

# Asset Management and Procurement Policy

**TechFlow Solutions, Inc.**

**Policy Number:** TS-OPS-001

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**Last Revised:** December 15, 2023

**Policy Owner:** Rachel Kim, Chief Operating Officer

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## 1. PURPOSE AND SCOPE

This policy establishes asset management procedures, procurement processes, and inventory controls for TechFlow Solutions. It applies to all company assets including technology equipment, office furniture, and supplies across our 150-person organization, ensuring efficient resource utilization and compliance with financial controls.

## 2. ASSET ASSIGNMENT PROCEDURES

### 2.1 Asset Classification and Tracking

**Asset Categories:** - **Technology Assets:** Laptops, monitors, mobile devices, software licenses - **Office Equipment:** Furniture, printers, phone systems, office machinery - **Facilities Assets:** Leasehold improvements, security systems, HVAC equipment - **Vehicle Assets:** Company vehicles and fleet equipment

**Asset Tracking Requirements:** - **Unique Asset Tags:** RFID-enabled asset tags with unique identifiers (TF-YYYY-NNNN format) - **Asset Database:** Comprehensive database with ServiceNow Asset Management - **Location Tracking:** Real-time location tracking for high-value items - **Ownership Records:** Clear assignment and ownership documentation

**Asset Valuation Standards:** - **Technology Equipment:** \$500 minimum value for formal tracking - **Office Furniture:** \$300 minimum value for formal tracking - **Software Licenses:** All software licenses regardless of value - **Aggregated Items:** Combined value for related items (e.g., desk setup)

### 2.2 Employee Asset Assignment

**Standard Assignment Process:** 1. **Asset Request:** Employee or manager submits asset request via ServiceNow 2. **Approval:** Appropriate approval based on asset value and policy 3. **Procurement:** Asset procured through approved vendors 4. **Configuration:** IT configuration and security setup 5. **Assignment:** Formal assignment to employee with signed agreement

**Asset Assignment Documentation:** - **Asset Agreement:** Signed agreement acknowledging responsibility - **Condition Assessment:** Initial condition

documentation with photos - **Usage Guidelines:** Specific usage guidelines and restrictions - **Return Requirements:** Clear return expectations and procedures

**Employee Responsibilities:** - **Care and Custody:** Reasonable care and security of assigned assets - **Authorized Use:** Use only for authorized business purposes - **Damage Reporting:** Immediate reporting of damage or issues - **Return Condition:** Return in good working condition minus normal wear

### 2.3 Asset Transfer and Reassignment

**Internal Transfer Process:** - **Transfer Request:** Formal request for asset transfer between employees - **Manager Approval:** Both managers approve asset transfer - **Condition Check:** Asset condition assessment before transfer - **Documentation Update:** Asset database updated with new assignment

**Role Change Process:** - **Needs Assessment:** Evaluation of asset needs for new role - **Asset Modification:** Addition or removal of assets as needed - **Security Updates:** Update security access and configurations - **Training:** Additional training for new equipment if required

## 3. MAINTENANCE SCHEDULES

### 3.1 Preventive Maintenance Programs

**Technology Equipment Maintenance:** - **Laptop Maintenance:** Annual cleaning, software updates, and health checks - **Server Maintenance:** Monthly system updates and quarterly hardware checks - **Network Equipment:** Quarterly firmware updates and performance assessments - **Mobile Devices:** Semi-annual software updates and battery assessments

**Office Equipment Maintenance:** - **HVAC Systems:** Quarterly filter changes and annual system servicing - **Printers and Copiers:** Monthly maintenance and quarterly service contracts - **Security Systems:** Monthly testing and annual certification - **Kitchen Equipment:** Weekly cleaning and annual appliance servicing

#### Maintenance Schedule Matrix:

Asset Type	Frequency	Responsibility	Documentation
Laptops	Annual	IT Team	Service records in ServiceNow
Servers	Monthly	IT Team	Automated monitoring reports
HVAC	Quarterly	Facilities	Service contract documentation
Printers	Monthly	Office Admin	Maintenance logs
Security	Monthly	Security Team	Test results and certifications

### 3.2 Corrective Maintenance Procedures

**Maintenance Request Process:** 1. **Issue Reporting:** Employee reports maintenance issue via ServiceNow 2. **Triage:** Facilities or IT team assesses urgency and impact 3. **Work Order:** Formal work order created with timeline 4. **Vendor Coordination:** Coordinate with approved service providers 5. **Completion Verification:** Verify completion and update asset records

**Emergency Maintenance:** - **Critical Systems:** Immediate response for business-critical systems - **Safety Issues:** Immediate response for health and safety concerns - **Security Systems:** Priority response for security-related issues - **Communication:** Real-time communication for emergency maintenance

### 3.3 Maintenance Vendor Management

**Approved Service Providers:** - **IT Services:** Dell ProSupport, Apple Business Support, Microsoft Premier - **Facilities:** CBRE facilities management, local HVAC and electrical contractors - **Security:** ADT commercial security, local security system providers - **Office Equipment:** Xerox, HP service contracts, local office equipment services

**Service Level Agreements:** - **Response Time:** 4 hours for critical issues, 24 hours for standard - **Resolution Time:** 24 hours for critical, 72 hours for standard - **Parts Availability:** Guaranteed parts availability for supported equipment - **Escalation Process:** Clear escalation procedures for SLA violations

## 4. REPLACEMENT CRITERIA

### 4.1 Technology Replacement Cycles

**Standard Replacement Schedules:** - **Laptops:** 3 years for standard use, 2 years for heavy users - **Monitors:** 5 years or upon failure - **Mobile Devices:** 3 years or upon significant OS support end - **Servers:** 5 years or upon manufacturer support end

**Early Replacement Criteria:** - **Performance Issues:** Equipment no longer meets job performance requirements - **Reliability Problems:** Frequent failures or maintenance issues - **Security Concerns:** Equipment cannot support required security updates - **Business Needs:** Changed business requirements necessitating replacement

**Replacement Decision Matrix:** - **Age:** Equipment age relative to replacement cycle - **Performance:** Current performance vs. requirements - **Cost:** Repair costs vs. replacement costs - **Strategic Value:** Alignment with technology strategy

## 4.2 Office Equipment Replacement

**Furniture Replacement Criteria:** - **Safety Issues:** Furniture posing safety risks or ergonomic problems - **Damage:** Significant damage affecting functionality or appearance - **Wear and Tear:** Excessive wear affecting professional appearance - **Ergonomic Needs:** Employee ergonomic requirements or accommodations

**Equipment Replacement Timeline:** - **Office Furniture:** 7-10 years depending on quality and usage - **Kitchen Appliances:** 5-7 years or upon failure - **Office Machinery:** 5-8 years or manufacturer support end - **Decorative Items:** As needed for professional appearance

## 4.3 Replacement Approval Process

**Standard Replacement Approval:** - **Within Cycle:** Automatic approval for replacement within standard cycle - **Early Replacement:** Manager approval with business justification - **Upgrade Requests:** Director approval for upgraded specifications - **Emergency Replacement:** Immediate approval for safety or critical business needs

**Budget Considerations:** - **Annual Budget:** Planned replacements included in annual budget - **Unplanned Replacements:** Charged to department operating budget - **Upgrade Costs:** Employee or department pays difference for upgrades - **Bulk Purchasing:** Coordinate replacements for volume pricing

# 5. PROCUREMENT APPROVAL LIMITS

## 5.1 Approval Hierarchy by Purchase Amount

**Employee Self-Approval (\$0-\$150):** - **Office Supplies:** Basic office supplies and consumables - **Software Subscriptions:** Individual software subscriptions under \$25/month - **Books and Training:** Professional development books and online courses - **Meals and Entertainment:** Business meals and reasonable entertainment

**Manager Approval (\$151-\$500):** - **Technology Accessories:** Keyboards, mice, adapters, cables - **Office Supplies:** Bulk office supplies and equipment - **Software Tools:** Team software tools and productivity applications - **Professional Services:** Small consulting or professional service engagements

**Director Approval (\$501-\$2,500):** - **Equipment Purchases:** Monitors, furniture, office equipment - **Software Licenses:** Department software licenses and tools - **Professional Development:** Conference attendance and training programs - **Marketing Materials:** Promotional materials and marketing supplies

**VP Approval (\$2,501-\$10,000):** - **Technology Equipment:** Laptops, servers, network equipment - **Furniture Projects:** Office furniture projects and

renovations - **Software Platforms:** Enterprise software platform subscriptions  
- **Professional Services:** Significant consulting and professional services

**C-Level Approval (>\$10,000):** - **Major Equipment:** Server infrastructure, major technology purchases - **Office Renovations:** Significant office improvements and renovations - **Enterprise Software:** Major enterprise software implementations - **Strategic Investments:** Strategic technology or facility investments

## 5.2 Emergency Procurement Procedures

**Emergency Purchase Criteria:** - **Business Continuity:** Purchases critical for business operations - **Safety Requirements:** Safety or security-related emergency purchases - **Customer Impact:** Purchases preventing customer impact - **Compliance Needs:** Regulatory or compliance emergency requirements

**Emergency Approval Process:** 1. **Immediate Authorization:** Manager or director provides immediate verbal approval 2. **Documentation:** Email confirmation within 4 hours 3. **Formal Request:** Formal purchase request submitted within 24 hours 4. **Retroactive Review:** Retroactive review and approval by appropriate authority 5. **Process Improvement:** Review emergency to improve standard processes

## 5.3 Vendor Selection and Competitive Bidding

**Competitive Bidding Requirements:** - **\$2,500-\$10,000:** Minimum 2 quotes required - **\$10,000-\$50,000:** Minimum 3 quotes required - **>\$50,000:** Formal RFP process required - **Sole Source:** Business justification required for sole source purchases

**Vendor Evaluation Criteria:** - **Price Competitiveness:** Total cost including ongoing support and maintenance - **Quality and Reliability:** Product quality and vendor reliability - **Service and Support:** Available service and support options - **Strategic Alignment:** Alignment with company technology and business strategy

# 6. VENDOR MANAGEMENT

## 6.1 Preferred Vendor Program

**Technology Vendors:** - **Primary:** Apple (computers), Dell (servers), Microsoft (software) - **Secondary:** Lenovo (backup computers), HP (printers), Adobe (creative software) - **Cloud Services:** AWS (infrastructure), Google (productivity), Salesforce (CRM) - **Networking:** Cisco (networking equipment), Zoom (communications)

**Office and Facilities Vendors:** - **Office Supplies:** Staples Business, Amazon Business, Office Depot - **Furniture:** Herman Miller, Steelcase, IKEA Busi-

ness - **Facilities Services:** CBRE (facilities management), local contractors - **Security Services:** ADT (security systems), local security providers

**Vendor Benefits:** - **Negotiated Pricing:** Volume discounts and negotiated pricing - **Preferred Support:** Enhanced support levels and response times - **Payment Terms:** Extended payment terms and volume rebates - **Strategic Relationship:** Strategic partnership and roadmap alignment

## 6.2 Vendor Qualification and Onboarding

**Vendor Qualification Requirements:** - **Financial Stability:** Financial statements and credit rating assessment - **Insurance Coverage:** Appropriate liability and professional insurance - **Security Assessment:** Security questionnaire and assessment - **Reference Verification:** Customer references and performance history

**Vendor Onboarding Process:** 1. **Application:** Vendor completes application and provides required documentation 2. **Assessment:** Finance, legal, and procurement team assessment 3. **Contract Negotiation:** Master service agreement and terms negotiation 4. **System Setup:** Vendor setup in procurement and payment systems 5. **Relationship Management:** Ongoing relationship management and performance monitoring

## 6.3 Vendor Performance Management

**Performance Metrics:** - **Quality:** Product/service quality ratings and defect rates - **Delivery:** On-time delivery performance and responsiveness - **Support:** Support quality and resolution time metrics - **Pricing:** Pricing competitiveness and cost management

**Performance Review Process:** - **Monthly Monitoring:** Ongoing monitoring of vendor performance metrics - **Quarterly Reviews:** Formal quarterly performance reviews - **Annual Assessment:** Comprehensive annual vendor assessment - **Continuous Improvement:** Regular improvement planning and implementation

**Performance Issues Resolution:** - **Issue Identification:** Proactive identification of performance issues - **Root Cause Analysis:** Analysis of underlying causes of performance problems - **Improvement Planning:** Collaborative improvement planning with vendors - **Escalation Process:** Clear escalation process for unresolved issues

# 7. DISPOSAL PROCEDURES FOR RETIRED EQUIPMENT

## 7.1 Asset Retirement and Disposal Planning

**Retirement Criteria:** - **End of Life:** Equipment reached end of useful life - **Technology Obsolescence:** Equipment no longer meets current technology

standards - **Cost Effectiveness:** Maintenance costs exceed replacement value - **Security Concerns:** Equipment cannot support required security standards

**Disposal Planning Process:** 1. **Retirement Assessment:** Evaluation of equipment for retirement 2. **Data Security:** Data destruction and security clearance procedures 3. **Disposal Method:** Selection of appropriate disposal method 4. **Environmental Compliance:** Ensure compliance with environmental regulations 5. **Documentation:** Complete documentation of disposal process

## 7.2 Data Security and Destruction

**Data Destruction Requirements:** - **Hard Drive Destruction:** Physical destruction of hard drives containing sensitive data - **Data Wiping:** Secure multi-pass data wiping for reusable drives - **Software Licenses:** Proper de-commissioning of software licenses - **Certificate Destruction:** Certificate of destruction for compliance purposes

**Security Procedures:** - **Asset Inventory:** Complete inventory of equipment and data - **Classification Review:** Review of data classification and security requirements - **Destruction Method:** Selection of appropriate destruction method - **Verification:** Verification of complete data destruction

## 7.3 Disposal Methods and Environmental Compliance

**Approved Disposal Methods:** - **Certified E-Waste Recycler:** Primary method for electronic equipment - **Asset Recovery:** Resale or donation of equipment in good condition - **Internal Reuse:** Repurposing equipment for internal use - **Manufacturer Take-Back:** Manufacturer recycling and take-back programs

**Environmental Compliance:** - **EPA Regulations:** Compliance with EPA e-waste regulations - **State Regulations:** Compliance with California and Texas e-waste laws - **Certification:** Use of certified recyclers and disposal facilities - **Documentation:** Maintain complete disposal documentation

**Disposal Documentation:** - **Asset Disposition Form:** Complete form for each disposed asset - **Certificate of Destruction:** Certificate from disposal facility - **Environmental Compliance:** Documentation of environmental compliance - **Audit Trail:** Complete audit trail for disposed assets

# 8. INVENTORY MANAGEMENT

## 8.1 Asset Inventory System

**Inventory Database:** - **ServiceNow Asset Management:** Primary asset management system - **Real-Time Updates:** Real-time updates of asset status and location - **Integration:** Integration with procurement and financial systems - **Reporting:** Comprehensive reporting and analytics capabilities

**Inventory Categories:** - **Active Assets:** Currently assigned and in use - **Available Assets:** Available for assignment - **Under Maintenance:** Assets currently under repair or maintenance - **Retired Assets:** Assets scheduled for disposal or retired

## 8.2 Physical Inventory Procedures

**Regular Inventory Cycles:** - **Annual Physical Inventory:** Complete physical inventory of all tracked assets - **Quarterly Spot Checks:** Random sampling and verification of asset locations - **Monthly Reconciliation:** Reconciliation of asset database with physical counts - **Continuous Monitoring:** RFID and GPS tracking for high-value items

**Inventory Process:** 1. **Planning:** Inventory planning and resource allocation 2. **Physical Count:** Physical counting and verification of assets 3. **Reconciliation:** Reconciliation of physical counts with database 4. **Variance Investigation:** Investigation and resolution of variances 5. **Database Updates:** Update asset database with accurate information

## 8.3 Inventory Controls and Compliance

**Control Procedures:** - **Segregation of Duties:** Separation of asset custody and record keeping - **Approval Controls:** Proper approval for asset transactions - **Documentation:** Complete documentation of all asset transactions - **Regular Reviews:** Regular management review of asset utilization

**Compliance Requirements:** - **Financial Reporting:** Accurate asset reporting for financial statements - **Tax Compliance:** Proper asset classification for tax purposes - **Insurance Requirements:** Adequate insurance coverage for company assets - **Audit Requirements:** Support for internal and external audits

# 9. CONTACT INFORMATION

## 9.1 Asset Management Team

- **Chief Operating Officer:** Rachel Kim, rachel.kim@techflow.com, +1 (415) 345-6789
- **Asset Management:** assets@techflow.com, +1 (415) 555-ASET (2738)
- **Procurement Team:** procurement@techflow.com, +1 (415) 555-PROC (7762)
- **Facilities Management:** facilities@techflow.com, +1 (415) 555-FAC1 (3221)

## 9.2 IT and Technology Support

- **IT Director:** Marcus Rodriguez, marcus.rodriguez@techflow.com
- **IT Asset Management:** it-assets@techflow.com



- **Equipment Requests:** equipment-requests@techflow.com
- **Technical Support:** helpdesk@techflow.com, +1 (415) 555-HELP (4357)

### 9.3 Finance and Vendor Management

- **Chief Financial Officer:** Robert Chen, robert.chen@techflow.com
- **Accounts Payable:** ap@techflow.com, +1 (415) 555-2468
- **Vendor Management:** vendors@techflow.com
- **Purchase Orders:** purchase-orders@techflow.com

### 9.4 External Partners

- **Asset Disposal:** SecureShred Inc., +1 (415) 555-SHRD (7473)
- **Equipment Leasing:** TechLease Partners, +1 (800) 555-LEASE
- **Insurance:** Travelers Business Insurance, +1 (800) 238-6225
- **Legal Counsel:** Morrison & Associates, +1 (415) 555-9876

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**Approved By:** - Rachel Kim, Chief Operating Officer - December 15, 2023 - Robert Chen, Chief Financial Officer - December 15, 2023 - Marcus Rodriguez, IT Director - December 15, 2023 - David Park, Chief Executive Officer - December 15, 2023

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