

Section IV

Property Management

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Inventory and Property Management:

Inventory:

The Superintendent will assign an Inventory Custodian charged with the responsibility for maintaining a master inventory of all equipment, facilities, and property. The campus principal will be responsible for property assigned to their campus. A record of such inventory will be maintained in accordance with the directives of the Texas Education Agency.

Fixed assets equipment (items costing \$500 or more, and/or which have a life expectancy of one year or more, or such items as have been designated sensitive if economical to control) will be assigned an accession number. These items will be added to the inventory of the teacher responsible for the classroom in which the item will be used. The General Fixed Assets Groups shall consist of those fixed assets that cost \$5,000 or more and recorded through the account object group 6600.

If at any time a pieces of equipment of furniture is transferred to another classroom the Property Transfer form must be completed and signed by the campus principal. The form then should be forwarded to the Inventory Custodian.

In April of each year, a physical inventory will be taken for each classroom. Discrepancies will be reconciled and new inventory will be typed in duplicate and signed for by the principal accepting responsibility for that campus. If discrepancies cannot be reconciled, exceptions will be approved by the Board. The person signing a capital outlay inventory report is responsible for all furniture and equipment listed on his/her inventory.

Property Management:

The Superintendent is responsible for establishing and implementing a system of efficient management of equipment. Duties and responsibilities are delegated at the discretion of the Superintendent.

The custodian is an employee charged with the responsibility of district property. This individual will be required to check and accept, by signature, all property under his/her control as part of the job. He/she will be required to check all numbered property under his/her control each year and attest, in writing, that all is properly tagged and accounted for.

Accounting for Property:

The Superintendent is the official property manager for the district. The campus principal is the designated property officer over all property and supplies assigned to his/her campus and directly under his/her control. The principal has the authority to forbid the movement of property/supplies within or out of the department without permission and the required documentation.

Each principal may designate a custodian to assist in controlling property. The principal must notify the Accounting Department in writing and state the name of the employee so designated as their Custodian.

Each principal has the final responsibility for all property under his/her control. A designated custodian is required to physically inventory all campus property annually and can be held liable for property lost, damaged or destroyed. In addition, items not located will be replaced and charged to the campus budget. In protecting this property under

his/her control, principal or custodian has full authority to prohibit removal of his/her assigned property unless adequate documentation is prepared to assure continued accountability.

When a change of custodian occurs, a current computer listing of the property charged that campus must be requested. The incoming custodian will conduct a physical inventory of the property charged to that campus.

Acquisition – Fixed assets are acquired by purchase and donation. The record of purchase of a fixed asset is generated and developed by the Business Office. A purchase order, a receiving slip and an invoice are the documents used to record this activity.

Kennard ISD is occasionally the recipient of various types of equipment as a donation. These items must be identified, accounted for, maintained and disposed of in accordance with the state property regulations.

Transfer – Property loaned to another custodian for longer than 45 days is considered a permanent transfer. The shipping location must immediately prepare a Property Transfer Notice charging the receiving location with the numbered property.

Disposal of Property:

When a fixed asset no longer fulfills a useful function, it must be removed from the property account. The property is deleted from the system when it is lost, stolen, or sold by the district or declared “salvage”. Salvaged property means personal property which through

use, time or accident is so depleted, worn out, used or consumed that is has no value for the purpose for which is was originally intended.

Disposal Methods – The disposal methods are: Trade-In, Donation, Sale, or Disposal.

Exceptions for Property Purchased Through Federal Grants

Equipment purchased with funds made available through grants from the U.S. Department of Education must be used by the district in the program for which it was acquired as long as needed whether or not the program continues to be funded by Federal funds. When no longer needed for that program, the district shall use the equipment, if needed, in other programs sponsored by the Federal government.

Unless TEA provides otherwise, equipment may not be used for activities other than the project or program for which it was originally purchased. Use of equipment assigned to private schools is restricted to project use only. If no such project is currently being conducted at the private school(s), the equipment shall be removed by the public schools. Equipment may be exchanged or replace if approved by TEA. Such exchanges or replacements may involve the trade-in or sale of equipment with the proceeds from such trade-in or sale being applied to the replacement equipment.

If equipment can no longer be used in accordance with the guidelines above, it shall be disposed of, after receiving authority from TEA, as follows:

1. Equipment having a unit acquisition cost of less than \$5,000 may be retained, sold, or otherwise disposed with no further obligation to the Federal government.

2. For dispositions of equipment acquired under Federal awards with a current per-unit fair market value in excess of \$5,000, the equipment may be retained, donated or sold after paying the awarding agency its share of the fair market value of the equipment.

Authority to remove equipment with a unit cost of \$5,000 or more from the district's inventory must be requested from TEA. Reasons for deletions may include that the equipment is no longer operable, was destroyed, stolen or not needed.