assets/movable property must be input into the State Official System of Record within 60 days of receipt.**

The Agency/Facility Property Manager shall maintain a Property Location Index based on the state owned, LDH owned, or leased building number designated through ORM. If there is no state owned, LDH owned, or lease building number assigned by the ORM, the Agency/Facility Property Manager shall confer with the ORM via email while copying the LDH Property Monitor regarding the index to be assigned.

The Agency/Facility Property Manager shall complete, to include signature, and submit to the LPAA an up-to-date index each time a change or modification is made in the Property Location Index.

The State Official System of Record is also used to complete accurate Property Exposure reports on a semi-annual basis therefore, the data entered into the State Official System of Record must be entered in a uniform and consistent manner for every LDH Agency/Facility.

VII. INVENTORY OF PROPERTY FOR PROPERTY EXPOSURE REPORTING

To assure compliance as contained in the Louisiana Administrative Code, Title 37, Part I, Subpart 1, Chapter 3, the Division of Administration (DOA), Office of Risk Management (ORM) sends each budget unit a schedule of property values to be updated. The Agency/Facility Property Manager shall be responsible for completing, to include signatures for all locations under the agencies purview and submitting the report timely. This report contains a listing of all LDH owned contents (excluding vehicles) at each location to ensure proper insurance coverage for all assets located there.

The Agency/Facilities Property Manager shall work with their Section Property Liaison to include the value of “untagged” assets (under \$75) at each location.

VIII. ANNUAL MOVABLE PROPERTY/ASSET CERTIFICATION/AUDIT

All capital assets/moveable property having an “original” acquisition cost of seventy-five dollars (\$75) or more when first purchased by the State of Louisiana and all gifts and other property having a fair market value of **seventy-five dollars (\$75) or more** must be placed in the State’s Official System of Record. LPAA will only be certifying capital assets/movable property over

\$1000. All LDH agencies/facilities must certify their under \$1000 and over \$75 movable property annually by June 30.

All acquisitions related to capital assets/movable property with an acquisition cost that is **one thousand dollars (\$1000) or greater** must be tagged with a uniform State of Louisiana identification tag approved by the Commissioner of Administration. All property under \$1000 and over \$75 must be tagged with an agency approved colored property tag.. The agency/facility Property Manager must complete, to include signature, and submit the annual certification timely.

- A. **Computer equipment:** One property tag is to be assigned to the computer. The tag is to be affixed on the outside of the case containing the motherboard with computer, drives, and other internal components. The monitor shall be considered a separate asset and properly tagged. If components are added and/or deleted from a piece of equipment, the appropriate Agency/Facility Property Manager must be notified so that the acquisition cost can be modified accordingly. This would include such additions/deletions as memory upgrades, internal modem, token ring cards, etc.
- B. **Computer Software:** Individual offices should maintain control and assure that necessary software licenses are in possession. The cost of software loaded on a new computer when received shall not be deducted from the acquisition cost. Computer Software shall be considered a separate item and properly tagged on the device containing the software.
- C. **Educational Materials:** Educational materials such as pamphlets, books, etc. should not be tagged.
- D. **Modular Furniture:** In LDH owned/leased locations modular furniture pieces should be tagged by each wall. Modular furniture should not be tagged as a unit, or at the total cost for the cubicle. Modular furniture in buildings owned by DOA/OSB should **not** be tagged regardless of who purchased it.
- E. **Computer Leased (Rented) Property:** Leased (rented) property should not be added to the State Official System of Record, but must be maintained by the Section Property liaison to report to OTS
- F. **Donated Assets:** Any assets donated, with a value of \$1,000 or greater by sources outside of state government should be added to the State's System of Record. Written documentation of the donation is required. The documentation must include a description and value assigned to the property. The documentation shall be scanned and attached to the capital asset/moveable property in the State Official System of Record.
- G. **Moveable Property Purchased with Federal Funds:** Any capital asset/movable property purchased with federal funds should be identified with the applicable funding source. CFR Title 2 Part 200.310 – 200.316 requires this documentation. Additionally, if the acquisition

cost for the asset is five thousand (\$5,000) or more, disposition of this property must be in accordance with the statute.

- H. **Contractor Equipment:** Any equipment purchased by a contractor under a contractual agreement with LDH is considered owned by the contractor and should not be added to the state inventory system. The contractor has responsibility to establish an inventory system to keep track of assets purchased.
- I. **Gifts:** Gifts of movable property must be given an appraised fair market value and recorded in the State Official System of Record if the fair market value is seventy-five dollars (\$75) or more.
- J. **LDH Manufactured Property:** LDH agencies/facilities that manufacture moveable property for use within the Department must determine the estimated cost based on the cost of labor and materials and include such property in the States Official System of Record if cost is seventy-five dollars (\$75) or more.
- K. **Federal Surplus Property:** Any agency/facility that receives federal surplus property must place the federal surplus property in the State Official System of Record when assets acquired from federal surplus would ordinarily be classified as movable property, and have an acquisition cost of seventy-five dollars (\$75) or more. The acquisition date will be the date of acquisition by the state agency/facility and the acquisition cost will be the actual cost incurred by the agency/facility. Note: There are Federal regulations regarding the accountability of federal surplus property. If necessary, the Louisiana Federal Property Assistance Agency may be contacted for assistance.
- L. **Livestock:** Livestock acquired for breeding, dairy, and experimental purposes are classified as property and must be recorded in the State Official System of Record regardless of the value per animal. Animals acquired for slaughter need not be placed on the inventory. When the LDH acquires livestock by birth and determination is made that such animals will be used for breeding, dairy, or experimental purposes, the animals shall be included in the inventory, and noted as having been acquired by birth and given and appraised fair market value. At each Annual Asset Certification, livestock acquired by birth and used for breeding, dairy, or experimental purposes will be reappraised, and the fair market value adjusted on the inventory. When LDH acquires livestock by birth and a determination is made that such animals will be slaughtered for food, the animals shall not be included in the inventory.

IX. MARKING AND IDENTIFYING ASSETS OF PROPERTY ON INVENTORY

Capital Asset/Movable property to be certified must be identified with the Uniform State of Louisiana identification tag (over \$1000) or approved agency color identification tag (\$75-\$999) which shall bear a unique identification number.

The Agency/Facility Property Manager shall be responsible for the securing, tagging, and maintenance of property identification tags as prescribed in these regulations.

Livestock may be tagged in the ear with a metal tag if tag number is set aside. If there is any type of identification mark or tag already on the animal, such as bands, brucellosis, etc., then the last five numbers of such identification shall be entered as a tag number provided that the number has not been used before. Use the complete number if it is five digits or less.

If a capital asset/movable property cannot have a identification tag placed on it for physical reasons, the identification number should be set aside, and the identification number written on the capital asset/movable property with indelible ink (in case of assets of cloth), or the number inscribed on the capital asset/movable property with a small engraving tool. Authorization must be provided in writing by the LPAA for any capital asset/movable property which does not have a state identification mark due to extenuating circumstances.

When the capital asset/movable property has lost the assigned property tag, that asset shall be marked in indelible ink or engrave with the tag number originally assigned. A duplicate tag must be affixed to the equipment when received.

X. MANDATORY FORMS FOR TRACKING ASSETS

LDH Agency/Facilities are to utilize the forms maintained by the LDH Administrative Services Section for all assets that are listed in the State Official System of Record. Forms are subject to revisions based on changes in policies and Agency/Facility Property Managers will be notified via Administrative Memorandum of any changes. An Agency/Facility may select to utilize these same forms for internal purposes to track assets not noted within the State Official System of Record but are not required to do so. These forms shall remain on file for 5 years with the location and the Agency/Facility Property Manager.

XI. ANNUAL CERTIFICATION REQUIREMENTS

- A. LPAA sets the date for Annual Certification to record the true and actual results of a complete physical inventory of all capital assets/moveable property owned by the LDH agency/facility.
- B. The Agency/Facility Property Manager shall be responsible for using the method of certification described below. Any procedure used other than the one prescribed in these regulations must have prior written approval of the LPAA Director.
 - a. The Agency/Facility Property Manager, shall immediately notify their Assistant Secretary/Facility Administrator, of any needs for the designation of additional

- personnel to conduct annual certification should their designated Agency/Facility Property Coordinator and/or Section Property Liaisons not be available to assist.
- b. The Agency/Facility Property Manager and/or Agency/Facility Property Coordinator(s) are the only authorized persons to use the SAP Fiori Application via a cellular phone or a handheld barcode scanner (wireless or Bluetooth) connected to the internet via a tablet/laptop to physically scan all capital assets/moveable property barcodes in order to locate, edit/update the capital assets/moveable property file, and certify annual inventory.
 - c. The Agency/Facility Property Manager shall compile the true results of the annual certification and shall sign and submit the completed Annual Certification Packet to:
 - LPAA Director showing dollar value;
 - A copy to the Legislative Auditor;
 - A copy to LDH Internal Audit; and
 - A copy to the LDH Property Monitor.

The LPAA Director and any LDH OS/OMF official, or their designee, may supervise or observe all or any part of the inventory process. The Commissioner of Administration, LDH Internal Audit, and/or LDH Property Monitor may conduct periodic observations of inventories and examinations of agency/facility records and may review reports submitted to the State Property Control Office to be compared periodically with the records of the agency/facility with the actual physical property of the agency/facility for testing the completeness and accuracy of inventories, records, and reports.

XII. FILE REQUIREMENTS AND REPORTS FROM LPAA

The Agency/Facility Property Manager/Coordinator is to keep on file all documents pertinent to monitoring and tagging capital assets/moveable property. It is recommended that Agency/Facility Property Manager/Coordinator download evidence into the State Official System of Record.

LDH Policy 42.2 Disclosure and Retention of Public Records states *public record shall be preserved and maintained for a period of at least 3 years from the date on which it was made*. LDH requires the Agency/Facility Property Manager/Coordinator and the Section Property Liaison shall maintain public records for five (5) years (current year and four (4) previous years) to align with the requirements of Annual Asset Certification and Property Exposure Reporting.

The LPAA State Official System of Record generates reports of activity of each agency and notifies the LPAA Agency/Facility Property Manager whether transactions were accepted or rejected by the system. These reports should be reconciled timely and maintained as part of the Agency/Facility Property Manager’s files for Annual Certification and auditing purposes.

XIII. ACQUISITION BY TRANSFER FROM LOUISIANA PROPERTY ASSISTANCE AGENCY

Surplus property from state departments’ are normally retained for inspection by other state departments’ at least 45 days before it is sold at public bid or scrapped. The purpose for displaying surplus and idle capital asset/movable property at LPAA is to transfer those assets to a department where a need exists, thereby reducing expenditures for additional assets.

The Agency/Facility Property Manager, or designated representative, shall select the asset(s) needed by his/her office. A value less than the fair market price shall have been established for each asset in the possession of the State Property Control Section, and the office shall be billed for that value when the asset has been received by the receiving office. Payment to LPAA shall be within 30 days.

XIV. VIOLATIONS

The LDH Undersecretary/Assistant Secretaries/Facility Administrators shall be responsible for seeing that the provisions of these regulations are carried out. The appointing authority shall consult with LDH Legal, LDH Internal Audit, and LDH Administrative Services sections to review all available information. LDH Legal, and Internal Audit will then conduct any investigation they deem appropriate, and make recommendations to the appointing authority regarding any collections or disciplinary actions. Timely notification to the LDH Property Personnel as dictated in this policy, are critical to assure compliance with the Louisiana Property Control Law. Any LDH employee who violates this policy may be subject to corrective action or disciplinary action up to and including dismissal from employment. Corrective action include

XV. REGULATIONS AND ORDERS BY THE COMMISSIONER

The Commissioner shall have the power and authority to make necessary and reasonable regulations and orders to carry out the provisions of these regulations when it serves the best interest of the State, in addition to specific authorization contained in this section.

Date	Revision
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December 15, 1981	Policy created
January 15, 1982	Policy revised
January 15, 1984	Policy revised
October 21, 1990	Policy revised
May 4, 1998	Policy revised
August 14, 1998	Policy revised (page 2424.6 only)
December 10, 1998	Policy revised (page 2424.8 only)
July 1, 2001	Policy revised
April 16, 2004	Policy revised (page 2424.7 only)
September 28, 2018	Policy revised
May 13, 2020	Housekeeping Change (owned to “owned/leased”)
May 11, 2022	Housekeeping Change (incorporate existing procedures in policy)