

CHAPTER 110. STATE INVENTORY

[Authority: 62 O.S., § 34.6]

[Source: Codified 9-12-14]

SUBCHAPTER 1. GENERAL PROVISIONS

260:110-1-1. Purpose

This Chapter establishes procedures and standards and provides information for the administration of inventories of tangible assets owned by state boards, commissions, institutions, agencies and the institutions comprising The Oklahoma State System of Higher Education and the University Hospitals Authority as authorized pursuant to the provisions of 74 O.S., Section 110.1 and the Administrative Procedures Act.

[Source: Added at 31 Ok Reg 1523, eff 9-12-14]

260:110-1-2. Definitions

The following words or terms, when used in this Chapter, shall have the following meaning unless the context clearly indicates otherwise:

"Agency" means a state board, commission, institution, agency, or an institution comprising the Oklahoma State System of Higher Education and the University Hospitals Authority.

"Agency inventory control officer" means a person an agency appointing authority designates to provide tangible asset information to the Office.

"Chief administrative officer" means the individual responsible for directing the administration of a state agency. The term does not mean other individuals that make policy for a state agency.

"Computer application" or **"application"** means a system that allows electronic data entry, storage and transfer from one computer or system to another.

"Director" means the Director of the Office of Management and Enterprise Services or his designee.

"Form" means a document the Director prescribes and requires agencies to use to provide inventory information to the Office.

"Historical significance" means a tangible asset that has enhanced value due to its relation to past events or circumstances.

"Inventory" means a detailed list of tangible assets.

"Inventory tag" or **"tag"** means a form of unique identification an agency applies to a tangible asset.

"Office" or **"OMES"** means the Office of Management and Enterprise Services.

"State inventory control officer" means a person the Director designates to receive agency tangible asset information.

"Surplus property" means a tangible asset an agency intends to dispose of pursuant to applicable provisions of law.

"Tangible assets" mean machinery, implements, tools, furniture, livestock, vehicles and other apparatus that an agency may use repeatedly without material impairment of its physical condition and have a calculable period of service and a value exceeding the reporting threshold the Director of the Office of Management and Enterprise Services establishes for the entity. [74 O.S., Section 110.1(D)]

"Threshold" means the dollar amount specified by the Director as the value of tangible assets required to be reported by an agency.

[Source: Added at 31 Ok Reg 1523, eff 9-12-14]

260:110-1-3. Threshold determination

(a) **General threshold.** Unless the Director specifies otherwise (Reference (b) of this Section), the threshold for tangible asset inventory reports is \$500.00.

(b) **Specified threshold.** The Director may specify an individual threshold for an agency which shall be greater than \$100.00 but not to exceed the amount authorized by 74 O.S., Section 110.1.

(c) **Threshold considerations.** Whenever the Director specifies an individual threshold for an agency, the capabilities of the agency to provide an inventory of tangible assets to the Office shall be considered:

(1) If an agency demonstrates reliable tangible asset reporting capabilities, the Director may specify a threshold greater than \$500.00 but not to exceed the amount authorized by 74 O.S., Section 110.1.

(2) If an agency demonstrates unreliable tangible asset reporting capabilities or does not meet reporting requirements, the Director may specify a threshold not to exceed \$500.00.

(d) **Unreliable reporting.** Whenever it is determined that an agency with an established threshold exceeding \$500.00 has provided unreliable information or has not met the reporting requirements of this Chapter, the Director may reduce the threshold of the agency.

(e) **Review of specified threshold.** No less than six (6) months after the reduction of its threshold, an agency may submit a written request for review of the agency's inventory reporting capabilities to the Director.

(1) If the review determines the agency has demonstrated the capability to provide reliable inventory reports, the Director may increase the agency threshold to an amount not to exceed the amount authorized by 74 O. S., Section 110.1.

(2) If the review determines the agency has provided unreliable information or has not met the reporting requirements of this Chapter, the Director may reduce the agency threshold to an amount exceeding \$100.00.

(f) **Notice of reporting threshold.** The Director shall provide an agency with written notice of the tangible asset reporting threshold specified pursuant to this section which states the amount and determination for the change.

[Source: Added at 31 Ok Reg 1523, eff 9-12-14]

260:110-1-4. Agency inventory control officer

(a) **Inventory control officer.** Each agency subject to this chapter shall appoint at least one (1) agency inventory control officer.

(1) The name, address and telephone number of the individual designated pursuant to this subsection shall be submitted in writing to the Office by January 15.

(2) Written notification of any changes to information relating to the agency inventory control officer must be submitted to the Office within thirty (30) days of the change.

(b) **Internal inventory procedures.** To ensure accuracy of state inventory records, an agency shall develop internal procedures for reporting and maintaining information related

to the acquisition, reallocation, relocation and disposition of tangible assets to an agency inventory control officer.

[Source: Added at 31 Ok Reg 1523, eff 9-12-14]

SUBCHAPTER 3. TANGIBLE ASSETS REPORTING

260:110-3-1. Inventory report

(a) **Report due date.** All agencies must submit an annual report of current inventory of tangible assets owned by the agency as of June 30 of the preceding fiscal year to the Office by August 15. The report shall include all tangible assets based upon the threshold stated in 260:110-1-3(a).

(1) An agency may submit a written request, signed by the chief administrative officer, for extension of the August 15 submission deadline.

(2) The request shall state a reason for the extension and be submitted no later than August 1.

(3) Within ten (10) calendar days of receipt, the Office shall review the request and provide the agency with written notification of its approval or disapproval.

(b) **Report formats.** The Director shall specify tangible asset identification data elements an agency inventory report shall contain and the forms and computer applications the Director shall accept for the agency to report the inventory information. The Director may specify data elements applicable to a tangible asset type.

(c) **Inventory report contents.** The inventory report shall be signed by the agency inventory control officer and shall include for each tangible asset:

(1) the agency number;

(2) the asset tag number;

(3) the model and serial number, if any;

(4) the manufacturer;

(5) the description;

(6) product name;

(7) physical location;

(8) acquisition date and cost;

(9) any other information which may be requested by the Office to ensure the integrity of state inventory records.

(d) **Supporting documents.** An agency shall maintain supporting documents to identify tangible assets. Document types include acquisition, digital photographs or images and other documents that may provide pertinent tangible assets identification information.

(e) **Report forms.** An agency shall submit inventory reports on forms prescribed by the Director. The Office will provide forms upon request.

(f) **Electronic report submission.** The Director may accept electronic inventory submission. The state inventory control officer shall advise an agency of computer applications the Office may accept.

[Source: Added at 31 Ok Reg 1523, eff 9-12-14]

260:110-3-2. Additional asset reporting identification elements

Whenever a tangible asset named in this section is reported by an agency, the asset shall be specifically identified by type in the inventory report required by 260:110-3-1(a):

(1) tangible assets with historical significance;

- (2) livestock assets by breed, gender and approximate value;
- (3) assets on loan to another agency; a copy of the written instrument documenting the loan shall be submitted with the annual inventory report;
- (4) assets that have been traded in by the agency;
- (5) assets the agency is unable to affix an inventory tag to;
- (6) assets that have been disposed of in accordance with the state surplus property program;
- (7) assets that reach the end of its useful life.

[Source: Added at 31 Ok Reg 1523, eff 9-12-14]

260:110-3-3. Missing, stolen and destroyed tangible assets

(a) **Asset loss reports.** An agency shall report a loss to the state inventory control officer within thirty (30) days of discovery that a tangible asset is missing, stolen or destroyed by vandalism.

(b) **Asset loss documentation.** A report of missing, stolen or destroyed tangible assets shall be accompanied by:

- (1) A copy of the notice reporting the loss submitted to the insuring entity; and,
- (2) A copy of a report from a law enforcement agency made by the agency to report the loss, theft or vandalism.

(c) **Director notification of loss.** The state inventory control officer shall compile a list and report all missing tangible assets to the Director.

[Source: Added at 31 Ok Reg 1523, eff 9-12-14]

260:110-3-4. Agency inventory submission to the Office

(a) **Electronic report submission.** An agency inventory control officer shall request prior approval of submission of inventory data via a computer application from the state inventory control officer and specify the computer application.

(b) **Acceptance of electronic inventory reports.** Upon receipt of a request pursuant to (a) of this section, the state inventory control officer shall provide written authorization to an agency to indicate the Office will accept an inventory report via the computer application identified in such request or advise the agency of alternate computer applications the Office is able to accommodate.

(c) **Rejection of electronic inventory reports.** Electronic versions of inventory reports submitted without the written authorization provided by this section will be rejected by the state inventory control officer.

[Source: Added at 31 Ok Reg 1523, eff 9-12-14]

260:110-3-5. Office review of agency inventory report submissions

(a) **Inventory report review.** Upon receipt of an agency inventory report the state inventory control officer shall review an inventory submission and identify tangible assets that contain incorrect or irreconcilable data elements.

(b) **Report errors and additional information.** The state inventory control officer shall send written request for information to the agency appointing authority of all tangible assets with errors or irreconcilable data elements.

(c) **Agency response.** An agency shall review the state inventory control officer findings and, within thirty (30) days:

- (1) shall provide written evidence of error reconciliation to the state inventory control officer; or,
- (2) if unable to reconcile an error, shall provide written notice of such facts to the state inventory control officer.

(d) **Director notification of insufficient report or response.** The state inventory control officer shall submit written notice to the Director if an agency is unable to provide evidence in response to a reconciliation request or fails to respond to a reconciliation request. The notice shall include previous tangible asset data elements, a description of irreconcilable elements, the agency written notice and the agency response, if available.

[Source: Added at 31 Ok Reg 1523, eff 9-12-14]

260:110-3-6. Director action in the event of agency noncompliance

Upon receipt of written notice that an agency is missing tangible assets, irreconcilable data elements or has failed to respond to a request by the state inventory control officer, the Director shall determine a course of action.

- (1) The Director declares the asset reporting of the agency unreliable and sends written notice of a reduction in the reporting threshold to the agency appointing authority with an explanation of the declaration; or,
- (2) The Director shall provide a written report of the known facts regarding missing tangible assets, irreconcilable data elements or the agency's failure to respond to a law enforcement agency with jurisdiction for the agency.

[Source: Added at 31 Ok Reg 1523, eff 9-12-14]

SUBCHAPTER 5. TANGIBLE ASSETS MANAGEMENT

260:110-5-1. Tangible asset identification

(a) **Inventory tags.** An agency shall affix a unique identifier as an inventory tag to all tangible assets.

(b) **Inventory tag location.** The inventory tag shall be affixed in a location to ensure accessibility by an inventory control officer.

- (1) An agency shall affix inventory tags in a similar fashion and location on tangible assets similar in nature and use.
- (2) An agency shall place inventory tags for tangible assets that do not have an affixed tag in a central location readily accessible to inventory control officers.
- (3) If an agency affixes an inventory tag in an inconspicuous location on a tangible asset, the agency shall indicate the location on an inventory list.

(c) **Inventory tag material.** Inventory tags shall be a durable material designed to withstand physical elements the tag may endure.

[Source: Added at 31 Ok Reg 1523, eff 9-12-14]

260:110-5-2. Insurance

The Director shall ensure that the agency inventory reports are accessible by the Risk Management Division of the Office. An agency that acquires insurance from the Risk Management Division of the Office for tangible assets and consumable supplies may use inventory data to identify assets and supplies as reportable losses.

[Source: Added at 31 Ok Reg 1523, eff 9-12-14]