General Description

This procedure covers the method of accounting for moveable equipment inventories when Ball State University gains title of ownership. Definition and specific responsibility for moveable equipment is described in the Overall Departmental Responsibilities Policy for Inventory Control and Moving and Storage (PUR300).

I. Policy

A. The following is the manner in which moveable equipment can be acquired by Ball State University and the method of notification of such acquisition to Inventory Control and Moving (ICM).

1. Regular Procurement Process. (PUR200)
   ICM is notified by an asset control report through electric transmission (report TBD080) in the FRS computer system.

2. Gift to the University
   It is the responsibility of the department receiving the gift to notify ICM so that they may record the gift in the FRS system and begin the acquisition procedure.

3. Grant Purchases
   ICM is notified by an asset control report through electric transmission (report TBD080) in the FRS computer system.

4. On loan to the University
   It is the responsibility of the department receiving the equipment on loan to notify ICM so that they may record it in the FRS system and begin the acquisition procedure.

5. Constructed or assembled at BSU
   It is the responsibility of the department receiving the equipment to notify ICM of the asset so that they may record it in the FRS system and begin the acquisition procedure.

6. Government surplus
   It is the responsibility of the department receiving the equipment to notify ICM of the asset so that they may record it in the FRS system and begin the acquisition procedure.

B. Once ICM becomes aware that the moveable equipment is physically received and owned by Ball State University, they have the responsibility of initiating the tracking process. This process is for moveable equipment physically located on or off the University campus.
C. Any physical change of location, transfer of custodianship, disposal or surplus of the moveable equipment should be communicated to ICM via form B-450 available on the Inventory Control web page prior to any action with the asset taking place.

II. Procedures: Equipment acquisitions and maintenance in the FRS system

A. Asset Classifications:
   1. Moveable equipment (tagged assets): ICM will affix a tag to the moveable equipment with the title “Property of Ball State University”. The tag will also contain a unique number that will be associated with the asset. Assets are physically tagged and maintained in the FRS system in two categories:
      i. Tracking purpose only for assets valued at $500 to $4999
      ii. Capitalize Assets: Asset having a value greater than $5000.

B. Acquire Inventory: Acquiring moveable equipment at on-campus locations
   1. Notification of a new asset classified as moveable equipment is generated by the online purchase order process for regular purchases and grant purchases of assets with a value greater than $500.
   2. Moveable assets with values greater than $500 acquired by means other than the regular purchase order as described in section II(B)(1) of this policy requires the custodial department to contact ICM to initiate the acquisition process.
   3. Following the purchase order approval process, a weekly Asset Control Sheet (FRS report TBD080) is generated, and a printed copy is delivered to the ICM Manager.
   4. The following is the manner in which assets acquired through the online purchase order FRS System are processed:
      i. Once the asset is received in the FRS System, the system generates a weekly Asset Control Sheet (TBD080). The Inventory Control Clerk compares and reviews information listed on the Asset Control Sheet with the online purchasing system screens to verify the authorized university account number, department location of the asset, and the description of the asset. Any adjustments are handwritten on the Asset Control Sheet. Reference screens for this process are FRS screens 220-228.
      ii. The Inventory Control Clerk makes a site visit to the physical location of the asset listed on Asset Control Sheet. The Inventory Clerk will verify the physical description against the Asset Control Sheet and handwrites the assigned inventory tag, model number, and serial number on the Asset Control Sheet, indicating any other corrections / notations of change, i.e., manufacturer name that differs from the purchase order vendor. The Inventory Clerk applies the inventory tag to the asset, signs and dates the Asset Control Sheet and returns the Asset Control Sheet to the Inventory Records Assistant. Notation: The Inventory Control Clerk may verify and apply the inventory tag to the acquired asset at Central
Receiving with the final destination and physical location of the asset not verified.

iii. The Inventory Records Assistant assigns the class code to the asset and handwrites the code on the Asset Control Sheet. Reference screen for this process is FRS screen 581, and screen 591 for class code additions.

iv. The Inventory Records Assistant assigns the Custodian (responsible person) to the asset and handwrites the appropriate custodial number on the Asset Control Sheet. References for this process include a database file and the FRS System for assigning and maintaining the custodial number, custodial name, room, department, division, and executive level by the Inventory Records Assistant. FRS Screens for this process include screens 519 and 535.

v. The Inventory Records Assistant records and updates in FRS the handwritten changes noted by the Inventory Control Clerk on the Asset Control Sheet as described in section II(B)(4)(ii) of this policy. The information may include the asset description, manufacturer, model and serial numbers, asset class (future description below), new/used status, how tagged, tag number, last inventory date, asset custodial name, number, building, room/floor, and additional notes as necessary. The asset capitalization code is changed to "N" if the asset is under $5000. Reference screens for this process include FRS screens 502-508.

a. Asset Class Definition and Procedure: The asset class is used to assign an asset to a class that is linked to the general depreciation table in FRS. These class groups have a 6 digit number with the first 3 numbers identifying the group and the last 3 digits used to identify multiple types of items within that group. Each group has a number assigned specifically for “miscellaneous” and the last 3 digits are always 999.

Example: Computers 200010
        Computer miscellaneous 200999

For the group that identifies non-BSU property, the classification is 950XXX and the FRS system is set to not perform depreciation. An example is IU Medical Equipment on loan to the Health Center.

The classification groups do not include land or buildings.

Process:
The Inventory Records Assistant creates an asset in the system on screen 503 and a classification is given the asset. The list of classifications has evolved since the Fixed Asset module’s inception.
When items cannot be identified on the classification list, they are entered into the miscellaneous group that most closely matches their identification.

The ICM Manager periodically reviews the classifications and when a number of “like” items begin to appear in the miscellaneous group, the ICM Manager has access to an additional screen 591 in FRS to create a class group.

Fixed Asset Table Maintenance in FRS is screen 5TM. Authorized personnel can update or modify the following tables:

- **Table Update**
  - 591 Class Table
  - 592 Capitalization Rules
  - 593 Acq/Disp Method Controls
  - 594 Inflation Codes
  - 595 Depreciation Rules

vi. The ICM Manager verifies and approves in FRS the updates entered by Inventory Records Assistant. Once the appropriate university level approvals are attained, the asset is classified as the official property of Ball State University. Reference screen for this process is FRS Screen 511.

vii. In the event of the purchase of accessories or add-ons to an existing asset, these items are combined and recorded on the Asset Control Sheet for the existing asset. One asset tag number per asset. For example, purchases of copier machine accessories to an existing copier recorded as an asset. The Inventory Records Assistant verifies the purchase order line items against the Asset Control Sheet that contains the accessory or add-on and combines the monies associated with the accessories to the current asset, as well as deleting the FRS inventory system references to the accessories. Reference screens for this process are FRS screens 502 and 509.

C. **Procedure: Acquire Inventory: Tagging Moveable Equipment at Off-Campus Locations**

The process for tagging moveable equipment at on-campus locations listed above is followed for tagging moveable equipment off-campus with the following exceptions:

1. If the location is within a 150 mile radius of the main campus, a site visit by the Inventory Control Clerk to the physical location of asset listed on Asset Control Sheet will take place.

2. Locations over a 150 mile radius of the main campus, tag(s) will be sent with the department representative on the next trip to the off-campus location or the tag(s) will be mailed to the location for applying to the appropriate asset(s). The department representative will relay via telephone with the Inventory Records Assistant any information needed about the asset to insure correct entry in the FRS system.
3. The Inventory Records Assistant records the coding for off-campus locations as follows: Building Code - OA (outside area); Room Code - 100 (default); Other location (Physical Address of Off-campus asset). Reference for this process is FRS Screen 519.

Responsibility

Inventory Control and Moving and Storage
Custodial Departments

Other departments affected:

General Campus
Purchasing
Controller’s Office

Process: Equipment Acquisitions Tracking and Maintenance. Policy number -- PUR330

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