



Book	Policy Manual
Section	Policies for the Board
Title	Copy of PROPERTY INVENTORY
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#### 7450 - **PROPERTY INVENTORY**

As steward of the School Corporation's property, the School Board recognizes that efficient management and full replacement upon loss requires accurate inventory and properly maintained property records.

The Board shall conduct a complete inventory of all Corporation-owned equipment every two (2) years.

For purposes of this policy, 'equipment' shall mean **tangible personal property (including information technology systems, a mobile or fixed unit of furniture or furnishings, an instrument, a machine, an apparatus, or a set of articles which that retains its shape and appearance with use, is non-expendable, having a useful life of more than one (1) year, and a per-unit cost that equals or exceeds costs at least \$500.00 as a single unit represents an investment of money that makes it feasible and advisable to capitalize the item,** and does not lose its identity when incorporated into a more complex unit. When defining supplies for inventory purposes, no items will be counted whose total value is less than \$500.00.

It shall be the duty of the Business Manager to ensure that inventories are recorded systematically and accurately and property records of equipment are updated and adjusted annually by reference to purchase orders and withdrawal reports.

The Business Manager shall maintain a system of property records which shall show, as appropriate to the item recorded, description and identification **(serial number or other identification number)**, manufacturer, and year of purchase, ~~initial cost, location.~~

**Title to Ee** Equipment acquired under a Federal award will vest upon acquisition to the Corporation, subject to the following conditions:

- A. The equipment shall be used for the authorized purposes of the award project during the period of performance or until the equipment is no longer needed for the purposes of the project.
- B. ~~The equipment shall not be encumbered without the approval of the Federal awarding agency or the pass-through entity.~~ While the equipment is being used for the originally authorized purpose, the Corporation (or subrecipient) must not dispose of or encumber its title or other interests without the approval of the Federal agency or pass-through entity.
- C. The equipment may be only used and disposed of in accordance with the provisions of the Federal ~~awarding~~ agency or the pass-through entity and Policy 7300 - **Disposition of Real Property**, Policy 7310 - **Disposition of Surplus Property**, and AG 7310 - **Disposal of Corporation Property**.
- D. The Corporation must use the equipment for the project or program for which it was acquired and for as long as needed, whether or not the project or program continues to be supported by the Federal award. The Corporation must not encumber the equipment without prior approval of the Federal agency or pass-through agency.
- E. When no longer needed for the original project or program, the equipment may be used in other activities in the following order of priority.

1. activities under other Federal awards from the Federal agency that funded the original program or project; then
  2. activities under Federal awards from other Federal agencies. These activities include consolidated equipment for information technology systems.
- F. During the time that equipment is used on the project or program for which it was acquired, the Corporation must also make the equipment available for use on other programs or projects supported by the Federal Government, provided that such use will not interfere with the purpose for which it was originally acquired. First preference for other use of the equipment must be given to other programs or projects supported by the Federal agency that financed the equipment. Second preference must be given to programs or projects under Federal awards from other Federal agencies. Use for non-federally funded projects is also permissible, provided such use will not interfere with the purpose for which the equipment was originally acquired. The Corporation should consider charging user fees as appropriate. If the Corporation does not use equipment to earn program income, it must not charge a fee that is less than a private company that would charge for similar services unless specifically authorized by Federal statute.
- G. When acquiring replacement equipment, the Corporation may either trade in or sell the equipment and use the proceeds to offset the cost of the replacement equipment.
- H. Property records shall be maintained that include a description of the equipment, a serial number or other identification number, the source of funding for the equipment (including the Federal Award Identification Number (FAIN)), title holder, acquisition date, cost of the equipment, percentage of Federal participation in the project costs for the award under which the equipment was acquired, the location, use, and condition of the equipment, and ultimate disposition data, including date of disposal and sale price of the equipment. title holder, acquisition date, cost of the property, percentage of Federal agency contribution towards the original purchase, the location, use, and condition of the property, and ultimate disposition data, including date of disposal and sale price of the property.
- I. A physical inventory of the property must be ~~taken~~ conducted and results reconciled with property records at least once every two (2) years.
- J. A control system ~~shall be developed to provide adequate safeguards to prevent~~ must be in place to ensure safeguards for preventing loss, damage, or theft of the property. Any such loss, damage, or theft ~~shall~~ of the property must be investigated. The Corporation must notify the Federal agency or pass-through entity of any loss, damage, or theft of equipment that will have an impact on the program.
- K. ~~Adequate~~ Regular maintenance procedures shall be implemented to keep the property in ~~good~~ proper working condition.

2 C.F.R. 200.313

2 C.F.R. 200.439 (b)(2)

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2 C.F.R. 200.313