STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES **Policy and Procedure**	POLICY AND PROCEDURE NUMBER **11.04.009**	PAGE 1 of 5
	EFFECTIVE DATE June 30, 2000	
SUBJECT **Inventory Management of SEF Assets**	SUPERSEDES DODR 11.04.009	DATED 4/2/1996
TITLE **State Equipment Fleet** / CHAPTER **Equipment Use, Care, & Maintenance**	APPROVED BY	

PURPOSE AND SCOPE

Introduction:

The purpose of this procedure is to inform users of State owned vehicles and equipment of their responsibility in insuring the proper inventory management of assets assigned to them.

The vehicle inventory is the basis for the annual calculation of federal rates for equipment usage, the annual usage summary reported to department heads, reports to Risk Management and OMB regarding fixed assets, and reconciliation of the Equipment Management System.

Responsibility/Performance:	
SEF Headquarters	Establish specific inventory procedures.
Agencies	Conduct the physical inventory in accordance with these procedures.

Reference:

Department procedure DPDR 10.03.010 Property Control

DISTRIBUTION

All holders of the Procedure Manual, all SEF Procedure Manual holders.

PROCEDURE

A. Agency Reporting:

1. A computerized count sheet from EMS will be provided to the property custodian listing vehicle, equipment and attachments in their Department's physical control. A memorandum such as the example Attachment A will

accompany the inventory to give detailed instructions and time constraints for the inventory.

2. Conduct a physical inventory of all assets listed. All agencies must report the current mileage or meter (hour) reading on all metered units in the space provided on the inventory sheet regardless of the billing status.

3. Assets not found during the physical inventory should be thoroughly investigated within the Department for possible transfer or relocation before reporting as "lost" and filling out a "Lost-Stolen-Damaged Property Review" Form 02-627, Attachment B. Complete the form through block 15. The HQ SEF completes blocks 16 and 17. The Department of Administration Property Management Officer will review the form and sign off in block 18.

4. The completed inventory and any necessary notations or attachments for additions or deletions is returned to HQ SEF for reconciliation into the Equipment Management System.

B. Processing and Reconciliation of Inventory:

1. HQ SEF reconciles and enters the mileage and hours into the EMS. Discrepancies noted on the inventories are researched and necessary actions taken per established property management guidelines.

2. All agency heads will receive a report showing the result of the inventory for their department and any anomalies in the annual usage summary. This report will be mailed out in the first quarter of the fiscal year following the taking of the inventory.

Attachments:

Attachment A: Annual Inventory Memorandum of Instruction
Attachment B: Lost-Stolen-Damaged Property Review, Form 02-627

MEMORANDUM

State of Alaska

Department of Transportation & Public Facilities
Administrative Services Division

TO: DISTRIBUTION

DATE: March 5, 1998

TEXT NO: (907) 465-3652
FAX NO: (907) 465-3124
TELEPHONE NO: (907) 465-3911

FROM: Nancy J. Slagle
Director
Administrative Services Division

SUBJECT: FY98 SEF Vehicle/ Equipment Inventory

Again, we are asking your assistance in completing the annual inventory of vehicles and equipment for the State Equipment Fleet (SEF). As in past years, I believe it is vital to relate to you the importance of maintaining this inventory. Please take a few moments and read through the following comments and inventory instructions.

In FY99 SEF will report to all department heads the result of the FY98 inventory. Failure or incorrect reporting of odometer and hour meter readings will cause anomalies in the annual usage summary. SEF's ability to report fuel usage for budgeting will also be affected. Management will be unable to determine whether vehicles are adequately utilized unless the figures are current, correct and double-checked prior to sending in your inventory.

The information from this inventory will be used in the calculation of federal rates for equipment costs. Each year, equipment rates are calculated to charge the federal government for federal projects. These costs and methodologies are reviewed annually by the federal government and state auditors. Failure to adhere to the requirements for supportable rates could lead to significant losses in reimbursement amounts to the State of Alaska and federal audit exceptions.

Are you sure you have the vehicles and equipment that you are paying for? With many agencies spread across the state, it is not feasible to see every piece of equipment that an agency pays replacement or operating rates for on a daily, or even monthly, basis. A yearly check throughout your department will insure no funds are being wasted on items no longer in your control.

The requirements for a physical inventory is defined in AS 37.05.160 as well as the federal regulations which govern the establishment of vehicle rates. The Department of Administration has delegated the inventory for vehicular assets and automotive equipment to the Department of Transportation and Public Facilities (DOT&PF), State Equipment Fleet (SEF). Annual inventories are also a vital tool in the elimination of waste, fraud and abuse.

The State of Alaska, Department of Administration, Division of Risk Management insures the State vehicular assets for liability purposes. This liability covers third party involvement in vehicular accidents. Failure by an agency to report equipment assets, especially those which may not have been previously noted in the Equipment Management System (EMS), may result in incurred liability by that agency should an accident occur.

This can be extremely expensive to an agency or division. If you have questions regarding liability, call the Division of Risk Management in Juneau at 465-2180.

INVENTORY INSTRUCTIONS:

To provide us with the best information possible, please read and follow the inventory instructions as outlined below:

Recording of Meter Readings: All agencies must report mileage/hour readings during the inventory cycle. Please record the current meter reading (either miles or hours) and the date of the reading. The information will be entered into the EMS for future cost, usage reporting and evaluation of vehicle need. This pertains to all metered equipment regardless of billing status, i.e. wet, dry, or non-rental.

Units with no Meters: If a piece of equipment has no meter, indicate that it is on-hand by placing a check or other annotation on the meter reading line.

Location Changes: Pieces of equipment that have changed locations must have the new location annotated on the inventory. DO NOT put "not here" or "moved." It is the agencies' responsibility to inform SEF of equipment movement throughout the state.

Additional Equipment: Equipment not listed on your inventory should be annotated on the bottom or back of the sheet. Please give us the plate number, description, and serial number of the unit.

Changes to SN, Description: Please keep in mind that the descriptions are generic; however, the manufacturer and serial numbers should be 100 percent correct for the unit. Please annotate changes as necessary.

Lost, Stolen, or Damaged Equipment: Form 02-627 "Lost-Stolen-Damaged Property Review" must accompany any inventory where there is equipment annotated as such. Questions on the completion of this form may be addressed to the Headquarters SEF Office at 269-0791.

Please return the inventory with corrections **no later than May 15, 1998**, to HQ SEF, 2200 East 42nd Avenue, Anchorage, AK. All inventories must be reconciled and recorded by the HQ SEF prior to the end of the fiscal year. Your timely submission will insure that we can complete our data entry and analysis and get accurate fiscal information out to all users during the budget process. Questions may be directed to the SEF Property Officer, Sharri Smith (269-0791).

Attachment

DISTRIBUTION:

Administrative Services Directors
DOT&PF Vehicle and Equipment Inventory Staff

cc: Sharri Smith, Property Officer
HQ State Equipment Fleet

State of Alaska

LOST-STOLEN-DAMAGED PROPERTY REVIEW

(See State Property Manual for Instructions)

No. 44501

1. Department	2. Division	3. Section	4. Date
5. Property Location	6. Check One ❒ Lost ❒ Stolen ❒ Damaged, repairable ❒ Destroyed		7. Police Notified ❒ Yes, attach report ❒ No, explain in 13
8. Serial No.	9. Description		10. Class Code
11. Tag No.			12. Value $

13. Circumstances (Include Names of Witnesses):

Signature of Custodian	Printed Name & Title	Date

COMPLETE 14-18 AND EXPLAIN ACTION TAKEN

14. I certify that, to the best of my knowledge, the above is true and correct.

Negligence apparent: ❒ Yes ❒ No If yes, has disciplinary action been taken?

Explain precautions taken to safeguard State property.

Signature of Immediate Supervisor	Printed Name & Title	Date

15. I ❒ concur ❒ do not concur with the above findings and action taken.
RECOMMENDATIONS:

Signature of Division Director	Printed Name & Title	Date

REPORT OF REVIEW

16. The above findings ❒ are ❒ are not consistent with State and Department policies.
RECOMMENDATIONS:

Item ❒ will ❒ will not remain in service (for damaged items only).

Signature of Department Property Officer	Printed Name & Title	Date

17. I ❒ concur ❒ do not concur with the above findings and/or authorize that action be taken as recommended.
RECOMMENDATIONS:

Signature of Commissioner or Designee	Printed Name & Title	Date

18. I ❒ concur ❒ do not concur with the above findings; item ❒ will ❒ will not be dropped from inventory.
RECOMMENDATIONS:

Signature of State Property Manager	Printed Name	Date