

PURCHASING AND ACQUISITION
DISTRICT ASSETS

CFB
(REGULATION)

RESPONSIBILITY Principals, Executive Directors, other site supervisors, Coordinators and other program managers are responsible for district assets within their areas of responsibility. This responsibility includes inventory, control, and maintenance of district assets. The District will conduct an annual physical inventory of all property of significant value. School principals and program managers shall be required to conduct an annual physical count of assets in their area or site of responsibility, keep accurate records, and communicate changes to be entered into the district Asset Inventory Database. All District staff, regardless of classification or function, must follow district procedures in the procurement, tagging, movement, and disposal of all district assets and shall exercise the utmost care and diligence in the use, maintenance, and protection of all public assets placed under their care and/or custody.

ASSET INVENTORY OFFICER The Financial Services Accountant shall serve as the Capital and Controlled asset inventory officer for the District. The designee shall:

1. Create, support, and enforce procedures and guidelines for appropriate management and control of inventory.
2. Ensure that all asset inventory transactions are recorded and maintained according to approved procedures.

DEFINITIONS A Capital Asset is a long-term, tangible asset with an initial cost of \$5,000 or more. Governmental Capital Assets include such items as land, land improvements, buildings, fixtures, furniture, equipment, and property under construction.

- An item with a unit cost of \$5,000 or more will be considered a Capital Asset whether it is a single item, component units, or a capital improvement to a property, building or land, and
- is not consumed as a result of use, and
- has a useful life of at least one year, and
- is controllable, in that it is tangible in nature and can be reasonably accounted for through a physical inventory system.

A Controlled Asset is an item that is tangible in nature, has a life longer than one year, and has a unit cost of \$500 or more, but less than \$5,000. In addition, **all networked technology items, regardless of cost, are controlled assets. (See technology item list.)**

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Technology item list include:

- Computers
- Printers
- Fax machines
- Projectors
- Monitors
- Tablets
- iPods, Kindles, Nooks, Personal Digital devices
- Scanners
- Smart Televisions
- Telephones
- Game Systems (PlayStation, Xbox, etc.)
- *Other equipment determined by the District*

INVENTORIED
ASSETS

Principals, directors and other department heads will be responsible to inventory and monitor all theft-sensitive assets not categorized as a capital asset or controlled asset.

CAPITAL &
CONTROLLED
ASSET FORMS

Financial Services will keep asset tag information on all forms relating to District equipment.

Accurate asset inventories shall include:

1. A listing of capital and controlled asset inventories by funding source, description, location, asset #, purchase order #, and method of acquisition
2. Information regarding new acquisitions.
3. Adjustment to previously recorded items.
4. Transfer of assets from one department or area to another.
5. Retirement or disposition of assets.

ACQUISITION

All assets will be ordered through the District's purchase order system.

Object codes used to purchase assets include:

Technology purchases less than \$4,999.99 as well as networked technology items must be charged to object code **6398**. These include:

- Printers, Scanners
- Laptops, pc's, and monitors
- Tablets, I-pads, I-pods, Kindles, and Nooks
- Data projectors,
- Fax machines,

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- Software,
- Mobile devices
- Servers, networked equipment, switches, routers, hard drives
- Other instructional devices (technology related)

Other asset purchases from \$500.00 - \$4,999.99 be charged to object code **6397**:

- Furniture and other office equipment
- Sound systems and other electronic equipment
- Digital cameras and photographic equipment
- Other equipment determined by the District

Purchases \$5,000.00 and above (unit price) must be charged to object code **6639 (Equipment/Furniture) or 6636 (Technology/Software)**. Other costs which should be included and capitalized as equipment include transportation charges, installation costs, taxes or any other expenditure to place the asset in its intended state of operation.

All assets will be shipped to and received at the District Central Warehouse.

Exceptions to the above procedure are those assets received by donations and/or grants from an organization or private individuals. Principals and program managers MUST report these assets in writing to the Business Manager, delineating item description, make, model, serial number and estimated cost. Donations of technology/software items must be verified thru the Information Technology Department for compatibility. Financial Services will present the information to the Board of Trustees for approval. Upon approval, the property will be identified, tagged, and included in the master Asset Inventory Database.

ASSET TAGS

The Warehouse Department will establish the sequence of numbers to be used for asset tags in a given year. Tags will be used in sequence.

RECEIVING,
TAGGING AND
TRACKING

The warehouse obtains a draft copy of the purchase orders thru TEAMS for receiving action. Tags shall be placed on the assets as they are received.

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INVENTORY

- a. Packing slip will be matched to the appropriate purchase order.
- b. Shipments will be opened and verified for quantity and condition.
- c. Each asset received will be tagged with a bar-code tag. Bar code and serial number will be annotated on the purchase order. An Asset Inventory Sheet will be prepared with PO #, account #, date received, vendor, item description, brand-model-serial #, asset ID #, and cost. The employee receiving the items at the campus/department will sign and date the form.
- d. Each asset will be entered into the Asset Inventory Database.
- e. Assets will be delivered to location specified on the purchase order.

Site administrators must receive prior approval when an alternate location for delivery is necessary such as for an order that is too large or in the event that the installation of the asset requires direct delivery. When approval has been granted for items to be delivered directly to the site, the site administrator is responsible for contacting the Warehouse Supervisor (915) 877-7496 within 48 hours to have the assets verified, tagged and entered into the Asset Inventory Database.

MOVING ASSETS

All assets removed from a site require proper documentation and approval and the movement shall be recorded in the Asset Inventory Database. Only the site administrator is authorized to provide approval via signature.

By releasing District property for at-home use, the site administrator or program manager shares responsibility for the protection of the asset from loss or damage. In the event the asset is lost, damaged, or stolen, the employee shall be liable to the District for the cost of having the asset replaced or repaired. Should such loss occur, a Notification of Missing/Stolen Property Report must be completed and sent to the Risk Management Specialist in Human Resources. The Risk Management Specialist will forward a copy of the Report to the Asset Inventory Officer. Any monies recovered for the property lost, such as employee reimbursement and insurance claims

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proceeds, will be submitted to Financial Services for processing.

*NOTE: **ALL** MISSING OR STOLEN DISTRICT ASSETS MUST BE REPORTED IN A TIMELY MANNER TO THE CANUTILLO POLICE DEPARTMENT. A COPY OF THE LAW ENFORCEMENT REPORT MUST BE SENT TO THE RISK MANAGEMENT SPECIALIST.*

TECHNOLOGY
ASSET

Movement, repair and disposal of technology equipment will be coordinated and accomplished by Information Technology personnel only. For additional questions regarding Information Technology's processes contact Information Technology personnel at 877-7460.

ASSET REPAIR

When an asset is given to a vendor for repair, a vendor receipt is required. At a minimum, the receipt must show the asset tag number, description of item, and serial number. The receipt will provide as an attestation of equipment in the hands of an outside vendor hired for the repair of the asset. A copy of the receipt must be sent to the Accountant in Financial Services.

ADJUSTMENT OF
ASSET RECORDS

The Financial Services Accountant will not delete, add or adjust records without written proof and/or explanation.

- a. The Asset Transfer Form will be used for authorizing the transfer of assets between locations. Examples of transfer are: transfer of equipment from school site to warehouse for sale or disposal, transfer of equipment from one site to another.
- b. All returns of property to vendors for exchange, re- pair or credit will be processed through the district Central Warehouse. The Warehouse personnel will fill out a return authorization form to document this process. The Warehouse staff will forward a copy of each return authorization forms to the Asset Inventory Officer.
- c. Campus and district personnel WILL NOT dispose of assets. All assets to be disposed of will be re- turned to or picked up by the District Warehouse, accompanied by Disposal Form(s). The Warehouse will dispose of assets in one of the following manners (see district policy CI-Legal):
 - 1.) Delivery to authorized auction house.
 - 2.) Public auction and/or sealed bid or proposal sale.

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- 3.) Return to grant agency.
- d. Assets purchased with **federal funds** must follow the guidelines of the grant for the disposal of assets.

Any property that is disposed of without the proper procedures is a direct violation of district regulations. Employees found in violation of district regulations will be subject to administrative action. For additional questions regarding Salvage and Asset Disposal procedures contact the Warehouse Supervisor at 877-7496.

PHYSICAL
INVENTORY

Site administrators and program managers have primary custody and accountability for assets used in their operation. Therefore, a complete physical inventory of all capital and controlled assets will be conducted and the results reconciled with the records in the Asset Inventory Database every year.

Under guidance and coordination of Financial Services, sites will facilitate the maintenance of current and accurate asset records by assisting with the physical inventories. Should reconciliation of the asset counts and asset system records reveal discrepancies, it will be the responsibility of the site administrator or designee to investigate the circumstances and determine the cause and party responsible. In cases where assets were lost, destroyed, or stolen through illegal actions, gross negligence, or clear violations of District policy, a police/incident report will be filed and sent to the Director of the Finance Services for required action. The Director may also determine that instances of destroyed or missing assets warrant additional review by the Internal Auditor. Asset inventories will also be conducted randomly by Financial Services.

Delegation of responsibilities and duties may be necessary to accurately complete the physical inventory process within the scheduled time. However, such delegation does not remove the site administrator's or program manager's responsibility for proper accounting of the assets under his or her care. Administrators new to a site must verify the accuracy of the site's current inventory within ten days of beginning duty at the new site. Financial Services will assist in the inventory upon request.

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IDENTIFYING
PERSONAL
PROPERTY

Personally owned property is not included in the District's asset inventory. As such, there is no insurance coverage in the case of loss, theft, or damage. In order to avoid confusion during the annual asset inventory process, all personal property must be identified with a "PERSONAL PROPERTY, DO NOT TAG" label. These labels are provided by Financial Services.

PENALTIES

Penalties assessed to site administrators and program managers for inventory shortages, improper disposition of assets, or poor asset control records and procedures may include:

1. Letter of reprimand in personnel folder.
2. Notation on employee annual evaluation.
3. Reimbursement for the value of the shortage.
4. Criminal prosecution.
5. Employment termination
6. Other, as deemed appropriate by the Superintendent