

Property Inventory Control	1
I. Inventory Control System.....	1
II. Agency Property Control Officer	2
III. Inventory Control Officers and Agents	2
IV. Labeling of Inventory	2
V. “Instructions for Completing Property Inventory Control Forms”	3
VI. Entering Equipment into the System.....	3
A. Reportable Property (Tangible Assets)	3
B. Non-Reportable Property	3
VII. Transferring Equipment Within the System	4
A. Sending Facility/Unit	4
B. Receiving Facility/Unit	4
VIII. Disposition	4
IX. Declaration and Approval of Surplus Property	5
A. Definitions.....	5
B. Declaring State Property Surplus	5
C. Request for Approval to Sell or Transfer Surplus Property	5
D. Surplus Property Transfer Form	6
E. Methods of Disposal of Surplus Property (OAC 260:105-3-1.)	6
F. Approval by the Division of Capital Asset Management (DCAM)	6
G. Prohibitions.....	6
H. Completion of Sale or Transfer.....	7
I. Record Keeping.....	7
X. Annual Internal Audit	7
XI. Audits.....	7
XII. References	7
XIII. Action	8
Referenced Forms	9

Section-12 Fiscal Management	OP-120801	Page: 1	Effective Date: 08/02/2018
Property Inventory Control	ACA Standards: 2-CO-1B-08, 4-4037, 4-ACRS-7D-25, 4-APPFS-3D-12, 4-APPFS-3D-26		
Joe M. Allbaugh, Director Oklahoma Department of Corrections		Signature on file	

Property Inventory Control

All Oklahoma Department of Corrections (ODOC) facilities/units will maintain a current inventory of all tangible assets owned by the agency as well as other property that, when initially received or purchased by the agency, had a cost or value of \$2,500 or more. This inventory consists of machinery, equipment, implements, tools, furniture, vehicles, weapons and other apparatus that may be used repeatedly without material impairment of its physical condition and with a calculable period of service. (2-CO-1B-08, 4-4037, 4-ACRS-7D-25, 4-APPFS-3D-12)

I. Inventory Control System

The director of Business Services (DBS) will maintain the automated property inventory system for the agency.

Each facility/unit head will ensure:

- A. A "Property Inventory Control" (PIC) form ([DOC 120801A](#), attached), is properly prepared for each item of reportable property and submitted to the property control officer (PCO). Additions, transfers, or dispositions of property will be made using the PIC form.
- B. All property is labeled with a 12 to 13 digit alpha numeric identification (ID) number; and
- C. An annual property audit is completed by their facility/unit.

II. Agency Property Control Officer

The DBS or designee will serve as the agency PCO. This individual is responsible for the scheduling and general operation of the inventory control system, inputting property additions, transfers and deletions into the automated property inventory system. The PCO will also prepare annual inventory control printouts and furnish them to all facilities/units of the agency.

III. Inventory Control Officers and Agents

Each facility/unit will designate an inventory control officer (ICO) who may designate one or more inventory control agents (ICA) to maintain inventory records for that affected area's property.

The ICA will prepare PIC forms ([DOC 120801A](#)) and label the property. The inventory classification codes, cost codes, source codes and disposition codes needed to complete the form are contained in the Standard Item Classification for Inventory and Property Control (SICIPC) Manual dated March 31, 2015, will be provided to each facility/unit business manager.

IV. Labeling of Inventory

A. Tag Numbers

1. Each tag number is unique to a particular piece of equipment/item and cannot be reassigned to another piece of equipment when the original is sold, surplused, transferred, returned to vendor or disposed of in any manner. Transferred items retain the original tag number.
2. All property (except for meat plant processing equipment, handguns, vehicles and irrigation pipe) will be labeled or marked with a 12 to 13 digit alphanumeric number code that permanently identifies the property.
3. All 800 MHz two-way radios will be issued tag numbers by the facility/unit ICO.

- V. "Instructions for Completing Property Inventory Control Forms" ([DOC 120801B](#), attached)

Referenced pages are located in SICIPC Manual dated March 31, 2015 and are available for reference in the ICO's office provides completion instructions as specified in. "Instructions for Completing Property Inventory Control Forms." ([DOC 120801B](#)).

- VI. Entering Equipment into the System

The PIC form, prepared for new property, will be retained by the facility/unit and a copy will be sent or emailed to the agency PCO. The purchase order number (if applicable) must be provided.

- A. Reportable Property (Tangible Assets)

1. The reporting threshold for all agencies, as required by the Office of Management and Enterprises Services (OMES), Division of Capital Assets Management (DCAM), is \$2,500.00 for each item. The tangible asset inventory reports will be submitted annually to DCAM in accordance with Title 74 O.S. § 110.1 and Oklahoma Administrative Code (OAC) 260:110-1-1.
 - a. Tangible assets refers to: machinery, implements, tools, furniture, livestock, vehicles and other items that the agency may use repeatedly without impairment of its physical condition and which have a calculable period of service and an original acquisition cost exceeding the designated reporting threshold amount (Title 74 O.S. § 110.1 (D) and (OAC) 260:110-1-1).
 - b. The tangible asset threshold does not apply to telecommunications and electronic information technology applications as specified in Title 62 O.S. § 34.12., Subsection 6; which requires maintenance of "a directory for the following which have a value of five hundred dollars (\$500.00) or more."
2. Weapons, bulletproof vests, two-way radios, and cameras are considered reportable property, regardless of purchase price.
3. Any item of a sensitive nature purchased for less than \$2,500.00, requires close scrutiny. The determination to include this item in the inventory system will be made by the division/facility/unit heads.

- B. Non-Reportable Property

Non-reportable property includes:

1. Fixed building equipment, (e.g., central heat and air unit, hot water tank, plumbing fixtures or drinking fountains); and

2. Any equipment that attaches to or is a part of another piece of equipment, such as a vehicle motor or air conditioner compressor.
3. Property that does not require reporting by the reporting threshold, \$2,500.00 or more, should be inventoried at the division/facility/unit level for risk management purposes. Methods of inventory are:
 - a. Agency inventory;
 - b. Separate inventory with cost included; and/or
 - c. A 360° video of facility/room with documentation of cost.

VII. Transferring Equipment Within the System

A. Sending Facility/Unit

1. When property is transferred from one facility/unit to another, the sending ICO or ICA will complete section two of the PIC form and forward to the PCO.
2. The PCO will retain a copy of the PIC form and forward a copy to the receiving unit.
3. The sending unit will be responsible for the transferred property until sections 2 and 3 of form [DOC 120801A](#) have been completed.

B. Receiving Facility/Unit

1. The receiving facility/unit will complete section 3 of the PIC form, retain a copy and forward a copy to the PCO.
2. When the transfer is entered into the automated system, the PCO will stamp "Entered" on the copy of the form. The copy of the form will be retained by the PCO and copies sent to the sending and receiving ICO.

VIII. Disposition

To complete the disposition of property the ICO will complete section 4 of the PIC form and apply a two-digit disposition code provided in the SICIPC manual to identify the reason for disposition of the item.

- A. The signature of the facility/unit head will be required for disposition codes of items with the following codes: 04, 06, 16, 17, 18, and 20.

- B. The inventory tag number, description of property, and serial number (if applicable) in section one of the form must be completed along with section four.
- C. A copy of the PIC form must be sent to the PCO and a file copy retained.

IX. Declaration and Approval of Surplus Property

Pursuant to the Oklahoma Surplus Property Act. [Title 74 O.S., § 62.1 et seq.] and the OAC 260:105-3-1 Division of Capital Asset Management (DCAM) State Surplus rule, a facility/unit will determine when its personal property is surplus property. The facility/unit surplus property will be disposed of in accordance with the rules promulgated by the DCAM Administrator of Surplus Property.

A. Definitions

1. Administrator - The person in the DCAM designated by the director of the department to oversee the State Surplus Property Program.
2. Agency surplus officer – The person authorized by the (DBS) as the agency surplus officer to sign the “Surplus Property Transfer” form on behalf of the agency. (OAC 260:105-3-1)
3. Facility/unit surplus officer – A person designated by the facility/unit head to serve as the surplus officer for the facility/unit.
4. Surplus property - Items, commodities, materials, supplies or equipment a state agency owns and determines to be excess, obsolete, antiquated, unused or not needed. (Title 74 O.S., § 62.2.2)

B. Declaring State Property Surplus

State owned property will not be destroyed, sold, transferred, traded in, traded, discarded, donated or otherwise disposed of without prior written approval of the DCAM administrator of Surplus Property. This rule applies to and includes any residue that may be remaining from agency cannibalization of property. (OAC 260:105-3-1)

C. Request for Approval to Sell or Transfer Surplus Property

“Surplus Property Transfer” forms requesting approval to sell or transfer surplus property will be submitted by the facility/unit surplus officer to the agency surplus officer via email in the forms original .xls format.

1. Vehicle disposal requests will be submitted per [OP-120401](#) entitled “Fleet Management, Section IV., on DCAM-Form-SS-001V.xls: https://www.ok.gov/dcs/searchdocs/app/manage_documents.php?id=188

2. Computer disposal requests will be submitted on a DCAM form: https://www.ok.gov/dcs/searchdocs/app/manage_documents.php?id=188
3. Electronic storage media (E-Media) disposal requests will be submitted on a separate DCS-Form-SS-001A.xls, Attachment (A). DCAM Central Purchasing Division has created SW794, Contract #1932 to comply with Title 62 O.S. § 41.5a-4-State Policy and Procedures for the Destruction or Disposal of Electronic Storage Media (E-Media). E- Media not receiving certified documentation of destruction will be sent to DCAM Surplus Property for disposal.
4. With prior approval from the Inspector General, as required by [OP-040106](#) entitled "Purchase, Use and Control of Firearms and Security Equipment," firearms will be disposed of per Oklahoma Surplus Property Act. [Title 74 O.S., § 62.1 et seq.] and the OAC 260:105-3-2 DCAM State Surplus rule.

D. Surplus Property Transfer Form

The DCAM "Surplus Property Transfer" forms, DCAM-Form-SS-001A.xls and DCAM-Form-SS-001V.xls, are located on the DCAM website. http://www.ok.gov/DCS/State_Surplus/index.html.

E. Methods of Disposal of Surplus Property (OAC 260:105-3-1.)

The method of disposal of surplus property must be approved by the DCAM administrator for surplus property in accordance with (OAC) 260:105-3-1 prior to disposal of state property by a state agency.

F. Approval by the Division of Capital Asset Management (DCAM)

1. Once received from the facility/unit surplus office, the agency surplus officer will submit, by email, the appropriate "Surplus Property Transfer" form for approval by the DCAM administrator.
2. Upon approval or denial, the agency surplus officer will email the DCAM "Surplus Property Transfer" form to the facility/unit surplus officer with disposal instructions.

G. Prohibitions

1. A donation of state property to private individuals, for-profit organizations, or state employees is prohibited.
2. The sale of state property to state employees is prohibited unless items are sold at announced public sales or auctions.

H. Completion of Sale or Transfer

1. Checks received by the facility/unit for the sale or transfer of state property will be made payable to the order of the DCAM state surplus and forwarded, along with the sale receipt, to DCAM state surplus.
2. Upon the completion of approved disposal of state property, a facility/unit will be responsible for the removal of such property from the agency's official inventory.

I. Record Keeping

A copy of the approved DCAM "Surplus Property Transfer" form and any receipt for sale of the state property will be maintained in accordance with GRDS 2-43 Surplus Property File.

X. Annual Internal Audit

Annually, each facility/unit will receive an inventory control printout. This printout will be used to audit the affected area's property inventory and make necessary adjustments (new equipment not listed, transferred, sold, surplus, keystroke errors, etc.). All necessary adjustments will be forwarded to the agency PCO of Business Services within two months of receipt (OAC 260:105-1-1). (2-CO-1B-08, 4-4037) Corrections will be made in red ink.

XI. Audits

The agency's financial internal audit team will conduct an annual audit of the inventory control system at each facility/unit. (2-CO-1B-08, 4-APPFS-3D-26)

XII. References

Policy Statement No. P-120100 entitled "Management of State Funds and Assets"

OP-040106 entitled "Purchase, Use and Control of Firearms and Security Equipment"

OP-120401 entitled "Fleet Management"

Title 74, §110.1 and § 110.2

OAC 260:110-1-1 State Inventory

http://www.ok.gov/DCS/Administrative_Units/Finance/Statewide_Inventory_of_Assets.html

Standard Item Classification for Inventory and Property Control Manual

XIII. Action

The division head is responsible for compliance with this procedure.

The director of Business Services is responsible for the annual review and revisions.

Any exceptions to this procedure will require prior written approval from the agency director.

This procedure is effective as indicated.

Replaced: Operations Memorandum No. OP-120801 entitled "Property Inventory Control" dated June 15, 2017

Distribution: Policy and Operations Manual
Agency Website

<u>Referenced Forms</u>	<u>Title</u>	<u>Location</u>
DOC 120801A	"Property Inventory Control"	Attached
DOC 120801B	"Instructions for Completing Property Inventory Control Forms"	Attached
DCAM-FORM-SS-001A.xls	"DCAM Surplus Property Transfer Form"	DCAM Form
DCAM-FORM-SS-001V.xls	"Vehicle Surplus Property Transfer Form"	DCAM Form