

DEPARTMENT OF BUSINESS OPERATIONS OFFICE OF ASSET MANAGEMENT

INVENTORY MANAGEMENT PROCEDURES

**ASSET MANAGEMENT
&
FEDERAL PROGRAMS**

**GENERAL PROCEDURES
ESSA • EXCEPTIONAL CHILDREN • CAREERS & TECHNOLOGY • PRE-K
BOARD OF COMMISSIONERS • CHARTER SCHOOLS • PRIVATE SCHOOLS**

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Inventory Management Procedures

General Procedures

Overview

Overview:

In the past, all equipment ordered by schools and departments was delivered to Inventory Control (Office of Asset Management) so that each piece could be tagged and recorded on the appropriate inventory list. Recent changes in the procurement and warehousing processes have necessitated modification of this procedure. All equipment except for computer equipment which is asset tagged, delivered, and installed by an outside vendor, **tagging and recording of each new piece of equipment will hereafter, be the responsibility of principals and/or department heads.**

It is the desire of the Office of Asset Management to streamline the overall procedure to make possible, easy and accurate reporting of all equipment. The objective of this change is to produce greater efficiency in management and accountability of Memphis-Shelby County Schools' assets, by making the inventory process more accessible and flexible at the school site and department levels.

Definition:

Equipment: Equipment is defined as "all items" used in an operation or activity and includes machinery, implements, tools, furniture, vehicles, band instruments and other apparatus with a minimum useful life expectancy of five (5) years. Sensitive minor equipment includes computers, external peripherals, weapons, etc, as indicated in C.F.R. 300.212.

What is a Fixed Asset?

A fixed asset is equipment that is acquired by the District for use by schools and Central Office staff and is centrally tracked and monitored by the Office of Asset Management, regardless of fund and/or acquisition source with a useful life of greater than one year. This includes donated equipment meeting Information Technology minimum standards.

- Capitalized personal property – district-owned personal property (including any leased item) that (1) has an acquisition cost/value of at least \$5,000 and a minimum useful life expectancy of five (5) years or more; and/or (2) is considered as a sensitive item; and/or (3) is required to be inventoried by grant or other contractual obligation.
- Personal Property – items other than real property used in the operations or activities of the District (e.g., machinery, tools, furniture, vehicles, band instruments, and other apparatus with a minimum useful life expectancy of five (5) years); and sensitive minor equipment (e.g., computers, external peripherals, and weapons). This shall not include miscellaneous items such as a stapler, tape dispenser, and computer mouse, etc.
- Sensitive Personal Property – district-owned personal property regardless of value that requires special control and accountability due to unusual rates of loss, theft or misuse, or security considerations (e.g., laptops, iPads, and cameras).

Inventory Management Procedures

General Procedures

Overview

Responsibilities:

Management personnel, i.e. school principals and department heads are accountable for assets/equipment within their immediate area of responsibility. This accountability is inherent to the position. Accountability includes inventory, movement, and maintenance of all equipment in their immediate area of responsibility.

The school principal and/or department head shall maintain a copy of their records and submit required forms as necessary to fully inform the Office of Asset Management; with respect to the adds, transfers, loss, and damage and/or misuse of district property in order that the Office of Asset Management may properly carry out its responsibilities.

Responsibility lies with every individual utilizing district assets/equipment for the performance of his or her duties and must adhere to the following procedures regarding the reporting, control, and disposition of all district equipment.

Purpose:

The purpose of Asset Management is to ensure all fixed assets are capitalized (\$5,000 and up) and non-capitalized equipment (computers, peripherals, band instruments, telecommunication equipment, etc.) owned by the District. In addition, it is also our mission to track the life cycle of all Shelby County Schools assets from acquisition to retirement regardless of the funding source and to ensure compliance with all policies, federal and state guidelines. Integrity and personal responsibility are the hallmarks of our daily interactions.

Goals & Objectives:

The goal of Office of Asset Management to provide prudent fiscal stewardship and maintain accurate, complete, and up-to-date records of all Fixed Assets. It is our goal to have no errors in these entries as accuracy is critical.

Our objective is to produce greater efficiency in management and accountability of Shelby County Schools' assets, regardless of funding source by identifying and recording all capitalized assets including sensitive equipment valued at \$100 and up.

Inventory Management Procedures

Section I – General Procedures

Equipment

Procedure for Adding New or Unmarked Items to Inventory:

1. When new equipment costing \$5,000.00 or more and sensitive items including Exceptional Children specific items and other items of concern valued at **\$100.00** or more is purchased and received in a school/department, affix on each piece of equipment, one **MSCS Asset Tag number** in a clearly identifiable position. (*See page 19*)
2. Complete an *Asset Disposition Form (ADF)* with the following information: quantity of items purchased, description including model number, serial number, brand/manufacturer, disposition (in this case – NEW), purchase order number or school check number, accounting code, program/project, date purchased, cost of the equipment and the **MSCS Asset Tag number assigned to the equipment (if available)**. Please contact the Office of Asset Management at 416-2830 for all questions regarding the *Asset Disposition Form*. (*See page 20*)
3. Forward your completed *Asset Disposition Form(s)*, along with a copy of the purchase order and/or school check to the Office of Asset Management via inter-office mail and/or email: AssetManagement@scsk12.org.
4. Retain a copy of the *Asset Disposition Form* for your records.

Procedures for Defective Equipment (Returned to Vendor):

1. If a defective item is returned to vendor for repair, the designee will maintain a record of the description including model number, serial number, vendor's signature and the **MSCS Asset Tag number** of the item being returned to vendor on the *Asset Disposition Form*.
2. If the vendor replaces the item because of defect, complete the *Asset Disposition Form* with the following information for the defective and replacement: description including the model number, serial number, brand/manufacturer, disposition (WARRANTY/TRADED), budget center manager and/or their designee signature and the new and old **MSCS Asset Tag numbers**.
3. To delete inventoried equipment from inventory that is being returned to the vendor due to defect, remove the old **MSCS Asset Tag number** from the defective equipment. Upon receipt of the *Asset Disposition Form*, the inventory database will be updated to include the change in condition and/or disposition of equipment.
4. Affix the new **MSCS Asset Tag number** to the new equipment.
5. Forward the complete copy of the *Asset Disposition Form* to the Office of Asset Management (Loc. 8223), along with the old tag number.
6. Retain a copy of the *Asset Disposition Form* for your records.

Inventory Management Procedures

Section I – General Procedures

Equipment

Procedure for Maintenance & Repair of Equipment:

1. When equipment has been identified as not functioning properly, the designee will enter a work order into the Ivanti Work Order System. The IT personnel will assess and troubleshoot the reported problem and repair when possible. Equipment will be repaired when it will cost less to repair than to replace and/or its useful life has expired.

Procedure for Disposal/Transfer of Equipment:

1. When equipment is identified for disposal or transfer, the items should be scanned and submitted via the Fixed Asset Management System (FAMS) and/or complete an *Asset Disposition Form* with the following information: quantity, description including model number, serial number, brand/manufacturer, disposition (DISPOSAL or TRANSFER), name of school/division and location code, budget center manager and/or their designee signature, program/project and **MSCS Asset Tag number**.
2. Forward the completed copy of the *Asset Disposition Form* to the Office of Asset Management via inter-office mail and/or email: AssetManagement@scsk12.org. Upon receipt of the *Asset Disposition Form* and/or the electronic FAMS disposal request notification, your site will be scheduled for pick-up. The inventory database will be updated to include the change in location, condition and/or disposition of equipment.
3. Retain a copy of the *Asset Disposition Form* and/or *APECS Disposal Form* for your records
4. Be sure to place the equipment to be picked up in a centralized area on the first floor of the main building.
5. No equipment should be placed outside of the building. Mechanical rooms should not be used as storage space for furniture and/or obsolete equipment.
6. All transfer request(s) involving equipment purchased with federal funds, i.e. ESSA, Careers & Technology (Vocational) and Exceptional Children, must be approved by the Executive Director and/or their designee prior to transfer of equipment.
7. All transfer/disposal requests for all musical instruments must be approved by the Music and Dance Supervisor (416-3431) prior to the transfer of equipment.
8. Forward your completed (ADFs) to the Office of Asset Management via inter-office mail and/or email: AssetManagement@scsk12.org. Any property that is disposed of without following proper procedures will be indirect violation of **District Policy 3013**.

IMPORTANT NOTE: All technology equipment must be verified by IT personnel prior to disposal.

Inventory Management Procedures

Section I – General Procedures

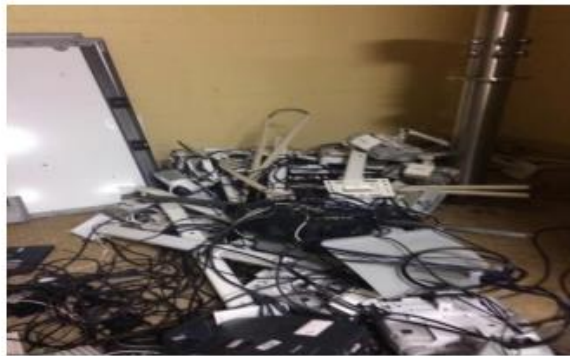
Equipment

Procedure for the Staging of Disposal Equipment Earmarked for Site Removal:

1. Proper staging is required for all equipment disposal pickups. Please refer to the picture below of proper staging.
2. Schools who fail to follow these procedures will be rescheduled at a later date for a site visit to ensure that all necessary changes have been made. If you require assistance with staging excess/disposal equipment, please contact your Building Engineer/Zone Manager for assistance.



Proper Staging



Improper Staging

Inventory Management Procedures

Section I – General Procedures

Equipment

Procedure for Change in Administrator:

When there is a change of administrator who is responsible for the fixed asset inventory, the new administrator along with his/her Asset Inventory Designee will conduct a wall-to-wall physical inventory of the equipment. The results of the physical inventory audit should be forwarded to the Office of Asset Management at AssetManagement@scsk12.org.

Procedures for Access to the Inventory Management System:

Asset Management Inventory System has been designed so schools can easily and effectively manage their Fixed Assets at the site level. Access to the system to conduct adds, transfers, moves, disposal request of excess equipment, physical inventory, etc. will only be granted to the Principal and his/her Asset Inventory Designee(s). All change requests must be submitted by the Principal. The inventory management system is an essential part of maintaining control of an organization's assets. It documents ownership, provides accountability for the public funds that have been entrusted to the District and ensure compliance with all State and Federal regulations and guidelines.

Personal Property:

District staff personally owned property is not included in the District's fixed asset inventory. There is no insurance coverage in the case of loss, theft, or damage for this type of property. All personal property must be clearly identified as such to include name, school/dept. name and telephone number. This information should be visible on each personal item.

Employee Leave/Retirement:

Schools principals (or their designee) are responsible for collecting iPads, laptops, cell phones, chargers, etc. from employees at their schools who transfer to another site, leave or retire from the District. **All passwords, codes, and data must be erased and removed from all devices and reset to factory settings.** Fixed assets **MUST** be returned on or before the employee's last day of service.

Inventory Management Procedures

Section I – General Procedures

Equipment

Procedure for Band Instruments in Need of Repair:

1. When instruments are identified for repair, submit request for all band and/or strings instruments needing repair via *Brightly* with the following information: quantity, description including model number, serial number, brand/manufacture, disposition (BAND REPAIR), comments, if necessary and **MSCS Asset Tag number**.
2. All instruments approved for repair by the Music and Dance Supervisor (416-3431) will be scheduled for pick up after the Band Instrument Repair Shop has been notified.
3. All instruments must be properly identified with an instrument identification tag.
4. The Band Instrument Repair Shop will determine whether items are repairable. If so, the instrument will be repaired and returned to your site.
5. If, due to such factors as age, cost effectiveness of repair, unobtainable repair parts, etc. the instrument cannot be repaired, the Band Instrument Repair Shop will document *disposal* of instrument on the work order in *Brightly* and forward to the Office of Asset Management.
6. The Office of Asset Management will subsequently remove the instrument from the school/department inventory and dispose of the equipment.

Procedure for Reinstating Missing Equipment:

1. When equipment previously reported missing to Asset Management has been found at your site and needs to be added back to the inventory database.
2. Complete an *Asset Disposition Form* with the following information: description including model number, serial number, brand/manufacture, and the **MSCS Asset Tag number assigned to the equipment**. If you have a copy of the original Asset Disposition Form reporting the equipment missing, please send a copy.
3. Forward the completed copy of the *Asset Disposition Form* to the Office of Asset Management (Loc. 8223) via inter-office mail and/or email to AssetManagement@scsk12.org.
4. Retain a copy of the *Asset Disposition Form* for your records.

Inventory Management Procedures

Section I – General Procedures

Equipment

New Procedures for Stolen Equipment:

1. When equipment is stolen, immediately notify Office of School Safety Security & Emergency Management at 901.416.5773 and the Memphis Police Department to file reports. There is no reimbursement of equipment without a timely report.
2. Within one (1) business day of the acknowledgement of the theft, the occurrence must be entered into the Online Theft and Vandalism Reporting database <https://onlinetheft.scsk12.org/>. The following information must include the following information: **Police Report Number**, quantity, description including model number, serial number, brand/manufacturer, disposition, (STOLEN/LOSS), and **MSCS Asset Tag number**.

New Procedures for Stolen Student Tablet/Laptop Equipment:

1. If an assigned **Student Device** is stolen, the student's parent/guardian should file a police report immediately. After filing a police report, the student's teacher should be notified and informed of the theft. The student's parent/guardian should provide the teacher with the following:
 - The police report number
 - The date of the theft
 - The name of the person who filed the report
 - The location (address) of the theft
2. The teacher will provide the theft information to the school's IT Coordinator/Equipment Inventory Designee. The school Microsoft Ambassador/Equipment Inventory Designee will contact IT Call Center at 901.416.2700 to provide the required information listed above.
3. The school's IT Coordinator/Equipment Inventory Designee will file a theft report via the online theft and vandalism report database <https://onlinetheft.scsk12.org/>.
4. The school should collect a \$75 replacement fee from the parent/guardian (cashier's check or money order should be made payable to Memphis-Shelby County Schools) for the replacement device.

IMPORTANT NOTE: There will no longer be a category for Missing Equipment. If the equipment is in your building, you must have staff locate the item. If the piece of equipment cannot be located, please complete the Missing Equipment Control Form (*See page 19*).

Inventory Management Procedures

Section I – General Procedures

Equipment

New Procedures for Defective Student Tablet/Laptop Equipment (Returned to Vendor):

1. School staff enters Ivanti ticket to notify their Field Service Technician (FST) that student device is not working properly.
2. If Field Service Technician (FST) determines a device (tablet/laptop) not to be functioning properly and unable to repair, the device will be returned to the vendor.
3. If a defective item is returned to the vendor for **Repair**, the Equipment Inventory designee will maintain a record of the **MSCS Asset Tag number**, description, serial number, model number and FST's signature that the item being returned to the vendor on the *Asset Disposition Form (ADF)*.
4. If a **Damage/Defective** device is returned by a student and is determined to be damaged and/or not to be functioning properly. Complete the *Asset Disposition Form-Damage Device only* with the following information: description/device type, the old **MSCS Asset Tag number**, serial number, brand/manufacture, disposition (WARRANTY REPLACEMENT).
 - Remove the old **MSCS Asset Tag number** from the defective equipment and affix barcode on the *Asset Disposition Form-Damage Device only*.
 - Complete required *Asset Disposition Form* for damage device(s) to include MSCS Asset Tag number, serial number and manufacturer. Place device in envelope along with ADF and IT Repair Form and give to the Mail Delivery Driver to deliver device(s) to Virtual Education and Logistics (VEL) to be processed.
5. To obtain a replacement for a damaged device, the tablet/laptop has been identified by FST as damaged and/or not functioning properly and will be returned to the vendor due to damage/defect.
6. Upon receipt of the **new replacement device** from the vendor, a new **MSCS Asset Tag number** is assigned and affixed to the new replacement device.
7. Asset Management will record the **MSCS Asset Tag number**, new serial number, manufacturer and new model number (if different) and the APECS inventory database will be updated accordingly. Afterwards, the new device(s) will be prepared for delivery to school site(s).
8. Once the school site receives new replacement device(s), the completed ADF must be signed by the **"Receiver"** and emailed to DeviceConfirmation@scsk12.org.

Inventory Management Procedures

Section II – General Procedures

Furniture

Procedures for Disposal/Transfer of Furniture:

1. A workorder must be entered into *Brightly* for furniture identified for disposal indicating the description and total number of items.
2. No furniture should be placed outside of the building. Mechanical rooms should not be used as storage space for furniture and/or obsolete equipment.
3. All transfer request(s) involving furniture must be approved by the Inventory Control prior to relocation.
4. If there are any questions or concerns, please contact the First Line Supervisor 416-2830 or Warehouse & Fulfillment Manager at 416-9421 regarding all emergency pickups.

Procedures for Requesting Surplus Furniture:

1. When furniture has been designated as surplus and is in reusable condition, requests can be made to Inventory Control Supervisor for redistribution.
2. All surplus furniture requests should be submitted in writing by the budget center manager and/or their designee. Send a detailed list of requested items via email to the Inventory Control Supervisor or Warehouse & Fulfillment Manager.
3. If you would like to view the surplus furniture in person, please call 416-4116 in advance to schedule an appointment.

Inventory Management Procedures

Section III – General Procedures

Physical Inventory

Physical Inventory:

Federal guidelines and state regulations dictate that a complete physical inventory of all equipment and sensitive items under each school/department's accountability be taken annually, and each school/department will be required to perform a physical inventory. The responsibility for performing this task shall rest with each individual school/department for which an inventory has previously been established. These inventories shall then be subject to subsequent verification by the Office of Asset Management.

1. The Office of Asset Management shall be responsible for establishing and announcing each physical inventory period. At the beginning of each period, the Office of Asset Management shall notify the school principal, departmental head and/or his/her designee when to begin conducting the physical inventory, along with specific instructions relative to taking the inventory. The Department shall then have no more than ninety (90) days in which to perform the inventory. The inventory should result in identifying whether the items listed are still on hand. If not, proper reporting of stolen, destroyed, obsolete, lost or otherwise missing equipment should be made. Upon completion, the school principal/department head should then return to the Office of Asset Management the original copy of the equipment cover sheet that has been signed and dated by the school principal/department head along with a justification for missing equipment. This copy of the listing should reflect the current status of each item listed thereon. In addition, any forms (*Asset Disposition Form, APECS Disposal Forms, etc.*) necessary to effect the desired changes in the equipment listing should also be included. The school principal/department head should retain the duplicate copy of the equipment listing for the departmental property files.
2. Periodic inventory verifications may be arranged by the Office of Asset Management with the departmental head. To the extent possible, these verifications shall be arranged at mutually agreeable times. They shall be conducted by a representative of the Office of Asset Management with the assistance of the principal/department head and/or other staff members will be required. If the verifications indicate that the inventory was inadequate, then this matter will be reviewed with the Office of Asset Management. Unresolved discrepancies will be reported to the Division of Internal Audits.
3. If at any time, District owned equipment is removed from the premises for purposes relating to the performance of one's duties, it shall be required that permission in writing from the appropriate Department head is secured prior to said removal. This permission shall include, but not be limited to, the description of the equipment, condition, manufacturer's serial number (if applicable) and the **MSCS Asset Tag number**. It shall be retained by the departmental head subject to verification by the Office of Asset Management.
4. After receipt of completed inventory, the school/department inventory will be updated in the inventory database accordingly by the Office of Asset of Management.

Inventory Management Procedures

Section IV: General Procedures

Disposal of Property

Procedures for Disposal of Property:

The Office of Asset Management is responsible for directing the effective disposal of surplus and obsolete property. Surplus and obsolete property may be auctioned, transferred, or destroyed. Surplus property is defined as property no longer having an intended use by the system and is no longer capable of being used because of condition as defined in the Tennessee Education Laws Annotated.

1. Transfer

Once a list of surplus and obsolete property has been developed, the Department of Business Operations will circulate an “availability list” among all schools and departments. The Department of Business may approve the inter-departmental transfer of surplus items, or if a transfer is not feasible, or there is no response to an item appearing on the availability list, then the Department of Business Operations may dispose of the property by any approved means deemed appropriate.

2. Sale

All sales of surplus, obsolete, or abandoned property must be approved by the Superintendent or his designee may choose one of the following methods of disposition:

a. Public Auction

A public auction is one method of selling certain types of surplus and/or obsolete property. Auctions are advertised to in local newspapers, MSCS website, and circulated among through inter-office mail to interested parties. The Division of Procurement Services shall issue bids for auctioneer services in order to obtain the best possible pricing for the District to conduct auctions for the sale of surplus equipment to general public, review all documents and make recommendation to Board of Commissioners.

For all auctions, the following procedures shall be observed:

- Surplus property is staged in lots and compiles general categories list of items for sale with inventory control tag with lot number.
- Interested parties will be allowed time to inspect the items before the auction. All surplus property for sale shall be placed organized according to departments in order to accurately account for revenue collected during public auction.
- As items are sold, bidder must present proof of purchase to a MSCS employee must verify items have been paid for prior to removal of equipment from facility.
- All items will be sold to the highest bidder. Only cash or certified checks will be accepted.
- In some instances, the Chief of Business Operations or his designee may establish minimum prices for any item being disposed.
- Deposit funds collected into various revenue funds generated for sale of surplus equipment.
- The Inventory Management System is updated, and surplus items are retired from inventory database.

Inventory Management Procedures

Section IV: General Procedures

Disposal of Property

Procedures for Disposal of Property:

b. Sealed Bids

Sealed bids may be used as a method of property disposal and shall be required when disposing of equipment or large quantities of materials with a fair market value of \$250 or more. Sealed bidding procedures shall not apply when property is sold at public auction. Sealed bids shall be advertised in the local newspaper(s) and Procurement Services on-line bidding web-application.

c. Donated

Items may be donated and/or transferred to any county or to municipality within the county for public use, without the requirement of competitive bidding or sale.

d. Salvage

Surplus property which has been determined to be unusable by the District and has no salvage or other economic value may be destroyed by a scrap/junk dealer, recycler, city landfill or responsible bidder.

3. Sale of Products – Proceeds

All proceeds generated from the sale of surplus and obsolete property that was purchased with federal funds shall be returned to the programs for which the equipment was originally purchased.

4. Terms and Conditions of Sale

Depending on the nature of the items and the method of sale selected, the following terms and conditions shall be used:

- a. All sales completed under this procedure will be based on “as is, where is” with no warranty applies. All items will be sold to the highest bidder. All sales are final and cash and/or certified cashier’s check will be required at the time of sale.
- b. Memphis-Shelby County Schools Board of Education makes no representation or warranty of any kind as the condition, operability, or performance of any item to be sold, or of its suitability for any particular purpose, and that the bidder assumes all responsibility and risk in connection with the use of the items purchased.
- c. Any item not paid for or left behind for a period of more than three (3) days after the date of the public auction; will be considered as abandoned, and the District shall have the right to dispose of same in any manner whatsoever.

5. Declaration of Surplus Equipment:

Asset Management, in collaboration with the appropriate administrator for federal programs/projects as deemed appropriate, shall submit a recommendation to the Superintendent to declare non-technology items as surplus and for the disposal of such items. Information Technology shall determine if technology equipment meets established criteria for declaration as surplus; and where applicable, in collaboration with the appropriate administrator for federal programs/projects as deemed appropriate, submit a written recommendation to the Superintendent or his/her designee for approval to declare such items as surplus.

Inventory Management Procedures

Section V – Federal Programs/Projects

Federal Programs – Pre-K – Exceptional Children – Careers & Technology

Overview:

Federal programs receiving federal funds such as ESSA (Every Student Succeed Act), Early Children (Pre-K), Exceptional Children (SPED) and Careers & Technology (Vocational) have special requirements in terms of asset management, particularly regarding the disposal of equipment. The procedures listed below have been jointly developed by staff from ESSA, Exceptional Children, Early Childhood, Careers & Technology, and the Office of Asset Management to guide us in appropriately managing equipment purchased with federal dollars.

Purchasing:

- A requisition to purchase new or replacement equipment must be submitted to the Office of Federal Programs and Grants, Early Childhood, Careers & Technology and/or Exceptional Children.
- Justification lines of the requisition must indicate:
 - The program or initiative for which the equipment is being purchased
 - Staff (position) who will use the equipment
 - Method of disposition of replaced equipment, if applicable

Labeling:

- When the approved equipment is received, the equipment must be labeled immediately at the receiving site. The equipment label must identify:
 - Funding source
 - Date of purchase
 - Project year

Monitoring:

- The program or site monitor must inspect the equipment, ensure appropriate labeling and verify the replacement equipment, if applicable, has been disposed of or transferred to another approved program.
- The program or site monitor or any duly appointed representative of the district must conduct an annual inventory audit to verify location, use and labeling of ESSA, SPED Pre-K and Vocational equipment. A disposition of equipment will be submitted annually to the State Department of Education for all unusable or unneeded equipment.
- Any inventory irregularities, suspicion of theft or non-compliance will be reported to the Office of Federal Programs & Grants, Early Childhood, Exceptional Children and/or Careers & Technology. A full and thorough audit of inventory will be conducted to bring site into compliance.
- All inventory records of ESSA, Early Childhood, SPED and/or Vocational equipment are tracked in MSCS Equipment Inventory System which is capable of generating reports that provide all information required under CFR §200.313 (d)(1), including a description of equipment, serial number, model number, purchase order number, funding source, program/project, condition of the equipment, acquisition date, original cost, disposition date and selling price.

Inventory Management Procedures

Section VI – Federal Programs

Public & Non-Public Schools

In order to meet all federal and state guidelines regarding the tracking of equipment purchase with federal funds, procedures have been developed for fixed assets purchased for non-public schools. Section IV provides procedures for the Non-Public Schools regarding the use of fixed assets owned by the Memphis-Shelby County Schools, the local education agency, from acquisition to retirement.

Equipment Requirements Concerning Non-Public Schools:

- The Memphis-Shelby County Schools and/or Local Education Agency (LEA) maintain titles to and administrative control of all property, equipment, and supplies.
- Equipment must have barcodes/secure labels with LEA name, Title purchased under and year of purchase.
- An accurate equipment inventory must be maintained.
- The LEA shall ensure that the equipment and supplies are placed in non-public schools.
- The equipment is used only for proper Elementary and Secondary Education Act (ESSA) program purposes; and
- The LEA must remove equipment and supplies from non-public school if —
 - The equipment and supplies are no longer needed for ESSA program purposes; or
 - Removal is necessary to avoid unauthorized use of the equipment or supplies for other than ESSA program purposes.

Federal Mandates that Address Equipment Requirements:

- **CFR §200.313** – A State [LEA]... will use, manage and dispose of equipment acquired under a grant by the State in accordance with State laws and procedures.
- **Section 443(a) of the General Education Provisions Act (GEPA)** requires each recipient of Federal funds, such as an LEA, to keep records, which fully disclose the amount and disposition of the funds, the total costs of the activity for which the funds are used...and such other records as will facilitate an effective financial or programmatic audit.
- **USDOE Title I Monitoring Indicator 3.9—Equipment and Real Property**--The purpose of this critical element is to review the SEA's and LEA's controls over the procurement, recording, custody, use, and disposition of Title I equipment in accordance with the provisions of State policies and procedures, the ESSA (Every Student Succeed Act), the Improper Payments Information Act, standards of internal control, and any other relevant standards, circulars, or legislative mandates.

Inventory Management Procedures
Section VI – Federal Programs
Public & Non-Public Schools

Disposition of Equipment (CFR §200.313)

Equipment may be disposed when no longer needed for original project or program, disposition of the equipment will be made as follow:

- Equipment with a current per-unit fair market value of less than \$5,000 may be retained, sold or otherwise disposed of with no further obligation to the awarding agency and the proceeds must be used to support the program for which the equipment was purchased. Prior approval is required by the Office of Federal Programs before disposition of equipment.
- Equipment with a current per-unit fair market value of more than \$5,000 may be retained or sold and the awarding agency shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the awarding agency's share of the equipment. Prior approval is required by the Office of Federal Programs before disposition of equipment.

Inventory Management Procedures

Section VII – Board of Commissioners

Due to the distribution and use of assets owned by Memphis-Shelby County Schools by parties other than employees, procedures for these subgroups were developed. Section III provides procedures for the Commissioners of the MSCS Board of Education for use of assets owned by Memphis-Shelby County Schools.

PROCEDURES:

- All furniture and equipment issued or purchased for use by the Commissioners of the MSCS Board of Education must be listed on the inventory database as such.
- The secretary for the MSCS Board of Education will manage the annual physical inventory of furniture and equipment assigned to the Commissioners
- The secretary will utilize the *Asset Disposition Form* for maintaining an accurate accounting of all furniture and equipment assigned to the Commissioners.
- Forms will be sent to the Office of Asset Management at 1384 Farmville Road (Loc. 8223) for changes to be made in the inventory database.
- When a Commissioner separates from the Board of Education through resignation, retirement or non-reelection, all furniture and equipment must be identified.
- Commissioners separating from the Board of Education may elect to return all furniture and equipment to the secretary in the Board of Commissioners office so that the appropriate entries are made to the inventory database or to purchase all or part of the furniture and equipment at the prices set by the Office of Asset Management.
- The request to purchase furniture and equipment should be made in writing to the Office of Asset Management so that prices can be set according to standard procedures and appropriate paperwork can be completed.

Inventory Management Procedures

Section VIII – Fixed Assets to be Tagged

All items - \$5,000 & up and sensitive items listed below:

- Camera Bodies (35mm & Digital)
- Camera Lens (200mm or larger)
- Interactive Whiteboards
- Computers, Laptops, Tablets
- Computer Peripherals (External)
 - Examples: Monitors, External Storage Devices, Printers, Scanners, Modem, Routers, Hubs, Switches, etc.
- Fax Machines
- Radio Scanners, Two/Way Radios
- Spectrum Analyzer
- HDTV/Televisions
- Cafeteria Equipment
- Video/Security Camera
- Vocational Equipment
- Athletic/Healthcare Equipment
- Weapons (All)
- Heavy Equipment and Vehicles

MSCS Exceptional Children Specific Items to be tagged:

- Changing Tables
- Fire Escape Slides
- Communication Boards
- Hoyer Lift (Portable)
- Therapy Mat Platform
- Assistive Technology Devices

Other Items of Concern:

- Laminators
- Band Instruments/Pianos
- Strings Instruments
- Leased Equipment/Copiers
- LCD Projectors
- Portable Amplifier
- Metal Detector

IMPORTANT NOTE: A detailed list of the equipment class codes may be downloaded via Asset Management's webpage. Click on the "Forms and Manuals" link.



Memphis-Shelby County Schools Asset Disposition Form

From: Northhaven Elementary Loc. 0145 To: _____ Loc. _____
(School/Division) (School/Division)

Instructions: This form is to be used when either transferring an asset to another location, disposing of an asset and/or reporting stolen asset. Authorization must be obtained from either the school principal and/or department head prior to an asset being transferred, disposed and/or removed from school's and/or division's inventory. **Please list furniture and equipment on separate forms.**

Indicate Type				Office Use Only				
Add <input checked="" type="checkbox"/>	Transfer <input type="checkbox"/>	Disposal <input type="checkbox"/>	Stolen <input type="checkbox"/>	Traded <input type="checkbox"/>	Date Received _____	Processed _____		
Qty.	Asset Description	MMSCS ID No.	Serial Number/ Model No.	Manufacturer	P.O. Number/ Accounting Code	Program/ Project	Date Purchased	Original Price
1	Interactive Whiteboard	725356	K012JW13S01159/SPL6075	SMART	2120365 12-71100-72200-190001-0145-1005	Title I, Part A	0713-2017	\$5097.99

SAMPLE

School/Division Authorization

Shipper's Name _____ Date _____

Received by _____ Date _____

Receipt Authorization

Delivered by _____ Date _____

Receiver's Name (please print) _____



**Office of Asset Management
APECS Disposal Request Form**

Date: 9-2-2020 Requestor: Inventory Designee Signature

From: Shelby Oaks Elementary Loc. Code: 2680

To : Office of Asset Management Loc. Code: 8223

Please complete form to request a disposal pickup for obsolete/inoperable equipment at your site.

ITEM DESCRIPTION	MCS ASSET TAG NO.	MSCS ASSET TAG NO.	SERIAL NO.	MANUFACTURER
Computer	B27997	383301	LKHYRT8	LENOVO
Monitor	B25910	423269	V124494	LENOVO
Printer	336238	420470	ABBE71306	CANON

Principal/Admin Approval: _____ Date: _____

Received By: _____ Date: _____



MISSING EQUIPMENT CONTROL FORM

DATE _____

SCHOOL NAME _____ LOC CODE: _____

PLEASE ANSWER THE FOLLOWING QUESTIONS IN DETAIL.

1) What was the last known location/room no. of the missing equipment? _____

2) When was the missing equipment last seen? _____

3) Was the missing equipment vital to the operation of your school? YES _____ NO _____

4) When was the equipment last used? _____

5) Who was the equipment assigned to at the time it was declared missing: _____

6) Please describe what steps have been taken to locate the missing equipment: _____

7) Is faculty/staff familiar with the Inventory Procedures Manual? YES _____ NO _____

8) Have the Faculty/Staff been educated on ways to avoid future losses? YES _____ NO _____

9) Was the equipment purchased with federal funds (ESSA, SPED and/or CTE)? YES _____ NO _____

If so, please indicate: _____

10) Please describe steps that have been taken to prevent equipment loss from occurring in the future: _____

PLEASE OBTAIN THE FOLLOWING SIGNATURES. UPON COMPLETION, PLEASE RETURN TO THE OFFICE OF ASSET MANAGEMENT, ATTN: Asset Inventory Manager, LOC. 8223

Signature of Teacher/Support Staff

Date

Signature of Principal/Administrator

Date

Signature of Instructional Leadership Director (ILD)

Date

Reimaging 901

FURNITURE TICKET

Memphis-Shelby County Schools
Inventory Control/Central Warehouse
1384-A Farmville Road, Memphis, TN 38122
Office: 901.416.2830 Fax: 901.416.5572

DATE: 11-24-2014

FROM: Inventory Control LOC. 8223

SHIPPER'S SIGNATURE _____

TO: Raleigh-Egypt High LOC. 2598

RECEIVER'S SIGNATURE: _____

[illegible]

[illegible]