Bi-Annually (once every two years) it is each department’s responsibility to ensure the University’s equipment is accurately recorded. The following are the instructions for completing the inventory.

Equipment Definition: An asset costing $5,000 or more, with a useful life of 2 years or more.

1. The Property Control Office will create an Equipment Inventory Report by downloading data from the University’s M-Pathways Asset Management System. The data headers and description are listed below:

<table>
<thead>
<tr>
<th>Field Name</th>
<th>Field Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>DEPT_ID</td>
<td>Org Code item is assigned to</td>
</tr>
<tr>
<td>TAG_NUMBER</td>
<td>University of Michigan assigned identification number</td>
</tr>
<tr>
<td>ASSET_ID_NUMBER</td>
<td>Pathways electronically Generated identification number. This number follows the asset throughout its life.</td>
</tr>
<tr>
<td>ASSET_DESCR</td>
<td>Description of Item (Computer, Printer, etc)</td>
</tr>
<tr>
<td>ACQUISITION_DT</td>
<td>Date item was acquired</td>
</tr>
<tr>
<td>PO_ID</td>
<td>Original Purchase Order Number</td>
</tr>
<tr>
<td>VOUCHER_ID</td>
<td>Original Voucher number item was acquired on.</td>
</tr>
<tr>
<td>SERIAL_ID</td>
<td>Serial number of item</td>
</tr>
<tr>
<td>MODEL</td>
<td>Model number of item</td>
</tr>
<tr>
<td>MANUFACTURER</td>
<td>Manufacturer of item</td>
</tr>
<tr>
<td>BUILDING</td>
<td>Building Number item is currently listed under</td>
</tr>
<tr>
<td>ROOM</td>
<td>Room Number item is currently listed under</td>
</tr>
<tr>
<td>AVAIL_CONTACT</td>
<td>Departmental Inventory Contact</td>
</tr>
<tr>
<td>ASSET_CUSTODIAN</td>
<td>Person responsible for using item</td>
</tr>
<tr>
<td>PROJECT_GRANT</td>
<td>Original Project Grant Item was acquired on</td>
</tr>
<tr>
<td>LEGACY_ACCT</td>
<td>Original Legacy Purchase Account</td>
</tr>
<tr>
<td>ASSET_AMOUNT</td>
<td>Original cost of Item</td>
</tr>
</tbody>
</table>

2. The Property Control Office will email an Excel file of the Equipment Inventory to the designated financial administrative contact of each School/College/Department.

3. The Department is required to conduct a physical inventory and compare the results to the Equipment Inventory Report and make all necessary corrections. Some possible methods are:
   a. Send memos to various personnel in your department and attach a copy of the Equipment Inventory Report assigned to each person. This can be done either via hard copies or electronically. Each person then is responsible to complete the inventory steps below:
      i. Perform room by room inventory of all equipment
      ii. Check items on loan to departmental personnel – See SPG 520.1
   b. If department has a shadow system to track all assets, compare the Equipment Inventory Report to the detail in the shadow system

4. Validate the following items:
   a. Building Number
   b. Room Number
   c. Serial Number
d. Model of Item  
e. Manufacturer of Item  
f. Custodian is correct  
g. Contact is correct

5. Update the inventory report  
a) Items on report that are not in your departments physical possession, please note “why” on the Equipment Inventory in a Notes column. Examples:
   (1) Is this item on ‘loan’ to a University of Michigan employee? Check your ‘Loan to Departmental Personnel’ forms.
   (2) Item was sent to Property Disposition, but not retired  
   (3) Item was expended (worn out, blown up, dropped beyond repair, etc.) during normal use  
   (4) Unable to locate item (in some cases the Property Office may decide not to retire the item until next inventory just in case item is located in the interim. Examples would include recent purchases or high dollar items).

b) Add to your report all equipment in your possession, but not on the Equipment Inventory Report that meet meets the tagging threshold of $5,000 and above.
   (1) Possible reasons:
       1. Item was booked in the General Ledger as a non-equipment item (i.e. supply)  
       2. Item was booked in the General Ledger under different department ID number  
       3. Item was purchased after the Inventory Run Date stated in cover e-mail  
   (2) Please provide as much of the following information as possible. Assets cannot be added to your inventory unless purchasing detail can be located in the General Ledger.
       1. PO Number  
       2. Project/Grant Number  
       3. Serial Number

c) Send all corrections to the Property Control Office for verification and update to the Asset Management System. The corrections can be noted in a number of ways on the Equipment Inventory Report:
   (1) Far right “Notes” column  
   (2) Bold *Italics*  
   (3) Color the cell red or any color other than black

6. When the data has been validated, the Property Control Office will update the M-Pathways Asset Management System with the information supplied by your department.

7. A new Equipment Inventory Report is created and sent to the department after all corrections are complete in the M-Pathways Asset Management System.

8. As a follow up to the inventory process, the Property Control Office will periodically perform spot checks.
Frequently asked questions:

1) Why is an asset not on my inventory report even though the item is over $5,000.00?

Answer: There could be a couple of reasons.
(1) The item is new and has neither been processed, nor added to the M-Pathways Asset Management System. Generally it takes 1 to 2 months after item has been paid for.
(2) The item may have been purchased using a non equipment account code. If the item does meet the Equipment definition, contact the Property Control Office with as much detail as possible, (Purchase Order Number, Project/Grant, etc.) so they can try to locate the reason why it is not on the inventory.

2) I have items on my inventory that I know have been sent to Property Disposition. Why is this still on my list?

Answer: Property Disposition removes items from the Asset Management System based on the information provided on the Declaration of Surplus. If the Declaration of Surplus did not contain the tag number or serial number they may not be able to retire the asset. If the item is still on your inventory after the departmental review, notify the Property Control Office and they will remove it from the Asset System. Please see the Property Disposition web site for instructions on how to fill out the Declaration of Surplus at [http://procurement.umich.edu/about-us/forms](http://procurement.umich.edu/about-us/forms).

3) Can I have access to the M-Pathways Asset Management System to make the corrections myself?

Answer: Yes. The Property Control Office offers classes on the Asset Management system. This course is required along with an M-1 form to obtain access to the M-Pathways Asset Management System. Once you are granted access you can update all non-financial information about equipment within your department. (Equipment Location, Contacts, Serial Numbers etc…)

4) Who do I contact if I have problems, and who do I send the corrected inventory to?

Answer: The Property Control Office can answer any questions regarding your inventory. When it is completed it should be returned either via electronic copy to [property.control.inventory@umich.edu](mailto:property.control.inventory@umich.edu).

5) There are multiple lines on my inventory with the same information. Why?

Answer: This item was probably cost shared between several Project/Grants, and if so, will show up several times on the inventory. To get the correct value of the equipment these lines should be added together.
6) Is it really important that I verify the rooms that my equipment is housed in?

**ABSOLUTELY!** The depreciation on the equipment is expensed to the room and the activity identified to that room. When equipment is not identified to the appropriate room, the University of Michigan Office of Cost Reimbursement will not have accurate information for calculation and negotiation of the Facilities and Administrative (Indirect) Cost Proposal. Assigning valid and accurate room numbers to scientific equipment is especially important. Scientific equipment tends to be more expensive and has a shorter useful life than other types of equipment. Therefore, annual depreciation for these items tends to be higher than for general-purpose equipment. Because these items tend to be housed in research areas, it is important to the University to have the proper room number recorded in the inventory.

7) Why are there items on my inventory with a dollar value under $5,000.00?

Answer: This item was probably cost shared between several departments, and if so, will show up on several inventories. The listed value is what your department paid on this particular item. Infrequent reasons are: 1) due to the conversion of the previous Capital Asset System. All items from that system were put in the equipment category (EQUIP). Financial Operations balances the general ledger to make sure equipment totals are correct. 2) Prior to 7/1/95 EQUIP category was any moveable equipment with a cost of $500 and up. Anything over $1,000 was tagged and anything less was assigned a non-tag number. EQUIP is depreciable and recorded in University Financials as Assets to the University. As of 7/1/95 EQUIP category is any moveable equipment with a cost of $5,000 and up.

8) What are these numbers starting with 7, 8 & S and U and why can’t I find them on the equipment?

Answer: When an item is not feasible to tag due to size, accessibility, or some other factor (radioactive, submerged, use etc.) it is assigned what is referred to as a Non Tag Number. Numbers starting with “7 or U” are acquired with University funds, and Numbers starting with “8 or S” are acquired with sponsor money. You are still required to track these items as you would any other item on your inventory.

9) Is there anywhere I can get a listing that tells me what the building names are so I can put in the right building number?

Answer: Absolutely. The file is called Listing of Active Buildings and Structures and is located at the Space Analysis web page at [http://procurement.umich.edu/property-space-management/space-analysis/space-analysis-reports](http://procurement.umich.edu/property-space-management/space-analysis/space-analysis-reports).