1. **PURPOSE**

   The *Physical Inventory Policy* provides guidance on the physical inventory process to assist the University in the proper safeguarding, maintaining, tracking, and reporting of University assets.

2. **APPLICABILITY**

   The *Physical Inventory Policy* is applicable to any division or department in possession of University assets that are capitalized or controlled.

3. **AUTHORITY**

   University policies fall within a greater hierarchy of laws, statutes and regulations. The Board of Visitors has been authorized by the Commonwealth of Virginia to govern Radford University. (See Code of Virginia §23-155.7; 23-9.2:3.)

   The Board of Visitors, in the Board Bylaws, has delegated much of the authority to manage the University to the President, who serves as the agent of the Board and as the Chief Executive Officer of the University. As a part of that management, the President, in conjunction with the President’s Cabinet, will direct the development and implementation of University Policies and Procedures.

4. **DEFINITIONS**

   **Asset:** Any equipment item, or personal/real property, whether tangible or intangible, owned by or in the possession of the University.

   **Banner Fixed Asset Module:** The University’s system of record for capital and controllable assets to meet federal, state, and University requirements.

   **Capitalized Assets:** Assets with an expected useful life of greater than one year and with a value or cost of $5,000 or more at the date of acquisition.

   **Controlled Assets:** Equipment Trust Fund (ETF) or certain other assets costing less than $5,000 that the University has determined should be tracked and tagged similar to capitalized assets in order to maintain proper control and accountability.
**Equipment Liaison**: The individual designated by each department that is responsible for accurately monitoring all asset activity within that department. Equipment Liaisons are University employees whose regular duties consist of managing the department’s assets and acting as the point of contact concerning status changes of assets.

**Equipment Trust Fund (ETF)**: A program administered by the State Council of Higher Education for Virginia (SCHEV) that provides an additional funding source that allows higher education institutions to purchase equipment for instructional use through leasing agreements with the Virginia College Building Authority. Equipment purchased with ETF monies is not owned by the University until the leasing agreement for a particular allocation has been satisfied. In addition to general rules applicable to all equipment, specific guidelines apply to the acquisition, maintenance, and disposal of ETF equipment.

**Physical Inventory**: The process conducted by the Equipment Liaison and a Financial Reporting employee in which a physical identification of each tagged asset is completed.

**Tagged Assets**: Assets that meet University criteria for tracking purposes either as capitalized or controlled assets. Such assets are assigned a unique identification number so that the asset can be maintained, tracked, and reported in the Banner Fixed Asset Module.

5. **POLICY**
   
   A. A physical inventory of tagged assets is required at least once every two years in order to properly safeguard assets and maintain fiscal accountability.

6. **PROCEDURES**
   
   See Corresponding PROCEDURE # **FA-PR-1212**

   (Include Appendices with Procedure)

7. **RESPONSIBILITIES**

   See Corresponding PROCEDURE # **FA-PR-1212**

8. **INTERPRETATION**

   The authority to interpret this policy rests with the President of the University and is generally delegated to the Chief Financial Officer & Vice President for Finance and Administration.

9. **EXCLUSIONS**

   None

10. **REFERENCES**


11. APPROVAL AND REVISIONS

The President of the University and the President’s Cabinet have approval authority over this policy and all subsequent revisions.

The *Physical Inventory Policy* was submitted to and approved by the President’s Cabinet at the meeting held on June 17, 2014. President Kyle signed the *Physical Inventory Policy* on June 17, 2014.

In July 2016, the *Physical Inventory Policy* and related procedure were reviewed by the oversight department. Minor editorial changes were made, but no substantive changes were made that would affect the content or intent of the policy.

For information, contact the [Office of Policy Compliance](#) – 540-831-6651
1. BRIEF POLICY DESCRIPTION

The Physical Inventory Policy provides guidance on the physical inventory process to assist the University in the proper safeguarding, maintaining, tracking, and reporting of University assets.

2. APPLICABILITY

The Physical Inventory Policy is applicable to any division or department in possession of University assets that are capitalized or controlled.

3. PROCEDURE

All procedures related to this policy are contained in the Radford University Equipment Liaison Handbook and must be followed.

4. RESPONSIBILITIES

Specific responsibilities are contained in the Radford University Equipment Liaison Handbook.

5. APPENDICES

Appendix: Radford University Equipment Liaison Handbook

APPROVED BY: ____________________________  SIGNED ____________________________  DATE: 7/2/2014

Signature

NAME: Richard S. Alvarez

TITLE: CFO & Vice President for Finance and Administration