Delgado
COMMUNITY COLLEGE

INTERNAL POLICY AND PROCEDURE

POLICY No. BAA-O01

TITLE: **Procedures for Reconciling Movable Property per Property Control to Delgado's Financial System**

EFFECTIVE DATE: *September 15, 2002 *(*Procedural Update 3/7/18)*

CANCELLATION: None

DIVISION: BUSINESS AND ADMINISTRATIVE AFFAIRS (BAA)

CATEGORY: Property Control (O)

**RESPONSIBLE
DEPARTMENTS:**   Property Control and Controller's Office

POLICY STATEMENT

In accordance with the College's Internal Control System policy, good internal controls include adequate segregation of duties so that different employees authorize and record transactions and have physical custody of assets.

PROCEDURES & SPECIFIC INFORMATION

1. **Purpose**

    To document established procedures to ensure the proper reconciliation of the Louisiana Property Assistance Agency (LPAA) Inventory Management System to the College's Financial Records System (Banner).

2. **Scope and Authority**

    This issuance applies to all employees of Delgado Community College responsible for Property Control (tagging, maintenance of inventory and reporting to the LPAA) in accordance with the College's Management and Control of State Property policy and the employees of the Controller's Office assigned to the task of preparing the quarterly property reconciliation.

3. **Procedures**

   A. At the end of each quarter, the Controller's Office requests a report from the Office of Information Technology (OIT); the OIT report includes all purchase orders in the College's Financial Records System that were coded to "taggable" account codes during the quarter.

   B. At the end of each quarter, the Property Control Manager sends the Controller's Office a report from the LPAA Inventory Management System that includes all additions to the system for the quarter.

   C. The Controller's Office uses the two referenced reports to prepare a detailed Quarterly Property Reconciliation, which identifies the following:

      1. Any reconciling items between the two systems;
      2. Property that has been purchased/received but not yet tagged;
      3. Property tagged at a different value than which it was purchased.
      4. Property tagged without a purchase order, which could indicate coding errors in the Financial Record System (Banner).

   D. The Quarterly Property Reconciliation is sent to the Property Control Manager to research the following:

      1. Purchase orders with a taggable code where there is no matching LPAA System addition.
      2. Items tagged that are listed in the LPAA System with a different value than the amount reported on the purchase order.

   E. The Property Control Manager returns a copy of the reconciliation to the Controller with explanations for the above.

   F. The Property Control Manager maintains supporting documentation for discrepancies in the Quarterly Reconciliation for audit purposes.

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Policy Reference: Delgado Policy and Procedures Memorandum, Internal Control System
Delgado Policy and Procedures Memorandum, Management and Control of State Property

Reviewed by: Ad Hoc Committee on Movable Property Reconciliation Policy
9/15/03, 2/9/18
Controller 9/15/03, 2/9/18
Assistant Vice Chancellor, Facilities and Planning 2/9/18

Approval: Vice Chancellor for Business and Administrative Affairs 9/15/03
Vice Chancellor for Business and Administrative Affairs - Procedural Update 3/7/18