

## **Huntingdon Special School District Procedures for Equipment Control June 2016**

Huntingdon Special School District procedures for equipment control for federal funds are as follows:

- For purposes of this procedure, the State of Tennessee definition of equipment is used to include *sensitive minor equipment* which is defined as “items purchased with a cost of between \$100.00 and \$5,000.00.
- Principals will notify local law enforcement, and obtain a police report, when it is discovered that equipment has been stolen. This is in accordance with Huntingdon Special School District Board Policy Number 3.205.
- Principals are to notify the inventory control clerk when there is a change in any of the information that is filed in the equipment database. This includes change in location, change in condition, disposition of the equipment, change in person to whom the equipment is assigned, etc. The inventory control clerk will then update the changes in the district equipment database.
- The district technology coordinator will plan scheduled maintenance for items of equipment for which regular maintenance is required for the equipment to attain normal life expectancy.
- The appropriate federal director for the equipment will collect the information necessary to assess the residual value of equipment purchased using federal funds. This will ensure the highest possible return before disposing of the equipment that is no longer needed. If the equipment has a fair market value exceeding \$5,000, the LEA must refund the federal government their fair share of the proceeds from the disposition of the equipment.
- The appropriate federal director will notify the Tennessee Department of Education of the schedule for physical inventory of equipment. This is annually done in May. The results of the physical inventory will be reported to the TDOE once the inventory is complete.
- The appropriate federal director will file the written policies and procedures for the control of equipment purchased with federal funds with the TDOE, if required.

- The following information will be contained in the equipment database for equipment purchased with federal funds:
  - Description of property
  - Serial number and/or other identifying numbers (bar code and/or local identifying number)
  - Source of the property
  - Titleholder
  - Acquisition date
  - Cost of the property
  - Percentage of federal participation in the cost
  - Location of the equipment
  - Use of the equipment
  - Condition of the equipment
  - Disposition data (date, method of disposition, sales price – if applicable) when property is retired from service
  - Funding Source (Federal/State/Local)
  
- The inventory control clerk, in consultation with the appropriate federal director and/or technology coordinator will create a bar code or other type of tag or marking for affixing to the equipment that denotes the equipment is the property of a federal projects program. The clerk, appropriate federal director and/or technology coordinator is responsible to ensure that the markings are placed on the appropriate equipment. The marking will include the district name, the Title, and project year of the purchase.
  
- A physical inventory of equipment is conducted annually that:
  - Confirms the equipment was found at the location indicated in the database.
  - Assesses the condition of the equipment
  - Confirms the equipment is located in a secure environment such as a room, storage cabinet and/or drawer that can be locked when not in use.
  - Requires the appropriate federal director and inventory control clerk to follow-up on the completion of the physical inventory to determine the cause and implement corrective action if the results of the physical inventory indicate there is a systematic weakness relating to the keeping of the database current, security of equipment, and/or any other area of noncompliance.
  - The inventory control clerk is responsible for updating the condition, location and/or any other data in the database based on the results of the physical inventory.

- The appropriate federal director is responsible for notifying the TDOE that the physical inventory has been completed and provide the general results, including any corrective actions that will be taken, if applicable.
- Equipment may be disposed of with no obligation to the federal government if all of the following criteria are met:
  - Equipment is no longer needed in the current program
  - Equipment is not needed in other programs currently or previously funded by a federal agency
  - Equipment item has a current per-unit fair market value of less than \$5,000
- The LEA must submit an equipment disposition summary to the TDOE for review.
- If the fair market value of the equipment is more than \$5,000, the LEA must submit a cover letter along with supporting documentation on forms provided by the TDOE for disposition approval. Once approval is provided, the LEA may proceed with the disposition.
- If the equipment, materials, or any other property no longer have use by the system, or if the equipment, materials, or other property are no longer capable of being used because of the condition, the Board shall declare the item as surplus property and authorize their disposal or sale. The proceeds from the sale of the property must be returned to the program that purchased the property.