

## EQUIPMENT INVENTORIES

The Board requires that two (2) equipment inventories be taken to determine the status of equipment owned by the Board. Such inventories shall be under the direction of the Chief School Financial Officer of the Board, with the major responsibility for conducting such inventories assigned to school principals/work-site supervisors. Such inventories shall be on forms approved by the State Department of Education and shall be accomplished in accordance with the following guidelines:

Deadlines – Equipment inventories shall be completed and a copy submitted to the Central Office on or before June 30 and January 15. An inventory report shall be prepared by and signed by the responsible principal/work site supervisor at each school/work site.

Procedures – Inventories shall be completed based on the following guidelines and procedures:

- A. Equipment with a per unit cost of \$5,000 or more
  1. All equipment with a per unit cost of \$5,000 or more shall be considered a depreciable fixed asset.
  2. Expense must be coded using object codes 500 – 599 and the purchase order marked as a fixed asset item.
  3. All equipment shall be assigned an asset (inventory control) number and added to the Fixed Assets system at the Central Office.
  4. The local school principal or work site supervisor shall be responsible for completing a Fixed Asset Inventory Card, assigning an asset (inventory control) number, and forwarding the Fixed Asset Inventory Card to the Central Office.
  5. Upon receiving the Fixed Asset Inventory Card, Central Office personnel shall add the equipment purchase to the Fixed Assets system.
  6. The local school principal or work site supervisor shall be responsible for attaching an asset control label to the equipment in a permanent manner.
  7. In the event of an equipment transfer or disposal, the local school principal or work site supervisor shall be responsible for sending proper notification to the Central Office to record the transfer or disposal.
  8. At no time should the asset (inventory control) number be changed once it has been assigned.
  
- B. Equipment with a per unit cost less than \$5,000
  1. Equipment with a per unit cost of \$500 or more but less than \$5,000 shall be considered an inventory only asset and should be added to the Supplementary Inventory List maintained by the principal or work site supervisor.
  2. Expense must be coded using object codes 491 – 499 and the purchase order marked as a fixed asset item.

3. All equipment shall be assigned an inventory only asset control number. The local school principal or work site supervisor shall be responsible for completing a Fixed Asset Inventory Card, assigning the inventory only asset control number, and including it on a Supplemental Inventory Report maintained at the local school or work site.
  4. The local school principal or work site supervisor shall be responsible for attaching the inventory only asset control label to the equipment in a permanent manner.
  5. The Central Office will be responsible for supplying asset labels to be used on all inventoried equipment, depreciable or inventory only.
  6. In the event of an equipment transfer or disposal, the local school principal or work site supervisor shall be responsible for sending proper notification to the receiving location and making the necessary changes on their Supplemental Inventory Report.
  7. At no time should the asset control number be changed once it has been assigned.
  8. Items costing less than \$500.00 per unit will be classified as “materials and supplies”, and will not be considered as fixed assets. However, a list of these items must be maintained on a separate listing for fire insurance and other purposes. The expense for such items will be coded using the proper object codes other than those listed above. Examples are small tables, electric pencil sharpeners, file cabinets, maps, globes, stop watches, microscopes, instructional tapes, and other type items of value.
- C. Verification Inventory Reports
1. The current year’s equipment inventory list will be printed from the Fixed Assets system and verified with the prior year’s inventory report to ensure the following:
    - a. All equipment with a unit cost of \$5,000 or more appears on the report, has been inventoried, and properly accounted for.
    - b. All current year acquisitions have been included on the inventory.
    - c. All current year disposals have been properly deleted from the inventory and from the Fixed Assets system.
- D. Verification of Supplemental Inventory Reports
1. The current year’s Supplemental Inventory report will be verified with the prior year’s report to ensure the following:
    - a. All equipment with a per unit cost of \$500 or more but less than \$5,000 appears on the report kept by local school principals or work site supervisors, has been inventoried, and properly accounted for.
    - b. All current year acquisitions of said equipment have been included on the report. Any variances occurring must be reconciled, properly documented, and made a part of the inventory report.
    - c. All items costing less than \$500.00 per unit have been properly accounted. All current year acquisitions of said equipment have been

included on the report. Any variances occurring must be reconciled, properly documented, and made a part of the inventory report.

### Disposal or Deletion Procedure

The following procedures shall be followed when equipment is to be disposed of and deleted from the equipment inventory:

- A. Equipment with a per unit cost of \$5,000 or greater
  1. The Superintendent and Chief School Financial Officer must be notified prior to the disposing of equipment owned by the School System.
  2. The sales of all School system owned property will be handled through the Central Office to ensure compliance with all legal requirements.
  3. The disposal and deletion of equipment shall be recorded on the equipment inventory as one of the following:
    - a. the sale of equipment
    - b. a trade-in on other equipment
    - c. removal due to obsolescence or wearing out
    - d. damaged beyond repair
    - e. loss due to disaster or theft
  4. A copy of the original Fixed Asset Inventory Card, if available, must be completed and forwarded to the Central Office by the local school or work site supervisor. If there isn't a copy of the original form, an email may be sent including the asset control number, description of the asset, serial number, if available, the date of the disposal, type of disposal, and sales price or trade-in value if applicable.
- B. Equipment with a per unit cost of \$500 or more but less than \$5,000 should be handled the same as above except the Central Office will not need a copy of the Fixed Asset Inventory Card. This shall be kept at the local school or work site.

### Transfer Procedures

The following procedures shall be followed when equipment is transferred to another school, another room within the same school or to another work site:

- A. A copy of the original Fixed Asset Inventory Card, if available, must be completed and forwarded to the Central Office by the local school or work site supervisor. If there isn't a copy of the original form, an email may be sent including the asset control number, description of the asset, serial number, if available, the date of the transfer and new location of the asset.
- B. Equipment with a per unit cost of \$500 or more but less than \$5,000 should be handled the same as above except the Central Office will not need a copy of the Fixed Asset Inventory Card. This shall be kept at the local school or work site.
- C. The party transferring the asset is responsible for completing all paperwork. Both the party transferring the asset and the party receiving the asset shall make sure the entry is made on their inventory report.

Assignment of Duties

- A. School principals and work site supervisors are responsible for keeping equipment inventories current and in proper form and shall keep a current copy of the inventory forms on file in their offices.
- B. The Central Office is responsible for the supply of asset control labels. The Central Office will assign each local school a batch of asset control labels for both depreciable and inventory only assets. Each work site will obtain labels from the Central Office on an as needed basis.
- C. The Central Office will be responsible for keeping the Fixed Assets system maintained and making any necessary journal entries.