

<b>LODI UNIFIED SCHOOL DISTRICT</b>
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**REVISED**

**Business and Non-Instructional Operations**

**Rule 3440**

**Inventories**

In order to provide for the proper tracking and control of district property, the Superintendent or designee shall maintain an inventory of equipment in accordance with law for the following:

1. All equipment items currently valued in excess of \$500;
2. All equipment items purchased with state and/or federal categorical funds that have a useful life of more than one year with an acquisition cost of \$500 or more per unit.

In addition, the Superintendent or designee may maintain a list of specific items which shall be inventoried for internal control purposes regardless of their initial cost or current value.

The inventory shall contain a record of the following information:

1. Name and description of the property;
2. Identification number;
3. Original cost of the item of equipment or a reasonable estimate if the original cost is unknown;
4. Date of acquisition;
5. Location of use; ~~and~~
6. The date and method of disposal.

In addition to the information specified in items #1-6 above, the following information shall be recorded for equipment acquired with state and/or federal categorical funds unless otherwise specified in law:

1. Source of the property (funding source);
2. Titleholder;
3. Percentage of federal participation in the cost of the property;
4. Use and condition of property;
5. Sale price of the property upon disposition and method used to determine current fair market value.

At the time of purchase, the Superintendent or designee shall affix a label to the equipment containing the identification number and the district name. Equipment items purchased with categorical program funds shall also be labeled with the name of the project in accordance with 5 CCR 3946.

Whenever an equipment item is moved to a new location or the equipment is used for a new purpose, the new location or purpose shall be recorded in the inventory.

A copy of the inventory shall be kept at the district office and at the appropriate school site.

The Superintendent or designee shall annually submit an inventory listing of federally owned property in its custody to the federal agency that granted the award.

### **Physical Inventory**

At least once every two years, a physical inventory of equipment shall be conducted and the results reconciled with the property records.

The Superintendent or designee shall establish procedures for conducting the physical inventory which shall include, but not be limited to, designation of person(s) responsible for coordinating and conducting the inventory, preparation and

distribution of count sheets, procedures for implementing the inventory, and procedures for conducting a recount to substantiate the validity of the inventory.

The Superintendent or designee shall investigate any differences between the quantities determined by the physical inspection and those in the accounting records.

Legal Reference:     EDUCATION CODE  
                          35168 Inventory of equipment  
                          CODE OF REGULATIONS, TITLE 5  
                          3946 Control, safeguards, disposal of equipment purchased with  
                          consolidated application funds  
                          16022-16023 Classification of records  
                          16035 Historical inventory of equipment  
                          UNITED STATES CODE, TITLE 20  
                          2301-2414 ~~Carl D. Perkins Career and Technical Education Act~~  
                          Strengthening Career and Technical Education for the 21st Century  
                          Act  
                          CODE OF FEDERAL REGULATIONS, TITLE 2  
                          200.0-200.521 Federal uniform grant guidance  
                          MANAGEMENT RESOURCES  
                          California Department of Education Publication, California School  
                          Accounting Manual  
                          WEBSITES  
                          CSBA District and County Office of Education Legal Services  
                          <https://legalservices.csba.org/>  
                          California Association of School Business Officials  
                          <https://www.casbo.org/>  
                          California Department of Education  
                          <https://www.cde.ca.gov/>  
                          Office of Management and Budget  
                          <https://www.whitehouse.gov/omb/>

Rule

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