

Inventory Management Services, Central Services

Revision Date 11/27/07

INTRODUCTION

This document provides the details on how equipment is added to the inventory system, inventory responsibilities, and how and when changes are made to the inventory system.

It is divided into the following sections:

Section I: The Equipment Inventory System

Section II: Changes to the Inventory System

If you have any questions about the information in this manual or need further assistance, please call the Central Services Inventory Specialist at 533-4782 or the Logistics Manager at 533-4781.

SECTION I: THE EQUIPMENT INVENTORY SYSTEM

WHAT IS INVENTORIED ----

CAPITAL ASSET (EQUIPMENT INVENTORY)

Purpose: The purpose of a capital asset inventory system is 1) to provide control and accountability over state owned assets, and 2) to gather and maintain information needed for the preparation of financial accounting information. Washington State Administrative Policies and Procedures require CCS to develop internal policies and procedures for recording and tracking CCS property. This procedure describes the minimum steps and responsibilities for maintaining effective control of CCS owned equipment and other inventoriable assets.

The Community Colleges of Spokane (CCS) maintains an inventory of its fixed assets, which are classified as follows:

- 1. Furnishings and equipment (non-consumable items, generally over \$5,000 and small & attractive items \$300 to \$4,999)**
2. Buildings
3. Improvements other than buildings
4. Land
5. Library resources, museum and art collections
6. Construction in progress

This document addresses only items classified under item #1, furnishings and equipment.

Definitions:

Inventory Management Services, Central Services

Revision Date 11/27/07

Equipment & Furnishings

Equipment and furnishings with a unit cost or value (including ancillary costs) of \$5,000.00 or greater, and a useful life of one year or more. These items are marked with a CCS tag, accounted for in CCS property records, and recorded in the accounting records as capital equipment. The appropriate accounting sub-object code is JC-Furnishings, Equipment and Software.

Small and Attractive Items

CCS considers the following items with a unit cost or value of \$300.00 to \$4,999.00 as small and attractive for inventory control and tracking purposes. These particular items do not meet the capitalization threshold of \$5,000.00 but are marked and included in CCS inventory records to improve controls over these items and to reduce the risk of loss to CCS. The appropriate accounting sub-object code is EQ-Non-capitalized assets.

COMMODITY CODE	DESCRIPTION
10xx*	Weapons, firearms, signal guns, animal control devices
4910**	Motor vehicle maintenance and repair shop equipment
5130**	Hand tools, power driven
5815**	Fax machines
5820**	Communications equipment, industrial and commercial
5822	Communications equipment, public safety: audio & video
6517**	Ophthalmological, refraction, and audiometry equipment
6620**	Engine instruments
6625**	Electrical measuring and testing instruments (ammeters, voltmeters, impedance bridge, oscilloscopes, etc.)
6626**	Electronic measuring and testing instruments
6630**	Equipment, instruments, and devices, laboratory
6650**	Optical instruments, laboratory (microscopes)
6651	Optical devices (binoculars, telescopes)
6672**	Scales, laboratory
6710-6730	Cameras & photographic/projection equipment
6760	Camera lenses
7017**	Data communications multiplexors
7012-7013	Microcomputer systems, laptop and notebook computers (pocket PCs, palm pilots)
7034-7035	Other IT accessorial equipment and components (wireless access points, external drives, scanners, docking stations, IPODs, etc.)
7036-7037	Accessorial Equipment – Monitors
7038-7039	Printers
7420-7450	Office equipment (calculators, typewriters, word processing equipment, etc.)
7490**	Cash registers, check signers, engravers
7710**	Musical instruments
7730	Radios, microphones, television sets, VCR's, video cameras
9915**	Paintings and collectibles

** CCS determined item, beyond the OFM list.

Inventory Management Services, Central Services

Revision Date 11/27/07

* All weapons, firearms, signal guns and accessories in commodity class code major group 10XX, are considered small and attractive and recorded in inventory regardless of the unit cost.

RESPONSIBILITIES FOR EQUIPMENT INVENTORY

CCS equipment inventory includes all equipment identified by an official CCS numbered inventory tag. The inventory is reported to the state on the computerized inventory system. The equipment inventory process is broken down into two major functions:

1. Custodial

First line supervisors are responsible and accountable for the physical presence (and loss) of inventoried equipment assigned to their department. They must keep a current and accurate equipment inventory using reports provided by Central Services.

2. Maintenance and Reporting

Central Services prepares and approves official forms that add, change or delete items from the official inventory. They also identify equipment items for inventory and periodically verify the equipment inventory in the field.

The state Office of Financial Management directs that the equipment inventory be recorded as assets in CCS accounting records. A wall-to-wall physical inventory is conducted every two years with the exception of HeadStart and Corrections which are conducted annually.

INVENTORY MAINTENANCE, RECORDS AND REPORTS

Central Services will:

1. Maintain the master inventory records
2. Ensure the timely and accurate maintenance of departments' inventory
3. Provide assistance and advice on request
4. Assist departments in locating missing items
5. Tag or retag all equipment
6. Enter items on the inventory records
7. Record the transfer of items between two departments
8. Authorize all equipment disposal and surplus
9. Periodically audit the equipment inventory
10. Maintain documentation related to all inventory transactions

Inventory Management Services, Central Services

Revision Date 11/27/07

TAGGING NEW INVENTORY EQUIPMENT

Central Services checks the Purchase Order form or PaymentNet when the newly purchased items arrive at Central Services. If the form is coded “JC” or for certain categories of “JB” coded items, they tag the item for inventory with a pre-numbered, bar coded sticker. Central Services then prepares an Equipment Inventory Input form, noting the description, model, serial number, location and other pertinent information about the item, and then delivers the item to the requesting department.

Location is initially determined as Purchase Order or PaymentNet requestor’s location unless documented to a specific location. It is the department’s responsibility to complete a transfer form for items moved from requestor’s location.

If an item is received directly by the ordering department bypassing the Central Receiving process, the department supervisor must contact Central Services to tag and inventory the item.

RETAGGING INVENTORY EQUIPMENT

Audits of inventory often turn up equipment with missing or defaced tags. When Central Services is notified that a piece of equipment needs to be retagged, the inventory inspector assigns the equipment a new tag number, updates the computer record with the new information and physically tags the equipment with the new number.

INVENTORY CHANGES:

Help keep the inventory current -- notify Central Services when items are missing, disposed of, traded in or transferred to another department.

SECTION II: CHANGES TO THE INVENTORY SYSTEM

EQUIPMENT/SURPLUS DISPOSAL

Inventory Management Services, Central Services

Revision Date 11/27/07

IT IS ILLEGAL TO GIVE AWAY STATE OWNED PROPERTY !!!

Nothing can be given away without proper authorization and compliance to established procedures. State property must be authorized for sale, trade-in, recycling or waste disposal by the Logistics Manager. Disposal of surplus equipment follows these steps:

1. The responsible administrator completes and signs an Equipment Disposal Form, retaining all copies with the equipment. A separate disposal form is required for each state tagged item.
2. The Logistics Manager (533-4781) is contacted via e-mail to arrange for the pickup of Surplus Equipment. The Logistics Manager checks for the possible re-use of items deemed surplus within the CCS system via e-mail with pictures showing the item. If someone determines they can use the item in their department, it can be withdrawn from Surplus and delivered to that department at no charge.
3. The sale of surplus vehicles is also arranged through the Logistics Manager.
4. On-site sales of Surplus College Equipment are held 3 to 4 times yearly. Sales are announced to the public via e-mail, reader boards located on the SCC & SFCC campuses and the Internet. CCS employees are notified via a District Wide e-mail one week prior to the sale.
5. Central Services also arranges sales & transfers to other state agencies.
6. Revenue generated from surplus sales is collected and retained by the Central Services Department. Revenue collected in excess of \$100.00 per individual item is returned to the original department's budget.

TRADE-INS

When equipment is to be traded-in on the purchase of new equipment, Purchasing will send Central Services a completed 267-A form. After the Logistics Manager approves the Request, Central Receiving attaches a copy of the 267-A to the Purchase Order and sends the original to Purchasing for the contract file.

When the new item arrives in Central Receiving, it is tagged and delivered. The inventory inspector ensures that the new item is added to the inventory and the applicable trade-in is removed from the inventory.

EQUIPMENT TRANSFERS

It is critical to maintain good records for the location of all equipment on the campuses. Service maintenance agreements require that periodic service calls

Inventory Management Services, Central Services

Revision Date 11/27/07

be made, requiring the exact location to be known for quick access and service. The state Auditor's Office conducts an annual fixed assets physical audit and extra time and labor is spent if equipment items are not in their designated locations.

Equipment transferred from one department to another **or** from one location to another is recorded on the Authorization to Transfer Equipment form. The form is completed and signed by all individuals involved. Forward all copies to Central Services Inventory Specialist for appropriate action. The Inventory Specialist uses the original to complete the Equipment Inventory Input form. All forms are retained in a file by asset tag number. Copies 2 and 3 are signed and returned to the involved departments.

LOST OR STOLEN EQUIPMENT

If a suspicious loss and/or break-in is discovered, contact Central Services Inventory at 533-4782 to obtain a list of equipment assigned to the building and/or room.

The following actions are required when an item is lost or stolen in accordance with OFM Manual 3.2.2.2.3:

- Immediately after a theft is discovered, it must be reported by phone to the District Buildings and Grounds office, extension 8630. Then a Security Incident Report must be completed and filed with the District Buildings and Grounds Office, MS 1016, the same day the theft is discovered.
- If theft is suspected, then appropriate law enforcement agencies are to be notified immediately by the department's appropriate administrator or designee in consultation with the Buildings and Grounds Department. A search of the agency for the missing property is to be undertaken, including notifying all agency personnel of the suspected loss (description and any identifying numbers). Notification is to also include a time and procedure for returning missing property should the property be in the possession of an employee.
- Having determined that the property is definitely missing and that proper notification has been given to appropriate law enforcement agencies, an agency is to initiate steps to remove the property from its inventory. An Equipment Disposal form is to be completed and signed by the individual deemed to be primarily responsible for the asset as well as the individual's supervisor. Included on the Equipment Disposal form is to be a description of events surrounding the disappearance of the property, who was notified of the loss, and steps taken to locate the property. The Equipment Disposal form must also include the date reported to the local police department and the Police Report Number.

Inventory Management Services, Central Services

Revision Date 11/27/07

- When the Equipment Disposal form has been completed and signed, send it along with a copy of the Security Incident Report to Central Services Inventory, MS 1090, where the inventory records will be updated.

CHECKING OUT EQUIPMENT FOR TEMPORARY USE

Under special circumstances, you may use CCS equipment off campus for job-related tasks. Complete an Authorization for Temporary Check Out of Equipment form, indicating the equipment type, description, model, tag number, place of use, reason for use and period of check-out (**not to exceed 30 days**). This generally applies to equipment and furnishings that have an estimated value over \$5,000 and small and attractive items (\$300-\$4,999), such as computers, printers, and tools.

Submit the Authorization for Temporary Check Out of Equipment form to your administrator for approval. Distribute the approved form as indicated on the bottom of the form.

The department administrator must complete the information at the bottom of the Authorization for Temporary Check Out of Equipment and send it to the Central Services Inventory Specialist at MS 1090 when the equipment has been returned.

Note: The individual employee is personally responsible for any loss or damage to equipment in his/her custody when removed from College premises.

If you have any questions about the information in this manual or need further assistance, please call the Central Services Inventory Specialist at 533-4782 or the Logistics Manager at 533-4781.