

# KANSAS DEPARTMENT OF CORRECTIONS

 <b>INTERNAL MANAGEMENT POLICY AND PROCEDURE</b>	<b>SECTION NUMBER</b>  <b>04-114D</b>	<b>PAGE NUMBER</b>  <b>1 of 6</b>
	<b>SUBJECT:</b>  <b>FISCAL: Inventory</b>	
<b>Approved By:</b>   <b>Secretary of Corrections</b>	<b>Original Date Issued:</b> <span style="float: right;"><b>12-30-14</b></span> <b>Replaces Version Issued:</b> <span style="float: right;"><b>N/A</b></span> <b>CURRENT VERSION EFFECTIVE:</b> <span style="float: right;"><b>12-30-14</b></span>	

<b>APPLICABILITY:</b>	<input type="checkbox"/> <b>ADULT Operations Only</b>	<input type="checkbox"/> <b>JUVENILE Operations Only</b>	<input checked="" type="checkbox"/> <b>DEPARTMENT-WIDE</b>
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## POLICY STATEMENT

The Department of Corrections is responsible for maintaining safeguards to protect the financial and physical assets. Management must be aware of internal control weaknesses that can either lead to or permit misuse, misappropriation, or destruction of assets. Each employee is responsible for those agency assets assigned to him/her or which have otherwise been placed under his/her control.

## DEFINITIONS

Master List of Real Property: Includes all land, regardless of cost, and buildings or building improvements with a cost of at least \$5,000. This list shall be established in concert and compliance with the provisions of IMPP 01-120.

Capital Outlay: A tangible personal property item with an acquisition cost of \$5,000 or more and with a useful life exceeding one year.

Capital Outlay Inventory: A listing of all capital outlay property items maintained in the Statewide Accounting and Reporting System in accordance with the Department of Administration, Division of Accounts and Reports, Policy Manual Filing 13,001.

Internal Inventory: Tangible personal property items which the Secretary of Corrections has determined shall be maintained on an internal inventory since the item is susceptible to theft or abuse, but does not meet the definition of capital outlay. This inventory is not submitted to the Department of Administration.

Items to be maintained on the internal inventory include digital cameras, video cameras, facsimile machines, personal computers [desktop and laptop], printers, servers, and vehicles if the acquisition cost exceeds \$500 but is less than \$5,000, and all firearms, handheld and two-way radios regardless of acquisition cost.

Property Management Officer: The person within each facility and the DOC central office who serves as the lead person regarding all inventory and asset management issues, and is responsible for distributing all statewide and agency-specific asset management policies and disposing of property in accordance with the State Surplus Property Program.

Consumable Supplies: Non-equipment items with a useful life of less than one year.

Property Number: Pre-numbered decal attached to the capital outlay or internal property that corresponds to the number assigned on the capital outlay listing.

## PROCEDURES

### I. Central Office and Parole Offices

- A. The property management officer's responsibilities shall be divided between the Fiscal Services Section and Information Systems and Communication Section as follows:
1. The Accountant V is designated as the property management officer by the Fiscal Services Section. The Accountant V shall serve as the lead person regarding all inventory and asset management issues, and shall be responsible for distributing all statewide and agency-specific asset management policies. This person shall also be responsible for:
    - a. Maintaining the capital outlay inventory;
    - b. Maintaining the internal inventory of other equipment items, excluding personal computers, printers and servers;
    - c. Conducting or designating staff to conduct the annual inventory of all capital outlay and internal inventory of other equipment items, excluding personal computers, printers and servers;
    - d. Processing the disposal of all items in accordance with the State Surplus Property Program, and;
    - e. Ensuring that the appropriate law enforcement agency is notified in the event that any equipment is stolen.
  2. The Public Service Administrator within the Information Systems and Communications Section shall be designated as a property management officer. This person shall be responsible for:
    - a. Maintaining the internal inventory of personal computers, printers, and servers assigned to employees in the central office and parole offices;
    - b. Conducting or designating staff to conduct the annual inventory of personal computers, printers and servers, and;
    - c. Ensuring that the appropriate law enforcement agency is notified in the event that any equipment is stolen.
- B. Each item on the capital outlay inventory shall be assigned to a designated employee or individual. For items used by several individuals, the items may be assigned to a responsibility center, either by location or department, with the department head being responsible for the inventory in his/her areas of control.
1. Each employee or individual shall be responsible for maintaining his or her assigned physical inventory in accordance with established inventory control procedures. The inventory for which each employee or individual shall be responsible includes those items certified by the employee or individual as being in his/her possession, adjusted for any additions and/or deletions that occur during the fiscal year.
  2. State owned property shall be used only in conducting official state business.
  3. Property shall be neither rented nor loaned to any individual for personal use.
- C. Capital outlay and internal inventories shall contain the following minimum information:
1. Fund code;
  2. Property number;

3. Asset class;
  4. Asset type;
  5. Date of acquisition (month and year);
  6. Acquisition/inventory cost;
  7. Description and serial number;
  8. Custodian (employee property assigned to);
  9. Profile ID;
  10. Acquisition code;
  11. Asset subtype; and
  12. Asset status.
- D. Instructions and forms utilized for maintaining inventories shall be in accordance with Department of Administration, Division of Accounts and Reports, Policy Manual, Filing No. 13,001.
1. Information for the inventory and control of information system assets are found in IMPP 05-141.
- E. Capital Outlay or Internal Inventory Additions
1. A copy of the invoice shall be attached to a copy of the original voucher.
    - a. After the voucher has been submitted in SMART, a photocopy of the voucher and attached supporting documentation shall be delivered to the appropriate property management officer.
    - b. The property management officer shall file the voucher and supporting documentation in an inventory file.
    - c. The person for whom the inventory was purchased shall be indicated on the photocopy of the voucher.
    - d. A parole office receiving equipment shall notify the appropriate property management officer as to whom the equipment is assigned.
  2. The property number shall be assigned when the capital outlay or internal inventory item(s) is received or the voucher is processed for final payment. The property number decal shall be issued for the inventory item(s) prior to release of the items for use.
    - a. An employee receiving an inventory item that does not have a Department of Corrections property number decal fixed, shall immediately contact the property control officer.
    - b. Property numbers shall remain on the property for the life of the item. If at any time the property number decal becomes unreadable or detached, the employee or individual to whom the item is assigned shall contact the property management officer so that a new decal can be issued and properly affixed to the item in question.
  3. The property management officer shall ensure that all records are updated in SMART.

F. Movement of Property

1. The employee from whom the capital outlay or internal inventory item will be transferred shall notify the appropriate property management officer by e-mail. The e-mail must include:
  - a. The property number attached to the item requested for transfer;
  - b. A description of the item(s), including any model number and serial number;
  - c. The current location of the capital outlay or internal inventory item. The current location shall be identified by the name of the employee to whom the property is currently assigned.
  - d. The individual and location to which the property will be transferred; and
  - e. The reason for the transfer.
2. When an employee terminates employment with central office or a parole office, the employee and the employee's supervisor together shall review the employee's current list of assigned inventory items to ensure that all items are present.
  - a. The supervisor shall be responsible for all inventory items assigned to a vacant position, and shall take all steps necessary to prevent the unauthorized movement of the items.
  - b. Movement of inventory assigned to a vacant position may be authorized in accordance with the procedures outlined in I.F.1, with the supervisor acting as the employee to whom the items are currently assigned, and the necessary information being returned to the property management officer.
3. When a new employee begins work with central office, the employee's supervisor shall review with the new employee the inventory items that will be in the employee's control and possession.
  - a. This information shall be returned to the property management officer.
4. When a capital outlay item is transferred to another state agency, the appropriate property management officer shall submit an AM001\_SMART Interunit Transfer Form to the SMART help desk.
5. For any other method of disposition (i.e., donation to non-profit group, transfer to State Surplus, etc.) the appropriate property management officer shall retire the item using the correct disposal code in SMART and prepare and retain a Disposition of Property form.
6. The property management officer shall ensure that all records are updated on the capital outlay or internal inventory log.

G. Disposal Procedures

1. The property management officer, the Parole Director (if the property is assigned to a parole office), or the Information Systems and Communications Section designee shall review the proposed disposal of any capital outlay or internal inventory, and shall either approve or disapprove the proposed disposal based upon the results of their review.
2. The Accountant V shall follow instructions and utilize forms for disposal of inventory in accordance with State Surplus Property policies.
3. Property proposed for disposal is to remain in the department until approval is obtained.

4. The property management officer shall be responsible for coordinating the disposal of surplus property.
- H. The actual physical inventory shall be the responsibility of the property management officer.
1. Staff designated shall take the actual physical inventory, which is coordinated through the property management officer.
  2. The property management officer shall investigate any discrepancies noted in the physical inventory and/or computerized log.
- I. An employee discovering the theft of property must report the theft to his/her supervisor. This shall be done as soon as possible, but no later than three days from the date of discovery. The supervisor shall immediately notify local law enforcement and report the theft to the property management officer.

## II. General Orders

- A. To implement this policy general orders shall be developed, shall address the assignment of specific responsibilities to staff, and shall address the following:
1. Any additional property added to the internal inventory at the discretion of the Warden or Superintendent, with consideration being given as to whether or not the time and effort associated with the accounting of these items could be better utilized in other areas;
  2. The maintenance of a log indicating the location of each capital outlay and internal inventory;
  3. The procedures for capital outlay and internal inventory additions, movement or transfers and disposal;
  4. The procedures for conducting the physical inventory of capital outlay and internal inventory;
  5. The procedures for conducting the physical inventory of consumable supplies, and;
  6. The review of the master list of real property distributed annually by the Department of Administration.

**NOTE:** The policy and procedures set forth herein are intended to establish directives and guidelines for staff and offenders and those entities that are contractually bound to adhere to them. They are not intended to establish State created liberty interests for employees or offenders, or an independent duty owed by the Department of Corrections to employees, offenders, or third parties. Similarly, those references to the standards of various accrediting entities as may be contained within this document are included solely to manifest the commonality of purpose and direction as shared by the content of the document and the content of the referenced standards. Any such references within this document neither imply accredited status by a Departmental facility or organizational unit, nor indicate compliance with the standards so cited. The policy and procedures contained within this document are intended to be compliant with all applicable statutes and/or regulatory requirements of the Federal Government and the state of Kansas. This policy and procedure is not intended to establish or create new constitutional rights or to enlarge or expand upon existing constitutional rights or duties.

### REPORTS REQUIRED

None.

### REFERENCES

K.S.A. 75-3729, 75-3516, 76-116e

IMPP 01-120, 05-141

Department of Administration, Division of Accounts and Reports, Policy Manual, Filing No. 13,001  
The State Surplus Property Program

**ATTACHMENTS**

None.