

**STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION  
PROCEDURE**

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**TITLE:** ASSETS AND INVENTORY MANAGEMENT

**POLICY  
REFERENCE NUMBER:** 4-5-101

**DIVISION OF  
RESPONSIBILITY:** FINANCE

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**DATE OF LAST REVIEW:** May 3, 2012

**DATE OF LAST REVISION:** June 12, 2012

*Mandy M. Kibler*

*David W. Stark*

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**VICE PRESIDENT FOR FINANCE**

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**EXECUTIVE DIRECTOR**

This procedure is to provide the System Office and the technical colleges a guideline for asset and inventory management. All levels of management who are responsible for assets and inventory should ensure all users within their area of responsibility are aware of responsibilities as defined in the policy 4-5-101 and this procedure.

**Asset and Inventory Management System:**

All equipment, supplies, capital assets and non-capital assets which meet the thresholds as found in Policy 4-5-101, regardless of source of funds, must be accounted for and tracked through an Asset and Inventory Management System. The System Office must use the South Carolina Enterprise Information System (SCEIS) for its Asset and Inventory Management System. It is the responsibility of each individual college to have an Asset and Inventory Management System that tracks and accounts for all assets and inventory in place by June 30, 2014..

**Tracking and Tagging of Inventory:**

All equipment, supplies, capital assets and non-capital assets which meet the thresholds as found in Policy 4-5-101 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**

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**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.**

It is the responsibility of each individual college to order decals for their respective colleges. For consistency purposes, the decal should be similar to the decal found in Appendix A.

**Annual Physical Inventory Review:**

Prior to the end of the fiscal year, a 100% physical inventory review must be completed for equipment valued over \$5,000 and a minimum 10% physical inventory review must be completed for equipment valued at \$1,000 or greater and up to \$5,000. Both physical inventory reviews should list and document the location of all equipment. The result of each review should be maintained in the asset and inventory files.

**Depreciation:**

Assets shall be recorded and depreciated in accordance with GASB 34 and State of South Carolina Office of the Comptroller General's Policies and Procedures. Depreciation schedules can be found in the Appendix B.

**Disposition of Equipment and Supplies:**

It is the responsibility of the System Office and the individual colleges to work with State Property Management Office (SPMO), respectively, on 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-index.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 System President or College's Presidents, respectively, or their designee. After SPMO has reviewed and

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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 respective college after the college submits a copy of the TID form.

**Guidelines for Motor Vehicle Processing:**

The System Office and each college, respectively, should 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 <http://statefleet.sc.gov/statefleet/SFM-index.phtm>.

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**Appendix A:**

**Format for Decal**

Property of COLLEGE NAME
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**Appendix B:**

**Useful Lives for Depreciation of Assets:**

<b>Depreciable Land Improvements:</b>	
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
<b>Buildings and Improvements:</b>	
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
<b>Vehicles:</b>	
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
<b>Machinery and Equipment:</b>	
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
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
<b>Intangible Assets:</b>	
Computer Software	3 years

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.

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**Appendix C:**

**Guidelines for Final Disposition:**

A Report of Survey form may still be used for documentation by the colleges for 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 Asset and Inventory Management 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 moved to a different location or transferred within Technical College System.** Change the location information in Asset and Inventory Management 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. 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 equipment from the Asset and Inventory Management 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.

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- **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 equipment trade – in for equipment less than \$5,000. A TID must be completed for equipment trade-in for equipment greater than \$4999.99 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.

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**Appendix D:**

**Report of Survey**

**Name of College** \_\_\_\_\_

**Date** \_\_\_\_\_

**Section I**

Decal Number	<input style="width: 90%;" type="text"/>
Description of Equipment	<input style="width: 95%;" type="text"/>
Serial Number	<input style="width: 90%;" type="text"/>
Total Cost	<input style="width: 90%;" type="text"/>

**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 Equipment Manager \_\_\_\_\_ Date \_\_\_\_\_