



## Business Affairs Office

### Policy and Procedures for Federal Grant Equipment Inventory Requirements

---

Equipment asset inventory is required for any equipment costing \$5,000 or more that is purchased with federal funds. Additionally, the College recommends that each equipment purchase costing \$5,000 or more be inventoried in each department's records for both insurance and auditing purposes. Maintaining an inventory of equipment assets is valuable in the event an insurance claim needs to be filed due to theft or damage to College equipment.

Equipment inventory records should include the date of purchase, amount of purchase (including sales tax, delivery charges and/or installation costs), physical location of equipment (building and room number), the model/serial number of the equipment, the account number(s) charged for the purchase (if purchased with a grant, the name of the grant and Principal Investigator is required), and a unique departmental ID tag number (this should also be attached to the equipment). All documentation of equipment purchases on the inventory log must be kept until the disposal of the equipment. Please contact the Business Affairs Office when disposing of College equipment (either capitalized or non-capitalized) for proper accounting. If disposal consists of selling the equipment, sales tax may apply.

Each department is responsible for annually verifying and updating its own equipment inventory records. A copy of the department equipment inventory record must be submitted annually to the Grants Accountant in the Business Affairs Office as part of the year-end closing process. This documentation will enable the College to comply with the federal audit requirements.