

# UC Davis Policy and Procedure Manual

## Chapter 350, Supplies and Equipment Section 55, Care and Control of Equipment

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Responsible Department: Accounting and Financial Services

Source Document: Business and Finance Bulletin BUS-29, Management and Control of University Equipment

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### I. Purpose

This section provides the policy and procedures regarding the care and control of inventorial equipment. It also addresses personally owned equipment located on University property. Additional policy on Medical Center equipment is available in UCDHS Hospital Policies and Procedures Manual, Sections [1653](#), [1655](#), [2242](#), [2243](#), and [2245](#).

### II. Definition

Inventorial equipment—equipment with an acquisition value of \$5,000 or more, that is non-expendable, tangible, free standing, and has a normal life expectancy of one year or more (see [Section 350-50](#) for exceptions to the definition). This policy refers to inventorial equipment as “equipment.”

### III. Policy

- A. The University manages care and control of equipment, including maintenance, inventories, records, and security, as required by Business and Finance Bulletin, [BUS-29](#).
- B. Employees shall not use University equipment for personal reasons except with the approval of the Chancellor or designee.
- C. University funds shall not be used to purchase equipment, component parts or assemblies for installation in employee-owned equipment.
- D. Government property and University property shall not be commingled except when commingling represents the best use of the property in carrying out the terms of the contract. Before commingling, prior approval of the government agency's property administrator is required.

### IV. Responsibilities

- A. Department head
  1. Has primary responsibility for all aspects of the care, maintenance, physical inventory, records, security, and disposition of University equipment.
  2. Ensures that the University equipment tracking system is updated in a timely manner.
  3. Designates a Departmental Asset Representative.
- B. Principal Investigator (PI)
  1. Has primary responsibility for all aspects of the care, maintenance, physical inventory, records, security, and disposition of extramurally-funded equipment.
  2. Periodically takes a physical inventory of government equipment less than \$5,000 when required by the terms and conditions of the contract or grant.
  3. Performs a terminal physical inventory if required by the contract or grant.
- C. Departmental Asset Representative
  1. Documents the physical location of each item of equipment (building and room number) into the University equipment tracking system so that an item can be located for inspection or verification within a 24-hour period.

2. Notifies Equipment Management in writing regarding the provisions and restrictions of each contract or grant including the care, custody, maintenance, records, control, and use of the equipment.
3. Ensures that department records are accurate.

D. Equipment Management

1. Takes special inventories of equipment with department staff when required by the terms of a contract or grant.
2. May take a statistical sampling to verify a department's physical inventory.

V. Procedures

A. Physical security

1. The department head and the PI, if a contract or grant is involved, shall make adequate provision for the physical security of equipment in their custody.
2. Areas containing equipment must be locked after business hours or at other times when not in use.
3. Special precautions must be taken in the case of high-value or theft-sensitive items.

B. Physical inventories of University equipment

1. The department head and the PI, if a contract or grant is involved, shall ensure that a physical inventory of equipment is conducted at least once every two years (see [Section 330-11](#) regarding appropriate separation of duties).
  - a. The approved UCD or UCDCM [Equipment Certification Form](#) must be submitted to A&FS Equipment Management by October 31 – on odd-numbered years for cycle 1 custody codes or even-numbered years for cycle 2 custody codes.
  - b. The department head must ensure that the signatures on the form are appropriate and correspond with the [online list](#) of authorized signatures for custody codes maintained on the Equipment Management website.
  - c. The department must report changes of authorization to Equipment Management immediately by submitting the [Departmental Information Update](#) form.
  - d. The department must retain a copy of the Equipment Certification Form for two years.
  - e. Failure to submit the Equipment Certification Form by the due date, or to retain a copy of the form in the departmental records, may result in a notification of non-compliance to the appropriate dean, vice chancellor, or UCDCM associate director or their designee.
2. The department shall take a physical inventory of the department's equipment when there is a change of department head, asset representative, or PI.

C. Termination or completion of government contract or grant

1. The department requests disposition instructions from the agency and certifies that all materials, supplies, and equipment that were furnished to the University by the government for use on the contract or grant, or for which the University has been or will be reimbursed by the government under the terms of the contract or grant, if not specifically included in the inventory, were expended in performance of the work called for by the contract or grant.
2. The PI immediately informs the contract or grant agency and requests disposition of

surplus equipment, or when it is desirable, requests to use the equipment for a different contract.

3. The department updates the University's equipment tracking system accordingly.

D. Personally owned equipment

1. Employees with personally owned equipment on University property (owned or leased), should label it as the property of the owner. The University is not responsible for loss of or damage to the equipment.
2. Personally owned equipment may be loaned to the University; such loans must be documented by means of an [Equipment Loan Agreement \(ELA\) form](#) (see IV.F.3, below, and [Section 350-65](#)).

E. Reporting changes in departmental equipment inventory

The department is responsible for the prompt reporting of all changes in its equipment inventory. Such changes include loans, transfers, disposal, relocation, modification, fabrication, theft, loss, or damage. Changes are reported as follows:

1. University's equipment tracking system
  - a. Asset Transfer (AT) document--used to report equipment transferred or sold to another department.
  - b. Asset Retirement (AR) document—used to report the disposition of assets removed from inventory or the transfer of equipment to another campus or university.
  - c. Equipment Loan/Return (ELR) document—used to report loans to another department or off-campus user.
  - d. Add Asset (AA) document—used to report newly acquired equipment.
2. Bargain Barn Excess/Surplus Property--used to report transfer to another department or campus; items sold or salvaged (see [Section 350-80](#)).
3. [Equipment Loan Agreement \(ELA\) form](#)--used to report loans from individuals or outside agencies, except from a government agency (including the Lawrence Laboratories and LANL; see [Section 350-65](#)).
4. [Campus Gift Acceptance Report \(UDEV 100-3\)](#)--used to report gifts from a source other than the government (including the Lawrence Laboratories and LANL; see [Section 260-25](#)).
5. [Property Loss Report](#)--Risk Management Services form used to report theft or damage to University property (see [Section 350-85](#)).

F. Special reports

When special reports covering equipment are required by an agency and/or requested by Equipment Management, the PI or department head shall furnish the information necessary to enable Equipment Management and other departments involved to meet the reporting requirements.

**VI. Further Information**

Additional information on the physical inventory and certification process is available at the Capital Asset Accounting and Equipment Management website (<http://accounting.ucdavis.edu/CA>) or by e-mail at [eghelp@ucdavis.edu](mailto:eghelp@ucdavis.edu).

**VII. References and Related Policies**

- A. Business and Finance Bulletin [BUS-29](#), Management and Control of University Equipment.

- B. UCD Policy and Procedure Manual (<http://manuals.ucdavis.edu/PPM/about.htm>):
1. Section 260-25, Gift Reporting Procedures.
  2. Section 330-11, Departmental Financial Administrative Controls and Separation of Duties.
  3. Section 350-50, Classification of Inventorial Equipment.
  4. Section 350-51, Identification of Equipment.
  5. Section 350-65, Loans, Gifts, and Transfers of Equipment.
  6. Section 350-70, Movement of University Property.
  7. Section 350-80, Disposition of Excess Property.
  8. Section 370-30, University Property Insurance.