Inventory Controls

Policy Statement

This policy establishes processes and procedures for the management and accountability of college-owned and college-controlled equipment and capital assets. It ensures those responsible for acquiring, inventorying, maintaining, and disposing of assets understand and adhere to the rules, regulations, and procedures governing such assets. The college owns and controls all equipment purchased with college funds or acquired through other funding sources, such as grants, donations, or alumni association funds.

Reason for the Policy

This policy ensures proper principles and financial management practices are followed for inventory control and property management at the college. It will help the college maintain uniform accountability for college equipment and property, and it will assist college employees in pursuing goals and responsibilities regarding equipment and property. Additionally, the policy provides a basis for projecting and budgeting future capital replacement and other needs to meet the academic standards and objectives of the college. Also, the New York State Governmental Accountability, Audit, and Internal Control Act requires that all state and city agencies are to establish and maintain internal controls to safeguard against any loss, damage, or theft of fixed assets.

Who is Responsible for this Policy

- The Office of Operational Services
- Receiving Department
- Controller
- Public Safety
- Division of Information Technology
- All Vice Presidents, Deans, and Department Chairpersons
- Department Supervisors
- Human Resource Management and Labor Relations

Who is Affected by this Policy

- All FIT employees

Definitions

- **Capital Asset**: All college-owned property, including real estate, equipment, and materials of all types.

- **Capital Equipment**: An item of non-expendable, tangible personal property, not permanently affixed to a building, having a useful life of two years or more and an acquisition cost of $5,000 or more per unit. Capital equipment also includes sensitive items (items that are generally for individual use or could easily be stolen or sold) with an acquisition cost of $5,000 or less per unit but that has a useful life of two or more years, such as tablets, laptops, desktop computers, audiovisual equipment, two-way radios, and cellular phones.

- **Disposal**: The abandonment, discharge, deposit, injection, dumping, spilling, leaking, or placing any solid or hazardous waste into or on any land or water so that such waste or any constituent thereof may enter the environment. Also, disposal refers to the thermal destruction of wastes and the burning of such wastes as fuel for recovering useful energy.

- **Electronic Equipment**: Any equipment, capital or otherwise, that may contain electronic components that may contain hazardous waste constituents that may enter the environment unless appropriately managed. Electronic equipment includes, but is not limited to:
  o Computer Processing Units (CPU) tower;
  o Laptop;
  o Cathode Ray Tube (CRT);
  o Plasma Display Screen;
  o Liquid Crystal Display screen;
  o Printer;
  o Keyboard/Mouse/Speakers;
  o Phone and Mobile Phone;
  o Fax Machine;
  o Equipment/Battery Charger;
  o Audio Visual Equipment; and
  o Other Electronic Equipment and Devices

Principles

- **Policy Governance**
  This policy applies to all schools, departments, units, and personnel of the college involved in the acquisition, management, control, and recording of capital assets, capital equipment, and electronic equipment at the college.

- **Inventory Control**
  Any capital equipment purchased with college funds will be inventoried. In addition, any capital equipment purchased with grant-sponsored funds and any donated capital equipment will also be inventoried.

  FIT will tag all equipment with a unique identification tag number as soon as the item is received. A unique identification tag number cannot be made for an item until it has been tagged with a decal.

- **Acceptance of Donated Equipment**
Donated equipment shall be accepted only if it is in working order, free of viruses in the case of computer equipment, and be of valid and immediate use to a department. Thus, equipment that is obsolete, non-working, or outdated should not be accepted. If there is any question as to the legal ownership of the donated equipment, proof of ownership may be required. Donated items must be accompanied by a statement from the donor supporting the estimated fair market value of the item. A copy of the donation form will be sent to the Office of Advancement once complete.

Responsibilities

- **The Office of Operational Services**
The Office of Operational Services is responsible for asset management. It administers all equipment and property matters for the centralized inventory control program include, but not limited to:
  o Identifying and tagging all capital equipment and electronic equipment and property. At times, the responsibility may be delegated to the Receiving Department
  o Providing oversight for annual physical inventory and audit of all capital equipment. A report of any capital equipment not found/located is produced for the respective departments after the inventory
  o Managing the transferring/removal process of non-electronic equipment

- **Receiving Department**
The Receiving Department is responsible for inspecting delivered equipment orders to determine whether the equipment is in acceptable condition and in the correct quantity ordered. The Receiving Department identifies and tags capital equipment for inventory purposes, as delegated by the Office of Operational Services.

- **Controller**
The Controller is responsible for resolving any questions that arise over whether a particular piece of property is subject to the definition of capital equipment. Any issues regarding capital equipment subject to inventory should be addressed to the Controller for resolution.

- **Public Safety**
Public Safety is responsible for providing the Office of Operational Services with copies of incident reports documenting any actual or suspected stolen FIT equipment and reviewing a listing of capital equipment items identified as missing by the Office of Operational Services for further action.

- **Division of Information Technology**
The Division of Information technology is responsible for managing all electronic equipment inventory. This includes:
  o Arranging for the transfer, storage, and disposal of all electronic equipment for a department.
  o Ensure the destruction of data on electronic storage devices including, but not limited to, hard drives, laptop, desktop, and mainframe computers, and servers, prior to disposal.
  o Ensuring all donated electronic equipment is in working order and free of viruses.

- **Deans, Department Chairpersons, and Department Supervisors**
  Department heads ensure equipment is used and purchased for college business only. They are responsible for maintaining proper accountability and control of equipment within their jurisdiction. The responsibilities may be delegated, but ultimate responsibility remains with the department head. Responsibilities include:
    - Knowing the location of all equipment in their inventory and ensuring that equipment is adequately safeguarded and secured from theft and other hazards.
    - Reporting all changes in equipment location to the Office of Operational Services.
    - Reporting lost or stolen equipment to the Office of Operational Services and Public Safety.
    - Ensuring that any equipment purchased with college funds, or acquired through other sources such as grants, donations, or alumni associated funds, is tagged.
    - Following the required protocol for the acceptance of donated equipment (as outlined in this document).

- **Human Resource Management and Labor Relations**
  Upon an employee's separation from the college or, in certain instances, transfer to a different department within the college, the Office of Human Resources Department is responsible for coordinating with all appropriate departments the return of all college equipment, as well as ensuring that Information Technology is notified to promptly deactivate all computer user accounts.

Procedures

- **Report of Stolen or Missing Equipment**
  Departments are required to report all actual or suspected stolen equipment to Public Safety promptly and provide assistance in the completion of the incident report. Similarly, Operational Services should provide Public Safety a listing of equipment items identified as missing as a result of the physical inventory for informational purposes and possible follow-up investigation. The inventory records will be adjusted by the Office of Operational Services for all reported and documented stolen and missing equipment items. If items are returned or found, written notification must be sent to Public Safety and the Office of Operational Services, which will record the equipment status change.

- **Transfer and Disposition of Equipment**
  All FIT employees must ensure proper management and disposition of all property, regardless of value, and should ensure appropriate protocol are followed. Unwanted equipment and furniture from classrooms and offices should not be placed in hallways, left unused, or stored in closets. When the need arises, permanent transfer, storage, or disposal of non-electronic equipment must be requested through the Office of Operational Services via Inventory Control Form B (see related documents) and electronic equipment must be requested through IT via inventory control form A (see related document).

- **Equipment Purchased with Federal Funds**
  This section relates to property management for equipment purchased with federal funds as outlined in the Code of Federal Regulations (CFR) 200.313 Equipment (Uniform Guidance).
    - **Equipment Records**

The college will maintain detailed information for all equipment acquired with federal funds.

- o **Physical Inventory:**
  As outlined in CFR 200.313(d)(2), the college will perform an annual physical audit of all federally funded equipment and reconcile the result of the audit with the master equipment list.
- o **Disposition:**
  When federally funded equipment is no longer needed, the college will dispose of the items as stipulated in the OMB Uniform Guidance.

Please see the FIT Guidelines for Equipment Purchased with federal funds (in Related Documents) for detailed information about these procedures.

Violations

N/A

Related Policies

- Employee Code of Ethical Conduct
- Purchasing

Related Documents

- Inventory Control Form A - Computer and A/V Equipment
- Inventory Control Form B – All Property Except Computer and A/V Equipment
- FIT Guidelines for Equipment Purchased with Federal Funds *(Internal document found on MyFIT; Finance and Administration, Operational Services, under Asset Management)*

Contacts

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