



---


UNIVERSITY OF HAWAII

VICE PRESIDENT FOR ADMINISTRATION  
AND CHIEF FINANCIAL OFFICER

**MEMORANDUM**

January 21, 2004

TO: Vice Presidents  
Interim Vice President  
Chancellors  
Secretary of the Board of Regents  
Deans and Directors

FROM:  James R. W. Sloane  
Vice President for Administration and Chief Financial Officer

SUBJECT: **ADMINISTRATIVE PROCEDURE MEMORANDUM 03-13**

The Office of Naval Research conducted their biennial property review in August 2003. The review recommended that certain University of Hawaii administrative procedures be revised to comply with Federal rules and regulations and to improve internal controls over acquisitions. Please update your Administrative Procedures Manual concerning property management as follows:

2. A8.507, Responsibilities of the Custodian and Others
2. A8.515 and A8.534, Physical Inventory
3. A8.526, General Property Management Standards
4. A8.529, Receiving

Administrative Procedures A8.507, Responsibilities of the Custodian and Others, A8.515 and A8.534, Physical Inventory, were revised to comply with Federal Acquisition Regulations that prevent property custodians from conducting the physical inventory for property accountable to them. In the revised procedures, the custodial department shall be responsible for assigning personnel other than individuals who have custody to the property to conduct the physical inventory. Administrative Procedure A8.526, General Property Management Standards, requires reconciliation of inventory records thirty-five days after completion of the physical inventory. Administrative Procedure A8.529, Receiving, was revised to re-emphasize the need for prompt payment so decals are issued more timely.

Administrative Procedure A8.534, Physical Inventory, was also revised to require the University's Inventory Management Section to report the results of the physical inventory for certain DOD or NASA contracts.

Vice President, et al  
January 15, 2004  
Page 2

We believe these new procedures will improve our custodial responsibilities over property acquisitions.

Should you have any questions, please call the Inventory Management Section at 956-8735.