

**Rancho Santiago Community College District**  
**ADMINISTRATIVE REGULATION**  
Chapter 6  
Business and Fiscal Affairs

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## **AR 6503 Inventory Control**

### **References:**

Education Code 60500, 60510, 60521, and 81450 - 81455

A central District Warehouse Department, managed by the Director of Purchasing Services, shall be responsible for receiving all moveable equipment purchases and tagging those items for identification in the District's records.

Large and bulky moveable equipment purchases requiring direct delivery shall be tagged and recorded by the District Warehouse Department upon notifications by the ordering department or end user.

A tag controlled inventory record of moveable assets shall be maintained in a manner authorized by the California Community Colleges Budget and Accounting Manual (BAM). All items including federally funded items with a cost or donated value of \$1000.00 or more per item shall be tagged and included in the inventory record for control purposes with the exception of the equipment permanently fixed in a building, such as heaters or lockers. These permanent fixtures shall be included in the fixed asset inventory records related to buildings and building improvements. For capitalization and depreciation purposes for the District's accounting records, all items with a value of \$5,000.00 or more will be included according to the uniform system level in the BAM.

The inventory system shall be adequate for basic internal control, accounting, and risk management requirements. The inventory reports shall include at least the name, description, date of acquisition, identification (serial) numbers, inventory tag number, campus and department location, and original cost of all items.

A complete physical count shall be conducted by the District Warehouse Department every two years at the beginning of the fiscal year. Exception reports will be distributed to responsible administrators so that they or their designee may resolve any discrepancies.

At least annually, but preferably quarterly, the inventory record shall be reconciled to the general ledger and any necessary adjustments made.

It is the responsibility of the Administrative Services staff at each college and District Office to transfer equipment. Equipment shall be transferred or moved to another area through the use of the Inventory Control Form developed for that purpose.

It is the responsibility of all District managers and staff shall be accountable for inventory control in their areas.

**Revised: December 1, 2014 (Previously AR3400)**  
**Revised: August 21, 2017**