

## Inventory Control

### 1. Receiving Materials on Campus

All materials ordered for the College will be delivered to Central Receiving, whenever feasible, and then delivered to the appropriate department. Central Receiving and/or the Kluthe Center Equipment Technician will match the packing slip to the items received and ensure that materials are destined for Lake Land College. Any materials to be returned must be handled through Central Receiving. When the materials are delivered in the respective cost centers, they will be received by the cost center supervisor and reviewed to determine:

- A. That the College is receiving the materials indicated on the purchase order with regard to quantity and discount.
- B. That the materials are in acceptable condition.
- C. That terms regarding installation and/or set-up of equipment are met.

### 2. Receiving Reports

Whenever goods are received either in Central Receiving or by College personnel directly, the person receiving the goods must document, using the administrative software, that all goods were received for each requisition before any payment can be made to the vendor. Any exceptions must be noted so that partial payments can be processed or defective goods can be returned. If a College procurement card is used to purchase goods, the

individual who approves the monthly credit card charges to be paid to the bank is, in effect, indicating that the goods have been received by the College and are in working order.

3. Return of Merchandise

When merchandise is received which is incomplete or defective, the cost center supervisor will:

- A. Return the materials to Central Receiving.
- B. Notify the office of the Comptroller.

The cost center supervisor then will make arrangements with the vendor for replacement or credit.

4. Freight/Damage Claims

When the dollar amount of damage warrants, a freight claim will be filed with the carrier by the Comptroller asking for the compensation of damages.

5. Inventory Tagging

Capital equipment items will be tagged with an inventory number by the office of the Comptroller. Equipment is defined as a movable or fixed unit of furniture or furnishings, an instrument, tool, machine, apparatus, or a set of articles which has the following characteristics:

- A. It retains its original shape and appearance with use.
- B. It is nonexpendable.
- C. It has a life expectancy of at least three (3) years.

- D. It does not lose its identity through incorporations into a different or more complex unit or substance.
- E. It is not a building or a permanent component of a building.
- F. The unit cost is ten thousand dollars (\$10,000) or more.

6. Deleting Equipment from Inventory

All capital equipment to be deleted from the inventory listing will be reported to the office of the Comptroller and processed after signatory approval by the cost center supervisor and the Vice President for Business Services. The Vice President for Business Services then will prepare a list of capital equipment to be declared surplus at appropriate intervals and request that the Board of Trustees declare that capital equipment to be no longer of value to the College. The Vice President for Business Services then will dispose of surplus equipment in a manner most beneficial to the College.