

Guidelines for Maintaining an Equipment Inventory

Equipment owned by a PEF Division is covered up to \$5,000 under the PEF insurance policy subject to a \$500 deductible. Permanent damage, loss, or the sale of a Division's equipment must be reported to PEF Division Finance via a letter signed by the Division Council members.

I. It is the responsibility of the Division Council to oversee all the equipment owned by the Division and to ensure the safekeeping, proper maintenance and use.

A. Prior to the purchase of equipment, the Division Council should appoint a location where the item will be housed. This location should be easily accessible to the persons designated to use the item. The item should not be removed from this location without the approval of the Division Council.

B. A list indicating the persons eligible to use the item should be prepared and signed by all the Division Council members. This list should be given to the custodian of the equipment and a copy should be retained in the Equipment Inventory file. The custodian must be informed in writing by the Division Council of any additions and deletions on this list.

C. The Division Council should appoint a member of the Division to be directly responsible for the safekeeping and proper maintenance of the equipment (custodian of the equipment). The location of the equipment should be easily accessible to the custodian. Persons who wish to use the equipment should first consult with its custodian.

1. Prior to undertaking responsibility for a Division's equipment, the appointed custodian should sign a letter clearly indicating his or her name, address, and the following information.

a. The date the item was placed under the custodian's care.

b. Identification of the item (ie. quantity, description, serial number).

c. If the item is to be housed beyond the confines of the Division's central or main location, a statement indicating the item will be returned to the Division Council in proper condition upon written request from the Division Council or the PEF Secretary Treasurer.

d. This letter should be submitted to PEF Division Finance and a copy should be retained in the Division's Equipment file.

2. A request made by the Division Council for the return of an item or the transfer of an item to another custodian must be made in writing and signed by a majority of the Division's Council or the PEF Secretary Treasurer.

3. If a custodian of an item wishes to be relieved of the responsibility, he or she should write a letter to the Division Leader and forward a copy to the Division Treasurer and PEF Division Finance. Upon receipt of this letter, the Division Council must immediately repossess the equipment and appoint a new custodian under whose care the equipment is to be placed.

II. A Division should conduct an inventory of its equipment at the end of the fiscal year.

A. The Treasurer should review all information pertaining to the Division's equipment and prepare and sign the Equipment Inventory form.

B. The current inventory should begin with the prior year's inventory and account for all items plus any additional purchases since the last inventory. Any items disposed of during the past year should be deducted from the inventory.

C. The Division Council should review all receipts and bills pertaining to the purchase of the equipment.

D. The Division Council should ensure that the Division's equipment is placed under the care of custodians and letters of acknowledgment were obtained from the custodians.

E. The Division Leader should review all information pertaining to the Division's equipment and sign the Equipment Inventory form.

F. Once the Equipment Inventory form is reviewed and signed, the Treasurer should obtain copies of all receipts, letters of acknowledgment from the custodians, and the Equipment form and place this information in the Equipment Inventory file. The originals should be submitted to PEF Division Finance.

G. Divisions that do not own Equipment should write "No Equipment" on the Equipment form. The form should be signed by the leader and

treasurer and submitted. A copy should be retained in the division's equipment file.

- III. A file containing information on the equipment owned by a Division should be prepared and maintained by the Division's Treasurer.
 - A. The Equipment file should contain such information as:
 - 1. Copies of all receipts pertaining to the purchases of the equipment.
 - 2. Copies of letters of acknowledgment from custodians under whose care the equipment was placed.
 - 3. Letters regarding change of custodians.
 - 4. Copies of all Equipment forms completed and submitted by the Division.
 - 5. All records pertaining to the disposal of any item or equipment that is sold, traded, given away, or junked.
 - 6. Any other information deemed applicable to this file.
 - B. The Equipment file should be updated regularly (when an item is purchased by the Division).
 - C. The equipment file should be made available to the Division Council upon request from the Division Council.
 - D. Before a Treasurer leaves office, he or she must present the Equipment file to the Division Council for review.

IV. Over time, equipment will become obsolete or wear out. It is sometimes more cost efficient to replace an item than to have it repaired. When this occurs, it will become necessary to dispose of the item or trade it in for a newer model. Worthless items should not be carried in the books. They should be written off and properly disposed of.

- A. The decision to dispose of an item must be made by the Division Council or the Division's membership, depending on the cost of the item.
 - 1. If the item is deemed to have no value, it may be junked. However, every effort should be made to sell or trade-in the item for the highest possible amount.
 - 2. If the item is sold or given to a Division member or officer, he or she should not participate in the vote that will determine this.
- B. These decisions must be made and recorded in the records of the Division under the same criterion (based on its dollar value when it was new) that governed the purchase of the item being disposed. The decision must be discussed, voted on, and recorded in the Division's meeting minutes.
- C. All records pertaining to the disposal of an item should be filed in the Division's equipment file maintained by the Treasurer, and copies of these records should be sent to the Divisions Finance Office.

Division Number _____

Equipment Inventory

Please Print

Date of Inventory _____

Date Purchased	Vendor Name Item Description and Condition	Check# Item Serial Number	Cost of Item	Custodian Responsible for Item Name/Phone#	Address Where Item is Located

We attest that the above stated are all the fixed assets owned by Division _____ and the information recorded on this Inventory Form is accurate and true.

Sign Here _____ Sign Here _____

Division _____ Council Leader

Division _____ Council Treasurer

*NOTE: If equipment is recorded on more than one Inventory Form, all forms must be signed by the Council Leader and Treasurer.