



INVENTORY MANAGEMENT PROCEDURES (DISTRICT PROPERTY)

Updated 8/18/23

It is the policy of Boerne ISD to ensure efficient and effective management of district-owned property (including leases). As an act of sound business practice, the District shall establish inventory management procedures which ensure compliance with applicable statutory requirements and regulations; board policies, administrative rules, regulations, guidelines; and contractual obligations. The District shall be accountable for all District property under its control and shall be responsible for maintaining accurate inventory records of such property throughout its lifecycle with the District. This procedure applies to all district-owned capitalized and non-capitalized property which is required to be inventoried. This includes items received through grants, gifts, donations, or sponsorships. Such items, hereafter shall be referred to as District property.

EQUIPMENT

An accurate inventory of District property shall be maintained in accordance with established District guidelines. Each employee of the district shall be responsible for equipment assigned to them and the use of any district equipment shall be for district purposes. The use and/or removal of district-owned equipment without appropriate authorization shall be contrary to Board policy. Employees are expected to return all District equipment in proper working order upon reassignment to another department/job duty within the District; separation from the District; or immediately upon request by the Superintendent or his/her designee. Failure to return equipment may be considered as theft and may result in disciplinary measures, legal actions, and/or require restitution to the District.

Loaning of district equipment may only be allowed when use of such equipment is directly or peripherally related to employment responsibilities or when the equipment is to be used in connection with student studies or extracurricular activities. Proper controls shall be established to assure the individual's responsibility for, and return of, all such equipment.

The District reserves the right to transfer equipment to other schools and district locations if the site in which it was placed is closed or if the equipment is declared surplus to school or departmental needs in accordance with District guidelines.

INVENTORY MANAGEMENT

To reinforce transparency and facilitate effective business practices, the District will require employees to maintain an inventory report semi-annually (beginning and end of school year). The District recognizes its responsibility for providing employees with the necessary knowledge to effectively satisfy the requirements of this procedure and follow applicable federal, state, local, and district regulations. Training opportunities will be provided semi-annually upon request. Private use of district-owned personal property for personal gain shall be prohibited. The unauthorized removal of district-owned personal property from assigned classroom, school, and/or District locations shall be prohibited. The Superintendent or his/her designee shall be required to submit an annual report to the Board of results regarding inventories conducted on capitalized and sensitive District property along with a corrective action plan when applicable.

Employee responsibility

Employees are responsible for the care and management of district-owned property assigned to them or their classroom. This includes responsibility for safeguarding and ensuring proper use and notifying supervisors with budgetary authority of loss, theft, damage, or destruction of assigned district-owned property.

Submission of inventory report semi-annually (beginning and end of school year) as defined by the District.

Submission of inventory tracking form for identifying excess, surplus, and disposal inventory.

Verifying removed inventory items, including tagged furniture, are reflected on the inventory report.

Identifying Inventorial Assets.

Except for computer equipment (e.g., desktops, laptops, Chromebooks, tablets, iPads and printers), which are tagged, delivered, and installed by the BISD Technology Department, tagging and recording of district-owned property is the responsibility of department and campus supervisors with budgetary authority. The following standards shall apply:

Tagging (barcode): All district-owned property shall be affixed with a Boerne ISD asset tag (barcode) that shall serve as the key identifier for the property throughout its lifecycle with the District. Some district-owned property by the nature of its design cannot be physically tagged. These items, however, shall be assigned an identification number by the Purchasing Department and will be accounted for in the same manner as tagged items.

While the supervisory with budgetary authority is not responsible for the tagging of computer equipment, this person is responsible for verifying that all computer equipment delivered by the Technology Department is asset tagged properly and accounted for.

Untagged Property and Property Missing Tags Supervisors with budgetary authority shall notify the Purchasing Department when district-owned property was not assigned or is missing a tag (barcode). Such notification shall be provided immediately upon receipt of an untagged item and/or upon discovery of an item in which the tag (barcode) was damaged, destroyed, or removed.

Donated Equipment- All donated equipment becomes property of the District and is required to be tagged and inventoried in the same manner as purchased equipment. The supervisor with budgetary authority receiving donated equipment must coordinate with the Purchasing Department before acceptance of any donations. For example, computer donations must first be approved by the Technology Department. Once approval is received and the campus accepts the equipment, the receiving department must coordinate with the Purchasing Department for the tagging of the donated equipment.

Principal / Director responsibility

Supervisors with budgetary authority shall be required to maintain an inventory management record. The district's inventory accountability records shall ensure all District property is recorded on the District property asset form.

All changes to inventory records must be acknowledged by the supervisor with budgetary authority and submitted to the Purchasing Department. A copy of inventory records shall be kept on file at the location and made available for review by the Superintendent or his/her designee upon request.

Purchasing Department responsibility

Coordinate semi-annual physical inventory processes.

Coordinate removal of excess, surplus or disposal inventory items.

Manage excess inventory.

Manage surplus inventory identified to be sold.

Dispose of inventory identified as obsolete with no monetary value.

The District asset form shall provide the following:

- description of the item;
- acquisition date;
- brand/manufacturer;
- model and serial number;
- purchase order number or school check number;
- accounting code;
- program/project (if applicable);
- date purchased;

- cost of the equipment;
- assigned asset tag number (barcode); and
- other information as required for inventory of equipment purchased with federal grant funds.

General Guidelines for Physical Inventory Process

It shall be the responsibility of each school and district location to complete the physical inventory within the scheduled time frame. A physical inventory of district-owned property shall be, at a minimum, conducted at each school and district location on a semi-annual basis. Completed inventories shall be subject to verification by the Purchasing Department.

Items to be inventoried will begin at \$500. The following sensitive items which are below \$500 will be included in inventory management.

Laptops	iPADS	Tablets
Chromebooks	Desktop Computers	Apple TVs
Smart TVs	Projectors	Document Cameras
Interactive Whiteboards	Interactive Flat Panels	Charging Carts
Two-way radios	Conference phones	VoIP phones
Access Points	Network Switches	Security Cameras
Digital Cameras	Document Scanners	Printers
Time Clocks	Band Instruments	Power hand tools
Power shop equipment	Welders	CTE Equipment

1. Prior to the beginning of a scheduled semi-annual inventory, notification including specific directions for conducting the inventory shall be provided by the Purchasing Department to principals or supervisors with budgetary authority.
2. Campuses and district locations shall have up to thirty (30) days to complete the physical inventory.
3. Upon completion of the physical inventory, the principal or supervisor with budgetary authority shall submit a copy of the completed inventory form to the Purchasing Department.
4. Discrepancy reports based on District property asset forms and completed inventory forms shall be generated for each school and non-school location respectively.
5. Principals and supervisors with budgetary responsibility shall be responsible for reconciling any indicated discrepancy and for submitting a follow-up/justification report regarding discrepancies to the Purchasing Department. Any changes, including

acquisition, loss, theft, damage, and destruction must be appropriately identified and submitted along with supporting documentation.

6. Unresolved discrepancies will be reviewed by the Purchasing Department.
7. A copy of forms submitted during the inventory and/or audit shall be kept on file at the location and made available for review by the Superintendent or his/her designee upon request.

Inventory report

The Purchasing Department shall submit a comprehensive inventory report to the Superintendent. The report shall include information regarding accounted and unaccounted items as disclosed during the physical inventory.

Lost and/or stolen district-owned personal property

The supervisor with budgetary authority at a school or non-school location with lost and/or stolen district-owned personal property shall be required to submit a completed inventory removal form along with additional required documentation to the Purchasing Department for review and recommendation to the Superintendent or his/her designee. Upon approval of the Superintendent or his/her designee, the item may be removed from District (including the school/non-school) inventory records. An exception shall apply to loss of District property due to documented theft and/or perils (i.e., fires, floods, and wind damage) in which such items may be immediately removed from District inventory records (including the school/non-school). Accompanying official reports (e.g., police) may be required.

Federally Funded Non-Technology Personal Property

The Purchasing Department, in collaboration with the appropriate administrator for federal programs, shall submit a recommendation to the Superintendent to declare non-technology items as surplus and for the disposal of such items.

District-owned technology

The Technology Department shall (1) determine if technology equipment meets established criteria for declaration as surplus; and (2) where applicable, in collaboration with the appropriate administrator for federal programs as deemed appropriate may dispose of equipment in accordance with *Education Code 31.105*.

All information shall be removed from computer hard drives (sanitized/ wiped to meet all applicable industry standards for security and reformatted) by the Technology Department prior to disposal/ disposition, including donation.

EXCESS, SURPLUS, OBSOLETE PROPERTY FOR DISPOSAL

All rights and title to district property, shall be vested in the board and its successors in office. A board may dispose of property that is no longer necessary for district operations in an appropriate manner. *Education Code 11.151 (c)*.

The board must dispose of instructional materials and technological equipment in accordance with *Education Code 31.105*.

It shall be prohibited for **any employee** (including their spouses, dependents or any other person acting on the behalf of the employee) of the District to purchase district owned surplus personal property **absent a fair and open bidding process**.

Excess Property

The Board promotes the utilization of usable excess district-owned property to the maximum extent possible as the first source of supply throughout the District. Prior to the purchase of new items, district-owned property identified as excess should be relocated to other District locations for utilization in accordance with statutory/regulatory requirements and/or guidelines established by the Superintendent. Any transfer and/or loan of equipment between schools or other District locations shall be in accordance with District transfer guidelines. Such procedures shall at a minimum require advance authorization and tracking of district-owned inventory.

Surplus Property

The Board authorizes the Superintendent to declare property as surplus and to dispose of surplus items. The declaration as surplus and disposal/disposition of personal property shall be in compliance with applicable federal and state statutes/regulations and Board policy. Thirty (30) days prior to the disposal of personal property, notification shall be provided to the Board for information purposes only. (CI Legal & Local, CFB Legal, CMD Legal)

Disposal of Surplus Property, Non-Technology Related Items

The District may sell surplus, non-technology related, property through a bidding process in accordance with applicable federal and/or state statutes. The Inventory Tracking Form will assist in identifying which inventory items will be sold.

Disposal of Surplus Property, Technology Related Items

The District may sell surplus technology-related (computers, tablets, printers, network equipment, projectors, etc.) property through a recycling process in accordance with applicable federal and/or state statutes. The recycling vendor will provide certification that this equipment is disposed of per the U.S. Environmental Protection Agency (EPA) guidelines and will certify

all district data is destroyed per Department of Defense (DoD) guidelines. The Inventory Tracking Form will assist in identifying which inventory items will be recycled. Technology-related items submitted for surplus or disposal must be listed separately on an Inventory Tracking Form without other types of assets. Technology-related equipment will not be picked up with other assets identified for surplus/disposal if they are not listed separately.

Recycling

Selling scrap inventory with no resale value will be allowed. The personal property must be identified as scrap material.

Disposal of obsolete property

Personal property identified with no monetary value shall be disposed in accordance with applicable federal, state, and local regulatory requirements. Verification of proper disposal will be required to ensure district property is not sold by private companies and individuals.

Proceeds from sale of surplus property and recycling programs

All proceeds secured from the sale of personal property (including items sold as scrap) shall be in accordance with applicable federal, state, and/or local statutory/regulatory requirements. Terms of federal grants may designate allowable uses of the proceeds from the sale of personal property purchased with federal funds.

Reporting requirements

The Purchasing Director shall provide a report of the disposal/disposition of surplus items to the Board on a quarterly basis. The report shall at a minimum provide a brief description of the disposed item, method of disposal/disposition, and as applicable, original purchase cost and the net proceeds to the District from a sale.

SPECIAL OCCURRENCES

Site Closure, Realignment, or Opening Inventory (SCRO) - An inventory of district-owned property at a specific school or non-school location shall be conducted upon closure, realignment, or opening of the site. This shall include transfer of a school or portion of a school

to a charter or the Achievement School District (ASD). Procedures for conducting site closure inventories shall be coordinated by the Purchasing Department.

Special Circumstance Inventory – An inventory of district-owned personal property may be conducted as a result of special circumstances including, but not limited to (1) the development of a new or reorganized department/office and (2) change in administration/supervision at a school or non-school location. In the event of change in administration/ supervision, the inventory, if possible, should occur prior to the transfer or separation of the administrator/supervisor. Special circumstance inventories shall be conducted at the direction of the Superintendent or his/her designee.

Administrative Directed Inventory – An inventory of district-owned at a specific school or non-school location shall be conducted upon directive from the Superintendent or his/her designee.

Legal References:

Capital Outlay:

2 CFR Part 200, §200.13 Capital expenditures or Capital Outlay

2 CFR Part 200 §200.12 Capital assets

2 CFR Part 200 §200.20 Computing devices

2 CFR Part 200 §200.33 Equipment

2 CFR Part 200 §200.48 General purpose equipment

2 CFR Part 200 §200.58 Information technology systems

2 CFR Part 200 §200.89 Special purpose equipment

2 CFR Part 200 §200.94 Supplies.

Inventory of Instructional Materials:

TEC §66.1315. Title and Custody.

TEC §66.1317. Sale or Disposal of Instructional Materials and Technological Equipment.

TEC §66.1319. Local Accountability.

TEC §66.1321. Lost, Damaged, or Worn out Instructional Materials.

Financial Accounting:

TAC Ch. 19 §109.41 Financial Accounting

TEA Financial Accountability System Resource Guide (FASRG)

District Policy (attached)

CI Legal/Local: SCHOOL PROPERTIES DISPOSAL

CL Legal: BUILDINGS, GROUNDS, AND EQUIPMENT MANAGEMENT

CQA Legal: TECHNOLOGY RESOURCES DISTRICT, CAMPUS, AND CLASSROOM WEBSITES

CFB Legal/Local: ACCOUNTING – INVENTORIES

CMD Legal: EQUIPMENT AND SUPPLIES MANAGEMENT - INSTRUCTIONAL MATERIALS CARE AND ACCOUNTING

DEFINITIONS

Abuse - behavior that is deficient when compared to behavior that a prudent person would consider reasonable and necessary business practice given the facts and circumstances and includes the misuse of authority or position for personal financial interests or those of an immediate or close family member or business associate.

Abuse does not necessarily involve fraud, or noncompliance with provisions of laws, regulations, contracts, or grant agreements (U.S. Government Accountability Office, Government Auditing Standards, July 2007.)

Capitalized District Property – district-owned property (including any leased item) that (1) has an acquisition cost/value of at least \$5,000; and (2) a minimum useful life expectancy of five (5) years or more.

Disposal/disposition - processes resulting in the removal of District property from District records by transfer, donation, sale, or destruction (or other actions).

Excess District Property - District property that may have useful life remaining but is no longer required for use by a specific school or non-school location as determined by supervisors with budgetary authority (includes principals).

Fraud - an intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to himself or some other person. It includes any act that constitutes fraud under applicable Federal or State Law.

Non-capitalized District Property – district-owned property that has an acquisition cost/value of \$4,999 or less.

Obsolete District Property – District property that has reached the end of its useful life with the District that is (1) out of date; (2) unreparable, (3) unserviceable; and/or (4) more economical to dispose of than to repair.

District Property – items other than real property used in the operations or activities of the District (e.g., machinery, tools, furniture, vehicles, band instruments, and any other item with a minimum useful life expectancy of five (5) years); and sensitive minor equipment (e.g., computers, external peripherals, and etc.). This shall not include miscellaneous items such as consumables (food), a stapler, tape dispenser, and computer mouse, etc.

Physical inventory - the process of actual counting, verifying, and recording District property.

Removed inventory – District property that is taken off the active inventory of a specific school and/or non-school location.

Report of Survey (ROS) – process that investigates and accounts for the loss, damage, destruction, or theft of capitalized, sensitive and/or non-capitalized District property.

Retired inventory – District property that is permanently removed from the active inventory of the District as a result of disposal/disposition (see definition), loss, and/or theft.

Surplus District Property - District property no longer having an intended use by the District or no longer capable of being used because of its condition and declared as such by the Superintendent or his/her designee.

Waste – the careless or needless expenditure of District funds or the consumption of District property, that results from deficient practices, systems, controls, or decisions. Waste does not necessarily involve fraud, or noncompliance with provisions of laws, regulations, contracts, or grant agreements.

Example of Start of Year Inventory Procedures

Please complete the following:

- Teacher/Head Custodian Compare Inventory List to items in Each Room
- Check off Items in Room
- Ensure Bar Coded Numbers are Correct with Items
- Make Notations on Sheet of Any Discrepancies/Additional Items
- Signature Required from Teacher
- Return To Shanna Bergmann @ CO Once Completed

Item Description clarification:

- Wireless Access Point = white box fixed on the ceiling
- Stool, Fixed height = wobble stools
- Cubicles = cubbies

New Room Descriptions:

- *Holding Room* = items have been moved from rooms as per the previous inventory list. If items are tagged, please try your best to locate and make notations on spreadsheet of new location/status.
- *Tech Floating Room* = items have been moved from rooms as per the previous inventory list. These pages are to be reviewed by the IT Tech and/or the department in charge of the computers.

Example of End of Year Inventory Procedures

Please complete the following:

- Teacher/Head Custodian review list for each room for accuracy of items listed as compared to items on hand.
- Ensure Bar Coded Items are listed correctly.
- Make Notations of discrepancies on sheet (removed, added, etc)
- Signatures required by Head Custodian and Teacher
- Return to Shanna B at Central Office within 2 weeks of end of school year.

TECH ROOM:

- Consist of chromebooks and carts plus items removed from rooms from previous inventory review.
- Most campuses will have a duplicate of this room (or library) in a different color which is sorted by asset tag number.

HOLD ROOM:

- Consists of items removed from rooms from previous inventory review.
- Locate ASSET tag items and notate new location.

Any items with a value of \$500+ or is a sensitive item which is not tagged please let me know so that we can get it tagged and recorded.