

Tubac Fire District
INVENTORY POLICY AND PROCEDURES

I. POLICY

To better safeguard assets owned by the Tubac Fire District, the district is required to implement an asset inventory system. This inventory will consist of items that cost greater than \$1,000 to include fixed assets and equipment belonging to the Fire District purchased with Fire District funds, lease-purchase financing, grant funded purchases or by other means. Up to date inventory information shall be maintained through the coordination of purchases and surplus disposition. Annually or as needed, a physical verification of the inventory records to the items on hand will be performed.

The Fire Chief or his designee shall appoint an Inventory Control Manager who will be responsible for maintaining the inventory. The annual inventory shall be the responsibility of the Inventory Control Manager who may assign personnel to perform the actual physical count. Copies of invoices for equipment required under the inventory policy shall be submitted to the Inventory Control Manager for documentation.

II. PROCEDURES

Items that cost more than \$1,000 must be recorded as inventory. The Fire District will internally track assets costing more than \$1,000 as described below. Buildings, Vehicles, and Equipment in excess of \$5,000 and an estimated useful live of one year or more are considered capital assets and not inventory. All these items fall under the districts capitalization policy and are tracked separately from inventory.

A.

1. The items that must be entered on the system are defined as tangible property, with an expected useful life of greater than one year and have a cost greater than \$1,000.
2. Computers, electronic office equipment, fitness equipment, radio equipment and technology related items including testing devices costing more than \$1000. Any component of a computer or any technology related item which individual costs more than the \$1000 threshold should be recorded as a separate piece of equipment (i.e., external components like the monitor, a printer, or a scanner).
3. Photographic equipment, cameras or components that together cost more than \$1000.
4. Tool carts or toolboxes. Maintenance toolboxes or carts are made up of individual items that may not cost significant amounts, but in the aggregate are worth tracking in the inventory system.
5. Furniture less than 10 years old including, but not exclusively, office chairs, desks, tables, file cabinets, bookshelves, lockers, recliners, or other furniture worth \$1000 or more.
6. Other assets that a section would like to exercise a greater level of control over can be entered and tracked in the systems, but the greater the number of items tracked by the system, the more difficult to maintain.

B. Establishment of an Initial Inventory

1. The initial inventory will be developed using the criteria above. Prior to taking this inventory, the Equipment Inventory Form and its instruction should be reviewed so that all of the required data elements are recorded during the initial physical inventory.

Funding data may need to be estimated for items during this initial period because of the difficulty of finding such data.

C. Adding New Equipment

1. The majority of additions will result from purchases. However, other methods of acquiring items should also be considered so that all applicable items are entered into the inventory system.
2. Other acquisition methods include:
 - a. Donation – Items could be acquired from the State of Federal Property donation process or possibly through private donation. All such items should be recorded at their fair market value at the time of the donation and not their historical cost.
 - b. Assets supplied as a Term of a Contract – Contractors are sometimes required to provide equipment as part of the terms of their contract, such items should be recorded on the system if the item(s) become District property during or at the inception of the contract to ensure that the accountability of the item is established. The funding or purchasing method used does not affect the fact that such items are assets owned by the District.

D. Establishment and Update of Inventory Records

1. An inventory record is initially established through the filling out of an Equipment Inventory Form.
2. When a purchase requisition, , credit card purchase or any other transaction is being initiated, it should be reviewed by the Deputy Chief to determine if the transaction includes the acquisition of items that meet the requirement for inclusion on the inventory. When the item is ordered, the Deputy Chief should be notified so that the inventory control form can be completed upon receipt of the item and an inventory label can be attached. The Deputy Chief will enter the appropriate information on the inventory database.

E. Assigning an Inventory Number to Equipment

1. All items shall be tagged or stenciled with a standardized system as established by the Fire District.

F. Declaring an Item Surplus

1. Any item declared as excess or any item disposed of or moved to surplus shall be updated on the Inventory System by noting the disposition of the item.

G. Transferring an Item

1. When items are moved between facilities the inventory location will need to be updated.

H. Retiring an Item

1. When items are broken, obsolete or no longer required, the Fire Chief or his designee is responsible for taking action to resolve surplus property and to properly dispose of the items according to the TFD policy, *Fixed Asset Disposal Policy*. applicable rules and regulations. The Deputy Chief shall be notified so that the inventory files can be properly maintained. If the item is disposed of or sold at auction, information should be maintained to document the validity of the inventory deletion.

I. Temporary Use of Equipment

1. Equipment shall not be moved from its assigned premises without written approval by the proper authority (Chief or his designee). Employees should document approval of the use of equipment at any site other than its assigned location.

J. Control or Inventory Decals

1. The Deputy Chief shall maintain a supply of inventory decals. All property that has been entered on the property inventory sheets shall be properly marked if practical.

K. Physical Inventories

1. Annually a physical inventory will be conducted during the month of January. The results of this inventory should be documents in writing. The results of the inventory should be reconciled to the inventory records. Differences should be reconciled and when necessary, documents should be prepared to adjust the records to reflect current conditions. The results of the inventory will be kept on file. Any decisions related to unreconcilable differences shall be reported to the Fire Chief.
2. Examples of Types of items to be inventoried:
 - Generator, portable or fixed
 - Thermal imaging devices
 - SCBS assembly
 - SCBA cylinders
 - Hose by size
 - Computers, printers, copiers
 - Technology items, specify
 - Radios, base and portable
 - SCBA air compressor
 - Extrication tools and components
 - PPE Coat, Boots, Pants, Helmet

III. Additional TFD Policies to review related to this policy:

- TFD *Fixed Asset Disposal Policy*
- TFD HR Policy, *Standards of Conduct*
- TFD HR Policy, *Conflict of Interest/Outside Employment*