2201 -- Inventory, Fixed Assets, Disposition

It is the policy of the College/Foundation in accordance with Federal regulations that a complete physical inventory, including correcting entries, be completed by June 30 of each even-numbered fiscal year (i.e. 2015-16). The following inventory procedures must be followed.

Inventory

1. Equipment Records Maintained by the Custodial Supervisor

   All equipment/property with a value of $1,000 or more must be added to the College inventory. Upon purchasing any equipment costing over $1,000 the employee responsible for the purchase must complete the *Equipment Inventory and Disposition Form*.

   The equipment will be assigned a BCC inventory tag, to be attached to the item, and the information will be entered into the inventory file.

2. In addition, copies of inventory records including equipment classified as "information technology" must be submitted to the Technology Department. The term "information technology" as defined by Procedure 2112 – IT Purchases and Projects includes computers, ancillary equipment, software, and firmware.

3. A physical inventory must be taken and the results reconciled with the property records at least once every two years.

4. A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of property. Any loss, damage, or theft must be investigated and a report should be maintained with the equipment inventory.

5. All equipment/property that is transferred, stolen, scrapped, traded in, disposed of, etc. must be reported to the Custodial Supervisor by the department that was accountable for the equipment, by completing the *Equipment Inventory and Disposition Form*. Status changes are to be reported as they occur.

6. When original or replacement equipment acquired under a Federal award is no longer needed for the original project or program or for other activities currently or previously supported by a Federal awarding agency, except as otherwise provided in Federal statutes, regulations, or Federal awarding agency disposition instructions, the College/Foundation must request disposition instructions from the Federal awarding agency if required by the terms and conditions of the Federal award. Disposition of the equipment will be made in accordance with agency disposition instructions. See: § 200.313 Equipment (78629, Federal Register, Vol.78, No. 248/Thursday, December 26, 2013/Rules and Regulations).

7. Grant-funded programs must maintain a copy of the *Equipment Inventory and Disposition Form* in the grant files.

Fixed Assets

Fixed assets are any assets over **$5,000** in value and with a useful life of at least two years; donations with an estimated or appraised market value of $5,000 or more and a useful life of two years or more are included. All fixed assets must be maintained in an inventory.

- A *Fixed Asset Acquisition/Change* Form must be completed and a corresponding approved requisition must be forwarded to the Comptroller and Budget Manager prior to payment.
- Fixed asset purchases may not be combined with non-fixed asset purchases on the same requisition.
- Any changes to the fixed asset must also be reported to the Comptroller, using the *Fixed Asset Acquisition/Change* Form indicating the appropriate change information (location, responsible party, disposal, etc.).
- The Comptroller shall maintain all Fixed Asset records.

Disposition of College Equipment

The disposal of outdated or surplus College/Foundation equipment may occur through donation to other non-profit or public bodies; offered for sale at auction, sealed bid, or first come basis when properly advertised; used as trade-in; or be declared worthless and properly disposed.

The Coordinator of Facility Management shall annually review the College inventory of equipment and identify that which is outdated, surplus, or worthless.

The Coordinator will publicly advertise the availability of such equipment to non-profit and/or public bodies within Barton County and in other geographic areas as deemed appropriate.

The advertisement shall include the form and process for securing the equipment, along with a timeline. The Coordinator will conduct the process described and will be responsible for completing the transfer of the equipment, including updating the College Inventory, and other required paperwork.

Equipment deemed worthless shall be properly disposed of by the Coordinator or his/her designee.

Disposition of Equipment Purchased with External Funds

Prior to disposing of any equipment, it must be determined if the College/Foundation has any obligations to a third-party sponsor with respect to the equipment. If equipment was purchased under sponsored funding, it must be determined whether the equipment is:

- sponsor-owned: equipment purchases made with contract funding are generally sponsor-owned, however, in rare situations this condition may also apply to grants;
- College-owned: most equipment purchased under grants or gifts is College-owned.
- Foundation-owned: equipment may be titled to the Foundation and stipulations may apply.

After determining who has title to equipment, it must be ascertained whether the project that the equipment was purchased for is still on-going. If the project is still on-going, the College/Foundation normally has an obligation to utilize the equipment for the purposes of the

project, or perhaps to make the equipment available to other federally-assisted projects. If it is determined that the sponsored project has ended and the College/Foundation retains title to the surplus property, the College/Foundation may still have obligations with respect to the equipment.

Any changes to the fixed asset must also be reported to the Comptroller, using the *Fixed Asset Acquisition/Change Form* indicating the appropriate change information (location, responsible party, disposal, etc.).

Any changes to inventory shall be reported to the Custodial Supervisor, using the *Equipment Inventory and Disposition Form*.

Disposing of Federally-Owned Equipment

See § 200.313. Equipment

Oversight of Equipment Inventory Control

The College has delegated the oversight of equipment control to the Custodial Supervisor. Disposition of equipment must be coordinated through this office. The IT Department must be notified when changes in the inventory occur.

Contact(s):
Custodial Supervisor (Equipment), Comptroller (Fixed Assets)

Related Form(s)

- *Equipment Inventory and Disposition Form*
- *Fixed Asset Acquisition/Change Form*

References
§§ 200.302, 200.303, and 200.313 (Federal Register, Vol.78, No. 248/Thursday, December 26, 2013/Rules and Regulations).

Relevant Policy or Procedure(s): 1201 – Inventory, Fixed Assets, Disposition

Approved by: President

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