Hickman Mills C-1 School District

Inventory Control Procedures

1. Purpose

To ensure the maintenance and implementation of adequate controls to account for the procurement, location, custody, and security of equipment purchased with District and Grant funds. To present a uniform method of maintaining fixed and capital asset records for the Hickman Mills C-1 School District.

Inventory personnel and school principals are responsible for tracking, monitoring and safeguarding all inventories within the District. Tracking of all inventories will increase accountability and avoid potential loss, replacement, and displacement.

2. Policy

2.1. Inventory maintenance is to comply with government auditing standards to avoid penalty and reduction in state funding.

2.2. Inventory is not to be altered, removed, or destroyed without appropriate District Office approval.

2.3. Inventory is not to be loaned or rented without appropriate District Office approval.

2.4. Inventory purchased with categorical funds for special programs is not to be transferred outside the program area without District Department approval.

2.5. A complete inventory of all classrooms and offices is to be done at the end of each school year to verify inventory accuracy. This is to include all fixed assets, critical control assets, textbooks, etc.

2.6. Board of Education (BOE) property can only be used for BOE business. If BOE property is requested to be removed from BOE facilities to pursue job-related activities at other locations, a Request for Off-Campus Use of Equipment Form must be approved by the school principal or facility supervisor. Equipment to be authorized for off-campus use includes audio-visual equipment, laptop computers, or other equipment that may be required for off –site presentations or training purposes. The original document is to be filed with school inventory records in order to reconcile year-end school inventory reports. The requester is to keep a copy of this document for accountability purposes.

3. Procedures

3.1. Definitions

3.1.1. Categorical funds means funds allocated from specific monies or grants only for use by designated specialized programs.

3.1.2. Disposition means the final status of an asset (e.g., sale, scrap, donation, surplus, or transfer to another school, school district, etc.) when it is removed from the inventory of assets.

3.1.3. Fixed Asset (Capital Asset) means an item that is permanent in nature, having a life of at least three years, is tangible, and must work as an independent unit. These types of assets include moveable equipment, buildings, building components, land and land improvements. Capital Asset threshold is $1,000.00.

3.1.4. Gift-in-kind means an item of tangible or intangible nature other than cash or securities. The gift can be something consumable or non-consumable.

3.1.5. Inventory means property, equipment, or materials owned, and its aggregated value.

3.1.6. Obsolescence means that an item is no longer useful.

3.1.7. Surplus means that an item is no longer needed by the department in which it was originally obtained.

3.1.8. Threshold Level means the monetary value beginning point assigned to inventory that will be tracked and maintained on an inventory system. The Inventory tracking threshold is $500.00.

3.2. Inventory Management: Inventory personnel are responsible for the monitoring and safeguarding of inventory in accordance with the following guidelines:

3.2.1 Conduct required district inventory audits at all District locations to include warehouses, schools, maintenance facilities, office locations, etc.

3.2.2 Compile data from sources such as contracts, purchase orders, invoices, to maintain inventory records.

3.2.3 Compile and maintain inventory records as needed for tracking, auditing, and maintaining inventory.

3.2.4 Verify that all inventory purchased by schools and departments is processed according to procedure.

3.2.5 Complete required reports in accordance with district, state, and federal requirements.

3.2.6 Review files to determine recommendation for surplus, obsolete, and non-functioning inventory.

3.2.7 Complete all inventory procedures in an expeditious and professional manner in accordance with District policy.

3.3. School/department employees delegated with the responsibility of inventory maintenance are responsible for following the procedures.

3.4. Gifts-in-kind: All donated items should be processed through the Inventory Control process if they meet the requirements according to the “Fixed Asset Threshold”.

3.5. Surplus Inventory

3.5.1. Surplus inventory is intended for school use only.
3.5.2. Prior to declaring inventory as surplus, district personnel for Inventory Control should be contacted to verify whether a transfer to another school/department is appropriate.
3.5.3. Inventory officially deemed as “surplus” must have a Declaration of Surplus form completed and sent to district personnel for Inventory Control with a copy to the appropriate school/department inventory contact person and the appropriate school/department head.
3.5.4. The Purchasing Department has been authorized to sell all surplus inventories.
3.5.5. The Purchasing Department will determine when there is sufficient surplus property to sell by public auction through Govdeals.net or by sealed bid. The Purchasing Department will coordinate the sale.

3.6. Disposition of Inventory

At the end of each school year, all Principals shall furnish a list of all inventories that has been damaged, broken, or has no useful life to district personnel for inventory control. They will then be reviewed and disposed of accordingly. Once there is documentation with the appropriate signatures verifying that equipment has been sold, donated, missing, stolen or otherwise no longer in the system, it may be deleted from the system via the Equipment Deletion Form (EDF).

3.7. Tagging

A numbered bar code tag identifies items recorded in the equipment inventory database. The primary purposes of tagging is to provide an accurate method of identifying assets as district property, control the location of all physical assets, and provide a link to asset records for physical inventories. A district asset bar code label is assigned and affixed to the items upon receipt.

3.8. Asset Records

Asset records shall be created for all newly acquired inventory items. An inventory database will be created and maintained to include the following information:

- Asset Tag Number
- Asset Type
- Description of the Item
- Location (building and room number)
- Serial Number
- Make
- Model
- Funding Source
- Unit Cost
- Purchase Date
- P.O. Number
- Current Status
- Disposition
- Disposition Date

3.9. Receipt & Delivery of Equipment

3.9.1 Direct Shipments: Schools or facilities to which equipment must be delivered directly from the carrier to the facility (e.g., office furniture, etc.), or to Technology (Computer Central Processing Units, etc.) shall notify the Purchasing Department of the arrival of the equipment in order to schedule a time for inventory and tagging of the equipment. It is the responsibility of the facility administrator to notify the Purchasing Department and submit an Equipment Acquisition Form (EAF) to the Purchasing Department.

3.9.2 Receipt & Delivery of Shipments: The equipment is to be placed in the designated room per inventory records. This information will be included on the next inventory listing provided for the administrator in charge or end of year inventory.

3.9.3 Inspection: All equipment items will be visually inspected upon delivery except for equipment requiring installation by a company representative. Visual exterior damage will be noted on the shipper’s delivery ticket, and the Inventory copies of the purchase order. Concealed damage will be noted on the same copy of the purchase order.

3.9.4 Partial Shipments: When partial shipments of purchase orders are received items shall be placed on hold until back orders have been received. Any requests from the purchaser for delivery of partially shipped items must be documented on the inventory copy of the purchase order as a partial delivery.

4. Computer Listing of Property

A copy of the computer listing of each building inventory will be sent to the building administrator annually. Any variations between the inventory and building inventory shall be reported immediately to the Purchasing Department by means of the Equipment Acquisition Form (EAF), Equipment Transfer Log (ETL), or Equipment Deletion Form (EDF).

5. Accountability for Equipment

The building administrator is responsible for all equipment in schools or facilities under his/her supervision.

6. Employee-Owned Items

Hickman Mills C-1 School District will assume no responsibility for employee-owned items. Such items must be removed when the employee ceases to be employed by the Board of Education.

7. Missing Items

All missing items must be reported immediately. Upon discovery of the missing item(s) the building administrator shall notify the Security Department immediately to file a police report, request an investigation and a copy of the police report. If the item(s) are to be deleted from the inventory database, an Equipment Deletion Form (EDF) is to be submitted with appropriate documentation.

8. Surplus Property

Schools/Departments that have items on their equipment inventory that are not being used and cannot be used in the School System may request for them to be declared as surplus using the Equipment Transfer Log (ETL).

8.1. Sale of Surplus Property: The Executive Director of Operations is responsible for preparing a list of unusable items for Board approval declaring as surplus any property that is no longer needed by the School System, or where future needs do not justify cost maintenance and/or storage. The Purchasing Department will prepare the initial list and submit to the Executive Director of Operations for Board approval to sell surplus property. Surplus items will be sold on Govdeals.net or by sealed bid.

8.2. Disposal of Surplus Property: no one may sell, scrap, salvage for parts, or otherwise dispose of any BOE property until all documentation has been completed and approved.

9.3 Deletion of Property from the Database: Once there is documentation with appropriate signatures verifying that equipment has been sold, donated, missing, stolen or otherwise no longer in the system, it may be deleted from the system via the Equipment Deletion Form (EDF).

10. Grants

10.1 Equipment obtained by loan, gift, etc., in connection with state or federal grants or contracts shall be reported as an acquisition.

10.2 Inventory of Equipment

Equipment purchased using state or federal grant fund shall be included in the District inventory, but shall be coded separately from equipment purchased using District funds.

10.3 Accountability for Property

In contractual agreements between the grantor and the Board of Education where title to all grant or contract furnished property remains vested with the grantor, the Board of Education will maintain accountability for this property. The equipment will be added to the school/department inventory, will appear on the inventory listings and will have an inventory tag affixed. The tag will be removed upon the return of the equipment to the grantor.

11. Inventory Records and Forms

11.1 Equipment Acquisition Form (EAF)

This form is used to document receipt of equipment received outside the normal BOE purchase order procedures. The EAF, properly completed, contains all the information necessary for accurate database entry regarding asset acquisition. The EAF is to be completed as per the following guidelines:

11.1.1 Building/Department Name

11.1.2 Room Number – The assigned room number found on the door jamb at the entrance of the room.

11.1.3 Description – The description of an item detailing functionality and usage. Define the item with as much detail as possible, (i.e., computer, Dell, w/monitor).

11.1.4 QTY. - The total number of items. Items that are barcoded will have a quantity of one, (i.e., 1 computer, or 14 desk/chair combos).

11.1.5 Manufacturer –The designer of the item. Indicate full name of the manufacturer.

11.1.6 Model Number – Model number is found on the data plate (usually near the serial number). Do not use names.

11.1.7 Serial Number – The identification number. Omit spaces and dashes. Place a slash mark through all zeroes. Be consistent.

11.1.8 Barcode Number – The number barcode affixed to the asset. Numeric field only (e.g., 4321).

11.1.9 Actual Cost – The cost defined by the invoice. Use total amount including cents.

11.1.10 Purchase Date – The date the asset was acquired. Use format: mm/dd/yy (e.g., 12/12/00).

11.1.11 Purchase Order Number – Include entire number.

11.1.12 Funding Code – The number used to define which fund was used to purchase the fixed asset. Include the entire number as listed on the purchase order under “Account Code” (i.e., 001-2329-6412-811-000-000). If purchased with grant funds please include name of grant.

EQUIPMENT ACQUISITION FORM
Hickman Mills C-1 School District

(SUBMIT TO PURCHASING DEPARTMENT)

NOTE: THIS FORM IS TO BE USED WHEN TRACKABLE EQUIPMENT IS PURCHASED OUTSIDE THE NORMAL DISTRICT PURCHASE ORDER PROCEDURES. IT IS ALSO USED TO DOCUMENT THE PURCHASE OF FURNISHINGS TO BE INCLUDED IN THE MASTER INVENTORY LIST. IT IS THE RESPONSIBILITY OF THE REQUISITIONER TO INSURE THAT THIS FORM IS COMPLETED AND FORWARDED TO PURCHASING SO THAT A HMC-1 BARCODE MAY BE ASSIGNED AND ATTACHED TO THIS EQUIPMENT.

School /Facility:_________________________________Date:___________________

Name of Person Completing This Form: _____________________________________

Barcode Number:____________________________Room Number ________________

Description (Name)____QTY____

Manufacturer________________________________Model Number_________________

Serial Number_______________________________Actual Cost $__________________

Purchase Date___________P.O. Number___________Funding Source ____________

Funding Code ______________________________

School /Facility:_________________________________Date:___________________

Name of Person Completing This Form: _____________________________________

Barcode Number:____________________________Room Number ________________

Description (Name)____QTY____

Manufacturer________________________________Model Number_________________

Serial Number_______________________________Actual Cost $__________________

Purchase Date___________P.O. Number___________Funding Source ____________

Funding Code ______________________________

FOR INVENTORY CONTROL USE: 1. DATE BARCODED___/___/___2. DATE BARCODED____/____/____

NOTES:

____

________________________________ ________________________

DISTRICT ASSET MANAGER DATE

11.2 Equipment Deletion Form (EDF)

Used to report equipment that is no longer in the system. There is space for two items per form. The EDF records disposition of equipment that has been lost, stolen, sold, missing or is no longer in the system and is to be deleted from the database. Completing the EDF does not authorize disposal of equipment. Send original to the Purchasing Department. Instructions for completing the EDF are as follows:

11.2.1 Building/Department Name

11.2.2 Date form is initiated

11.2.3 Name of person completing form

11.2.4 Room Number

11.2.5 Description – The description of the item detailing functionality and usage. Define the item with as much detail as possible, (i.e. computer, Dell w/monitor).

11.2.6 Manufacturer – The maker of the item. Please include full name of the manufacturer.

11.2.7 Model Number - The model number is found on the data plate (usually near the serial number). Do not use names.

11.2.8 Serial Number – Omit spaces and dashes. Place a slash mark through all zeroes to distinguish from the letter O.

11.2.9 HMC-1 Barcode Number

11.2.10 Explanation – An explanation must be included. Tell why the equipment should be deleted from the database. A piece of equipment should go through at least 2 inventory cycles before it is to be deleted. Items that are sold, stolen, auctioned or known to be no longer in the system may need additional documentation. Attach additional evidence of this nature to the EDF.

11.2.11 Signature of School Principal acknowledges that information is accurate.

EQUIPMENT DELETION FORM
Hickman Mills C-1 School District

(SUBMIT TO PURCHASING DEPARTMENT)

NOTE: ITEMS TO BE DELETED FROM THE INVENTORY DATABASE MUST BE PROPERLY AUTHORIZED FOR DELETION. THIS MAY ENTAIL COMPLETION OF A PROPERLY ENDORSED COMPLETION OF A PROPERLY ENDORSED SURPLUS PROPERTY DISPOSAL FORM (SPDF). IF YOU HAVE RECEIVED AUTHORIZATION VIA THE SPDF, THIS FORM MAY NOT BE NECESSARY.

School /Facility:___________________________________Date:____________________
Name of Person Completing This Form: ____

Barcode Number:_____________________________Room Number _________________

Description (Name)____QTY____

Manufacturer________________________________Model Number_________________

Serial Number_______________________________Actual Cost $___________________

Explanation for deletion from data base. If a police report was filed, please attach.

____

____

____

Barcode Number:_____________________________Room Number _________________

Description (Name)____QTY____

Manufacturer________________________________Model Number_________________

Serial Number_______________________________Actual Cost $___________________

Explanation for deletion from data base. If a police report was filed, please attach.

____

____

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The above item(s) have been properly authorized for deletion form the inventory database.

______________________ __________ ______________ __________
Principal/Supervisor Date Dir. of Operations Date

FOR INVENTORY CONTROL USE: DELETION DATE___/___/_____

NOTES: ____

________________________________ ______________________
DISTRICT ASSET MANAGER DATE

11.3 **SURPLUS PROPERTY DISPOSAL FORM (SPDF)**

Equipment may be disposed of via the Surplus Property Disposal form. Once all documentation is completed and signed, Purchasing will contact the initiating supervisor regarding the disposal process. Copies of the SPDF with notes on disposal method will be forwarded to the initiating principal or supervisor.

Instructions for completing a SPDF are as follows:

11.3.1 Photograph – It is the responsibility of the originator of the SPDF to provide a photograph of the equipment listed on the SPDF.

11.3.2 Equipment – Describe the item(s) to be disposed of.

11.3.3 Bar Code – It is imperative that the Hickman Mills barcode number must be included on this form.

11.3.4 Manufactured by - The maker of the item. Indicate full name of the manufacturer.

11.3.5 Model Number – Indicate the model number of the equipment

11.3.6 Serial Number – Copy the serial number from the equipment

11.3.7 Value – It is the responsibility of the principal or facility supervisor to provide this information.

11.3.8 Signatures & Dates – The SPDF must be properly signed and dated by all parties.

SURPLUS PROPERTY DISPOSAL FORM (SPDF)

Hickman Mills C-1 School District

Complete all information. A photograph of the items listed below must be attached. Submit signed originals with photo to inventory control. Your school or facility will be contacted concerning disposal method.

EQUIPMENT	HM BARCODE	MFG.BY	MODEL #	SERIAL #	VALUE

In accordance with Hickman Mills Board Policy, we the undersigned authorize disposal of the items listed above.

________________________________School____________________________Date____________________
Principal

____Date____________________
Supervisor

____Date____________________
Director of Operations

____Date_____________________
Board President

For Inventory Control Use: Copy to Principal or Supervisor_____/____/___Copy to Purchasing____/____/___

Note on disposal method: ____

Signature____________________________________Date__________________

11.4 **REQUEST FOR OFF-CAMPUS USE OF EQUIPMENT (ROCU)**

Completion of this form authorizes the off-campus or off-site use of school board equipment. It is intended to protect both user and custodian of the equipment by documenting whereabouts of equipment on the school or facility inventory list.

REQUEST FOR OFF-CAMPUS USE OF EQUIPMENT (ROCU)
Hickman Mills C-1 School District

Name of person making request: ____

School/Facility:______________________Position: __________________________

(1) Equipment: ____

Barcode:_____________________Serial Number: __________________________

(2) Equipment: ____

Barcode:_____________________Serial Number: __________________________

Reason for off-site use: ____
____
____
____

This equipment is to be used off-campus beginning______/_____/____and will be returned by_____/____/_____.

I assume full responsibility for this equipment and will use it for the purpose as stated above.

____
Signature of Requester Date

I hereby approve off-campus use of this equipment by the person named above.

____
Principal or Supervisor Date

Original – School/Facility Inventory **Copy-Requester/Purchasing**

11.5 Equipment Transfer Log (ETL)

Use of the Equipment Transfer Log (ETL) applies ONLY to equipment and/or furnishings appearing on the District master inventory. It is not required for items not defined as equipment under current Board of Education policy. An Equipment Transfer Log (ETL) is to be used to report equipment and/or furnishings to be transferred from one location to another (either on-site or between facilities). For “trackable items” a bar code is required; for furnishings a quantity is required. For each requested change in accountability, the facility administrator will authorize the transfer by signing the ETL. The form should be completed in detail, taking special care to fill in all requested information and authorizations. The administrator of the receiving facility will also acknowledge receipt of the item(s) by assigning the new location for the transferred equipment and endorsing the ETL. The original ETL is to be sent to the Purchasing Department immediately so that the inventory database can be updated.

If necessary, departments/buildings should request assistance in moving the equipment from the Building and Grounds Department.

EQUIPMENT TRANSFER LOG

Submitted by: ________________

Data Entry On__/__/__

School: _____________________

Entered By: ___________

Equipment (Furnishings)	Barcode Number	From Building/ Room	To Building/ Room	Date of Transfer	Signature of Sender	Signature of Receiver	
				__/__/__			
				__/__/__			
				__/__/__			
				__/__/__			
				__/__/__			
				__/__/__			
				__/__/__			
				__/__/__			
				__/__/__			

THE ABOVE ITEMS ARE AUTHORIZED FOR TRANSFER

__________________________ Supervisor’s Signature

___________ Date

__________________________________ Supervisor’s Signature (of receiving facility)

____________ Date