

INVENTORY

Frequently Asked Questions

(August 2013)

Inventory Manual and Forms:

1. Where is the inventory manual?

The inventory manual is available on the State Procurement Office (SPO) homepage at <http://hawaii.gov/spo> ; under *For State and County Personnel*, click *Inventory Management and Excess Property*.

2. Where are the inventory forms?

The inventory forms are available on the SPO homepage at <http://hawaii.gov/spo> ; under *SPO Forms*, click *Inventory Management and Excess Property*.

Decal and Tagging:

1. How are inventory decals obtained or purchased?

The department may utilize the SPO price list contract for inventory decals, available <http://hawaii.gov/spo>; under *Price & Vendor List Contracts*.

2. How is a computer package, includes CPU-monitor-keyboard, tagged with decals?

To strengthen departmental internal controls, a computer package may be tagged by assigning a decal number on each computer components, the CPU, monitor and keyboard. The original decal placed on the CPU; and the other components assigned the same decal number with a permanent marker or type/hand-written labels.

Maintenance control numbers:

1. How is the Maintenance Control Number (MCN) assigned for adding new property to the Fixed Asset Inventory System (FAIS)?

The FAIS assigns the MCN between each active record numbers, which are set in 10 series or increments to add new property to the FAIS. The latest MDB report 020 or 033 provides a complete list of active MCN in the FAIS. The agency may also request additional MCN for new equipment. Send an email to inventory.management.office@hawaii.gov and include the department or organization code to request. (Refer to *Inventory System Users Manual*, chapter 9 – Inventory Update Process on page 9-6).

Inventory updates:

1. How is the inventory file updated in the FAIS?
The inventory file is updated by the department Property Custodian on form SPO-017A, *Detail Inventory of Property*. (Refer to *Inventory System Users Manual*, chapter 9).
2. When is a newly acquired property reported to the FAIS?
Newly acquired property is reported on form SPO-017A, in the quarter of the fiscal year the agency receives the property or when the agency assumes responsibility for maintaining the property to update the FAIS. (Refer to *Inventory System Users Manual*, chapter 6).
3. How often may form SPO-017A be submitted to report inventory transactions?
Form SPO-017A may be submitted as often as needed to report inventory transactions. Transactions are recorded to the FAIS based on the quarter update cycle (Refer to *Inventory System Users Manual*, chapter 2 – Schematic Overview on page 2-3).
4. What documents does the agency need to attach with the SPO-017A?
The agency needs to attach all transfer documents [SPO-026], any approved disposal applications with completed certificate of disposals [SPO-034] for a unit cost above \$1,000, and any approved lost, stolen or damaged disposal applications for a unit cost below and above \$500.
5. Who submits form SPO-017A when property was purchased with funding from a different division?
The division which has physical custody of the equipment submits form SPO-017A.
6. How is property, purchased with Federal grant funds, reported to the FAIS?
Property is reported via form SPO-017A regardless of the funding source.

Computer Software:

1. How is computer software, purchased by downloading from the internet with no installation discs, reported to the FAIS?
The purchased computer software is reported via form SPO-017A regardless of whether the downloaded software has its installation discs or not.
2. How is a decal assigned for the computer software, purchased by downloading from the internet with no installation discs?
The actual decal is assigned on a separate documentation with property information, such as organization code, property code, item class, fiscal year, acquisition value, and other applicable information.
3. We purchased an upgrade to computer software. How is this cost added to the FAIS?

The upgrade cost of computer software is added to the original price of the software, and the description of the listed software has to be changed to identify the new or upgrade version (Refer to *Inventory System Users Manual*, chapter 5).

MDB Reports:

1. What are MDB reports?

MDB reports are the generated printouts from the FAIS. There are 3 major MDB reports:

- MDB012, *Inventory Transaction Register*, is generated quarterly for any departments that have inventory transactions during the quarter (Refer to *Inventory System Users Manual*, chapter 9).
- MDB033, *Detail Inventory of Property*, is generated annually around February for all departments, used to conduct the required annual wall-to-wall physical inventory (Refer to *Inventory System Users Manual*, chapter 11).
- MDB020, *Annual Summary of Inventory Report*, is generated annually around August for all departments, used to complete form SPO-017B, Annual Summary of Inventories Report (Refer to *Inventory System Users Manual*, chapter 10).

2. Are the MDB020 and/or MDB033 available in Excel format?

Yes, the electronic file may be requested thru email to

inventory.management.office@hawaii.gov; include the department or organization code in the email request.

Error Codes:

1. What are error codes on the MDB report 012?

Error Codes, which appear in the far right column of the MDB report 012, *Inventory Transaction Register*, are generated by the FAIS to describe the nature of each transaction error or rejection. Most errors are caused by inputting property data, such as organization code, maintenance control number, property code, acquisition cost and other data that do not match with property data in the FAIS. The latest MDB report 020 or 033 provides the FAIS property data information. Chapter 9 of the *Inventory System Users Manual* contains various error code descriptions for identifying the errors.

2. Does an error code need to be corrected? How is the error code corrected?

The need for correction is depend on the nature of each transaction error or rejection. The error code does not need to be corrected if the transaction has been recorded to the FAIS, such as a duplicate transaction. The error code needs to be corrected if the transaction has not been recorded to the FAIS, such as a transaction removal with an incorrect maintenance control number. The error code is correctable by submitting form SPO-017A, *Detail Inventory of Property*.

Excess property:

1. How is the excess property posted on the SPO website?
Complete form SPO-019, *Excess State Property*, to post the excess property on the SPO website (Refer to *Inventory System Users Manual*, chapter 7).
2. Where are the username and password to access the excess property list?
The username and password to access the excess property list are in chapter 7 of the inventory manual.

Disposal of state property:

1. Is there a listing of companies or organizations that provide information on recycling or e-waste services?
Yes, a listing of recycling or e-waste companies or organizations services is available on the county website.
2. Who approves the disposal application?
For executive departments, except for Office of Hawaiian Affairs, University of Hawaii, Department of Education, *excluding the Hawaii Public Library System*, and Hawaii Health Systems Corporation, the Administrator of the State Procurement Office (SPO) approves:
 - Disposal application for all non-expendable state property having a unit cost of \$1,000 or more and a useful life of more than one year.
 - Weapons, works of art, historical treasures, land, and interest in land (before submittal of disposal application for land and interest in land, disposal approval must be obtained from the Department of Land and Natural Resources, except agencies that is exempt by statutes).
 - Lost, stolen or damaged state property having a unit cost of \$500 or more.
3. Who approves the disposal application for all state property having a unit cost below \$1,000 and lost, stolen or damaged state property with a unit cost less than \$500?
The Department Head or Designee approves for all state property having a unit cost below \$1,000, including supplies (except weapons, works of art, historical treasures, land, and interest in land), and lost, stolen or damaged state property with a unit cost less than \$500.
4. Who approves the disposal application for other jurisdictions?
For other jurisdictions, their respective Chief Procurement Officers (CPO) approves the disposal application. The list of CPO is available on the SPO homepage at <http://hawaii.gov/spo>; under *Chief Procurement Officers*.

5. Who is authorized to sign the disposal application that is submitted to the Administrator of the SPO?

The department head or Property Custodian, who is delegated by the department head, is authorized to sign the disposal application submitted to the Administrator of the SPO.

6. How does the department head change the delegated Property Custodian with the SPO?

Changes to the delegated Property Custodian may be made by submitting a completed SPO-017BTrans, *Property Custodian Delegation of Authority*.