Inventory 'Best Practices'

The Moody College of Communication is a self-tagging college. We have a centralized Technology Team which is responsible for tagging all computer equipment. Not every college has something like that.

Throughout this document, the Moody College main Inventory page will be referred to.

Here are some 'best practices' that would work for any department.

Break down your Inventory process into a minimum of 5 sub-tasks.

- **Purchaser** (the person who places the order)
- **Receiver** (the person who receives the delivery of equipment)
- **Tagger** (the person who is responsible for making certain each item is properly tagged)
- **Locator** (the person who physically locates each tagged inventory item)
- **Records Custodian** (the person who is the official Inventory Contact on the GG5 screen, manages the records on *DEFINE, and completes the Annual Certification Report.

These are the things which have to be done to maintain inventory. A single person might perform all the tasks, but it is better, if possible, to separate the duties. For example, the Purchaser should not be the Receiver. That is a best practice for any department and any kind of purchasing. The Tagger should not be the Locator. However, the Receiver could be the Tagger. The Records Custodian could be the Tagger, but should not be the Locator. Separations like these provide protection to the employee. If a piece of equipment goes missing, no single person can be held responsible as more than one person has touched it during its life cycle.

**Purchaser**

The Purchaser is responsible for ordering all equipment. He/she should make an effort to be certain that the object code on the PO will properly designate which equipment needs to be tagged and which equipment does not need to be tagged. (See Object Code list in this document.)

The Purchaser is responsible for correcting documents with an incorrect object code so that the item will fall into the proper category (tag or not tag).

**Receiver**

The person receiving equipment should be different from the Purchaser. Someone other than the Purchaser should be making certain that all items are received and distributed to the proper individuals. This protects the Purchaser from accusations of ordering and then stealing items for themselves. The Receiver should sign and date all invoices/packing lists and have the person picking up the items do the same. If the Receiver is not the Tagger, then the Receiver should notify the Tagger that equipment which possibly requires an inventory tag has arrived.

Centralized receiving within a department greatly facilitates the Inventory process. If equipment is delivered to one person in the department, it is easier to be certain that all inventory tasks are properly accomplished. If equipment is delivered directly to faculty, staff or labs, it is far more difficult to control the process.

**Tagger**

Even if the department is not self-tagging, there should be a person responsible for making certain that all departmental equipment is properly tagged. If the department has multiple buildings and items are received in more than one place, the department might want to designate a separate Tagger for each building. At a minimum, individuals receiving equipment should know to contact the designated Tagger when an item arrives.

The Tagger should be familiar with the unit codes and building codes for his department. Make a cheat sheet and keep it handy. (See the Moody College main Inventory page.)

The Tagger is responsible for knowing what items do and do not need to be tagged. The Tagger should be familiar with the list of Controlled items and know what kinds of equipment commonly found in their department will need a tag. Again, make a cheat sheet. (See the Moody College main Inventory page.)

Here are some basic definitions with which a Tagger should be familiar (also on the Moody College main Inventory page).

- **Capitalized** anything $5,000 or more. TAG
- **Controlled**: Items costing $500 to $4,999 on the list below. TAG
- **Expensed**: Items costing less than $5,000 which aren’t on the controlled list; items costing less than $500 which are on the controlled list. No tag.

Once an item has been received, it should immediately be tagged and all relevant information (serial number, the location where the equipment will usually be kept, MAC address, responsible individual) should be captured before it is deployed. Having the Receiver also be the Tagger facilitates this process as the Receiver can either open and tag (if self-tagging) the equipment or immediately call Inventory to have someone come and tag the equipment.
On a regular basis (once a month in the Moody College of Communication), the Tagger should check to see what needs to be tagged in their department. The Inventory Report for Self-Tagging Departments in PointPlus and the NU1 report from DEFINE are both very useful. (See Reports page in this document.) The NU1 report will give you information about object codes on the POs (and other documents) which might be triggering a tagging requirement on an item which does not need to be tagged. However, if you are a self-tagger and you rely solely on the NU1 report, you will not be turning in your tagging information to Inventory within 30 days. Even if you are not self-tagging, you should still be checking these reports to be certain that everything has been tagged.

Self-Taggers Process

Run the reports, print out copies of the POs, and highlight all items which need to be tagged. Compare the PO to the report and if there are items on the report which do not need to be tagged, have the Purchaser change the object codes on the documents. Keep a running list of which POs (and other documents) have already been taken care of as the same documents will often appear on the reports for a couple of months. (No record can be created in the mainframe until a PO has been paid and that sometimes takes a while.)

Place the inventory tag where it can easily be found. It should not be placed underneath the equipment or in a place where the equipment must be removed from its rack in order to find the tag.

Collect the serial number and (if applicable) the MAC address for all equipment tagged. This information is often on the box, so it’s easier to collect if the Tagger is the person unpacking the equipment.

Find out where the item will be kept and who will be responsible for it.

Send in a tagging spreadsheet at least once a month. Learn your building codes and room formats and enter the data precisely.

Use the Comments column in the spreadsheet to put notes about the equipment such as the name of the individual responsible for it or precise information about how to locate it in the future. Example: ‘Professor Doe. In the blue case under the black bench.’ This information will appear in the comments section of screen 6 of the ‘DEFINE inventory record.

Keep a tickler file of everything you send to Inventory. On a regular basis (just have an ‘Inventory day’ once a month), go through the tickler file. Be certain that all items from your spreadsheet wind up on the mainframe.

Keep track of items which might need to be transferred off your inventory and once those items appear on the mainframe, do a CCART. For example, there is a pot of technology equipment money in the Moody College of Communication Dean’s Office from which all departments purchase. The ‘DEFINE records for those items will be placed in the Dean’s Office unit code because the account is in the Dean’s Office unit code. Once the records are on the mainframe, a CCART is created to transfer the items to the proper department. Use the Unit Code column of the self-tagging spreadsheet to keep track of which items will need to be transferred.

Once everything on a spreadsheet has been completed, you can throw your ‘tickler’ copy away.

An Additional separation of duties is possible for the tagging duties listed above. Separating the physical act of tagging from the paperwork which must be done is a good process. There would then be a person who physically tags the equipment, collects the information and passes it to a second person, perhaps the Records Custodian. The second person would then be responsible for running the reports to make certain that all items were tagged, completing the Tagging Spreadsheet (listing the actual tagger’s EID in the UT EID column), and making certain that the ‘DEFINE records are properly updated and transferred.

Locator

Every year, an Inventory Certification Report must be completed. For the purposes of this report, every tagged inventory item in a department must be marked either ‘Found’ or ‘Missing’ in ‘DEFINE. The Locator is the person who goes out and physically finds every tagged item.

The best way to do this is to use a scanner and go to every room that belongs to the department (in every building where the department might have a room) and scan everything that has a tag. Don’t stop to worry about whether or not the equipment belongs to your department. Scan every item. In this way, items which might not belong to your department will still be located and the records can be properly updated or transferred as necessary. Sending an email to all faculty and staff at the beginning of the process to notify them that someone will be entering their offices and labs is a good idea.

Another good practice (which might be performed by the Records Custodian rather than the Locator) is to send out an email at the beginning of the process to all faculty and staff in the department asking them to reply with information about any inventory they have off-campus. Do not provide inventory numbers. Ask faculty and staff to send an email with the inventory tag number and a brief description of the item (example: 830081, Apple Powerbook). If the person is willing to bring the item in so it can be scanned or so that (at least) the tag number can be physically confirmed by the Locator, that is preferable. But it is not always practical or possible.

Using the emails that are received, the ‘DEFINE records should be updated to reflect that the item has been ‘Found’. A notation should be made either in the screen 1 Location Comments or in the screen 6 Comments field that ‘the item has been found per email from Professor John Doe on 3/12 /10’. The Responsible EID field could also be updated with that individual’s EID. An Inventory Off-Campus form should be completed and filed if that has not already been done.

Once all rooms have been scanned, the Physical Inventory Cycle Report (see Reports section of this document) should be run (probably by the Records Custodian). This report has two sections: Found and Unfound items. The Locator should take the Unfound items list and begin searching for each item.

Check the ‘DEFINE notes for information about where an item might actually be. Screen 6 Comments is an excellent place to keep information like, ‘this item is a round metal thing in a blue box kept under the wooden bench on the west side of the room.’ If the previous year’s record says, ‘the item has been found per email from Professor John Doe on 3/12/09,’ then email Professor Doe and ask about the item specifically. Do not give the inventory number; give a description of the item and ask if Professor Does still has it in his/her possession and if he/she would send you the inventory number.

Be prepared to get your Chair or Dean involved if necessary. Inventory is an important task, but it is often considered unimportant by faculty and other staff members and they may be uncooperative. Arrange for your Chair or Dean to send out an email at the beginning of the process each year asking for the participation and cooperation of everyone in your department.
Each department is required to find a minimum of 98% of the depreciated value of the equipment in their unit code or the department will be fined. Best practice is to make a good faith effort to find every tagged item, however, this cannot always be accomplished. If you begin to run out of time, focus on the items which have a higher depreciated value first, then go back to the items with a smaller depreciated value.

Remember that just because you have marked an item ‘Missing’ and turned in your Annual Certification Report, that doesn’t mean you have to stop looking for it. You can continue to search and update the records even after you have turned in your report. Also, be aware that the penalty for less than 98% is not assessed until August 31st, so if you turn in your report on deadline, but haven’t reached your 98% goal, you should continue searching for missing items so that your department will not be fined.

If you cannot find an item, notes should be placed in the comments section of Screen 6 of the “DEFINE record, which can still be updated once an item has been marked ‘Missing’. Note where you looked and what you did to find the item. That way, when you go looking for the item next year, you will know what you already did and you won’t have to duplicate effort. An item marked ‘Missing’ will automatically drop off your inventory after 2 years, but as long as the item is still listed on your inventory, you should make a good faith effort to locate it during each Annual Certification process.

Return the marked up Unfound list to the Records Custodian with enough time for him/her to get the data entry done before the Annual Certification Report is due to Inventory.

**Records Custodian**

The Records Custodian is the person listed on the GG5 screen as the Inventory Contact. This is the person who should be certified for Inventory for your department. The Records Custodian should maintain the “DEFINE records and complete the Annual Inventory Certification Report. Be sure to read the Tagger and Locator section of this document to understand how the Records Custodian must work with other staff performing inventory functions.

Every year, an **Inventory Certification Report** must be completed. For the purposes of this report, every tagged inventory item in a department must be marked either ‘Found’ or ‘Missing’ in “DEFINE. The Records Custodian is responsible for making certain this is done, printing out the report, getting signed by the Chair or Dean and submitting to Inventory by the deadline. (See Locator for additional tasks associated with this duty.)

Once the Inventory Certification Report is complete and has been sent to Inventory, the Records Custodian should go through the report to see if any of their inventory has been located in places that are not controlled by their department. If so, the Records Custodian should find out why those items are located in non-departmental spaces and either arrange for them to be returned to their proper place or transfer the item to the department which now has custody of the item using a CCART. Remember that just because something was ‘Found’ either by scanning or the NETL program, that doesn’t mean that your department actually has custody of it.

As an example, the Moody College of Communication had a laptop that had been stolen. It popped up as ‘Found’ because NETL found it on the UT network. The Records Custodian contacted one of the technology guys and he used network tools to track down the physical location of the laptop. UTPD was notified and they went and recovered the laptop.

The Records Custodian should regularly check their departmental inventory list for non-departmental numbers. Software and Art objects will receive 900000 numbers, which are assigned numbers. However, equipment with 900000 numbers should be brought to the attention of the tagger. The Tagger should make certain the item has a tag, the location and serial number should be updated in “DEFINE, and an email should be sent to Inventory notifying them that ‘Inventory number 923456 should actually be 833333’.

The Records Custodian should check their inventory list for any item that has been marked ‘stolen’, they should notify the Records Custodian and provide a copy of the police report. The Records Custodian should go into the “DEFINE record and mark the item ‘Missing’, then submit the Removal of Equipment from Inventory Form, a letter of justification and the copy of the Police Report to Inventory.

Items being sent to **Surplus** should be marked ‘Found’ in “DEFINE. Once a CCART has been made, the “DEFINE record will be cleared, so you should always mark the item found before creating the CCART in case the time frame overlaps with your Annual Certification Report.

There are other unusual situations which might occur, such as Cannibalization or Donation of equipment. Refer to Inventory Services website for instructions on how to handle those.

**Object Code List**

Below is a list of commonly used Object Codes, what they’re for and whether or not they flag an item as needing to be tagged.

1475 – installation of equipment. No tag.

1830 – capitalized furniture and non-computer equipment TAG

1836 – expensed furniture & non-computer equipment. No tag.

1837 – controlled furniture & non-computer equipment. TAG.

1840 – capitalized computer equipment. TAG

1841 – capitalized software. TAG

1842 – expensed software. No tag

1846 – expensed computer equipment. No tag

1847-- controlled computer equipment. TAG.

1856 – capitalized Art objects. TAG

1860 – capitalized telecommunications equipment. TAG

1866 – expensed telecommunications equipment. No tag
Reports

Point Plus Inventory Report for Self-Tagging Departments

(You do not have to be a Self-Tagging Department to use this report.)

Below are the instructions to submit this report in POINT Plus:

- Click the Management Reports link in the left navigation menu
- Select Inventory Report for Self-Tagging Departments
- Enter a unit code and a delivery due date range (optional – if you leave the dates blank, the batch job will only look for items that are due to be delivered today).
- You will receive an email when the report is ready to download from the SRS system.

Columns in the downloaded spreadsheet are automatically filled with any data found from POINT Plus files. Some columns are left empty and must be filled manually. Others may need to be edited manually – such as Description (since Inventory requires a specific format for descriptions), and Site/Building/Floor/Room (if the items have been moved from the delivery location listed on the PO).

NU1 Report

Go to the NV1 screen in *DEFINE

Press the PF15 key (or shift-F3). A window with a list of reports will appear.

Put an X by ‘NU1 Unprocessed Items Report’

On the next screen, tab down to ‘Inventory View’ and enter your unit code.

Press Enter. Then enter twice more to confirm the report.

You will receive an email with a link. Click the link and log in with your EID.

Choose the report that has your *DEFINE login next to it and download.

Physical Inventory Cycle Report

Go to the NV1 screen in *DEFINE

Press the PF15 key (or shift-F3). A window with a list of reports will appear.

Put an X by ‘PHYSICAL INVENTORY CYCLE REPORT - SINGLE UNIT/SUBUNIT’

On the next screen, tab down to ‘Unit to Report’ and enter the first 4 digits of your unit code. (If you enter the full 6 digit number ending in ‘0’, you won’t get your subunits.)

Press Enter. Then enter twice more to confirm the report.

The report will run overnight and you’ll have to pick it up from your department’s shelf, or you can arrange to have it sent electronically to your webspace.