

VIII. ITEM COST OR VALUE

A. RECORDING VALUE

The Accounting Office or other responsible entity records the cost of inventorial equipment acquired through purchase orders, construction and repair requisitions, or formal billings. The Equipment Management Department records the value of equipment acquired through sources other than purchase orders, construction and repair requisitions, or formal billings. The UC Accounting Manual, Chapter [P-415-2](#), *Plant Accounting: Costing and Reconciling Inventorial Equipment Acquisitions*, establishes the policy and procedures for recording acquisition costs and reconciling such costs to inventorial equipment purchased from vendors, acquired from storehouses, or constructed by physical plant departments.

B. UNIT AND GROUP PRICING

A unit price is shown for each item except for those fabricated by the University for research and development purposes. Separate unit prices are applied to items of special tooling and to special test equipment fabricated or acquired by the University. Group pricing is used for special tooling and special test equipment only when the maintenance of detailed cost records results in excessive accounting costs or is otherwise impracticable, considering all circumstances. Group pricing may also be used for work in process. Processed material, fabricated parts, components, assemblies, and other items, charged to the University's work in process inventory, including items in temporary storage while awaiting processing, may be considered as work in process for the purpose of this requirement. Quantitative property control is maintained for special tooling, special test equipment, and work in process.

C. UNIT PRICE, GOVERNMENT-FURNISHED PROPERTY

The unit price of government-furnished property is determined by the government and provided to the University. Transportation and installation costs are not considered part of the unit price.

Normally, the unit price of government-furnished property is provided in the document covering shipment of the property to the University. In the event the unit price is not provided in the document, it must be obtained from the Property Administrator by the Principal Investigator.

D. EXCESS GOVERNMENT PROPERTY

Excess government property furnished to the University is recorded at the value indicated by the government agency.