

**SCHOOL PROPERTIES DISPOSAL AND  
ACCOUNTING PROCEDURES FOR ASSET INVENTORY****DATE: March 10, 2008**

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**Accounting Procedures for Asset Inventory:**

The purpose of accounting procedures for asset inventory is to provide management control and accountability, to provide adequate records for insurance purposes, and to comply with government accepted accounting standards.

The following procedures define fixed assets and miscellaneous assets and accounting responsibilities at the central office and at the school or department. It defines the proper procedures for transferring items between schools and the surplus of equipment.

The inventory of assets is broken down into two different areas and responsibilities:

**1. Fixed Assets (Yellow Tagged Assets)**

(Includes items purchased with local school funds)

Includes: Assets which cost \$1,000 or more and all of the following:

- Computers (CPU)
- Monitors (over \$100)
- Printers (over \$100)
- Scanners (over \$100)
- Televisions
- Laser Disk Players
- Digital Cameras
- Video Cameras
- Band Equipment (over \$100)

Note: Once a computer, monitor, printer, or scanner has completed a five year life cycle, the Business Department will automatically write the item off the fixed asset inventory (yellow tag). The Business Department will send a list to each school or department of the items written off and will replace the yellow tag with a blue tag if the school or department chooses to maintain the item on the (blue tag) inventory.

**Responsibilities: Central Office Fixed Asset Accountant**

- Keys all data into the computer software after the invoice is paid
- Maintains records for the documentation of fixed assets
- Issues controlled tag numbers
- Records all transfers between schools and departments
- Records any dispositions of equipment and match it with the surplus inventory
- Reconciles the fixed asset list back to the appropriate general ledger accounts
- Gathers documentation from the building funds to record the buildings and land
- Maintains the approved board surplus forms and coordinate them with the warehouse

School or Department Asset Clerk

- Tags the asset (tag will be placed on the back/top of the equipment) and keys in the serial number and room number into the fixed asset software
- Verifies all fixed assets at the school or department
- Provides the central office fixed asset accountant with invoice copies of all fixed assets purchased with local school funds monthly

2. Miscellaneous Assets (Blue Tagged Assets)

Includes: Any asset not defined above. This list would be used to identify assets and quantities in each teacher’s classroom, the office, the kitchen/lunchroom, the custodian’s area, the media center, and any other departments.

Responsibilities: School or Department Asset Clerk

- Tags items with a miscellaneous inventory tag
- Provides a videotape of the school’s or department’s assets to the central office fixed asset accountant by September 15 of each school year (this video will be a basic walk-through of each classroom and school facility)

Media Specialist

- Maintains an inventory of all media books and software on the media software program
- Maintains all other miscellaneous equipment on the media software as agreed upon by the Columbia County Association of Library Media Specialists
- Checks out school equipment using the Policy and Procedure IFBD Attachment 3E “Loan Form” (exception: the band director is responsible for the issuing of all band equipment)

Band Directors

- Are responsible for all band equipment on the fixed asset list and the assignment of this equipment to students

Useful Life of Capital Assets

The following schedule will be followed for the useful life of all assets that are capitalized:

Land	N/A
Buildings	50 years
Building and Land Improvements	10-20 years
Portables	20 years
Buses and Vehicles	10 years
Electronic Equipment	5-8 years
Other Equipment	5-15 years

Depreciation will be calculated based on useful life using the straight-line method.

**The school district will follow GASB 42 which requires governments to report the effects of capital asset impairments in their financial statements when they occur rather than as part of the ongoing depreciation expense.**

**Transfers and Surplus Equipment**

Any transfer of equipment between schools and departments must be recorded on the Inventory Transfer\Surplus Form. This form must be completed by the school or department initiating the transfer; must be signed by that school or department's asset clerk and principal and the school or department asset clerk and principal receiving the transferred equipment. The form must be completely filled out with a description of the equipment, quantity, serial number and tag number (if applicable), reason, funding source, and appropriate signatures and locations. In this case, the county disposition would be "transfer." The yellow copy of the form must be remitted to the central office fixed asset accountant for entering the transfer into the computer software. (The warehouse manager is responsible for getting the yellow copy to the central office fixed asset accountant.)

Departments (Technology, SNP, Special Services, etc.) transferring equipment must complete a Transfer\Surplus Form before removing equipment from any location. The form must be signed by the school's asset clerk and principal.

The hard drive on all computers must be formatted or cleaned by the school or department's TSS before the computer can be transferred or disposed of.

This same form will be used for the surplus of equipment. Again, the form must be filled out completely with the exception of the county disposition column if the means of disposal has not yet been determined. Policy and Procedure DO will be followed for disposing of school property. Again, the warehouse manager will be responsible for remitting the yellow copy of the form to the central fixed asset clerk. The surplus of equipment list must be a detailed list and any fixed assets must match with the central office disposition of fixed assets.

**Procedures to be followed by RESA when items are removed for repair:**

- The media specialist will be the school's RESA contact person.
- Teachers and staff will report problems with all electronic equipment (with the exception of computers, printers and/or monitors) to the school media specialist.
- Problems with computers and/or monitors should be reported to the school TSS.
- If the equipment is a computer, printer, or monitor, the TSS will complete the *Inventory Transfer/Surplus Form* for the equipment. He/She will be responsible for taking the equipment to a central location designated for RESA repairs (usually the media center) and providing the media specialist with the completed paperwork.
- The media specialist will complete the *Inventory Transfer/Surplus Form* for all other equipment being sent to RESA for repair work.
- The media specialist will report all work orders to RESA via email or fax.
- RESA representatives will report to the Media Center to repair equipment or determine if the equipment needs to be taken off campus to the RESA Repair Center. (The fixed asset clerk should be notified when RESA is in the building.)

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- RESA representatives will complete a RESA repair service order for each piece of equipment leaving the building for repairs. The service order will list the serial number and yellow barcode tag number (when applicable) of the equipment. If RESA has repaired a piece of equipment on campus that is listed on the *Inventory Transfer/Surplus Form*, the media specialist should mark through that item on the *Inventory Transfer/Surplus Form*.
- The media specialist will give the original *Inventory Transfer/Surplus Form* to the fixed asset clerk in the school along with a copy of the RESA service order. The fixed asset clerk will sign the *Inventory Transfer/Surplus Form* sheet for RESA before they leave the building with the equipment. RESA will leave the gold copy of the service order for the media specialist for her records. A pink copy of the service order will be returned to the school when the equipment is repaired or when it is determined the equipment cannot be repaired.
- If the equipment cannot be repaired, RESA will e-mail the media specialist with that information as soon as possible. RESA will provide the media specialist with documentation indicating the equipment could not be repaired on the next trip to the school.
- The media specialist will notify the fixed asset clerk or the TSS upon receipt of the pink copy of the RESA service order.
- If the unrepairable equipment is tagged with a yellow barcode label, it is the responsibility of the fixed asset clerk to send the yellow copy of the *Inventory Transfer/Surplus Form* along with a copy of the RESA service form to the fixed asset accountant in the Business Office. The fixed asset accountant will then take steps to remove the equipment from the school's inventory after Board approval.
- If the unrepairable equipment can be exchanged for new equipment through the manufacturer, RESA will return the equipment to the media specialist. Otherwise, RESA has the option to keep the equipment and use the parts for repairs to other CCBOE equipment.
- It is the responsibility of the fixed asset clerk to keep a copy of the above-mentioned *Inventory Transfer/Surplus Forms* with attached RESA work order forms for audit purposes.

### Audit of Fixed Assets

Each school or department will be required to verify their miscellaneous and fixed assets with its employees at the beginning and end of the school year using the following procedures:

Each school or department will be responsible for receiving a signed asset verification form from each teacher, lunchroom manager, head custodian, office staff, maintenance staff, and media specialist at the beginning of each school year. There will be two parts to the verification.

Part 1: Each employee will be responsible for verifying the miscellaneous assets (blue tagged items) for which he or she is responsible at the school or department using the Miscellaneous Asset Verification Form. The employee will list the quantities of all assets with a general description on the verification form. This list can be done manually. At the end of the school year the list will be updated with any additions or deletions by that same teacher or staff member and will require his or her signature.

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Part 2: Each employee will be responsible for verifying the fixed assets (yellow bar tagged items) for which he or she is responsible at the school or department. The assets can be verified by (1) either listing the fixed asset on a form and the asset clerk verifies back to the central fixed asset inventory or (2) by printing the central fixed asset inventory by room location and having each employee verify the inventory by signing the printout.

When a school or department receives a new fixed asset, the employee responsible for that asset must sign for the fixed asset. Once the school or department has received the yellow bar code they can print the detail information screen on this asset and have the employee sign it acknowledging they have received the asset.

At the beginning and end of each school year the asset clerk will audit at least six of the asset verification forms to make sure the quantities and assets on the form agree to what is in the classroom, office, kitchen, etc.

Band equipment will be audited each year two weeks before the last day of school.

The auditor will verify that the actual fixed asset inventory at each school or department matches the central fixed asset inventory list maintained by the business department. This audit will be conducted a minimum of once every three years or when there is a change in principals. An audit report will be prepared noting any discrepancies in the fixed asset inventory. The principal or department head must respond to any findings with an explanation of any missing assets. If any items are noted missing, an Inventory Transfer/Surplus Form must be completed for the missing items so they can be written off the central fixed asset inventory. This audit will be included in the principal or department's head annual evaluation.

The auditor will audit a minimum of six schools or departments each year to verify the fixed assets list at each of those six schools or departments. The auditor will also verify that the miscellaneous asset procedures were followed at each of those schools or departments.

At the end of each school year, every department head and school must verify that all of the school or department's inventory (yellow and blue tagged) is accounted for and is validated against the inventory list. The validation form must be signed by the principal or department head and turned into the Business Department no later than June 30 of each school year.

### **Report of Burglary, Vandalism, or Property Damage**

In order to ensure that the appropriate departments address safety and liability issues, all instances of damage or theft of Columbia County School System property must be reported on the attached form. The report must be forwarded to all departments as indicated at the bottom of the report. An "Inventory Transfer/Surplus Form" must be completed for any fixed asset that is stolen or damaged beyond use. This will ensure that this item is taken off the fixed asset inventory for your school.

### **School Properties Disposal Procedure**

Definition of surplus: Any item that is no longer useful at a school or department.

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Disposition of surplus will be coordinated by the warehouse manager. The school system will dispose of surplus property in the most cost-effective method for the system. In most instances, property will be picked up and disposed of with a specified vendor.

Steps to follow in the disposal of property:

1. Each school principal and department head will identify surplus inventory at her/his location. Each school or department will have the opportunity to review all surplus items before they are disposed of. The fixed asset clerk at each location must e-mail all of the other fixed asset clerks a list of the surplus inventory. A school or department may request for any of the surplus items to be transferred to their location by completing an Inventory Transfer/Surplus Form. This must be done within five days after the e-mail is received. If there is no response to the e-mail, the school or department may complete an Inventory Transfer/Surplus Form.
2. Inventory Transfer/Surplus Forms will be forwarded to the following departments:
  - Internal transfers within the school system will be forwarded to the warehouse manager.
  - Surplus Inventory will be forwarded to the controller in the Business Department.
3. The controller will be responsible for approving all surplus property and their respective disposition methods.
4. The warehouse manager will be responsible for coordinating the disposition of surplus property.
5. The fixed asset accountant will be responsible for removing all surplus property from inventory.
6. All items deemed to be sold by competitive bid must follow these procedures:
  - The warehouse manager will maintain a prospective bidders list.
  - All prospective bidders will be given at least one opportunity to view property before the established bid opening.
  - Bids lower than the established value of the item may be rejected.
7. School system employees are excluded from participating in the disposition of surplus property.

**ADOPTED: 01/25/94**

**REVISED: 04/11/95, 5/5/00, 08/07/00, 5/27/02, 10/21/02, 11/4/02, 04/08/03, 4/24/06, 4/16/07, 07/10/07**

**Columbia County Board of Education**



Columbia County School System  
Property Damage/Theft Reporting Form

Name of School/Department \_\_\_\_\_

Date damage/theft occurred \_\_\_\_\_

Date damage/theft was reported \_\_\_\_\_

Please choose one:

\_\_\_\_\_ Property damage from weather, natural disaster, structural changes, operating equipment, negligence, etc.

\_\_\_\_\_ Property damage/theft from vandalism

\_\_\_\_\_ Property damage/theft from vandalism with restitution

\_\_\_\_\_ Property damage/theft from burglary

\_\_\_\_\_ Property damage/theft from burglary with restitution

Attach Sheriff's reports and any other documentation with report.

\*\*\* Please attach photographs, if possible\*\*\*

Description of Damage: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Estimated cost to repair or replace:

Items \_\_\_\_\_

\_\_\_\_\_

Materials \_\_\_\_\_

\_\_\_\_\_

Labor \_\_\_\_\_

TOTAL COST \_\_\_\_\_

Persons Notified: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
Signature of Principal

\_\_\_\_\_  
Date

Original: Superintendent of Schools  
Copies: Assistant Superintendent of Student Support  
Executive Director of Facilities, Maintenance, and Operations  
Business Department (Susan Tanner)  
Sheriff's Department

END OF THE YEAR ASSET VALIDATION FORM

The yellow tag inventory items have been checked against the current inventory list and all items are accounted for at \_\_\_\_\_ (school or department) for the end of the \_\_\_\_\_ school year.

Principal or Department Head Signature: \_\_\_\_\_

Date: \_\_\_\_\_