NEW YORK STATE Corrections and Community Supervision **DIRECTIVE**	TITLE **Equipment Control**		NO. 2944 DATE 04/28/2015
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REFERENCES (Include but are not limited to)	APPROVING AUTHORITY		

I. PURPOSE: This directive sets forth guidelines for establishing and maintaining an effective equipment control system.

II. APPLICABILITY: To all employees involved in the control procedure, storage, and utilization of DOCCS equipment and especially employees of the Business Office, Storehouse, and Location Custodians.

III. DEFINITIONS: As used in this document, the following definitions shall apply:

A. Equipment: Any item of machinery or other apparatus which may be used repeatedly without change in physical condition, and which has a probable life span of two (2) years or more. The level of control for equipment will be determined by dollar value as set forth below. Equipment items valued in excess of $40,000 are considered fixed assets and must be accounted for under the Statewide Fixed Asset Accounting System.

B. Property Manager: An employee of the Fiscal/Stores area, designated by the Deputy Superintendent for Administrative Services (DSA), usually Steward or Head Account Clerk, Department Head, or Bureau Chief. The Property Manager is responsible for inventory records.

C. Location Custodian: A designee of the Department Head or Area Supervisor administratively responsible for equipment in a given area.

D. Equipment Inventory System: A computer based automated inventory system.

IV. POLICY AND RESPONSIBILITY FOR SYSTEM OPERATION: Each facility shall establish and maintain the computer based Equipment Control System, and shall establish and adhere to a physical inventory schedule consistent with this directive. Central Office and Community Supervision Area Offices shall use a database which will meet inventory requirements.

The Superintendent or Regional Director is ultimately accountable for equipment control.

The Institution DSA (or equivalent) is responsible for implementation of the control system through the Business Office and Storehouse staff (or comparable Central Office or Community Supervision Area Office staff).

The Property Manager shall maintain the required equipment control records, and shall exercise supervision over the system to assure that the records accurately reflect the physical inventories within each department. The Property Manager will be responsible for implementing and adhering to the inventory schedule.

The Location Custodian becomes administratively responsible for equipment assigned or transferred to his or her area. The Location Custodian shall ensure the proper use and maintenance of equipment under his or her jurisdiction, promptly report any transfer, loss, or misuse of equipment, identify and report any surplus or underutilized equipment, and promptly account for items under his or her control as required by the Property Manager. These responsibilities shall be noted in the Location Custodian's performance evaluation.

V. INVENTORIES

A. Initial Inventory: An initial equipment inventory must be taken to establish an Equipment Control System. This may be accomplished by either Fiscal/Stores staff or a designated representative who is not responsible for the custody of equipment.

The following data must be gathered and forwarded to the Property Manager in order to compile the initial inventory list:

Building	Cost	Serial Tag #
Area	Condition	Purchase Order (if available)
Item Name	Inventory Date	Date Purchased (if available)
Description	In Use?	Warranty Information (if available)
Model #	Quantity (non-serial)	

Upon completion, each Location Custodian will be given a listing of the equipment for which they are administratively responsible.

B. Periodic Inventories: Follow-up inventories will be conducted on a scheduled basis by the Internal Controls Committee, Fiscal/Stores staff, or a designated representative who is not responsible for the custody of equipment. Each piece of equipment must be accounted for by the responsible party.

Whenever there is a change of Location Custodian for an area, the Property Manager shall arrange for an inventory to be taken of all equipment items in that area and shall provide an equipment listing to the new Location Custodian.

All items of equipment (except furniture) shall be inventoried on at least an annual basis. All items of furniture shall be inventoried at least once every two years. Items that are considered to be more sensitive, highly desired, or susceptible to theft (regardless of value) shall be inventoried or spot checked more frequently at the discretion of the facility.

C. Spot Checks: Sound internal control practices include unannounced spot check inventories; inventories of selected items within a limited area. These have the effect of reinforcing the control system. Using the computerized record, the Property Manager may, for example, print a listing of floor buffers or computer printers in a certain building and quickly count and verify the accuracy of the system and accountability of users and custodians verifying serial numbers as applicable.

D. Procedures for Physical Inventories: The following guidelines are established to assist in the physical inventory:

1. The Property Manager produces a listing of all equipment currently assigned to the area to be inventoried. The Property Manager then arranges for appropriate staff (designated representatives who are not responsible for the custody of equipment) to conduct the inventory and notifies the Location Custodian when the inventory will take place.
2. The employee assigned to conduct the inventory shall match items found in the area to the inventory listing and note current condition and whether the item is in use. Item discrepancies are resolved with the Location Custodian when possible, and the listing is completed or corrected and returned, with appropriate explanatory notes, to the Property Manager.
3. The Property Manager shall review and, when possible, resolve item discrepancies. Resolution may require a review of all transactions since the previous inventory (i.e., Form #1604, "Equipment Transfer, Addition, or Disposal," Receiving Reports and/or Purchase Orders). Irreconcilable discrepancies shall be reported to the Institution Steward for review and any necessary action.
4. The Property Manager shall then document and post entries necessary to reflect the actual physical inventory using Form #1604, and then present the updated inventory and related documentation to the Institution Steward for approval.
5. Upon approval, the Property Manager will prepare a new inventory listing for both the Property Manager and the Location Custodian to sign. The original is retained by the Property Manager along with all other inventory documentation; a copy is provided to the Location Custodian.

E. Valuation and Condition of Equipment: During inventories each item of equipment must be assigned a current value. Current value is determined by the item's original cost and current condition. Original cost should be obtained from purchase order documents. In the absence of this information, an estimated original cost shall be used. Each item shall be assigned a condition according to the following schedule:

100%	Excellent/New
80%	Very Good
60%	Good
40%	Fair
20%	Poor
0%	Junk/Scrap

In determining the condition of each item, consideration should be given to several factors, including physical condition, usefulness, and life expectancy. For items tagged with "Property Of" decals that are accounted for in groups, an average original cost and average condition should be used.

The Property Manager shall maintain a record of each item's condition and update it with each inventory.

VI. TRANSFER, ADDITION, OR DISPOSAL OF EQUIPMENT WITHIN FACILITY: All transfers, losses, thefts, or relocation of equipment, other than within the same area, must be documented using Form #1604.

A. Location Custodian: The Location Custodian determines need to transfer, add, or delete equipment from its existing location, will initiate Form #1604, and forward it to the Institution Steward for approval.

B. Steward: If approved by the Steward, the request is forwarded to the Property Manager. If disapproved, the Location Custodian is so advised.

C. Property Manager: The Property Manager verifies that the transaction occurred, and documents verification either by obtaining signature(s) of the Location Custodian or noting verification date, time, the name(s) of the Location Custodian(s), and then the Property Manager signs the form.

The Property Manager shall post all transaction(s) to the Equipment Inventory System.

If the transaction involves damaged equipment, the Property Manager shall obtain a determination by authorized Maintenance personnel or an outside vendor regarding reparability or condemnation status.

Note: Equipment transfers between Department of Corrections and Community Supervision facilities/Area Offices require approval of the Division of Support Operations (see Directive #3173, “Acquisition and Disposition of Surplus Property”).

VII. GUIDELINES FOR TAGGING EQUIPMENT

A. General: Equipment shall be tagged one of two separate ways; either by affixing a “Property Of” decal or a serial-numbered decal. Serial-numbered decals shall be controlled by the Facility Business Office or Community Supervision local Area Office.

Parts of an asset, or a permanent fixture, such as bulletin boards, should not have to be tagged.

Decals should be attached to an item so that it can be inventoried easily, preferably without moving the item. Equipment of the same type should be tagged in the same area of the item. Tagging should be done neatly and in a manner that does not detract from the appearance of the item. As a rule, items should be tagged on the right side of the item as you face it for use. Caution should be taken to ensure that the decal is not attached to a part of the item that can be easily detached, such as the drawer of a desk. If an item should be tagged, but physically is not conducive to tagging, it should be engraved or stenciled.

B. Categories for Tagging: Items shall be tagged with "Property Of" or serial-numbered tags depending on type, cost, and susceptibility to theft as follows:

	Large, Not Easily Transferred or Stolen	Desirable, Susceptible To Theft
Furniture	Property Of _____	Property Of _____
Equip. cost under $250	Property Of _____	Property Of _____
Equip. cost $250 to $499	Property Of _____	Serial # _____
Equip. cost $500 and up*	Serial #	Serial #

*The Statewide Fixed Asset serial-numbered tags shall be used for items considered fixed assets. These items do not require an additional facility serial-numbered tag.

C. Procedure for Tagging New Equipment: This procedure will be followed for all Purchase Orders, including those processsed by Central Office for a facility or Community Supervision Area Office.

1. Equipment to be Serial-Number Tagged: On Purchase Orders for equipment to be serial-number tagged, the words "To Be Tagged" and the assigned tag number should be typed by the Purchasing Clerk/Typist in the lower portion of the body of the Order. The tag number and a brief description of the item tagged shall also be recorded on Form #1604LOG, "Equipment Log."
2. Equipment to be "Property Of" Tagged: On Purchase Orders for equipment to be tagged "Property Of," the words "To be tagged Property Of _ _ _ _ _ Correctional Facility" should be typed by the Purchasing Clerk/Typist in the lower portion of the body of the Order.
3. For All Equipment: The Purchasing Clerk/Typist shall forward a copy of the typed Purchase Order, along with any warranty and service contract information, to the Property Manager, and the Storehouse copy to the Storehouse with appropriate decal attached.
4. Pending Receipt: The Storehouse Stores Clerk shall keep the Purchase Order with tag attached in open Purchase Order file until the equipment is received.

5. Upon Receipt: Upon receipt, the Stores Clerk shall promptly tag the equipment with the decal provided by Purchasing. The Stores Clerk shall then provide the Property Manager with receiving information using Form#1604, including the serial number, date received, quantity, condition, and location of equipment.
6. Posting to Equipment Control System: The Property Manager shall post the equipment to the Equipment Inventory System and file written information from the Storehouse along with the Purchase Order.

VIII. PROCEDURES FOR TEMPORARY TRANSFER OF EQUIPMENT

A. Periodically there is a need for temporary transfer of equipment (e.g., equipment sent out of the facility for repair, borrowed by another department within the facility, borrowed by another facility, or loaned to an employee). It is the responsibility of the Location Custodian to notify the Property Manager of all such transactions and to obtain the necessary approvals/gate clearances for these transactions. The Location Custodian shall notify the Property Manager upon the return of all such equipment. The Property Manager shall maintain a record and monitor all equipment on temporary transfer status to assure its return to the appropriate area.

B. In general, equipment will not be loaned to employees. However, there may occur some circumstance in which a loan of equipment may be necessary in the best interest of the facility. Should this be the case the following procedure should be followed:

1. The requester shall submit a written request (copy and use Form #1604LOAN, “Equipment Loan Request/Authorization,”) to the Location Custodian for the loan of the item.
2. If approved by the Location Custodian, the request shall be forwarded to the DSA (or equivalent).
3. If approved, the DSA shall sign and forward the approved request to the Property Manager with copies to the Location Custodian and the requester.
4. The Property Manager shall maintain the form in open file until the loaned equipment is returned. The open file should be reviewed monthly to assure that equipment has been returned when due.
5. The Location Custodian shall file the copy with location’s copy of “Record of Physical Inventory of Equipment.”
6. The requester uses the copy of the approved request as authorization to remove the item from the facility. Upon returning item to the facility, the requester shall notify the Location Custodian.
7. Upon inspection, the Location Custodian shall note return and condition of the item on the request form and notify the Property Manager.
8. The Property Manager shall note return of item and file the request.

IX. SURPLUS EQUIPMENT: One of the most significant aspects of the equipment control system is equipment utilization. It is the joint responsibility of the Property Manager and the Location Custodian to 1) keep control over standby equipment; 2) ensure the continuing need for said equipment; 3) detect unutilized or underutilized equipment; and 4) make arrangements to surplus any equipment which exceeds any foreseeable future needs.

Whenever the Property Manager or Location Custodian identifies unutilized or underutilized equipment, it should be reported to the Steward. The Steward may contact other Location Custodians to determine if other departments within the facility have need for the item. If so, the item may be transferred as per Section VI.

If the item is not needed within the facility, it should be reported as surplus property to the Division of Support Operations via “Report of Surplus Personal Property” (see Directive #3173, “Acquisition and Disposition of Surplus Property”).

X. WARRANTY, SERVICE, AND REPAIRS: All available information pertaining to warranty, service, and repair of equipment shall be maintained in the Equipment Inventory System. Information concerning warranty and maintenance agreements shall be provided to the Property Manager by the Purchasing Department. This information should be included on the Purchase Order when the item is purchased and a copy of the Purchase Order shall be provided to the Property Manager.

Information concerning service and repairs completed by facility Maintenance staff shall be provided to the Property Manager by the Supervisor of the Maintenance area. This information should be forwarded in writing and include date, brief description of repair, and estimated cost of the repair.

Information concerning service and repairs completed by outside vendors shall be provided to the Property Manager by the Purchasing Department. Copies of Purchase Orders for repairs or service shall be forwarded to the Property Manager and shall include date, brief description of repair, and cost.