

SUL ROSS STATE UNIVERSITY

A Member of the Texas State University System

Guidelines for Identification, Acquisition, Valuation, and Disposition of Agricultural and Natural Resource Sciences Livestock APM 3.10 (Reviewed 5/2012)

A. Livestock Acquisition: Identification of Livestock

Livestock is acquired by the School of Agricultural and Natural Resource Sciences (ANRS) through purchases, gifts or donations, and production. Each head will be assigned a livestock number, or tag, which will accomplish two goals: identify the livestock according to type (Exhibit A), and designate the animal as SRSU livestock. The livestock will also be branded with the SRSU brand as a secondary form of identification, if appropriate. This livestock identification must be done within 24 hours of acquisition.

Each newly-acquired head must be reported immediately to the Property Inventory Clerk by telephone. Also, the SRSU Donations/Production/Purchase Form (Exhibit B) must be completed by ANRS personnel and turned in to the Property Inventory Clerk within 24 hours. The Property Inventory Clerk, with the aid of ANRS personnel, will properly identify and photograph the livestock. Within the same month of acquisition, the newly-acquired livestock will be reported to the SRSU Accounting Office by the Property Inventory Clerk for bookkeeping purposes. All livestock acquisitions will be reported to the State by the Property Inventory Clerk.

B. Responsibility for Reporting Livestock Changes

The University has designated the Dean of the School of Agricultural and Natural Resource Sciences as the Livestock Custodian. The Livestock Custodian is accountable for all livestock and is responsible for reporting all livestock acquisitions, or dispositions, to the Property Inventory Clerk.

C. Livestock Inventory Valuation

1. Grouping of Livestock

- a. Group by type of stock
- b. Group by age of stock (within each type)

2. Valuation of Raised Livestock

- a. It is the responsibility of the Livestock Custodian to develop standard unit prices for the different groups of raised livestock on a consistent basis. Standard unit prices are the amounts by which livestock are to be capitalized on the University's records.
- b. Standard unit prices are set up according to the class and age of the stock.

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Prices must reasonably approximate the normal costs incurred in raising the animal (i.e., the standard unit price for a newborn to one year old horse might be \$200, and a one year old to a two year old might be \$300).

- c. Stock should be valued at the end of the fiscal year according to their grouping at that time.
 - d. The evaluation of each animal is increased each year until the animal reaches maturity. At that time, the carrying value of the animal will remain constant until disposition.
 - e. All raised livestock must be included in the inventory, regardless of the reason for keeping them.
3. Valuation of Purchased Livestock
 - a. Livestock purchased before maturity should be recorded initially at the purchase price, then adjusted upwards yearly according to standard values until the animal reaches maturity.
 - b. Livestock purchased after maturity should be recorded at the purchase price, and the value of the animal should remain constant on the inventory.
 4. Valuation of Donated Livestock
 - a. Donated livestock should be capitalized at the fair market value (FMV) on the date of donation, then adjusted upwards until the animal reaches maturity. If the FMV of the animal on the date of donation exceeds the highest standard value for the group of livestock, the FMV will remain as the constant value of the animal until disposition.
 - b. If donated livestock is past maturity, the fair market value established on the date of donation will remain as the capitalized value until disposition.
- D. Classification of Livestock
1. Class I includes donated livestock with a value exceeding \$5,000, or livestock that the University has agreed to retain ownership of for at least two years. Appraisal is the responsibility of the donor, and the donor must provide the University with a copy of the certified appraisal. When donated livestock has had documentation filed with the IRS, they will be assigned to this classification. Board of Regents' approval must be obtained on any acquisition with a value of \$10,000 or more. Other livestock may be placed in this classification when appropriate. Executive Committee approval must be obtained before livestock can be removed from this

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classification.

2. Class II includes all livestock owned by the University that are retained for instructional and research purposes for an indefinite period of time. Livestock in this classification may not be sold until reclassified into a saleable category of Class III or Class IV. The Property Manager should be notified in writing in advance when reclassification is desired.
3. Class III includes any livestock that has been reclassified from Class II. Livestock in this classification is ready for disposition.
4. Class IV includes livestock acquired for instructional purposes in the Meats Lab and is to be sold as an edible product.
5. Class V includes any livestock leased or lent to the University as rodeo practice stock. Appropriate agreements (Exhibit C) must be on file.
6. Class VI includes livestock brought on campus by students for use in rodeo and/or horsemanship instruction. Authorization must be granted by the designee of the Dean of the School of Agricultural and Natural Resource Sciences, and a completed SRSU Livestock Agreement and Liability Release Form (Exhibit E) must be on file.
7. Class VII includes livestock brought on campus by students or other parties for use in classroom instruction, breeding, or treatment. Authorization must be approved by the designee of the Dean of the School of Agricultural and Natural Resource Sciences, and a completed Farrier/Veterinary/Breeding/Meat Labs Services Agreement and Liability Release Form (Exhibit J) must be on file.
8. Class VIII includes livestock leased for rodeo performances for the annual SRSU Rodeo. These livestock will be leased in accordance with prevailing industry standards. Exhibit C must be on file.

E. Acquisition of Livestock

1. Purchase - The Dean of the School of Agricultural and Natural Resource Sciences will process all livestock purchases through the SRSU Purchasing Office in accordance with SRSU purchasing policies.
2. Donation - All donated livestock will be placed in a University-designated endowment account unless specific donor instructions as to proceeds are received in writing at the time of donation.

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F. Disposal of Livestock

1. Reporting Disposition - Any decrease in livestock due to sale, death, loss, or vandalism must be reported promptly to the Property Inventory Clerk by telephone. The SRSU Livestock Disposition Form (Exhibit G) must be completed and returned by ANRS personnel and submitted to the Property Inventory Clerk within 24 hours. The Property Inventory Clerk will pull identification tags, when possible or appropriate, and photograph the animals. Within the same month of disposition, the decrease in livestock will be reported to the SRSU Accounting Office by the Property Inventory Clerk for bookkeeping purposes. All livestock dispositions will be reported to the State by the Property Inventory Clerk.
2. Sale - In the event that livestock is to be sold, the Property Manager must be notified. The Property Manager will coordinate the sale in consultation with the Dean of the School of Agricultural and Natural Resource Sciences. The Property Manager may either sell the livestock through public auction or advertise the livestock, requesting sealed bids be delivered to him or her. Negotiated sales will be conducted only when it is deemed to be in the best interest of the University by the Property Manager and in accordance with the ***Rules and Regulations, Texas State University System***. Sealed bids will be opened in the presence of the Dean of the School of Agricultural and Natural Resource Sciences at a designated time. No bid will be accepted that is below fair market value of comparable animals, as reported at public auctions. The culmination of the sale must be documented by the Dean of the School of Agricultural and Natural Resource Sciences (Exhibit G) and reported to the Property Inventory Clerk. Payment will occur no later than the time the livestock is delivered to the buyer. All funds collected must be deposited at the University Cashier's Office within 24 hours of collection.
3. Deaths by Natural Causes - In the event an animal is stillborn or dies due to natural causes, the Property Inventory Clerk must be notified immediately by telephone. The SRSU Livestock Disposition Form (Exhibit G) must be completed and returned within 24 hours. The Property Inventory Clerk will pull identification tags and photograph the animals. Within the same month of disposition, the decrease in livestock will be reported to the SRSU Accounting Office by the Property Inventory Clerk for bookkeeping purposes.
4. Lost or Stolen Livestock - In the event an animal is lost, stolen, or dies by way of vandalism, the Property Inventory Clerk must be notified immediately by telephone. The SRSU Lost or Stolen Livestock Report (Exhibit H) must be completed and returned within 24 hours. In death situations, the Property Inventory Clerk will pull the identification tags and photograph the animal. In any of these situations, University Department of Public Safety personnel will perform a formal investigation to further document the occurrence and to determine if any negligence existed.

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G. Breeding Contracts

The Livestock Custodian, on behalf of the University, may enter into breeding contracts which involve University livestock. Depending on which is more beneficial, fees may be charged for stud services, or offspring may be accepted as payment. When fees are charged, they must be uniform and consistent for each animal that is used and reflect the current market price for those services. Appropriate documents (Exhibit J) must be completed and on file before breeding takes place.

H. Monthly Physical Inventory

The Property Inventory Clerk, with the aid of ANRS personnel, will take a physical inventory of all University-owned livestock at the Turner Range Animal Science Center at least once each month. All acquisition and disposition documents pertaining to the current month must be completed and in the hands of the Property Inventory Clerk by inventory time. Any discrepancies will be reported to the Property Manager.

I. Veterinary and Farrier Services

Veterinary and farrier services are performed as a part of regular classroom instruction. When an individual brings an animal to SRSU for this type of service, a release form (Exhibit J) must be completed and the animal must have current Coggins certification prior to the performance of such services. Appropriate bills for the services provided will be presented by ANRS personnel in a timely manner.

J. Livestock Removal

The "Removal" section of Exhibits C, E, or J must be completed and sent to the Property Inventory Clerk when livestock which is covered by either a Liability Release Agreement or a Rental and Liability Release Agreement is removed from SRSU property.

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Exhibit A

Identification of Livestock

<u>Livestock Type</u>	<u>ID Type</u>	<u>Brand Type</u>
HORSE	TATTOO LIP	BRAND
CATTLE	EAR TAG	BRAND
SHEEP	EAR TAG	PAINT BRAND
PIGS	EAR TAG	NONE
PIGLETS	EAR NOTCHES	NONE

Formal identification must be made within 24 hours of acquisition.

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Exhibit B

LIVESTOCK ACQUISITION

(under \$5,000)

Donations/Production/Purchase

(see example)

Date: _____

Account number (charged/credited to): _____

Purchase price/appraisal value (by owner): \$ _____

Date of purchase/appraisal: _____

Basis of appraisal: _____

Seller/donor name, address & phone: _____

Livestock description (including: type, ID no., wt., age, registered name, special markings, produced from dam & sire).

Please attach all registration and/or sales/auction documents, which records shall be incorporated into and become a part of this agreement.

Conditions (if any): _____

Signature and date by:

Owner

Dean, School of Agricultural and Natural Resource Sciences

Property Manager

Original: School of Agricultural and Natural Resource Sciences
c: Livestock Donor/Owner
Property Inventory Clerk
Provost
President

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Example Livestock Acquisition (Exhibit B)

Statement of Donation

Mr. Joe. P. Donor, (address & phone), is donating one 16-year-old spotted Appaloosa mare to the Sul Ross State University School of Agricultural and Natural Resource Sciences. The animal is to be delivered to the Sul Ross State University horse pens to be inventoried. The horse is donated with the understanding that it will be used for teaching and research purposes, and that it may be sold or salvaged as teaching and research programs dictate. No conditions or exceptions apply to this donation except that no riding is allowed and the mare is to be used for breeding purposes only. The reason for the conditions is because her pelvis was broken approximately eight years ago, but she has foaled three times since then. It is the intent of Joe P. Donor that proceeds from the production of offspring of this animal or the sale of this animal will go to the (Account name and No.).

No. Animals	Sex	Weight	Description	Value
1	F	1500 lb.	16-year-old spotted Appaloosa mare	\$XXX

Basis and date of appraisal: _____

Donor

Date _____

Sul Ross State University:

Dean, School of Agricultural and Natural Resource Sciences

Date: _____

Provost

Date: _____

Property Manager

Date: _____

Original: School of Agricultural and Natural Resource Sciences
c: Donor
Property Inventory Clerk
Provost
President

Revised 2-19-10

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Invoice No. _____ Receipt No. _____

Exhibit C

LIVESTOCK LEASE/LOAN AGREEMENT

I _____ agree to furnish _____ (state type and number of animals) to Sul Ross State University for rodeo/teaching/research (circle appropriate responses) purposes. Sul Ross State University shall have use of the livestock from _____ through _____, 20____. In return, Sul Ross State University agrees to pay \$_____ ; furnish feed, veterinary services and medication necessary to maintain the animals in good condition; pay \$_____ for any animal that is crippled and unusable, dies or that has to be destroyed for any reason; provide hauling necessary to obtain the animals and return them to _____ . (Strike-through responses that do not apply)

This instrument contains the entire agreement between the two parties and supersedes all other agreements and/or representations, whether oral or written. This agreement shall be construed according to the laws of the State of Texas and be performable in Brewster County, Texas.

Give description of animals (including breed, sex, color, brand) or other comments:

RELEASE:

Signature (Owner of livestock or authorized agent)

Signature (Representative of SRSU)

Date _____

Date _____

Address: _____

Phone: _____

REMOVAL:

The undersigned representative is removing the personally owned livestock (described above) from SRSU property.

Signature (Owner of livestock or authorized agent)

Signature (Representative of SRSU)

Date _____

Date _____

Original: School of Agricultural and Natural Resource Sciences
c: Livestock Owner
Property Inventory Clerk

Revised 2-19-10

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Invoice No. _____ Receipt No. _____

Exhibit E

LIVESTOCK AGREEMENT AND LIABILITY RELEASE

I _____ agree to provide _____ for use
in (check and complete correct choice):

- _____ 1) Horsemanship and agree to pay \$ _____ per month for stall rent/feed. (strike-through responses that do not apply).
- _____ 2) Rodeo at no cost to me, other than feed and necessary care.
- _____ 3) Other: _____

If not specified otherwise, I agree to feed and provide all necessary care, including veterinary, for the above mentioned livestock. Should an emergency arise, at a time when I cannot be contacted after reasonable effort by SRSU, I hereby give permission to a representative of SRSU to call in a Veterinarian. I agree to pay all expenses incurred in this manner.

By my signature on this document, I hereby release Sul Ross State University and its employees from any and all loss or liability concerning this livestock whether or not such loss or liability occurs as a result of the negligence whether in whole or part of Sul Ross State university or its employees. I further understand that this agreement can be terminated at any time at the discretion of SRSU.

This instrument contains the entire agreement between the two parties and supersedes all other agreements and/or representations, whether oral or written. This agreement shall be construed according to the laws of the State of Texas and be performable in Brewster County, Texas.

RELEASE:

Signature (Owner of livestock or authorized agent)

Signature (Representative of SRSU)

Date _____

Date _____

Address: _____

Phone: _____

REMOVAL:

The undersigned representative is removing the personally owned livestock (described above) from SRSU property.

Signature (Owner of livestock or authorized agent)

Signature (Representative of SRSU)

Date _____

Date _____

Original: School of Agr. & Nat. Res. Sciences

Revised 2-19-10

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c: Livestock Owner
Property Inventory Clerk

Exhibit G

SUL ROSS STATE UNIVERSITY
Livestock Disposition
Sale/Death

Date: _____

Division of Range Animal Science

Depository Account: _____ Current Value \$ _____

Receipt Number: _____

Receipt Amount: _____

Sold To: _____

Livestock Type: _____

Id Number: _____

Registered Name: _____

Special Markings: _____

Cause Of Death: _____

Please Attach All Sales Documentation, which shall be incorporated into and become a part of this agreement. Sale shall be **As Is**. SRSU makes no warranties or guarantees of whatever kind.

Livestock Custodian

Property Inventory Clerk

Approved: _____
Property Manager

Original: School of Agr. & Nat. Res. Sciences
c: Property Inventory Clerk

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Exhibit H

SUL ROSS STATE UNIVERSITY
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SUL ROSS STATE UNIVERSITY
Lost or Stolen Livestock Report

Division of Range Animal Science Date: _____

Livestock Type: _____

Id Number: _____

Registered Name: _____

Special Markings: _____

Current Value: \$ _____

Date Last Seen: _____ Location Last Seen: _____

Time Reported To Campus Security – Date: _____ Time: _____

Describe Nature Of Incident: _____

Livestock Custodian

Original: School of Agri. & Nat. Res. Sciences
c: Property Inventory Clerk

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Invoice No. _____ Receipt No. _____

EXHIBIT J
(2 pages)

Farrier/Veterinary/Breeding/Meats Lab Services
Agreement and Liability Release

I hereby consent and authorize Sul Ross State University to perform (mark all appropriate items):

- _____ 1) Surgical procedure _____
- _____ 2) Outpatient treatment _____
- _____ 3) Inpatient treatment _____
- _____ 4) General farrier service _____
- _____ 5) Specialized shoeing _____
- _____ 6) Breeding _____
- _____ 7) Custom processing (conditions & instructions) _____
- _____ 8) Work performed is for teaching/research purposes (circle activity that applies).
- _____ 9) Materials/service (circle each that applies) are to be charged to owner.

Patient/client information:

Name: _____ Species: _____ Sex: M F _____
Breed: _____ Description: _____

Owner information:

Name: _____
Address: _____
Phone: Home _____ Work _____

Comments:

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SRSU will use all reasonable precautions against injury, escape, or destruction of the animal(s), but you will not be held liable or responsible in any manner, or under any circumstances, on account of the care, treatment, or safekeeping of the animal(s) above described, or otherwise in connection therewith, as it is thoroughly understood that I assume all risks.

In the event that this animal or meat product is not removed from SRSU property, written notice will be mailed to the address above to remove the animal(s)/product. Five days after such written notice the animal(s) will be considered abandoned and may be disposed of, or destroyed, as SRSU deems best, and it is understood that so doing does not release the owner from paying all costs of service including the cost of keeping. Thirty days after written notice the meat product may be disposed of, including sold to the public, as SRSU deems best.

I approve the use of sedatives, tranquilizers, or anesthetics on the animal(s) as deemed necessary.

By my signature on this document, I hereby release Sul Ross State University and its employees from any and all loss or liability concerning this livestock whether or not such loss or liability occurs as a result of the negligence of Sul Ross State University or its employees.

RELEASE:

Signature (Owner of animal/livestock or authorized agent)

Signature (Representative of SRSU)

Date _____

Date _____

REMOVAL:

The undersigned representative is removing the personally owned animal, livestock or processed meat product (described above) from SRSU property.

Signature (Owner of animal/livestock or authorized agent)

Signature (Representative of SRSU)

Date _____

Date _____

Original: School of Agr. & Nat. Res. Sciences
c: Livestock Owner
Property Inventory Clerk

Revised 2-19-10