

INVENTORIES

In order to provide for the proper tracking and control of district property, the Superintendent/Principal or designee shall maintain an inventory of equipment in accordance with law for the following:

1. All equipment items currently valued in excess of \$500 (Education Code 35168)
2. All equipment items purchased with state and/or federal categorical funds that have a useful life of more than one year with an acquisition cost of \$500 or more per unit

(cf. 3290 - Gifts, Grants and Bequests)

(cf. 3400 - Management of District Assets/Accounts)

(cf. 3512 - Equipment)

In addition, the Superintendent/Principal or designee may maintain a list of specific items which shall be inventoried for internal control purposes regardless of their initial cost or current value.

The inventory shall contain a record of the following information: (Education Code 35168; 5 CCR 3946)

1. Name and description of the property
2. Identification number
3. Original cost of the item of equipment or a reasonable estimate if the original cost is unknown
4. Date of acquisition
5. Location of use
6. The date and method of disposal

(cf. 3270 - Sale and Disposal of Books, Equipment and Supplies)

In addition to the information specified in items #1-6 above, the following information shall be recorded for equipment acquired with state and/or federal categorical funds unless otherwise specified in law: (5 CCR 3946; 2 CFR 200.313)

1. Source of the property (funding source)
2. Titleholder
3. Percentage of federal participation in the cost of the property

INVENTORIES (continued)

4. Use and condition of property
5. Sale price of the property upon disposition and method used to determine current fair market value

(cf. 3230 - Federal Grant Funds)

At the time of purchase, the Superintendent/Principal or designee shall affix a label to the equipment containing the identification number and the district name. Equipment items purchased with categorical program funds shall also be labeled with the name of the project in accordance with 5 CCR 3946.

A copy of the inventory shall be kept at the district office and at the appropriate school site.

(cf. 3580 - District Records)

The Superintendent/Principal or designee shall annually submit an inventory listing of federally owned property in its custody to the federal agency that granted the award. (2 CFR 200.312)

Physical Inventory

At least once every two years, a physical inventory of equipment shall be conducted and the results reconciled with the property records. (2 CFR 200.313)

The Superintendent/Principal or designee shall establish procedures for conducting the physical inventory which shall include, but not be limited to, designation of person(s) responsible for coordinating and conducting the inventory, preparation and distribution of count sheets, procedures for implementing the inventory, and procedures for conducting a recount to substantiate the validity of the inventory.

The Superintendent/Principal or designee shall investigate any differences between the quantities determined by the physical inspection and those in the accounting records.

Legal Reference: (see next page)

INVENTORIES (continued)

Legal Reference:

EDUCATION CODE

35168 *Inventory of equipment*

CODE OF REGULATIONS, TITLE 5

3946 *Control, safeguards, disposal of equipment purchased with consolidated application funds*

16022-16023 *Classification of records*

16035 *Historical inventory of equipment*

UNITED STATES CODE, TITLE 20

2301-2414 *Carl D. Perkins Career and Technical Education Act*

CODE OF FEDERAL REGULATIONS, TITLE 2

200.0-200.521 *Federal uniform grant guidance*

Management Resources:

CALIFORNIA DEPARTMENT OF EDUCATION PUBLICATIONS

California School Accounting Manual

WEB SITES

California Association of School Business Officials: <http://www.casbo.org>

California Department of Education: <http://www.cde.ca.gov>

School Services of California, Inc.: <http://www.sscal.com>

Office of Management and Budget: <https://www.whitehouse.gov/omb>