

# **Cuba Circulating Library Inventory Management Policy Draft**

**PURPOSE:** To provide accurate information for financial statement and insurance purposes while ensuring effective internal controls over Library assets.

**SCOPE:** Items costing \$500 or more will be subject to this policy. This includes donated items and physical plant improvements.

## **SYSTEM**

Invoices for inventory items will be maintained in a separate file and are to be retained for the entire period an item has useful value.

An inventory label will be affixed to each item, where possible, stating “Property of Cuba Circulating Library” and will have a control number whose prefix will correspond with the month and year of purchase and a suffix that identifies chronological purchase in a given fiscal year. (i.e. a computer purchased in January 2006 would be assigned 0106-01, a copier purchased in March 2006 would be assigned 0306-02 and a scanner purchased in February 2007 would be assigned 0207-01).

Inventory information will be maintained in an Excel spreadsheet file for financial statement, insurance and control purposes. This will be maintained by the Financial Secretary. The following information will be entered into that file.

- Description of item purchased
- Purchase Date
- Amount of purchase
- Vendor purchase was made from
- Serial Number if applicable
- Assigned inventory control number
- Location of the Item

The following information will also be included in the file for physical inventory purposes.

- General condition of the item (Good, Fair, Poor)
- Date of last physical inventory
- Disposal Date

A physical inventory will be performed once a year by a physical inventory team comprised of the Financial Secretary and designated member of the Finance Committee. The team will use a printout from the inventory Excel file as a checklist and will verify each item’s existence, note the general condition of the item and make sure that label is still affixed and readable. The physical inventory will be signed by both members of the physical inventory team and maintained on file.

Approved by Cuba Circulating Library Board of Trustees June 11, 2007