

Board of Education Policy

INVENTORIES

In accordance with "The Uniform System of Accounts for School Districts" and the recommendations of the State Comptroller's Office and District Auditors, an inventory of fixed assets and other equipment and property of the District shall be maintained by the Business Office with the cooperation of all building and department administrators based on the current Capitalization policy of the District. The Business Office may use the assistance of outside advisors or appraisers in carrying out this responsibility.

The Business Office shall develop and maintain a system of internal controls for all fixed assets and other inventoried District property, including a property register which shall be updated on an ongoing basis, along with the following:

1. Fixed asset account values are recorded at cost or fair market value at the time of acquisition.
2. When applicable, inventories shall be depreciated in conformity with GAAP and documentation shall be maintained. The District's Auditors, as well as outside advisors, shall assist the Business Office in reviewing and adjusting various depreciation schedules.
3. There must be periodic physical inspections to determine that all assets are present and in usable condition, located in the assigned area, and accurately recorded on the fixed asset records and an individual shall be assigned with the responsibility for maintaining the inventory system. The District's Auditors, as well as outside advisors, may assist the Business Office with physical inspections.
4. A computerized system shall be maintained to track the Districts' fixed assets inventory.
5. All assets shall be marked or tagged with ownership identification decals.
6. The inventory system shall include all of the information necessary to maintain complete and accurate records, including a sufficient description (make, model and serial number); the class of property (machinery, equipment, etc.); the year of purchase (preferably with the day and month); historical cost or estimated value if a gift; accumulated depreciation and current year depreciation computations; and the source of financing or acquisition (general funds, federal funds, gifts, etc.). There shall be a procedure in place to ensure the changes in assets, such as location, disposition, etc. are reflected in the inventory system.
7. District property, equipment and inventory shall be secured in a safe location.

Reference: Board Policy #6245

Adopted: 08/22/1996

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