

Inventory Quick Reference

1. Purpose

The responsibility of the equipment inventory administration function is to “assist university departments in effective management and accountability for their property, establish administrative control over equipment inventories, help establish a climate of responsibility for preserving the institution’s assets, and interact with auditors and governmental and other cognizant reporting agencies” (NACUBO, 1992:954).

2. Services To Offer

Timely reporting of acquisitions and changes in the location or nature of equipment provides a security system that protects University assets against theft and catastrophic loss while establishing accountability. The Moveable Equipment Inventory can provide information regarding equipment purchased for budgetary planning. Reports from the MEI system are available to assist departments in locating pieces of equipment by room number, building number, product code or owner code. Other information can be provided by the MEI system such as inventory numbers, serial number, requisition number and funding, claim number, date of input to MEI system and item dollar value.

3. Policies and Procedures

Moveable equipment (for capitalization purposes) is an item with an original acquisition cost of \$5000.01 or greater with a useful life of at least two years and that the item may be used repeatedly without material impairment of its physical condition.

4. Tagging

Timely reporting and tagging of equipment is vital to keep inventory records as current as possible. The Property Management staff at OSU in Stillwater issues equipment tags that are bar coded. This tag displays the inventory number assigned to a particular piece of equipment in both bar coded and human readable numbers.

5. Asset Control Sheet

Tags are sent to the department attached to a form called the Asset Control Sheet. Each tag will have two identical sheets attached. One is for Stillwater and the other is for OSU Tulsa. This form has all the important information regarding the piece of equipment purchased by the department. All information must be looked over and corrections made on both forms before being signed, dated, and returned to the Inventory Specialist.

6. Interdepartmental Transfers

Department head responsibility for moveable equipment encompasses the transfer of equipment within or between departments. A [Fixed Asset Transfer Request](#) is used for this purpose. The transfer code A5 is used by the department to indicate the removal due to transfer to another department. The most frequent use of the transfer is when one department obtains surplus equipment from another. The form is initiated, completed and signed by the releasing department. The accepting department signs the form and is sent to the Inventory Specialist. (**FORM 1**)

7. Relocation of Equipment

It is very important to keep Property Management informed of changes in location of equipment. Not only does this provide up-to-date information on equipment for inventory and insurance purposes, but also allows Property Management to provide the most accurate information for all departments. The **Fixed Asset Transfer**

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Request must be completed with appropriate information for relocation of equipment and then is signed by the department head before being returned to Inventory Specialist.

8. **Surplus Equipment and Disposals**

A department head may request removal and disposal of surplus property from the MEI system through the Inventory Specialist. A department declaring equipment scrap, salvage, and/or surplus must complete the [Fixed Asset Disposal Request](#). All equipment, materials, and supplies to be surplus must be reported on this form even though it may not have met the capitalization requirements or does not appear on the department's Moveable Equipment Inventory. **(FORM 2)**

The Fixed Asset Disposal Request must be completely filled out providing information to request disposition. The document is approved and signed by the department head then sent to the Inventory Specialist who will arrange for pick-up with Physical Plant.

a. **Means of Disposal**

i. **Auctions**

One means of selling surplus property is through a public auction.

ii. **Reverse Sealed Bids**

Reverse sealed bids are another method used to dispose of surplus equipment. Department representatives are not authorized to sell items by sealed bid.

b. **Trade-Ins**

If an item is used as a "trade-in" on new equipment, the inventory tag is to be removed and attached to a **Fixed Asset Disposal Request** form. The R6 removal code should be used in requesting removal of the item from inventory. A note should be made on the form providing the requisition or PO number of the new equipment on which the old item was used as a trade-in. Place the inventory number and item description in the appropriate columns for item traded-in in the removal section.

The department head is to sign the form indicating request of responsibility and accountability. The new item will be tagged after notification of payment for the new equipment has been received by Property Management in Stillwater. The invoice for the new equipment should provide the inventory number of the equipment that was traded-in as a cross reference. (The Trade-Out Agreement form needs to be completed and then signed by the Vendor and sent to purchasing)

9. **Lost and Stolen Equipment**

OSU Policy and Procedure Letter 3-0125.401 states that the department head is responsible for all equipment purchased for and assigned to the department and shall promptly report any lost or stolen equipment.

Stolen equipment should be reported to the OSU Police at once. The R2 removal code should be used when completing the **Fixed Asset Disposal Request**. Submit this form to the Inventory Specialist for updating the equipment database. A copy of the police report should accompany the completed FADR form.