SOFTWARE INVENTORY VALUATION

REASON:
To comply with the annual reporting requirement for inclusion of Software Inventory Valuations in the financial statements of the university. The Financial Reports Office at Cal Poly is expanding their inventory effort (which was limited last year to the ITS Division) to include all campus owned software.

WHO SHOULD WE CONTACT:
• Who should we contact in the colleges and departments to find campus owned software?
• Contact us:
  o Scott Cooke scooke@calpoly.edu x6-5924
  o Denise Fritz dfritz@calpoly.edu x6-7327

CRITERIA for including costs in Software Inventory:
• Only need to tally software purchased or designed by your department in the last 5 years.

• Need to include all software already owned or being purchased this FY that had a final purchase cost of $5,000, or greater (include tax and delivery cost).

• Costs of upgrades and enhancements to existing software currently being used should be included regardless of cost, if it can be reasonably assured that those expenditures will result in additional functionality, and if the resulting total valuation of the software will be $5,000, or greater.

• Site Licenses. If original software cost plus the cost of the additional site licenses sums to more than $5,000, we would want to include it. Sometimes it may be a case-by-case decision.

• External direct costs of materials and services which should be included:
  i. Third party fees for services provided to develop the software during the application development stage.
  ii. Costs incurred to obtain software from third parties
  iii. Travel expenses incurred by employees in their duties directly associated with developing software.

REPORTING FORMAT:
See attached sample of a spreadsheet format that compiles all needed information.

Scott Cooke
April 14, 2003
Software Inventory Criteria.doc