Policy Statement

Purpose

This policy provides guidance for transferring resources to and from the University. Guidance focuses on the transfer out of resources which are primarily made up of property and funds from external entities such as sponsors and donors.

Policy Overview

There are appropriate occasions for the transfer of resources. Sponsored programs and certain donations have restrictions that may require the transfer of funds or property between entities in specific situations. In those instances, the University's acceptance and use of these resources includes compliance with the external entity's stipulations and restrictions. This policy describes how transfer decisions will be made, how transfer values will be determined, and when transfers are allowable.

The interests of the University are the highest priority when making decisions about University resources.

Under Texas Government Code §403.278, transfers of property between Texas state agencies is accepted with or without reimbursement. When property is transferred, both the transferor and transferee agencies must report details to the comptroller immediately in the form prescribed. This policy establishes the University's position that all transfers, including to other Texas state agencies, will be compensated unless otherwise documented by law or legal document.

This policy and relevant regulations apply to all transfers between entities including agencies, organizations, or individuals outside of the state of Texas.

Responsibilities

Fiscal officers or department/program heads are responsible for timely communication with Property Management, confirming the tag information and property to be transferred, providing relevant room numbers for supply transfer
valuations, timely completion of approval documents, and retaining record of the transaction.

**Property Management** is responsible for the physical receipt of property transferred to the University, tagging, property related record keeping, ensuring state guidelines for transfers are followed, administering standards regarding disposal of obsolete property, and coordinating with Accounting and Financial Reporting to determine the value of resources and property.

**Accounting and Financial Reporting** is responsible for coordinating with Property Management for capital transfer record keeping, providing net book value information for transfers out of property, and providing access to billing and receivable systems associated with the collection of due compensation.

**Office of Post-Award Management** is responsible for reviewing and ensuring compliance with sponsored program agreements with regard to resource and property transfers.

**Development and Alumni Relations** is responsible for reviewing and ensuring compliance with donor agreements with regard to resource and property transfers.

### Resource Acquisition through Transfers

#### Transfers to UT Dallas when Payment is Required

Receiving is required on purchased items as outlined within the Receiving, Distribution, and Property Control policy. Items transferred to the University which require payment should follow all receiving standards in addition to the requirements outlined within this policy.

#### Acquisition of Property

**Gifts in Kind** - For the purposes of this policy, gifts in kind are defined as nonfinancial donations in the form of property or services. When the University receives donations in the form of property, items should follow standards of delivery outlined within the Property Receiving and Distribution policy. All donations of property must consider value thresholds, controlled property requirements, and requirements for tagging.

**Transfers In** - It is common for educational institutions to transfer property to or from other institutions for operational and research purposes. When another Texas state agency is transferring property to the University, UT Dallas must maintain records which are identical to those of the transferring agency. Central Receiving must gather this information from the transferring agency and
provide the signed transfer form to Accounting and Financial Reporting within one calendar month or year-end, whichever is shorter. Transfers include acquisitions from other Texas state agencies and institutions within the University of Texas System (UT System) although payment may be required.

 Appropriately tracking and accounting for transfers ensures that state-wide consolidated financial data is accurate and factual inventory records are maintained. See the Texas Comptroller Policy FPP A.036 section titled "Sale, Disposal, or Interagency Transfer of Capital Assets" for information regarding each entities responsibilities and timing.

**Resource Disposal through Transfers**

No University resources may leave the University's custody or premises without written consent from Property Management and due compensation received by the University.

Consent may only be given after Property Management has confirmed or received:

1. Due compensation from the receiving entity, which may be an individual, another state agency or institution of higher education, or a private organization;
2. A verifiable written and fully executed agreement requiring the University to release property to another entity without first receiving compensation. Instances where external entities may require transfers without compensation include sponsored program agreements and donor agreements.

Due compensation is defined as the market value of all resources to be transferred. In the case of property transfers, the University will select the higher of identifiable market values or the University's calculated net book value. Property is defined as any University item having, or that should have a tag. In the case of laboratory and office supplies, tools, instruments, and the like, a flat rate of $100.00 per square foot of occupied space will be charged. This category will be known as "Supplies" and is defined as all non-property items. Categorization and the determination of value decisions will be made at the University's sole discretion and be administered by Property Management. It will be the buyer's decision to accept resources being offered. The net book value of property will be provided by Accounting and Financial Reporting. Square footage will be determined at the room level by Property Management.

Under no circumstances should gifts be transferred out if the donation or donor's agreement is between an external entity and the University and no requirement to transfer is included within the agreement.
Transfer of Property between State Agencies and Institutions

Although it is common for educational institutions to transfer property between state agencies, the decision to transfer property may only be made by the Property Manager as defined by the Texas Government Code §403.2715. Requirements that must be considered before property may be transferred are described in the categories below. At UT Dallas, the Vice President for Facilities and Economic Development and the Property Management department are the Property Manager.

**Sponsored Research Transfers** – When the University acquires property in the performance of work within a sponsored award, the sponsor may have claim to the property, although the University acts as the current custodian. It is important to understand the various requirements within each agreement to make this determination. When the sponsor has claim to property in the University's custody, the sponsor may require the University to return property when the sponsored program ends or is terminated. Similarly, sponsors may require the University to transfer property to another research center or university which can include other Texas state agencies.

These transfers must be compared with the sponsored agreement and approved by the Office of Post Award Management in addition to Property Management prior to property leaving the University. The sponsor may also require record of the transfer.

**Texas State Agency Transfers** – When the University is transferring property to another Texas state agency, the University must provide accurate record of financial information, including the amount of depreciation or amortization as of the date of the transfer. Property Management must confirm final documentation with Accounting and Financial Reporting prior to providing official documents to other agencies. The Property Manager must approve these transfers in advance and must report such transfers to the President as described by the UT System Regent Rule 80201.

**All Other Transfers** – All other transfers of property are subject to Texas Government Code §2175.304, the UT System Regent Rule 80201, and UTDBP3066. These requirements establish standards for the treatment of property deemed obsolete or no longer needed by a department. These property items are generally referred to as surplus property. Circumstances where property is abandoned by a department or when individuals request to retain property upon departure or termination must also follow these standards.
Trade-in of Property

All property acquisitions including trade-ins of existing assets must be approved by the Property Manager prior to submission of a purchase requisition or agreement with a vendor. Trade-ins must be clearly documented within requisitions to ensure appropriate values and inventory records are maintained. Structured trade-ins are acceptable when arrangements are approved by the Property Manager prior to any agreement with a vendor. An example of a structured trade-in is a vendor prearranging a buyer for property as part of an agreement to acquire new property.

Requirements for Property Transfers

All transfers out of University custody must have a compensation component reimbursing the University for its resources. Only when the University is required by law or legal document will transfers be allowed without a compensation component.

For academic property, including research property, fiscal officer and department/program head approval is required for compensated transfers of property up to $10,000. All other compensated transfers require dean and provost approval.

For administrative property, vice president and president approval is required, regardless of value. Transfers of administrative property must be compensated unless otherwise required by law.

Transfers of both academic property and administrative property still require the Property Manager's approval and approval by the Office of Post Award Management when sponsored agreements are present.

Property with an original value of $5,000 or more, which is separated from University custody without prior approval, will be reported to University Police for investigation. Record keeping is the responsibility of the associated dean or vice president's office. Property Management will retain controlled and capital property records as required by statute. Records must be managed and retained in a manner that allows for federal and state audits including the ability to provide such information within three business days of receiving a records request.

Policy History

- Issued: 2021-04-27
Policy Links

• Permalink for this policy: https://policy.utdallas.edu/utdbp3116
• Link to PDF version: https://policy.utdallas.edu/pdf/utdbp3116
• Link to printable version: https://policy.utdallas.edu/print/utdbp3116