

PROPERTY MANAGEMENT GUIDELINES

PHYSICAL INVENTORY

POLICY

The State Property Accounting Policies and Procedures Manual requires University records of assets be up to date and accurate at all times. This is ensured by conducting annual Physical Inventory. Physical Inventory will be coordinated by the Property Management once a year. This process attempts to ensure that every capital and controlled asset is listed on the Property Management's Master Inventory Record and to account for each capital and controlled asset issued to a department.

PROCEDURE

The university uses the bar code scanning method to conduct the annual inventory in the following sequence:

1. There are 47 scanners available for check out each week, the department Property Custodian can contact Property Management to check out a scanner by providing the following information: your name, department ID(s) of inventory to be scanned, email address for scan results, and requested pick up date.
2. Annually, Property Custodians will be notified of the physical inventory, when bar code readers can be reserved to conduct their departmental inventory, and of applicable annual deadlines for completion of the annual inventory.
3. The Departmental Inventory Listing will be sent to the person who reserved the scanner along with detailed instructions prior to the initiation of the required annual property inventory. The inventory report will include, but is not limited to, these specific items:
 - University Inventory tag number
 - Acquisition date
 - Description of the asset
 - Location (department, building, and room number)
 - Serial number, when applicable
 - Historical cost of asset
 - Asset Class Code (See Table Reference Material)

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REFERENCE MATERIAL TABLE:

ASSET CLASS	DESCRIPTION
1YR-M	1 Year Missing - Documentation on File
2YR-M	2 Years Missing - Documentation on File
3YR-M-DEL	Delete - 3+ Years Missing
ABD	Abandoned by Department
APPRAISAL	FY1991 Appraisals
AT	Assigned Tag
AVR	Appraisal Value Required
DAO	Donated to Assistance Organization
DBD	Disposed of by Department
DTDEE	Duplicate Tag/Data Entry Error
EHIT	Equipment Held-In-Trust
FIB	Fabrication-In-Progress
GFP	Government Furnished Property
LBI	Land, Buildings, Improvements, and Infrastructure
MAC	Music and Art Collection
NEU	New Equipment Untagged
OBSOLETE	Obsolete
OFF-CAMPUS	Off-Campus
OLD	On Loan from Department
PP	Personal Property
RTS	Returned to Sponsor
RTV	Returned to Vendor
RTWNT	Replace Tag with a New Tag
SALVAGE	Salvaged/Cannibalized
SAS	Sold - Authorized Sale
SCE	Surplus Capital Equipment
SOLD-LBS	Sold - Local Bid Sale
STOLN-PRD	Stolen - Pending Receipt of Documentation
STOLN-RTS	Stolen - Reported to State
TFR-ST-AGY	Transfer to State Agency
TRADE-IN	Trade-In
TSPM	Temporarily Stored at Property Management

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4. After the scanner is returned, Property Management extracts the scanned inventory report from the scanner. Once scanned inventory files are uploaded to PeopleSoft Asset Management, Property Management personnel will generate an inventory report for the Department and the inventory reports will be emailed to the department Property Custodian.

This report has **six** sections:

- **“Inventory Scanned List”** worksheet that identifies scanned items that match the departmental inventory listing.
- **“Off-Campus List”** worksheet that lists assets that were reported as off-campus equipment for the current fiscal year via the submission of form PRP-2 form. Please review the list thoroughly to help ensure accuracy. If the asset listed remains off-campus, place a check mark in the column titled “FYXX Form on File”. If the asset listed has been returned, indicate so on the off-campus list and update the location (Building and Room Number) for each item.
- **“Previous Missing List”** worksheet that lists assets that were reported as missing during previous inventories.
 - Please review the list very thoroughly to help ensure accuracy; many missing assets are found in their last known location
 - If the asset listed remains missing, place a check mark in the column titled “FYXX Item still Missing”.
 - If the asset has been found, indicate so on the missing equipment list and update the location (Building and Room Number) for each item.
- **“Inventory Not Scanned List”** worksheet that lists the items on the departmental inventory that were not scanned.
 - If there are more than 20 items remaining as unverified (not scanned), the department will make a reservation for the use of a scanner to complete the inventory.
 - If there are less than 20 items, the department may have the option to identify them manually using the “Physically verified” column.
 - If the department cannot locate the items, Missing/Stolen Forms or Transfer Forms must be submitted before the inventory can be considered complete. Transfer Forms must be signed by both the sending and receiving department, and must be confirmed on the receiving department’s physical inventory.
- **“Scanned by List”** worksheet that lists items which were scanned, but are not on the departmental inventory listing.
 - If the scanned items not on the Departmental Inventory List were transferred to the department without submitting notification and documentation to Property Management, the Department should submit the Transfer Forms to Property Management. Transfer Forms must be submitted before the inventory can be

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considered complete.

- If the scanned items not on the Departmental Inventory Listing do not belong to the department, provide a list of the Asset tag numbers and asset descriptions to Property Management by email so that they may remove those items from your scan results. Physical inventory cannot be considered complete until this request is received and completed.
- **“Disposed Items List”** worksheet that lists items that were scanned but were previously identified by the department as having being disposed. Disposed items do not appear on your active inventory and do not have to be scanned. However, if any of these items are still actively in service, please notify Property Management so that the items can be reinstated.
5. Once the final Scanned Inventory is completed and all related forms are received (Missing/Stolen, Transfer, updated Off-Campus Equipment forms), Property Management will send the department the final Property Listing.
 6. Beginning FY 2016, there will be new requirements for items reported as missing:
 - a. All items will require documentation of attempts to locate the equipment.
 - b. All items reported as missing will be reported to the appropriate Dean and or Associate Vice President/Vice Chancellor.
 - c. Departments with high incidence of missing items will be required to investigate the reason for such losses.
 - d. Departments with high incidence of missing items may incur fiscal penalties, as determined by University administration.
 7. Departments complete Form PRP-9, Inventory Confirmation and submit to Property Management.
 - This form requires the signature of the Property Custodian, the Department Manager/Director or the appropriate Division Supervisor.
 - This form is due to Property Management within 30 days of the Annual Inventory due date.
 8. To help ensure the accuracy of the physical inventory, Property Management conducts inventory verification audits of 15 campus departments.
 - Property Management selects the 15 departments using a random number selection method. Once the department is selected, Property Management selects between 2 and 10 assets per Department to re-verify.
 - If your department is selected, Property Management will contact you to schedule a time to view and confirm the assets existence and location.

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- **Most Common Scanner Problem:**

- One of the most common scanner problems is when the scanner does not read the location tags in the doorways or equipment tags number. This can occur because the ink has dried out or the tag is damaged. The location can be keyed directly into the scanner or the department can submit a request for replacement tags to Property Management.