

PURCHASES OF EQUIPMENT / FURNISHINGS

Control Objective:

To ensure that purchases of tangible property are appropriately safeguarded and properly recorded.

Assets purchased with USM Foundation funds must benefit the university and usually become university property when acquired. The USM Foundation reports all purchases to the appropriate USM University office so the item(s) can be inventoried.

THE USM FOUNDATION WILL NOT PAY FOR REPAIR OR MAINTENANCE TO EQUIPMENT OR FURNISHINGS THAT ARE NOT PHYSICALLY LOCATED ON UNIVERSITY PROPERTY.

Procedure:

- ** A completed and signed INVENTORY CONTROL FORM (*see Appendix page A-17*) must be submitted along with the DISBURSEMENT REQUEST FORM (*see Appendix page A-11*) for all equipment / furnishing purchases over \$1,000 and for all purchases of computers, regardless of the cost. No check will be issued without the INVENTORY CONTROL FORM.
- ** Receipt of the INVENTORY CONTROL FORM is noted on the DISBURSEMENT REQUEST FORM.
- ** The INVENTORY CONTROL FORM is sent with a letter of transmittal to the appropriate USM institution inventory department, noting transfer of ownership to that USM institution.
- ** A copy of the form and transmittal letter is filed chronologically at the USM Foundation Business Office.

Note: There are occasional unique circumstances when ownership of equipment / furnishings is retained by the USM Foundation. In such cases, the equipment is tagged by the USM Foundation, with insurance and maintenance provided under the USM Foundation policy. Equipment / furnishings owned by the USM Foundation are reviewed annually.

Call the USM Foundation Comptroller if you have questions or believe the circumstances that require your purchase of equipment / furnishings should be considered unique.

EXCEPTION: **When equipment to be purchased costs over \$25,000, quotes from at least two (2) vendors should be obtained and submitted with the DISBURSEMENT REQUEST FORM. If only one price quote is submitted, an explanation as to why this is a sole source purchase must be provided.**