



THE UNIVERSITY OF NORTH CAROLINA
AT
CHAPEL HILL

Associate Vice Chancellor
for Finance

CB #1000, 304 South Building
The University of North Carolina at Chapel Hill
Chapel Hill, NC 27599-1000

MEMORANDUM

DATE: November 20, 2002
TO: Deans, Directors, and Department Chairs
FROM: Roger D. Patterson
Associate Vice Chancellor for Finance
SUBJECT: Safeguarding Equipment

I write to remind you of your critical role in the safeguarding of the University's assets. The University has custodial responsibility for 10,866 items of equipment costing \$5,000 or more, with a total value of over \$209 million. This responsibility entails not only maintenance of equipment items, but also, knowing their locations at all times, conducting an annual inventory to account for each item, and ensuring appropriate efforts are made to locate missing items.

As part of their annual audit, the State Auditors verify the existence and location of equipment using sampling methods. Audit results have indicated that the physical location of some items does not agree with the location documented in the Asset Management (AM) System, and in some cases the equipment is missing. It is incumbent on each of you to ensure that your department manager notifies Asset Management when an item of equipment is moved within the department, transferred to another department, or surplus.

To update the AM System, departments must complete a "Notice of Disposal or Change in Location" Form (E/S-102), each time a decaled item is moved from one location to another. The form, located at <http://www.ais.unc.edu/bfhome/asset/assetforms.htm>, should be completed and submitted at the time an item is moved and not held for later submission. When the annual inventory discloses an item as missing, you will receive a notification if your department has not located that item after 90 days. Your responsibility is to respond within 30 days as to the disposition of that equipment item. Should you discover misuse or theft of equipment, a misuse report should be filed immediately with the Department of Public Safety.

On a campus as large as UNC, equipment is often moved from one location to another, especially with a significant amount of construction underway. Asset Management has a history file on each asset and may be able to provide your department manager with key information that will assist in locating a missing item. [Examples: To whom the item was originally delivered, reported location changes (when and where), additions, and which accounts paid for the item.] Additional information can be located on the Asset Management website at <http://www.ais.unc.edu/bfhome/asset/>, or if you have questions or need training for your

department, please contact Ms. Candace Woody, Director of Asset Management, at 2-1382 or cwoody@email.unc.edu.

As time passes, it is inevitable that items will become obsolete. Please remember these items must be sent to Surplus Property rather than discarded. For obsolete items, the receipt number from the Surplus Property Receipt Form (P-110), located at <http://www.ais.unc.edu/msd/mmd/Surplus/Surplus.htm>, must be noted on the E/S-102 form. This is the control mechanism that allows Asset Management to remove the item from your department's inventory records. The need to process these actions cannot be over emphasized.

In closing, I urge each of you to review with your department manager their role in the safeguarding of Carolina's assets. Thanks!