



TECHNICAL COLLEGE
OF THE LOWCOUNTRY

PROCEDURE: Assets and Inventory Management
Number: 2.2.1.2

Responsibility: Administrative Services
Last Updated: November 1, 2023
Related Policy: 2.2.1 Property and Equipment

President

Purpose:

The purpose of this procedure is to provide a system for the accountability and inventory of equipment owned by the Technical College of the Lowcountry.

Procedure:

Identify Items Subject to Inventory Control

Items subject to inventory control are defined in SCTCS Policy 4-5-101, and fall generally into two groups:

Capital Assets – generally, facilities and equipment costing more than \$5,000

Major Equipment – equipment with a cost between \$2,500 and \$5,000

Items with a purchase price of less than \$2,500 are treated as supplies and are not tagged or tracked by the College. Supervisors are nonetheless responsible for ensuring that supplies are used for appropriate TCL activities only.

Accountability of Property

Each inventoried item acquired by the College is assigned to a department for accountability and control. Division heads will designate one or more custodians by department to be responsible for the inventory records of each department in their division. Custodians will notify Inventory Control of any relocation of equipment and of any equipment the department wishes to dispose of. Custodians are responsible for enforcing reasonable safeguards to mitigate theft or damage of equipment.

Inventory System

All assets and equipment meeting the thresholds described above must be accounted for and tracked via an electronic asset tracking system. At a minimum, the following data must be maintained for all inventoried items:

- Description
- Purchase Date
- Acquisition Cost
- Location
- Fund Source
- Manufacturer
- Serial # (if one exists)
- Useful Life (Capital Assets only)
- Accumulated Depreciation (Capital Assets only)

Additional information may be tracked if available.

Maintaining Inventory Records

Adding Items to Inventory

Inventory Control will receive all equipment. All items which meet the thresholds described above should be tagged and tracked with a decal which contains a bar code identification number. If a decal cannot be attached, write and/or etch the decal number on the equipment with a permanent marker or appropriate tool. The decal must be maintained in the permanent equipment file with a notation as to why it could not be applied to the equipment. For consistency purposes, the decal should be similar to the decal found in [Appendix A](#). Inventory Control will record the item and tag number in the College's Inventory System.

Changing Inventory Records

Moves: The item custodian must notify inventory control whenever a tagged piece of equipment is permanently relocated. Inventory Control will update the location record in the Inventory System. Computer equipment is normally moved by IT. In these cases, IT will notify Inventory Control of the relocation.

Depreciation: The Accounting Manager will make all changes to depreciation data on Capital Assets directly in the Inventory System.

Disposing of Inventoried Items

The College will work directly with State Property Management Office (SPMO) on the disposition of equipment and supplies. Pursuant to Procurement Regulation 19 445.2150, surplus property is defined as State owned supplies and equipment, not in actual public use, with remaining useful life and available for disposal. This definition excludes the disposal of solid and hazardous wastes as defined by any federal, state or local statutes and regulations. Property so defined as solid or hazardous waste shall not be relocated, nor title assumed under the authority of these regulations.

General guidelines for final disposition can be found in [Appendix C](#). SPMO forms: Turn-In Document (TID), Request for Trade-In Document and Computer Certification Sanitation Letter can be obtained via <http://www.gs.sc.gov/surplus/SP-agency-doc.phtm> under Agency Documents.

When it is determined that equipment fit the definition of surplus, then those items should be sent directly to SPMO via a TID form which is approved by the President, VP for Administrative Services, or their designee. After SPMO has reviewed and acknowledged surplus equipment, SPMO will schedule a pick-up date for the items. Revenue from Sale of Assets will be sent to the System Office through an Inter-Departmental Transfer. The System Office will forward the funds received to the college after the college submits a copy of the TID form.

Capitalization & Depreciation of Assets

Assets shall be recorded and depreciated in accordance with GASB 34 and State of South Carolina Office of Comptroller General's Policies and Procedures. Recording depreciation of assets is the responsibility of the College's Accounting Manager. Depreciation schedules can be found in [Appendix B](#).

Annual Physical Inventory

Prior to the end of the fiscal year, a 100% physical inventory review must be completed for all capital assets. A 20% physical inventory review must be completed for major equipment. The 20% sample will be pulled randomly via a computer program. Both physical inventory reviews should list and document the location of all equipment.

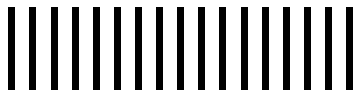
Inventory Control will update the College's records based on the results of the physical inventory, including updating the location of items that have been moved without proper notice. Items that cannot be found will be reported to the responsible custodian and division head. The custodian is then responsible to find the item or determine its disposition. If suspected stolen, Security must file an appropriate report with authorities. Employees found to be negligent with College property under their care may be subject to disciplinary action.

If the 20% sample reveals inventory problems in a particular department, the Director of Facility Management may increase the inventory sample size in that area to further investigate the problem. Original documents of the result of each review should be maintained in the inventory control files and a copy filed in the Business Office.

Guidelines for Motor Vehicle Processing

The college will coordinate final disposition and acquisition of vehicles directly with State Fleet Management. Procedures for adding, deleting, and/or replacing vehicles from inventory are located on State Fleet Management's website at <https://www.admin.sc.gov/services/state-fleet/forms-policies-procedures>.

Appendix A Format for Decal

...Property of COLLEGE NAME
..  ..
..#####

Appendix B
Useful Lives for Depreciation of Assets¹

Depreciable Land Improvements:	
. Fencing	.10-20 years
.Landscaping	.5-15 years
.Lighting	.15-20 years
.Parking Lots	.15-20 years
.Paving (Access Roadways and Walks)	.10-15 years
.Signs	.10-15 years
Buildings and Improvements:	
. Maintenance Facilities/Garages/Machine Shops	.20-40 years
.Office Buildings	.40-50 years
.Residential Buildings	.20-30 years
.Storage Facilities/Warehouses: Wooden Sheds/Metal Buildings	.10-20 years
.Concrete/Masonry Buildings	.20-40 years
Vehicles:	
. Automobiles	.3-6 years
.Light General Purpose Trucks and Vans	.4-8 years
.Heavy General Purpose Trucks and Vans	.6-15 years
.Tractors	.4-10 years
.Trailers	.6-10 years
Machinery and Equipment:	
. Computer Equipment (Hardware)	.3-7 years
.Office Equipment (Copiers, Fax Machines, Shredders, etc.)	.3-10 years
.Office Furniture (Desks, Chairs, Bookcases, Tables, etc.)	.10-20 years

¹ Sources for useful lives include the American Hospital Association's *Estimated Useful Lives of Depreciable Hospital Assets, Revised 1998 Edition*; the Internal Revenue Service's *Publication 946, How to Depreciate Property*; and professional judgment.

.Other Furnishings and Equipment	..2-25 years
.Hospital Equipment	. Determine individually
.Assets Used in Printing Activities	..5-15 years
.Nurseries, Greenhouses, Related Equipment	..10-15 years
.Intangible Assets:	.
.Computer Software	..3 years

Appendix C

Guidelines for Final Disposition

A Report of Survey form may be used for documentation of changes in assets and inventory and is used in the guidelines below. The use of the Report of Survey form ([Appendix D](#)) is up to each college. Each college has the flexibility to utilize any documentation and/or forms as needed to ensure proper documentation of transactions that affect assets and inventory.

- **Equipment replaced by or returned to vendor.** Update the Inventory System with the serial number, model number, and/or useful life information when equipment is replaced. Equipment replaced should still retain the same decal number as the returned item. A Report of Survey form, or like form, may be used for documentation for equipment returned to vendor.
- **Equipment transferred within the Technical College System.** A Report of Survey form, or like form, may be used for documentation of transfers within Technical College System.
- **Equipment stolen.** An investigation should be conducted as deemed appropriate by the president or the president's designee. If a report to police is indicated, all contact with the police department will be the responsibility of campus security. A Report of Survey form, or like form, may be used for documentation of stolen equipment along with a copy of the investigation report.
- **Equipment missing.** An investigation should be conducted as deemed appropriate by the president or the president's designee. A Report of Survey form, or like form, may be used for documentation of missing equipment along with a copy of the investigation report.
- **Equipment cannibalized.** Equipment that is obsolete or inoperable may be cannibalized if the parts can be used to repair or rebuild other equipment. Remove the cannibalized equipment from the Inventory System. A Report of Survey form, or like form, may be used for documentation of cannibalized equipment. Cannibalization of federal equipment requires written approval from the appropriate agency.
- **Equipment purchased by retiree.** A retiring employee can purchase one item of equipment valued less than \$5,000 that was assigned to and used by the employee while in State service. Complete a TID form and forward to Surplus Property Management Office (SPMO). See the SPMO User Guide for additional required procedures.
- **Equipment transferred or donated to other state or other governmental entities.** Complete a TID form and forward to SPMO for approval.
- **Equipment traded-in.** A Report of Survey form, or like form, may be used for documentation major equipment trade (equipment less than \$5,000). A TID must be completed for capital equipment trade-in (equipment greater than \$5000) and forward to SPMO for approval of non-IT related equipment and forwarded to State Procurement Office for approval of IT related equipment.
- **Disposal of Computers and other IT related equipment.** Disposal of computers and other devices with memory storage capability (smart phones,

copiers, etc.) should have storage mediums erased or rendered unreadable before transferring to SPMO. A Computer Certification Sanitation Letter should be attached to the corresponding disposition form.

- **Disposal of recyclable materials.** Disposal of all recyclable material – wood, metal, glass, paper, etc. - should be disposed of in a manner that benefits the environment and as deemed appropriate by the president or the president’s designee.
- **Disposal of Donated Assets or Inventory.** Some agreements require the donated property to be destroyed after the college determines the equipment is deemed no longer usable. In these cases, a Report of Survey form, or like form, may be used for documentation of the disposal.

Appendix D
Report of Survey

Name of College _____ Date _____

Section I

Decal Number

Description of Equipment

Serial Number

Total Cost

Section II

Indicate Type of Adjustment

Returned to Vendor Stolen or Missing Cannibalized
 Transferred Traded-In Trashed
 Other _____
 (Provide details)

Signature of Department Head _____ Date _____

Signature of President/President Designee _____ Date _____

Signature of Inventory Control Manager _____ Date _____