

## *ABAC Business Guidelines and Procedures Manual*

**Departmental Responsibility:** Office of Property Control

**Topic:** Annual Inventory Verification Process

**Effective:** February 2014

**Last Revised Date:**

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### **Purpose of Procedure**

A year-end inventory count and valuation must be made before the close of business each physical year. Inventory verification serves as a deterrent to loss, theft, damage, and misuse so those responsible for assets perceive that they will be held accountable for such assets, and will be required to produce proof of existence of those assets on a periodic basis. The following procedure addresses inventory verification, which includes either physically, or electronically confirming the existence, location, and quantity of assets.

Inventory verification is conducted to accomplish one or more of the following:

- Assess the accuracy of asset records,
- Update asset records,
- Assess asset loss experience,
- Identify process inconsistencies, and
- Provide the status of the verified assets for reporting purposes.

### **Inventory Verification Procedure**

The following are the general steps necessary to accomplish annual inventory verification. Due to the complexity of the task and the constant shifting of inventorial items at the unit level, each unit will be responsible for verifying the list of items to be verified. Specific instructions for the verification of inventory items will be sent to each unit in the spring of each year.

The following are required actions and procedures:

- The units are **required** to physically locate and record each item from the unit list.
- The Dean and/or unit head is responsible for their unit's inventoried items.
- Only full-time employees are allowed to perform unit inventory (students not allowed). Person taking inventory will initial each item designating that item has been located.
- Any location changes on inventoried items should be noted on the list and a Unit Inventory Change Form should be completed and sent to Property Control.
- Items deemed unusable or no longer needed by the unit, should be noted for removal from inventory or for transfer to another unit.
- Any items not located should be noted with an explanation that states all means of locating said item have been exhausted and the item cannot be found.
- Any item not located and suspected of being stolen, should notify Property Control immediately. Items suspected stolen should be reported to Campus Police by Property Control.
- The Dean or Unit Head will sign inventory list after inventory has been completed.

Each year, after all unit inventory verification lists have been returned to Property Control, a random verification of unit inventories will be undertaken by Property Control to assure that inventory methods have been followed. No more than 25% of the units will have a post-inventory verified each year. All inventories should be verified within a 5-year period.

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A specific timeline will be set for each annual verification using the below general timeline as a guide.

Spring of each year,  
inventory list are sent to  
each unit for checking.

Units will have 2 weeks to  
complete inventory check  
and returned to Property  
Control.

2 weeks after all inventory check lists have  
been returned to Property Control, post  
inventory verification will be undertaken.

Results of assets will  
be recorded for year-  
end accounting

Example (may not be accurate representation of actual list):

**Annual Unit Inventory Verification List**  
For Fiscal Year 2014

Asset ID	Tag Number	Item Description	Serial ID	Effective Date	Current Location	New Location	Description of Item	Cost	Category	Unit Area	Date Verified	Verifier's Signature
000000002927	0000002994	RADIO BASE STATION	74DCX21B0	4/15/04	0110AIRHDC		Branch Student Air Handling Rm	7788.000	ITEQP	STUDENT.M		
000000003181	0000002992	UTILITY CART	FG9505-422863	2/13/04	0110BKST		Branch Student Ctr BOOKSTORE	5216.000	VEHIC	BOOKSTORE.B		
000000003511	0000003068	PHOTOCOPIER IM5520; All in	5080172	2/10/06	0110BKST		Branch Student Ctr BOOKSTORE	8495.000	M&E	Business,Off		
000000003639	0000003168	PHOTOCOPIER SAVIN	M097530118	8/20/07	0110BKST		Branch Student Ctr BOOKSTORE	3557.000	SVP	BOOKSTORE.B		
000000003687	0000003070	PHOTOCOPIER IM 2520 -All	5090258	5/16/06	0110CASH		Branch Student Ctr Cashier	4095.000	SVP	Business,Off		
000000003705	0000003219	COPIER- SAVIN 9025b ; 25ppm,dl	M6485206559	8/22/12	0110DEAN		Branch Student Ctr DEAN Studen	4487.000	SVP	VICE PRES,SE		
000000002241	0000002091	PROJECTOR LCD	112314561	4/16/12	0110EDS		Branch Student EDS	3536.000	SVP	Branch,EDS		
000000400240	0000003394	PHOTOCOPIER Canon 3225; copier	DFH32648	3/26/12	0110EDS		Branch Student EDS	4987.000	SVP	BRANCH,EDS		
000000003571	0000003127	FOLDER-INSERTER/ PITNEY BOWES	1201958	8/22/12	0110FAO		Branch Student Ctr FIN AID OFF	3845.000	SVP	STUDENT,E		
000000003620	0000003165	PHOTOCOPIER SAVIN 803SESP-3	M2775302107	7/26/07	0110FAO		Branch Student Ctr FIN AID OFF	6136.000	M&E	FIN AID,B		
000000000594	0000000662	PHOTOCOPIER	H2411403222	1/1/00	0110GOVR		Branch Student Ctr GOVR	4006.000	SVP	GOVR,B		
000000003641	0000003198	SERVER	HA-6071-1	11/15/07	0110NICK		Branch Student Ctr Nickelodean	9840.010	ITEQP	OITS,C		
000000003642	0000003199	SAN STORAGE	HA STORAGE	11/15/07	0110NICK		Branch Student Ctr Nickelodean	20266.000	ITEQP	OITS,C		
000000003680	0000003205	BATTERY BACK UP SYSTEM- APC SY	DS14557927-01	11/13/07	0110NICK		Branch Student Ctr Nickelodean	13098.780	ITEQP	OITS,C		
000000003002	0000003239	SERVER 9525R Intel Xeon E5345	4645199-0001	11/30/09	0110NICK		Branch Student Ctr Nickelodean	4382.000	SVP	OITS,C		
000000400011	0000003260	HP Storage Works 1200R 12Tb SA	UX929044J	11/30/09	0110NICK		Branch Student Ctr Nickelodean	24752.500	ITEQP	OITS,C		
000000400236	0000003390	Mailing System 2000+ connect w	0006303	1/30/12	0110POST		Branch Student Ctr POST OFFICE	11957.000	M&E	POST OFF,B		
000000003445	0000002181	COPIER/FAX MACHINE	H8628405362	6/13/01	0110SES		Branch Student Slu Enroll Serv	4006.000	SVP	STUDENT,E		
000000003615	0000003164	PHOTOCOPIER SAVIN 8025E; 25	M0975300570	7/26/07	0110SES		Branch Student Slu Enroll Serv	4386.000	SVP	STUDENT,E		
000000400038	0000003323	Club Cart 6 Passenger ,2010 Mo	605783G01	5/8/10	0110TIO		Branch Student Ctr TIO	9310.000	VEHIC	STUDENT,E		
000000002832	0000000988	TRANSMITTER	514341	4/11/03	0110WPLH		Branch Student Ctr Radio WPLH	6484.850	ITEQP	STUDENT,M		

Instructions: Please locate each item on the above list and verify that it is found by posting current date in the "Date Verified" column and sign in the "Verifier's Signature" column. Any items found at a location other than what is designated in the "Current Location" column, should insert the new location in the "New Location" column. When finished, have the Unit Head or the Dean sign and return to Property Control. For audit purposes, each unit should keep a copy of the verification list for their file. Remember, assets under verification are not to be checked for damages/condition on the check-out date.

Unit Head/Dean:

Date:

## Inventory Change and Surplus Procedure

In order to keep our records up to date for audit purposes, the Unit Inventory Change Form should be completed for inventoried items that have moved to a new location or for items that will be sent to surplus. This form can be found at <http://www.abac.edu/more/business-operations/procurement>. Unit that currently has the item on their list should complete form. This form should be completed and sent to Property Control at the time the item has moved – not at the end of the year or when inventory is taken.