



Administration & Finance

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Issuing Office: Property Department

Policy Number: FY10-PRO-001-00

Policy Name: Inventory Control Policy & Procedure for Moveable Equipment

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Purpose of Policy: To define the responsibility and coordinate the efforts between the Property Department and all Boston campus departments in the use, care, maintenance, and inventory control of University Moveable Equipment and to satisfy the requirements of the Federal Government regarding control over Government Property for which the University is responsible and accountable.

Applicable to: All UMass Boston campus departments, employees and end-user(s) of University equipment.

Definitions:

Asset Management System (AMS) - An asset tracking and inventory module system within the official University accounting system used to account for and inventory fixed assets.

Campus Departments – The UMass Boston Campus includes all departments at 100 Morrissey Blvd, Nantucket, Plymouth, Institute for Community Inclusion (ICI) at 20 Park Plaza, Early Learning Center at Harbor Point, WUMB sites and other sites as may be determined.

Central Receiving – Located in Service & Supply Building - LL

Fixed assets – Defined as land, buildings, land & building improvements, construction work in progress, equipment, library collections, and software \$100,000 and greater.

Moveable Equipment – a tangible item or Unit of equipment that is purchased, donated, leased or acquired through trade, is not permanently affixed to a building and that: a) is an entity unto itself (stands alone – must be externally visible; e.g. computer, microscope, audio visual equipment,



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etc.); b) has a life expectancy of two years or more and c) is not being held for resale. Movable equipment with a per unit cost of \$1,000 or greater, all computers and weapons regardless of cost, and Furniture with a cost of \$5000 and greater are recorded, tracked and subject to physical inventory.

Capital Equipment – Moveable equipment with a unit cost (or value) of \$5000 or greater and is capitalized.

Non-Capital Equipment – Moveable equipment with a unit cost (or value) of \$1000 - \$4999.99 and all computers and weapons with a cost (or value) of \$1 - \$4999.99. This equipment is recorded in the AMS because it is considered sensitive and is deemed necessary to be inventoried because it may easily be converted to personal use and/or must be controlled to meet external reporting requirements.

Unit [of equipment] - an individual item or a group of items that roll up into a functional unit that, if separated, would diminish the functionality of the unit. A group of items would include a core unit and any components or enhancements that are part of putting the unit into service (e.g. desktop computer system (tower, monitor, keyboard, etc)).

Policy:

Moveable Equipment is provided by the University for use by faculty, staff and students in pursuit of University activities to include teaching, research, public service and administration. Equipment is a valuable resource necessary for UMASS Boston to operate as a major research University.

Title to or ownership of all Commonwealth/University property shall be vested in the University of Massachusetts unless stipulated otherwise by the funding source. Title does not rest with a department, faculty, staff or principal investigator, regardless of source of funds or donation associated with the acquisition.

University (includes federally funded) Moveable Equipment is physically inventoried and reconciled by the Property Department every two (2) years in accordance with University and Federal Guidelines. It is the general responsibility of members of the faculty and administration to ensure the proper use, care, maintenance, and safekeeping of all assets under the control of their respective units. This involves knowing the location, primary user and condition of University equipment. It is important to safeguard this valuable equipment by locking office and storage unit doors and placing hardware in locations to lock down moveable equipment whenever possible.



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Inventory management and accountability for Moveable Equipment requires the leadership of the Property Department and the support of Campus Deans, Department Heads, or Directors who work together in a coordinated effort to maintain asset management records and inventory control. This combined commitment will ensure the success of our equipment inventory management program.

Policy and Procedures:

1.0 Responsibilities:

1.1 Property Department

The Property Department is responsible for the development and implementation of University and Campus policies covering inventory control for Moveable Equipment, managing and conducting biennial physical inventories of University and Federal equipment, and maintaining inventory records of Moveable Equipment within the AMS

1.1(a) The Property Department is responsible for the creation and periodic review of forms related to the management of equipment, timely updates within the AMS as required (Property Passes, Transfer Forms, Surplus Forms, Missing and Unaccounted Equipment Forms. Completed forms are processed within 10 business days of receipt).

1.1(b) The Property Department monitors department equipment management efforts. The Property Department also offers guidance and provides *monthly* training to departments on departmental responsibilities in equipment management, record keeping, inventory control and communicates any changes in processes, forms, or reporting and recording thresholds.

1.1(c) The Property Department is responsible for the reconciliation of physical inventories and quarterly reconciliations of asset additions to accounts payable payments. They will also work with the UMB Controller with internal and external audit requests regarding additions and deductions in the AMS.

1.2 Departments, Colleges, and Centers

The Dean, Department Head, or Director is responsible and accountable for the physical inventory and maintenance of inventory controls over Moveable Equipment in their areas with the direct assistance of the Property Department. They may designate a Departmental Property Custodian



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to serve as the liaison between the department employees and the Property Department for all inventory matters.

1.3 Departmental Property Custodians

Designated Department Property Custodian (DPC) shall assist the Dean, Department Head, or Director in maintaining University property under their control. Departmental Property Custodians are responsible for:

- Completing and submitting all required forms to the Property Department
- Notifying the Property Department of end-user or location changes of University assets under their control
- Coordinating physical inventories with faculty and staff (i.e. locating equipment, scheduling access to equipment)
- Informing the Property Department of all direct receipt of equipment (vs. receipt through Central Receiving) for appropriate bar-coding and tracking of University assets.
- Departmental Property Custodians must attend training and meetings with the Property Department as required.

2.0 Acquisition and Valuation of Moveable Equipment

Moveable equipment may be acquired by purchase, lease, transfers or donations. All fixed assets purchased by the University are acquired in accordance with [Purchasing Policy T92-031](#). Purchased and donated fixed assets are managed in accordance with [Capitalization and Inventory Control Policy \(T96-073\)](#) and the Inventory Guidelines issued by the President's Office.

2.1 Purchased Moveable Equipment

Purchase Orders are normally utilized for leased and purchased Moveable Equipment with a unit cost of \$1,000 and greater. Purchase requisitions over \$5,000 up to \$25,000 not covered under contract must provide three quotes and the lowest/qualified of the three quotes must be the selected vendor or public bidding by Procurement. Over \$25,000 must be bid by Procurement.

- Procurement Card (Procard) may be utilized for equipment purchases with a unit cost of \$999.99 or less. For computer purchases, a [Computer Reporting Form](#) must be completed and submitted to the Property Department.



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2.2 Valuation of Equipment

Purchased equipment is valued at invoice price and other costs associated with putting the item or unit into service (i.e. freight, accessories, installation, etc). Discounts, if any, are excluded from the valuation.

2.3 Donations

Donations should be processed through the Office of University Advancement. The Office of University Advancement determines the value of donations and is responsible for notifying the Property Department of Moveable Equipment donations valued at \$1,000 and greater and computers regardless of cost for tagging and recording in the AMS.

2.4 Transferring Equipment to UMB

Equipment may be acquired through transfer from other institutions or through the excess/surplus equipment processes (Federal or State). Departments should complete and submit an [External Equipment Transfer Sheet](#) to the Property Department.

2.5 Warranty Replacements

The Property Department must be notified of any equipment that will be replaced under warranty. The replacement equipment will be managed under the same policies and procedures for Moveable Equipment.

2.6 Trade-ins

Purchasing Requisitions must note if equipment is being traded-in and provide information necessary for the Property Department to update the AMS (description, barcode, serial number, and trade-in value (if any). For trade-in equipment purchased with grant funds, ORSP must also approve the action in advance.

2.7 Professional Development Purchases

Title of Moveable Equipment is contingent upon terms in the Professional Development Agreement.

3.0 Receiving and Recording of Moveable Equipment

Moveable Equipment purchases should be delivered to Central Receiving, If University equipment is shipped directly to an end user or department, the recipient must notify their Departmental Property Custodian (DPC). DPC's are responsible for notifying the Property Department of



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Moveable Equipment purchases that were not received through Central Receiving, or, were delivered without a University barcode.

3.1 Bar-coding

Moveable Equipment recorded and tracked within the AMS is tagged with a unique barcode label issued by the Property Department. A 10 character alphanumeric barcode system was implemented in 2007 to track equipment. Barcode labels with "US" denote federally funded equipment and barcode labels with "UM" denote University or state funded equipment. All Moveable Equipment is bar-coded unless the Property Department determines it is impractical or would otherwise affect its value, function, or warranty.

Faculty and staff should notify their Departmental Property Custodian (DPC) of Moveable Equipment delivered without a University barcode. DPC's are responsible for notifying the Property Department. In certain instances, the Property Department will issue a barcode label to the DPC.

Missing or lost barcode labels should be reported to the Property Department immediately.

3.2 Laptop and Notebook Computer Acquisitions

Effective July 2009, all laptop and notebook computers require a property pass to be completed and submitted to the Property Department upon delivery of the laptop or notebook computer. The Receiving Department will not deliver a laptop or notebook computer with out a Property Pass on file with the Property Department.

3.3 Recording/Posting

Posting attributes of Movable Equipment usually include, serial number, barcode, location, end-user information and acquisition details. The Property Department posts equipment to the AMS within 10 business days of the final payment and receipt of posting attributes.

4.0 Use and Disposition of Moveable Equipment

Departments or end users may not dispose of, transfer, recycle, trade-in, or surplus University property on their own accord. University equipment shall be used to support University activities and may not be used for illegal or for non-University purposes. Deans have authority to assign use within UMass Boston of expired grant funded Moveable Equipment. Use and disposition of Moveable Equipment must be controlled within the following policies:



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4.1 Off Campus Equipment

Equipment may be taken off campus for business-related purposes only (i.e. whenever it will benefit the teaching, research, public service or administrative activities of the University) and with a valid Property Pass on file.

- Prior to removing University equipment off campus, the end user must complete and submit a [Property Pass](#) to the Departmental Property Custodian (DPC), who will verify and review for accuracy and completeness
- When equipment is removed from campus for more than 7 consecutive days, the DPC must submit the completed pass to the Property Department
- Off-campus equipment will be recorded and tracked in the AMS.
- A Property Pass is valid for up to two (2) years.
- Upon expiration of the Property Pass, either the equipment will be returned to campus or a new property pass will be completed and submitted to the Property Department.
- Upon return of equipment to campus, the DPC, Dean, Department Head or Director shall notify the Property Department by completing the return section of the Property Pass.

4.2 Internal Equipment Transfers

To transfer Moveable Equipment to another UMB campus department, an [Internal Equipment Transfer Sheet](#) must be completed by both the receiving and transferring departments and submitted to the Property Department for processing.

4.3 External Equipment Transfers

Equipment purchased with sponsored (grant or contract) funds may be relinquished to another institution if the grant or contract is being transferred to that institution or if it was stipulated in the application (active projects only). Prior to the transfer of equipment, Departmental Property Custodians must complete an [External Equipment Transfer Sheet](#), obtain approval from Office of Research and Sponsored Projects (ORSP) and submit the transfer sheet to the Property Department for processing and approval.

4.4 Sale of Equipment

Contact the Assistant Vice Chancellor for Contracts and Compliance to discuss sale of any items.



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4.5 Lost or Stolen Equipment

The Property Department submits a monthly report of all unaccounted for variances, losses, and shortages of equipment to the University of Massachusetts Boston (UMB) Controller. Property Department also notifies the UMB IT Security Officer of any lost or stolen computers.

4.5(a) Missing/Unaccounted Equipment

If a department determines an item is missing or lost, a [Missing/Unaccounted Equipment Form](#) should be submitted to the Property Department. The item may be subject to the next inventory cycle before it is deemed lost and removed from service.

4.5(b) Stolen Equipment

On-campus equipment that is stolen must be reported immediately to campus police and the Departmental Property Custodian. Campus Police will notify the Property Department of stolen equipment.

In the event equipment is stolen off-campus, the person the property is assigned to (recipient) must report the incident to the local police and fill out a Police Department incident report. A copy of the Police Department incident report must be given to the Campus Police, the Property Department and the Departmental Property Custodian. If the stolen equipment is a computer or other data storage device, the IT Security Officer should be notified and provided a copy of the Police Department incident report.

4.6 Surplus Property - Disposal

Departments or end users may not dispose of University equipment on their own accord. To dispose of Moveable Equipment, the Departmental Property Custodians should contact the Customer Service Center to request removal of all surplus equipment.

The appropriate Surplus Form should be completed, submitted to Customer Service and a copy attached to the equipment being disposed. Only equipment listed on the Surplus Form(s) will be removed. Customer Service will assign a HEAT ticket(s) to IT or Receiving when completed forms are submitted. Customer Service will notify the requester when the surplus process is complete.

4.6(a) Computer/ Data Storage Device Disposal

The IT department is responsible for the degaussing or removing of data from all equipment that stores data. For equipment that stores data (computers, servers, laptops, computer



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towers, imacs, notebooks, iPhones, blackberry's, mobile devices, hard drives, backup tapes and other devices that hold personal or UMB information) departments must complete and submit the [IT Data Storage Surplus Form](#) to Customer Service and attach a copy to the equipment for surplus. An IT service tech will remove items listed on the form, sign and submit form to the Property Department for the completion of the surplus process and update of the AMS. Customer Service will notify the requester upon completion.

4.6(b) Other Moveable Equipment Disposal

For disposal of all other Moveable Equipment a [Moveable Equipment Surplus Form](#) must be completed and a copy attached to the equipment for surplus. The Receiving Department will only remove items listed on the form (non-data storage equipment). Receiving will sign off on the form and submit it to the Property Department for the completion of the surplus process and update of the AMS. Customer Service will notify the requester upon completion. If the equipment contains hazardous material, departments must note that on the form. Receiving will contact EH&S to determine the proper removal and disposal method of the item(s).

4.7 Trade-ins

Purchasing Requisitions should note equipment is being traded-in and provide information about the equipment being traded (description, barcode, serial number, and trade-in value (if any)) so the Property Department can update the AMS. For trade-in equipment purchased with grant funds, ORSP must also approve the action in advance.

4.8 Employee Exit Policy

In accordance with [HR Policy FY08-HRS-001-01](#) (Employee Exit Policy), the Property Department is responsible for informing the employee and their supervisor of any property passes on file for the terminating employee.

5.0 Physical Inventory of Moveable University Equipment

University (includes federally funded) Moveable Equipment is physically inventoried and reconciled by the Property Department every two (2) years in accordance with University and Federal Guidelines. A physical inventory is completed by electronically scanning the unique barcode labels on equipment, visual verification of equipment, or a valid property pass is on file.



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In preparation for the physical inventory, the Property Department will provide departments with an inventory report of equipment under their control. The Departmental Property Custodian should review the report, note any corrections and is responsible for timely coordination of access to equipment to be inventoried.

The Property Department uploads the scanned items to the AMS and reconciles the Physical Inventory within the AMS. The Property Department will issue Inventory Reports to departments for their review and validation.

Oversight Department: Property Department

Responsible Party within Department: Asset Manager

Monitoring: The Property Department retains the responsibility to communicate, train, and update Inventory Control Policies & Procedures and maintain the Moveable Equipment records in the AMS.

The Assistant Vice Chancellor for Contracts and Compliance will:

- 1) Review and confirm the biennial physical inventory and reconciliation
- 2) Ensure a quarterly reconciliation of asset additions to payments is completed.
- 3) Review the equipment account code definitions and work-flow

The Controller's Office will review and confirm the quarterly reconciliations of asset additions to payments.

Authority:

Board of Trustees [Purchasing Policy T92-031](#),
[Capitalization and Inventory Control Policy \(T96-073\)](#) and the Capitalization and Inventory Control Policy Inventory Guidelines, issued by the Presidents Office.
A&F [Internal Control Plan](#)



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Related Documents:

[PRO-01-IT Data Storage Surplus Form](#)
[PRO-02-Moveable Equipment Surplus Form](#)
[PRO-03-Missing and Unaccounted Equipment Form](#)
[PRO-04-Property Pass](#)
[PRO-05-Equipment Reporting Form](#)
[PRO-06-Internal Equipment Transfer Sheet](#)
[PRO-07-External Equipment Transfer Sheet](#)
[Computer Reporting Form](#)

Forms are available on the [Procurement website](#).
http://www.umb.edu/contracts_compliance/property

Related Links:

[Capitalization and Inventory Control Policy](#)
Doc T96-073, Issued by the BoT 6/5/96, Revised 5/25/05
[HR Exit Policy](#), Revised 6/16/09
[Doc T92-031](#), Issued by the BoT