



307 POLICY - Inventory

307.1 Statement of Policy

Redlands Community College, as a state agency, maintains an inventory of movable equipment as required by state law. Guidelines developed to protect the assets of the state and provide uniform procedures for individuals responsible for the safekeeping of such assets are published in the Procedures section of the Policies and Procedures Manual.

Adopted April 1997

Revised February 2001

Revised December 2010



307 PROCEDURE - Inventory

307.1:1 Moveable Assets

One function of the Business Office is to establish and maintain a current inventory of movable assets, including the item: name, description, location, original cost, and primary user.

- A. Equipment shall be considered an inventory item if it
 1. has a useful life of three (3) years or more
 2. has an acquisition cost of at least \$2,500
 3. is a technology related item that has an acquisition costs of at least \$500, and
 4. is a complete and independent item which does not lose its identity or become a component part of another item.

307.1:2 Inventory Guidelines

Inventory guidelines were established to assign responsibility and accountability for movable assets to the department supervisor. The Chief Technology Officer is responsible for all technology related items on campus. All employees shall recognize the concept of institutional ownership and accountability with departmental responsibility.

307.1:3 Acquisition of Inventory

Purchase of assets is the most common method of acquisition. When assets are purchased and received, accounts payable pays the claim once the department approves of purchase. Once per month, the accounts payable department will run a report which will identify purchases that are required to be placed in the fixed assets system. This report will be forwarded to the department responsible for inputting the required data into the financial system and tagged appropriately.

Occasionally, items are donated to the College. An Educational Donor Form is available to the donor for tax purposes. The department supervisor should fill out an Inventory Control Form or send a detailed email and notify the Inventory Clerk so the donated asset can be tagged and included on the inventory.



307.1:4 Location Transfer

Transfer of movable assets from one location to another must be reported to the Business Office. Transferring of assets to another department must be reported to the Business Office so accountability is transferred to the receiving department. Such transfer should be reported via a detailed email or an "Inventory Control Form".

307.1:5 Selling, Trading, or Deleting Inventory

Selling, trading, or deleting an inventory item requires the approval of the Executive Vice President of Campus Administration and Finance for assets with an original acquisition cost of \$2,500.00 or more. Selling, trading, or deleting an inventory item costing less than \$2,500.00 requires the approval of the departmental supervisor and his or her immediate supervisor.

- a. The approval of the Executive Vice President of Campus Administration and Finance is required for any disposal of scrap, salvage, broken, or obsolete assets with an inventory tag. A list of such items will be prepared by the department and emailed to the Executive Vice President of Campus Administration and Finance. Nothing is to be disposed of until final approval from that office.
- b. If a department supervisor wishes to dispose of any inventory item, he or she should fill out an Inventory Control Form and notify the Physical Plant to pick-up the surplus item(s). Once approved for surplus by the Executive Vice President of Campus Administration and Finance, assets will be disposed of through the procedures for disposal of surplus state property, through sealed bids or public auctions.
- c. If an item is used as a "trade-in" on a new asset, the departmental supervisor must provide documentation proving that the item will be traded for "fair market value". This documentation should be attached to the bid documentation for the new asset.
- d. Theft of assets shall be reported to the Campus Security Office, which shall, in turn, report the theft to the appropriate authorities and to the Business Office. Any removal of an item from inventory records due to theft or loss shall be approved by the administrator in charge of finance.

307.1:6 Physical Inventory

A physical inventory shall be taken in each department once every two years. A complete listing of inventory items will be provided to each department. All departments shall conduct a physical count of inventory. Any variances shall be indicated on the inventory listing. The annual inventory shall be certified by the



department supervisor and returned to the Business Office no later than the date specified when the inventory listing is distributed. Departmental inventory may be tested for verification by the Business Office.

307.1:7 Questions

Questions regarding inventory procedures should be directed to the management in charge of the Business Office.

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