



ADMINISTRATIVE PROCEDURE

SUBJECT: TOOLS AND EQUIPMENT INVENTORY CONTROL	Number <u>I-26</u>	Effective Date: Issued: 04/13/98 Revised: 06/24/14	Page 1 of 3
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PURPOSE:

To establish a formal method of strengthening controls and safeguarding tools and equipment most vulnerable to theft and loss by identifying inventory units, assigning responsibility for and frequency of verification and documenting loss.

OBJECTIVES:

To ensure that controls are in place for safeguarding District tools and equipment inventory.

POLICY:

An inventory of tools and equipment will be maintained and updated on a regular basis. These inventories will include: hand tools; power tools; pneumatic and hydraulic tools and equipment; measuring and testing equipment; portable generators; compressors; electric and electronic tools and equipment; and computer, television, video and camera equipment.

PROCEDURE:

1. District personnel whose positions require tool and equipment assignment will complete a "Tools and Equipment Inventory Control Form" (Exhibit A) for all tools and equipment maintained within the vehicle or storage area for which the individual is responsible. No additional stock shall be maintained in the vehicles other than appropriate personal gear and temporary materials or equipment to be utilized for a specific job or project.
2. The completion and retention of the Control Forms will be standardized wherever possible so that the inventory can be readily assessed and accessed by all appropriate or authorized users. Item descriptions should include details such as the item's size, manufacturer's name, and serial number, as applicable.

3. Department Managers will assign to first line supervisors the responsibility to review and approve the completed Control Forms and for any changes to the type/quantities of the inventoried items for all employees assigned District tools and equipment.
4. All District personnel assigned or utilizing District tools and equipment will be responsible for monitoring and assuring the safe and proper use of the District tools and equipment assigned to them on an on-going basis, making sure that all lost, stolen or damaged equipment is immediately reported to their supervisor for replacement.
5. Employees will submit to their supervisors a District "Lost, Stolen or Damaged Tool/Equipment Report" (Exhibit B) prior to requisitioning for replacement of tools or equipment with a value of over \$250. Worn or damaged items will be sent to Stores for replacement. (The exception is for lost or damaged computer equipment, which should also be communicated to the Information Systems Department.)
6. The employee and their supervisor will conduct a full physical inventory each July. Employees must also conduct the full physical inventory when assigned a new position or area of responsibility. A full inventory requires that all tools and equipment be counted and verified and that any changes are noted on the Control Forms.
7. The forms, when completed, should be signed and submitted to the Supervisor and Superintendent (if applicable) for review and signature.
8. After approval, the Supervisor/Superintendent will submit the Control Forms and a departmental summary to the Purchasing Officer within 30 days of completion of the annual inventory, with an informational copy sent to the Director of O&M.
9. The Finance Department is responsible for retaining the most current Control Forms. The updated data will be entered into the first column of a computer-generated "master" form for each vehicle or storage area. This will then serve as the starting point for the next required inventory.
10. The Finance Department will provide the updated master forms to the applicable department(s) no later than September 30 and will also be available upon request, if needed. These forms should be retained in the vehicles or storage areas.
11. Items which meet the District's capitalization criteria (value of at least \$5,000 and a useful life of at least two years) will be verified against the District's fixed asset records.

12. Supervisors shall maintain copies of the Control Forms for a minimum of two years. After this period, departments may dispose of the inventory records, at their discretion. The Finance Department will retain the original forms for a period of two years on site and four years in total.
13. A new inventory and updated Control Form should be completed whenever there is a change in responsibility for the inventory related to a specific vehicle or storage area. The updated Control Form should be reviewed, approved and forwarded to the Purchasing Officer with an informational copy sent to the Director of O&M.
14. Upon termination of employment, all District tools and equipment will also be accounted for and returned to the supervisor prior to separating from the District. Notice should also be provided to the Purchasing Officer upon this event.

RESPONSIBILITY

It is the responsibility of each department head, or designee, to conduct and document an accurate inventory of all appropriate tools and equipment and to maintain an inventory list or file by employee, vehicle, location or appropriate identifiable storage area. Department heads will be responsible for accuracy and timely submittal of inventory reports to the Purchasing Officer.

APPROVED:



Jerry Brown
General Manager

Attachments: Exhibit A – Tools and Equipment Inventory Control Form
Exhibit B – Lost, Stolen or Damaged Tool/Equipment Report