

Perkins Equipment and Inventory Control and Tracking Procedures

**South Carolina Department of Education
Office of Federal and State Accountability
Perkins Equipment Inventory Control and Tracking
Procedures**

Purpose

To ensure the maintenance and implementation of adequate controls to account for the procurement, location, custody, and security of equipment purchased with Perkins funds. For this procedure, equipment has been defined as "non-consumable items with a life expectancy of more than one year and with a value that exceeds \$100.00."

The following procedures were developed as a result of the June 2006 U.S. Department of Education's review of the South Carolina Perkins program. Procedures are based on Office of Management and Budget (OMB) Circular A-87, Education Department General Administrative Regulations (EDGAR), and SC Budget and Control Board Procurement Regulations.

Physical Inventory Listing

Each LEA Perkins Office will maintain a current and accurate inventory record of equipment purchased with Perkins funds (*a Physical Inventory Listing*). This Physical Inventory Listing will include equipment that is non-consumable with a life of more than one year and with a value of more than \$100.00. (*This Physical Inventory Listing is in addition to the LEA's fixed asset inventory listing.*) Equipment purchased using district set-aside Perkins funds will be listed on the district's Physical Inventory Listing. Equipment purchased using a school's Perkins allocation will be listed on the school's Physical Inventory Listing. Items that would not be included on the physical inventory listing are books, classroom libraries, classroom/office supplies, workbooks, maps, charts, globes, CD's, and DVD's. Items that must be included are printers, computers, digital cameras, laptops, fax machines, and office/classroom furniture.

The Physical Inventory Listing must include the following information:

- An inventory control number to include the fixed asset identification number or other inventory control number for items not listed on the fixed asset system,
- A description to include the model number,
- The acquisition date
- The cost
- A serial number, and
- The location (office and room number).
- FAIN

2 C.F.R. §200.313 (a)

The Perkins schools, Perkins district-wide programs, and Perkins district office must ensure that items are added to the Physical Inventory Listing throughout the year as invoices are processed.

See Attachment 1 for an example of a physical inventory listing.

Fixed Asset Listing

The Perkins Equipment Inventory Control Procedures will not alter the district's inventory control policy or equipment listed on the district's fixed asset inventory system.

Tagging of Equipment

Equipment purchased with Perkins funds that are listed on the LEA fixed asset inventory system must have the appropriate asset identification tag/decal per the district's policy on tagging of equipment. The asset tag/decal should be placed on the equipment where it can be easily seen.

Perkins equipment that has a useful life of at least one year, and is not included on the fixed asset system, will still need to have a tag, decal, or label to indicate a control number designated by the Perkins office or school.

Physical Inventory Listing Reconciliation to Fixed Asset Listing

A physical inventory of the equipment at each location (using the Physical Inventory Listing) must be taken and the results reconciled with the fixed asset listing at least once annually. Documentation of the reconciliation and any adjustments to entries to account for the differences noted during the reconciliation should be maintained.

As a part of the reconciliation process, district Perkins Coordinators are urged to also run expenditure reports to ensure that all required equipment, supplies, and material items have been added to the physical inventory listing for each location.

See Attachment 1 for an example of a physical inventory listing.

Record Maintenance

Appropriate equipment transfer forms and disposal forms for the fixed asset listing should be completed in a timely manner and maintained to document any transfer or disposal of equipment (following the LEA policy).

Any mobile equipment, such as laptop computers, should have an equipment Check-Out form to document that the equipment has been removed from its location as indicated on the Physical Inventory Listing.

When equipment not on the fixed asset listing is transferred from one location to another, an Equipment Transfer Form should be completed to document that the equipment has been removed from one Physical Inventory Listing and added to another.

See Attachment 2 and 3 for an example of a Check-Out and Transfer form.

Physical Inventory Listing

2 C.F.R. §200.313(1)

LEA Name:

Location (such as Office or School Location):

[illegible]

Signature of Person Conducting the Reconciliation:

Date _____

There should not be any blank cells in the completed rows when the inventory is completed. If there are, provide a notation.

Include an Inventory Control Number or the Fixed Asset Number - both are not required.

A new and/or updated form must be used every year.

Attach to the Reconciliation: copies of applicable transfer and check-out forms, notes, police reports, and anything else that is applicable.

Inventories must be conducted at least annually towards the end of the school year.

**Perkins Equipment Inventory Control
ProcedureEquipment Check-Out Form**

Description of Equipment:

Model:

Perkins Inventory Control Number or Fixed Asset Number:

Location:

**The above equipment is being issued to you for official use only. By signing below you
acknowledge responsibility for the equipment and its use while in your possession.**

Name/Signature:

Position:

Check-Out Date:

Return Date:

**Perkins Equipment Inventory Control
Procedure Equipment Transfer Form**

Description of Equipment:

Model:

Perkins Inventory Control Number or Fixed Asset Number:

Location Prior to Transfer:

Location After Transfer:

Surrendering Location

Director/ Principal Signature

Date

Receiving Location

Director/ Principal Signature

Date

DECLARATION OF INTENT TO DISPOSE OF EQUIPMENT/FURNITURE

Department of Education Only

Inventory/Asset ID Number:

Serial Number:

Location:

Description of Equipment/Furniture:

Approximate Age:

(If Known)

Acquisition Cost:

(If Known)

Estimate of Fair Market Value or Trade-In-Value:

Condition of Equipment:

☐

DISPOSED

☐

SURPLUS

☐

TRADE-IN

Division

Office

Approved by:

Office Director Signature

Date

CIO Equipment Manager (IT Equipment Only) Signature

Date

Fixed Assets Manager Signature

Inventory Removal Date

Attachment 4

OFFICE OF CAREER AND TECHNOLOGY EDUCATION MANAGEMENT GUIDELINES for CATE EQUIPMENT

The following guidelines provide the Office of Career and Technology Education's (OCTE) policy and procedures for the management and disposition of Career and Technology Education (CATE) equipment (including replacement equipment) purchased in whole or in part with **federal** or **state** funds. **These guidelines apply to:**

- All tangible, non-consumable CATE property items having a useful life of more than one year and an acquisition cost of **\$500** or more.
- **ALL** computers purchased with **federal** or **state** CATE funds, regardless of cost.

In the event of a conflict between federal (EDGAR, Section 80.32), state, or local educational agency (LEA) requirements for equipment management and disposition, the most restrictive requirement prevails.

I. Management Requirements for CATE Equipment

LEA procedures for managing **CATE equipment** (including replacement equipment), until disposition takes place, will meet the following minimum requirements:

- A. The LEA (school district or multi-district career center) must use the CATE equipment in the **CATE course/program/activity** for which it was acquired as long as needed, whether or not the CATE course/program/activity continues to be supported by federal/state funds.
- B. The LEA must maintain **property records** that include a description of the property; a serial number or other identification number; the vendor (source of the property); who holds title; the acquisition date and cost of the property; percentage of federal/state participation in the cost of the property; the location, use, and condition of the property; and any ultimate disposition data including the date of disposal and sale price of the property.
- C. The LEA must conduct a **physical inventory** of the property and reconcile the results with the property records at least once every year.
- D. The LEA must develop a **control system** to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated and the findings shall be maintained on file for audit purposes.
- E. The LEA must develop adequate **maintenance procedures** to keep the property in good condition.

II. Disposition of CATE equipment that is no longer needed, inoperable, or obsolete (and the CATE course/program is continued)

- A. The LEA must adhere to the following procedures and maintain **written documentation for audit purposes** of the action taken to ensure the proper disposition of CATE equipment purchased using federal/state funds.
- B. CATE equipment with current per-unit fair market value of **less than \$5,000**:
1. The LEA may transfer the equipment to another CATE course/program within the district.
 2. The LEA may trade the equipment in for another item of equipment needed for the CATE course/program.
 3. The LEA may transfer the equipment to a CATE program in another district.
 4. If not needed in any CATE course/program/activity, the LEA may transfer the equipment to other federally funded programs in the district.
 5. If the equipment is not needed in a CATE course/program/activity or in any federal program, the item of equipment with a current per-unit fair market value of less than \$5,000 may be sold or otherwise disposed of with no further obligation to the Office of Career and Technology Education (OCTE). The date of disposal and sale price must be retained in the LEA's equipment inventory files. Proper sales procedures must be established by the LEA to ensure the highest possible return. LEA proceeds from the sale of CATE equipment must be used in support of CATE programs.
- C. CATE equipment with current per-unit fair market value of **more than \$5,000**:
1. The LEA may transfer the equipment to another CATE course/program within the district.
 2. The LEA may trade the equipment in for another item of equipment needed for the CATE course/program.
 3. The LEA may transfer the equipment to a CATE program in another district.
 4. If not needed in any CATE course/program/activity, the LEA may transfer the equipment to other federally funded programs in the district.
 5. Items of equipment with a current per-unit fair market value in excess of \$5,000 may be retained or sold and the OCTE shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the federal/state share of the equipment. The date of disposal and sale price must be retained in the LEA's equipment inventory files. Proper sales procedures must be established by the LEA to ensure the highest possible return. LEA proceeds from the sale of CATE equipment must be used in support of CATE programs.

III. Disposition of CATE equipment when a CATE course is discontinued

Federal and state funds allocated to school districts and multi-district career centers for CATE equipment are provided to expand and improve secondary CATE courses and programs for South Carolina students. When an LEA closes or discontinues a CATE course, special provisions must be implemented to ensure accountability for the federal/state investment in CATE equipment for the course. LEA failure to comply with the following procedures may jeopardize future federal/state allocations approved for CATE equipment.

- A. When a school district or multi-district career center determines that a **CATE course will be discontinued**, the LEA must **notify the OCTE** in writing to obtain approval for the disposition of CATE equipment purchased in whole or in part with **federal** or **state** funds. The OCTE's highest priority for disposition will be to transfer the operable equipment to a comparable CATE course/program (either within the LEA or in another district or multi-district career center) where there is a **need** for the equipment.
- B. The LEA must complete and submit the attached *Disposition of CATE Equipment for Discontinued Course* form to the OCTE for review and **approval prior to** the disposition of the CATE equipment. The form fill-in document should be saved, completed, printed, and signed. Mail the completed form to Melissa Benton at the Office of Career and Technology Education, South Carolina Department of Education, 916-C Rutledge Building, 1429 Senate Street, Columbia, SC 29201 **or** e-mail a scanned copy to mbenton@ed.sc.gov.
- C. The OCTE's CATE program associate will approve or disapprove the LEA's proposed disposition of CATE equipment items and will notify the LEA within 30 days of receipt of the completed *Disposition of CATE Equipment for Discontinued Course* form. Additional instructions will be provided for any disposition options that are not approved by the OCTE. The LEA may proceed with the approved disposition upon receipt of the form signed by the OCTE. Note: LEA proceeds from the sale of CATE equipment no longer needed for a closed or discontinued course must be used in support of CATE programs.
- D. Documentation to verify the final disposition of the CATE equipment may be required at the discretion of the OCTE's CATE program associate. If additional documentation is required, specific instructions will be provided to the LEA along with the signed *Disposition of CATE Equipment for Discontinued Course* form.
- E. CATE program associate contact information for the various career cluster areas and a listing of the CATE courses and programs by cluster may be found in the current CATE Student Reporting Procedures Guide on the Web at <http://ed.sc.gov/agency/programs-services/152/>.

**Office of Career and Technology Education (OCTE)
Disposition of CATE Equipment for Discontinued Course**

District: _____ District Superintendent Signature: _____
 School: _____ CATE Coordinator Signature: _____
 CATE Course/Program: _____ District Contact for Equipment Disposition:
 Course Ending Date (Month/Year): _____ Name: _____ Phone/Email: _____
 Reason for Discontinuing the CATE Course/Program: _____

CATE Equipment Disposition Summary

Equipment Item	I.D. or Serial Number	Date Acquired	Cost	Funding Source/Percent "F" or "S"	Current Condition	Proposed Disposition Option #	School/Course to Receive Equipment Item		OCTE Approval	
			Whole \$				Options 1-4		YES	NO
			\$			Select one	Applicable for Options 1 or 2		<input type="checkbox"/>	<input type="checkbox"/>
			\$			Select one			<input type="checkbox"/>	<input type="checkbox"/>
			\$			Select one			<input type="checkbox"/>	<input type="checkbox"/>
			\$			Select one			<input type="checkbox"/>	<input type="checkbox"/>
			\$			Select one			<input type="checkbox"/>	<input type="checkbox"/>
			\$			Select one			<input type="checkbox"/>	<input type="checkbox"/>
			\$			Select one			<input type="checkbox"/>	<input type="checkbox"/>
			\$			Select one			<input type="checkbox"/>	<input type="checkbox"/>
			\$			Select one			<input type="checkbox"/>	<input type="checkbox"/>
			\$			Select one			<input type="checkbox"/>	<input type="checkbox"/>

For OCTE Use Only—

Reviewed by: _____ Signature: _____ Date: _____ Phone/Email: _____

Disposition Options for CATE Equipment Purchased With Federal/State CATE Funds (Course Discontinued/Closed)

- 1 – Transfer item to a CATE course within the District/Center (Identify School/Course)
- 2 – Transfer item to a CATE course in another District/Center (Identify School/Course)
- 3 – Not needed for CATE: Sell/dispose of item—Use any LEA proceeds for CATE programs (Current Item Value < \$5,000)
- 4 – Not needed for CATE: Sell/dispose of item—Use any LEA proceeds for CATE programs (Current Item Value > \$5,000) *

* The OCTE has a right to the value/proceeds in an amount applicable to the federal/state share of equipment valued > \$5,000.



ACKNOWLEDGEMENT

I have read and understand the agreement for the district issued credit card and I hereby agree to the conditions stated in the Hampton County School District Credit Card Procedures Manual.

Cardholder Signature: _____ Date: _____

Proxy Signature: _____ Date: _____