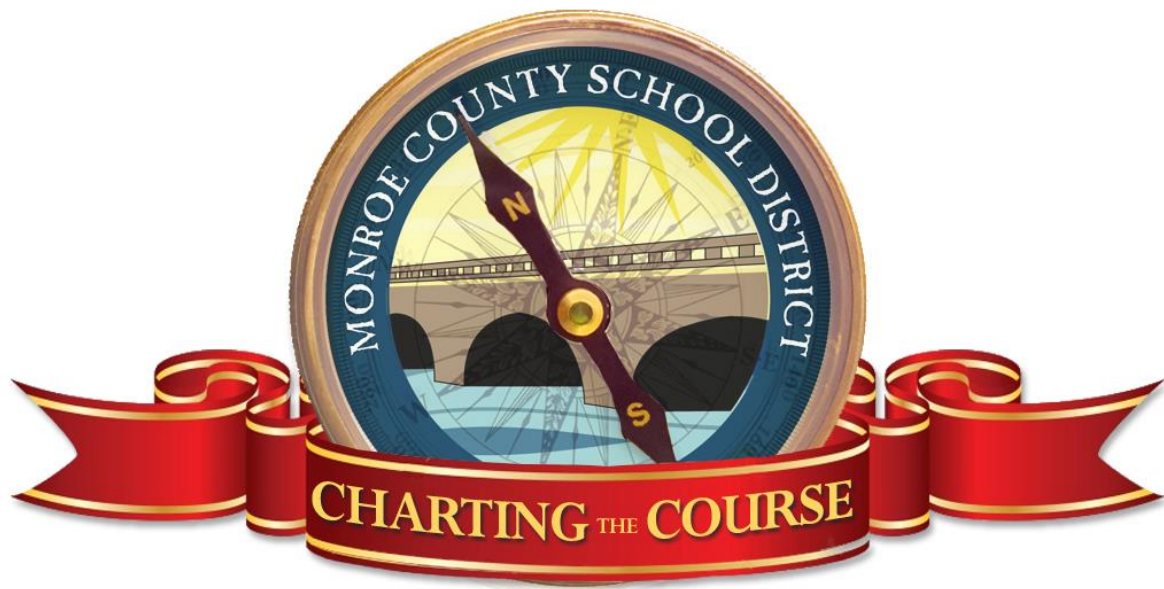


Monroe County School District's Property Control Procedures Manual

Revised 12/13/2018



Property Control Procedures Manual

	Table of Contents	Page 1
Chapter 1	Introduction	2
	MCSB Policy 7450	3
	MCSB Policy 7320	3
	MCSB Policy 7300	3
1.1	Definition of Tangible (Capital) and Intangible (Non-Capital) Property	4
1.2	Differentiating Between Capital and Non-Capital Property/Supplies	4
1.3	What is/is not included in the capital costs.	4
1.4	Property Custodian	4
1.5	Property Specialist	5
Chapter 2	Acquisition/Receiving/Tagging of Tangible and Intangible Personal Property	5
2.1	Acquisition by District Requisition	5
2.2	Acquisition by Donation	6
2.3	Acquisition Through Internal Accounts	7
2.4	Acquisition by Upgrades to Existing Property	7
2.5	Acquisition of Property Through Renovations/New Construction	7
2.6	Acquisition by Lease Purchase	7
2.7	Acquisition Through Warranty Exchange	7
2.8	Acquisition through Procurement Card	8
2.9	Receiving of Assets	8
2.10	Tagging of Property	8
Chapter 3	Inventory of Property	8
3.1	Site Responsibilities	8
3.2	Capital Inventory	9
3.3	Review of Un-Inventoried Items	11
3.4	Missing Items	12
3.5	Principal Letter of Acceptance/ Request for Removal	12
3.6	Finalizing Inventory	12
3.7	Non-Capital Inventory	13
3.8	On Site Audit	13
3.9	Change in Site Administrator/Dept Head (Custodian of Record)	14
Chapter 4	Transferring Property	14
4.1	Property Transfer	14
Chapter 5	Disposal of Property	15
	MCSB Policy 7300	
5.1	Disposal of Property	17
5.2	Removal of Sensitive or Confidential Information from Storage Devices	18
5.3	Disposal by Donation	18
Appendix A	Object Codes	18
Appendix B	References	19
Appendix C	Definitions	20

Chapter 1

Introduction

In order to comply with state regulations, the Monroe County School District has a centralized property and inventory control function within the Purchasing Department. Over the years, the Purchasing Department has established a number of procedures that are designed to provide accurate accountability and improved control to meet the internal needs of the Monroe County School System

Chapter 274, Florida Statutes, contains laws designed to regulate the acquisition, supervision, accountability, control, transfer, and disposal of all tangible personal property owned by the governing board, commission, or authority of a county or a taxing district of the state or the sheriff of the county. Section 274.02 specifies that each item of property be marked for identification in the manner required by the Chief Financial Officer of Florida and that each governmental unit maintain an adequate record of its property containing such information as shall be required by the Chief Financial Officer of Florida.

This manual has been prepared to provide all personnel charged with the care and custody of property owned or under the jurisdiction of the School District with a reference guide to the administrative requirements necessary to fulfill that responsibility. Any changes to School District policy or state statutes, requiring revision of this manual will be done promptly and communicated to all property custodians.

The Superintendent/designee shall maintain an adequate and accurate record of all tangible personal property of the District. The record shall indicate the date of acquisition, the fund from which purchased, identification number, and property record number, and shall be consistent with all requirements of Florida Statutes and the rules of the Auditor General. School inventories shall be verified by the District Administration at the Superintendents direction.

MCSB Policy 7450

The School Board recognizes that efficient management and full replacement upon loss requires accurate inventory and properly maintained property records.

A complete inventory of all District owned tangible personal property shall be conducted annually and submitted to the Board. A complete inventory shall also be conducted when there is a change at a school or department location in the staff member designated as custodian of the property at that location (see Policy [7300](#)). A principal or department head shall obtain a police report for any District-owned tangible personal property that is found missing or stolen from the location's inventory.

For purposes of this policy "tangible personal property" shall mean any tangible personal property, of a non-consumable nature, with a life expectancy of one (1) year or more which has a capitalized value equal to or greater than the value defined in statute.

F.S. 274.02, 1001.43

MCSB Policy 7320

Acquisition

All property shall be acquired through proper purchasing procedures either through the county or internal funds, or through donations from outside sources. All property, however, including vehicular equipment shall be in the name of the School Board and under its full control. All property acquired from sources other than county school funds, such as PTA donations, shall be reported promptly, in accordance with procedures established for property accountability.

Removal of Property

- A. Property shall not be taken from any school building or premises for private use. Property may be lent to employees, outside agencies, or organizations only with the prior written approval of the principal or department head.
- B. Major property items shall not be exchanged between schools or departments except upon the written approval of division and/or department heads affected.

Disposal, Sale, or Exchange

The Board believes that the efficient administration of the District requires disposition of any major tangible personal-property no longer necessary for the educational programs or the operation of the District.

Property which is not suitable for School District use shall be disposed of in accordance with State statutes.

F.S. 287.14, 287.16, 1001.42, 1010.04

MCSB Policy 7300

Responsibility of the Superintendent

- A. All real and tangible personal property shall become the direct responsibility of the Superintendent, including its care, custody, safekeeping, and accounting of all property.
- B. The Superintendent shall cause to be established such procedures and measures necessary to provide accurate information in regard to the nature, condition, location, and value of all major school property, to safeguard tangible school property against undue damage, loss depreciation; to attempt to recover and restore to useful service any tangible school property which may be lost, stolen, or damaged; and to do all other things necessary to insure the proper maintenance and safekeeping of school property.
- C. The Superintendent shall place in operation procedures that include those services and activities which ensure that students may attend school without sanitation or physical hazards and provide for necessary heat, lights, water, power, and other supplies and utilities necessary for the operation of the schools.
- D. The Superintendent shall place into operation procedures for preserving and keeping the building, grounds, and equipment in a satisfactory state of maintenance, and which include repairs, replacements, renovations, and adjustments.

Responsibility of the Principal / Site Administrator

The principal/site administrator of each independent school/site shall be the custodian or record for all property located at and charged to the school/site.

Responsibility of Division and Department Head

The division and/or department head shall be the custodian of record for all property purchased through or assigned to that division and/or department.

Delegation of Inventory Task

The principal, site administrator, division and department heads may delegate the annual inventory process and day to day asset management to an employee under their supervision but the responsibility for said assets still lies with them.

F. S. 1001.42, 1001.515

1.1 Definition of Tangible (Capital) and Intangible (Non-Capital) Personal Property:

- a) Florida Statutes defines tangible personal property as items that have a cost or value of \$1,000 or higher, and have an expected life of one year or more. The Property control division will issue a bar-coded decal (tag) for each item which should be placed on the asset in addition to writing the asset number on the asset in permanent marker.
- b) Intangible Personal Property are items such as software programs essential to the operation of computers. Programs that are web-based or purchased on an annual subscription are not considered assets. The Property control division will issue a bar-coded decal (tag) for each software program that has a cost of \$1,000 or more which should be placed on the asset in addition to writing the asset number on the asset in permanent marker.

1.2 Differentiating between Tangible (Capital) and Intangible (Non-Capital):

- a) Capital Property (\$1,000 and over)
 - It is not consumed by use.
 - Has a life expectancy of GREATER than one year.
 - More economical to repair than replace with a new item.
 - Stand alone item. (Must be able to be used alone but can be combined with additional items. IE; Camera (Base camera over \$1,000 is an asset. You can purchase additional lenses but they do not become part of that asset. If the additional lens is over \$1,000 then it would be considered its own asset.
 - The item must be charged to a 6XX object code.
 -
- b) Non-Capital (under \$999)
 - It is consumed by use. (battery, filter, toner, etc.)
 - Has a life expectancy of LESS than one year.
 - Less expensive to replace than repair.
 - Replacement of a component of a more complex unit or substance.
 - The item should be charged to a 5XX object code.

1.3 What should be charged to capital coding?

- a. What SHOULD be included: BASIC RULE: Anything needed to put the item into service.
 - Cost of item with individual price \$1,000 or greater
 - Shipping
 - Parts or accessories MANDATORY to put that item into service. (Needed to work/use)
- b. What SHOULD NOT be included:
 - Maintenance or warranty costs
 - Parts and accessories NOT MANDATORY to use the item. (ie: supplies, optional parts)

1.4 Property Custodians:

Directly or indirectly (through persons to whom responsibility is delegated) held responsible for assets at their school/site/dept. This responsibility includes the following functions:

- Establishment of adequate control procedures within the school/department and continued supervision of their use.
- Verifying the receipt of all new property assigned
- Receive items in FOCUS and establish bldg./room for assets.

- Update locations on assets in FOCUS as moved around site (bldg./room).
- Complete a Property Transfer in FOCUS when moving items between sites.
- Instructing staff on property control procedures.
- Perform annual physical on-site inventories and assist in on-site inspections

1.5 Fiscal Service Specialist - Property Control:

- Provides support services for property custodians
- Instructing property custodians on property control procedures.
- Reconcile items charged to capital account codes on a monthly basis and tag items accordingly.
- Maintain property control database and balance annually with Finance.
- Monitor property transfers, request for removals, etc.
- Review annual inventory provided by all locations (open annually in January).
- Perform annual on-site audit for each location.
- Compiles list of property removals to be board approved.
- Coordinate removal of property to include recycle, auction, or donation to non-profits.
- Coordinate relocation/removal of property at close of building/location.

Chapter 2

Acquisition/Receiving/Tagging of Tangible and Intangible Personal Property

The Superintendent or designee is responsible for all tangible and intangible personal property acquired with district, school internal funds or by donation.

2.1 Acquisition by District Requisition:

When entering a requisition for purchase where capital coding is selected, the FOCUS system will require you to enter a manufacturer and model number in the description. NOTE: **It is also important to note that the deliver to site selected for your requisition must be the same site where the asset will be located or the system will not let you receive it to the correct building and room.**

When receiving a requisition where a capital coding line was selected, the system will require you to enter the serial number, as well as the building and room where asset will be located.

Any asset coded to capital assets will show up on the fixed asset monthly reconciliation. The Property Control Specialist will contact you to schedule a time to tag the asset.

2.2 Acquisition by Donation:

Donations must be marked and accounted for, as set forth in F.S. 274, in compliance with Chapter 10.400 of the Rules of the Chief Financial Officer of Florida.

Donations must have a purpose consistent with that of the district and must not:

- start a program that the district would be unwilling to take over if the gift /funds are exhausted;
- bring undesirable or hidden costs to the district;
- place restrictions on the district; be inappropriate or harmful to the education program, students, imply endorsement of any business or product; and/or be in conflict with any provision of State law.

Before accepting any property donation:

- Determine if it is needed and/or can be used.
- Determine what is needed to put the item into service (moving, assembly, electrical, plumbing, etc*.)
Check with Maintenance to see if they are able to handle it or if outside contractor will need to be hired.

NOTE: Site/Dept. accepting donation is responsible for payment of any fees associated with the acceptance of that donation.

- Discuss any legal/safety issues associated with accepting the donation with appropriate district staff.
- On vehicle donations, have transportation inspect and get approved by Director of Transportation.
- Determine the value of the donation and follow steps outlined below to get proper approval.

Donation Value Under \$1,000 (Non-Capital):

- Acceptance of donations under \$1,000 in value are left to the Executive Director for that Division (or designee)

Donation Value Over \$1,000 (Capital):

- The person notified of the donation (school/department/program) needs to request a donation letter from the donor. See (a) below for what needs to be included on the letter.
- That letter needs to be approved by your Principal/Site Manager/ Director and Executive Director.
- Once approved, donation letter should be forwarded to Property Control who will prepare the board item requesting approval of the donation. (For vehicles be sure to include process shown in (b) below.)
- Once approved the donation information will be forwarded to Finance to record.
- Property Control will contact the site to tag.
- Addition of process A below (as well as b,c or d -if applicable)

- a) **Donation Letter (over \$1,000):** When a site receives donated property with a fair market value of \$1,000.00 or more, a letter of donation must be submitted. The following information is required:

- Description (type of item being donated, make, model, serial number, etc.)
- Condition (like new, good, fair, etc.)
- Estimated value (if purchasing for us please obtain a copy of the invoice)
- Acquisition date
- Name of donor

- b) **Donation of Vehicles -** In addition to the process above, before a vehicle donation can be presented to the board for approval

- You must have approval from the Transportation Director acknowledging that the Transportation Department has performed an evaluation and safety check and approves recommendation to accept the vehicle.

Once approved by the board:

- The title must be forwarded to the Transportation Department, so the title can be transferred to the district's name. Any vehicle donated to ANY site must be titled as "Monroe County School District." and not a specific school.
- Transportation will assign vehicle number and add the vehicle to the district's vehicle maintenance program.
- Site can obtain a fuel key by request through Transportation.

- c) **Donation of any other titled object (boat, trailer, etc.)** – Any titled item follows the standard procedure for donations over/under \$1,000, but then with the following changes:

Once approved by the board:

- The site/dept receiving must transfer the title into the district's name. Any vehicle donated to ANY site must be titled as "Monroe County School District." and not a specific school.

- d) **Donation of Real Estate** – Any offers to donate property should be directed to the Superintendent's office for approval and processing.

NOTE: The district has no obligation to the donor for federal income tax purposes, other than acknowledge that the item(s) was received.

2.3 Acquisition Through Internal Accounts: Internal Account should not be used to directly purchase capital equipment. A check should be cut from Internal payable to the District. Then a po to the vendor paid out of district funds. That way the asset will be recorded on the districts books.

2.4 Acquisition by Upgrades to Existing Property: The cost of an upgrade must be added to the original cost of the asset. The comment section of the requisition should list the tag number (s) of the item(s) that will be upgraded. Property Control must be notified of the upgrade so that they can capture the additional expense and make necessary cost adjustments.

ie: Transportation purchases a drill press which is to be mounted to the bed of truck 123 (asset no 12345). The press costs \$1500.00. The \$1,500 should be added to the cost of the truck because if we sell the truck we would sell the press with it. Original cost \$25,000 would now be amended to \$26,500.00.

2.5 Acquisition of Property Through Renovations / New Construction:

- a) During a contracted project, most capital equipment will be purchased through owner direct purchase or under the contract with the contractor. At project close out, Finance will provide listing of capital equipment purchase by means other than coding to capital accounts in order to capture those items in the property control system and tag. Items purchased through the district will hit capital and thereby the property control system.

2.6 Acquisition by Lease Purchase: Contact the Property control division when considering purchasing property through a lease contract. If the lease qualifies as a capital lease purchase, the Lease Originator will send an amortization schedule and account coding information to the site. The amortization schedule will show the monthly payments for the life of the lease contract, the principle, and the interest portion of each payment.

- a) A capital lease must be for at least one year and cannot be cancelled by the vendor, however, the district reserves the right to cancel the capital lease, if funding is not available.
- b) Place the tag on the item; however, the tag number should not be engraved on the property until all the payments have been made. Location for lease property shall be documented on the sites annual inventory.
- c) If the lease agreement is terminated and the property is returned to the vendor, a memo must be sent to the Property control division. The memo should include the tag number(s).

2.7 Acquisition through Warranty Exchange: Normally, assets that are replaced under warranty will keep the same tag number. The replacement asset will need the same tag number written on it (with black or silver sharpie) and email the property control division with the new serial number of the replacement.

2.8 Acquisition through Procurement Cards: Items should not be purchased through the PCard process unless approved in advance by the Director of Internal Services. If one is approved, an email with a copy of the invoice should be sent to the Property Control Specialist as invoices do not populate into the property control system in FOCUS however, if coded correctly, they will be picked up in the monthly reconciliation.

2.9 Receiving of Property

- a) Inspect items to ensure that all are accounted for and none were damaged in transit.
- b) A count should be notated on the carrier's shipping papers.
- c) The item should be received in FOCUS. With capital assets you will need to enter the serial number building and room on all assets received.
- d) Upon payment of invoice in FOCUS, the capital items will show on the property control specialist's monthly reconciliation. At that point the asset will be confirmed in FOCUS and a tag will be created .
- e) The property control specialist will go out to tag monthly. Tags should be affixed in a visible and scannable location (upper left front is suggested). The tag number must also be written on the item in permanent marker (black or silver show best) or engraved.

2.10 Tagging of Property

1. **It is the responsibility of the Property Control Specialist to ensure all capital assets are initially tagged properly.**
 - a) Once a month the property control specialist will reconcile purchased made to the capital account.
 - b) You will be contacted to set up a time for them to come and tag your new asset. **NOTE:** All tangible personal property must have the tag placed in a visible and scannable area. For ease of identification and consistency, the front is suggested.
 - c) At that time each asset will also have the tag number engraved/marked with permanent marker in a visible area.
 - d) For software, audiovisual non-consumable materials, or anything without a physical item to tag, affix the property tag in a property control folder to be able to scan annually.
2. **It is the sites responsibility to ensure that all assets remain tagged either re-marking assets when doing annual inventory or requesting new tags through the inventory process.**
 - a) During the annual audit process sites can be sited for assets not being labeled.

Chapter 3

Inventory of Property

The Superintendent or designee is responsible for managing the inventory of tangible and intangible personal property. The District will issue tags to property in accordance with Chapter 1. Maintaining and protecting the site's assets is an ongoing process. Keeping complete documentation and continually updating records are essential in having a successful physical inventory.

Inventory will open for data entry the month of January (exact dates provided annually in the inventory notice that is sent out and vary according to the first day back from winter break.)

Each capital item must be inventoried in FOCUS while inventory is open. If you fail complete inventory during the open inventory period your school will be considered out of compliance and reported as such to the Superintendent. A one to one audit will need to be completed by our office in order to reinstate compliance.

3.1 Site Inventory Responsibilities: Each Principal or Site Administrator is responsible for maintaining accurate property records of all tagged property. Questions concerning Federal Grant funded property should be directed to the program.

- Each site must complete an annual physical inventory of all assets (capital and non-capital)
- Each site must reconcile its physical inventory to the district's records. This includes updating and recording missing serial number, manufacturer, model and room information.
- Each **Site Administrator** must submit a signed letter of acceptance for the inventory as well as a list of any property they wish to have removed from their inventory to the Property Control Specialist.

- Every school year, inventory must be completed in FOCUS during the 30 day window it is open in January. The exact dates open depend on the first day back from winter break but will be included in the inventory notification email sent annually.

3.2 Capital Inventory Procedures::

- Identify a staff member and an IT staff member to coordinate completion of the site's annual physical inventory. These staff members will go room to room scanning (or entering) every asset into the FOCUS database.

1. CAPITAL INVENTORY (original value over \$1,000) Method of Inventory – FOCUS Software

- Count and record all capital equipment using inventory program in FOCUS. Capital equipment would include stoves, poster printers, vehicles, heavy equipment, etc. various other items related to affiliated departments assigned to your site/school.

a. **IMPORTANT NOTES BEFORE GETTING STARTED.**

YOU MUST CHANGE THE ROOM NUMBER IN FOCUS EACH TIME YOU CHANGE ROOMS. IF YOU DO NOT YOUR INVENTORY WILL BE MOVED FROM THE ROOM IT IS IN TO THE ROOM NUMBER YOU ARE LOGGED IN UNDER.

THE SCAN BARCODE FIELD AT THE TOP IS NOT A SEARCH FIELD. ANYTHING YOU ENTER WILL BE MOVED INTO THE ROOM YOU ARE LOGGED IN UNDER. If you need to look up an asset go to Fixed Assets, and Manage Assets. Scan or type in the asset number and you can view information on the asset.

LOST – Do not click this box until you have completed inventory and reviewed your un-inventoried report. if you cannot locate the item after you have been through all of your rooms you can mark the item lost. (Further instruction in the procedures below.)

NEEDS BARCODE - If you need a new barcode printed for an asset, click the Needs Barcode box.

DO NOT FINALIZE AN INVENTORY UNTIL YOU ARE COMPLETELY DONE AND READY TO SUBMIT TO PROPERTY CONTROL. It will close your inventory and you will not be able to get back in.

b. INVENTORY INSTRUCTIONS:

- Log in to FOCUS
- Go over to Fixed Assets and scroll down to Take Inventory

- Click View on the right hand side opposite of your center.

FOCUS Take Inventory

Budgeting/General Ledger Purchasing / Accounts Payable Accounts Receivable Fixed Assets Human Resources Payroll Setup

Scheduled Inventory

Exports Filters: OFF

Start Date: 12/12/2017 End Date: 12/13/2017 Facility: 9001 - ADMINISTRATION BUILDING

Category: Department: Manager: View Finalize

- Enter the Building and Room number you want to inventory and click Load Inventory

FOCUS Take Inventory

Budgeting/General Ledger Purchasing / Accounts Payable Accounts Receivable Fixed Assets Human Resources Payroll Setup

Scheduled Inventory View Inventory

Inventory Location

Building: 03 - Building 03 Room: 119 - PURCHASING SUITE Load Inventory

- All capital assets assigned to that room will pull up.

FOCUS Take Inventory

Budgeting/General Ledger Purchasing / Accounts Payable Accounts Receivable Fixed Assets Human Resources Payroll Setup

Scheduled Inventory View Inventory

Inventory Location

Building: 03 - Building 03 Room: 119 - PURCHASING SUITE Load Inventory

Inventory

Scan Barcode: Search

Filters: OFF

Inventory Item	Lost	Needs Barcode	Description	Barcode	Serial Number	Building	Room	Facility	Manufacturer	Model Number	Category	Department	Date Added
LENOVO TS TC H93P 17-4770			92392	H02239P0	03 - Building 03	119 - PURCHASING SUITE	9001 - ADMINISTRATION BUILDING	V0000010723	TS TC H93P	COMPUTERS		04/27/2	
LENOVO TS TC			92393	H02239P1	03 - Building 03	119 - PURCHASING SUITE	9001 - ADMINISTRATION BUILDING	V0000010723	TS TC H93P	COMPUTERS		04/27/2	
LENOVO TS TC H93P 17-4770			92394	H02239P2	03 - Building 03	119 - PURCHASING SUITE	9001 - ADMINISTRATION BUILDING	V0000010723	TS TC H93P	COMPUTERS		04/27/2	
LENOVO COMPUTER			92636	151047000QUSMG0001A1	03 - Building 03	119 - PURCHASING SUITE	9001 - ADMINISTRATION BUILDING	V0000010723	COMPUTERS			01/04/2	
SCANNER - CANNON			92446	GC306703	03 - Building 03	119 - PURCHASING SUITE	9001 - ADMINISTRATION BUILDING	V0000012146	DE-G1100	COMPUTER SCANNER	AD - ADMINISTRATION	06/30/2	
CANON SCANNER			92731	GG309634	03 - Building 03	119 - PURCHASING SUITE	9001 - ADMINISTRATION BUILDING	V0000018807		COMPUTER SCANNER		04/20/2	
Opti-View - Upland			93761		03 - Building 03	119 - PURCHASING SUITE	9001 - ADMINISTRATION BUILDING			SOFTWARE		11/17/2	

Files (Drag files to upload) Select Post

- Scan your first tag / asset number (or enter the number in the scan barcode field at the top, then click search). The red X next to the item will turn to a green check mark and place to the bottom of the page. **NOTE: THE SCAN BARCODE FIELD AT THE TOP IS NOT A SEARCH FIELD. ANYTHING YOU ENTER WILL BE MOVED INTO THE ROOM YOU ARE LOGGED IN UNDER.** If you need to look up an asset go to Fixed Assets, and Manage Assets. Scan or type in the asset number and you can view information on the asset.

FOCUS Take Inventory

Budgeting/General Ledger Purchasing / Accounts Payable Accounts Receivable Fixed Assets Human Resources Payroll Setup

Scheduled Inventory View Inventory

Inventory Location

Building: 03 - Building 03 Room: 119 - PURCHASING SUITE Load Inventory

Inventory

Scan Barcode: Search

Filters: OFF

Inventory Item	Lost	Needs Barcode	Description	Barcode	Serial Number	Building	Room	Facility	Manufacturer	Model Number	Category	Department	Date Added
LENOVO TS TC			92393	H02239P1	03 - Building 03	119 - PURCHASING SUITE	9001 - ADMINISTRATION BUILDING	V0000010723	TS TC H93P	COMPUTERS		04/27/2	
LENOVO TS TC H93P 17-4770			92394	H02239P2	03 - Building 03	119 - PURCHASING SUITE	9001 - ADMINISTRATION BUILDING	V0000010723	TS TC H93P	COMPUTERS		04/27/2	
LENOVO COMPUTER			92636	151047000QUSMG0001A1	03 - Building 03	119 - PURCHASING SUITE	9001 - ADMINISTRATION BUILDING	V0000010723	COMPUTERS			01/04/2	
SCANNER - CANNON			92446	GC306703	03 - Building 03	119 - PURCHASING SUITE	9001 - ADMINISTRATION BUILDING	V0000012146	DE-G1100	COMPUTER SCANNER	AD - ADMINISTRATION	06/30/2	
CANON SCANNER			92731	GG309634	03 - Building 03	119 - PURCHASING SUITE	9001 - ADMINISTRATION BUILDING	V0000018807		COMPUTER SCANNER		04/20/2	
Opti-View - Upland			93761		03 - Building 03	119 - PURCHASING SUITE	9001 - ADMINISTRATION BUILDING			SOFTWARE		11/17/2	
LENOVO TS TC H93P 17-4770			92392	H02239P0	03 - Building 03	119 - PURCHASING SUITE	9001 - ADMINISTRATION BUILDING	V0000010723	TS TC H93P	COMPUTERS		04/27/2	

- Continue for each item in the room.
- ITEMS FOUND IN ROOM BUT NOT SHOWING ON THE INVENTORY. While in that room, if you see an asset number that is not on the list, key it into the scan barcode field at the top and click search. If that asset is in the system (but in a different room) it will move to that room. If it is in the system but not at your center it will move it to your location and room. If it is not in the system (previously removed from inventory) nothing will come up at all.

- Continue the same process for each room MAKING SURE TO CHANGING THE ROOM NUMBER ON THE TOP AS YOU CHANGE ROOMS.

3.3 Review of Un-Inventoried Items - UN-INVENTORIED REPORT (Formerly Exception Report) - Once all rooms have been completed, run an UNIVENTORIED REPORT to determine what items were not inventoried. To do this go to Fixed Assets and down to Inventory Report.

- Enter your facility and click the un-inventoried items box and then click the run report box all the way to the right.

- Use this report to search for items missed during the inventory process. It will give you the last building and room the asset was inventoried under. Go back in to inventory. Enter the room number it is actually located in. Key in that asset number and it will transfer the asset to that room.
- Any items not located must be researched against transfer forms, repair tickets, equipment loan contracts (Renewed annually and includes Band Instrument contracts), property damage reports and any other documentation that may help account for the items.

3.4 Missing Inventory

1. LOST: Once the un-inventoried report has been reviewed and there are assets that remain that cannot be located AND YOU KNOW THEY HAVE NOT BEEN DISPOSED OF these assets should be marked as LOST. (Pull up your inventory by room and click the lost box to the far right for that asset.
2. DISPOSED: Items should not be disposed without going through the steps to remove an asset through the Property Control Department. If an item is disposed during the year and found to be on

inventory, that should be included on the Principal Request for Removal with an explanation as to what happened to the asset (see c below).

3.5 Principal's Letter of Acceptance / Request to Remove Inventory

ACCEPTANCE : At letter accepting the inventory process as it has been entered should be drafted and signed by the custodian of record for that location (principal, department head or site administrator) and emailed to Property Control within 15 days of the close of the inventory period (exact date provided in the inventory letter emailed out annually.)

IF THERE ARE ASSETS THAT ARE NO LONGER ON SITE THAT NEED TO BE REMOVED: Those assets should be listed in the letter requesting that they be removed along with the following information: the asset number, description of property, and reason for removal.

ie:: Asset 12345, Lenovo Computer, Reported Stolen from car, Police Report Included

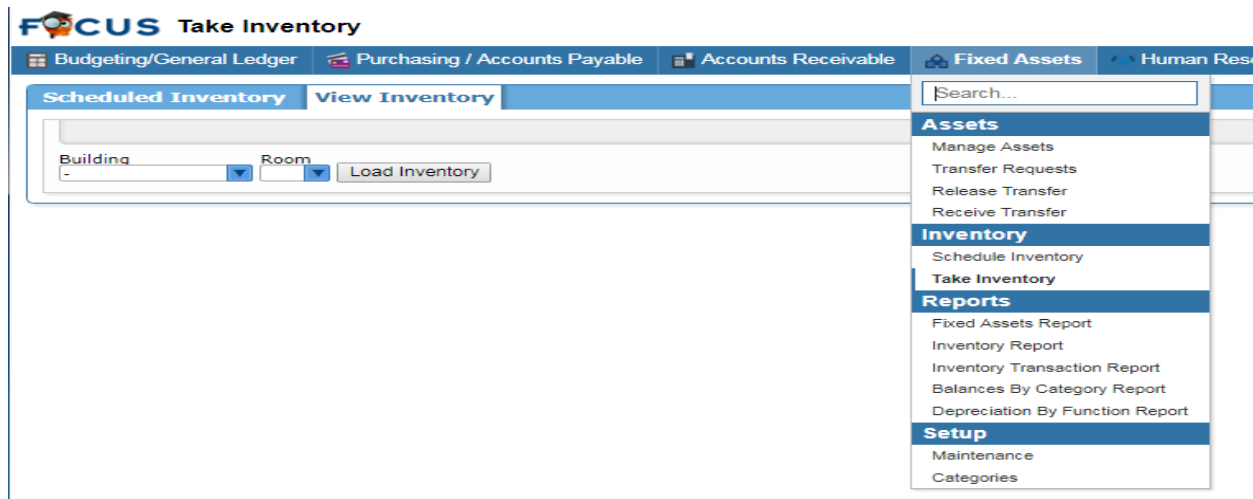
ie: Asset 12346, Storage Cabinet , Discarded – Legs rusted off / safety hazard

Note: Any asset requesting to be removed with existing book value (it is being removed before the life expectancy of the asset and therefore it has not fully depreciated) will require the asset to be turned over (if on property but damaged) or submission of a police report (if unable to find).

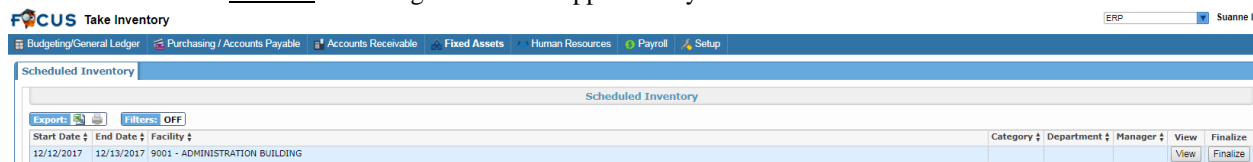
3.6 Finalizing Inventory

Once all of your inventory is complete (inventory, search for un-inventoried items, principal letter complete) then you can finalize your inventory. NOTE: ONCE YOU FINALIZE YOU CANNOT REOPEN YOUR INVENTORY SO BE SURE YOU ARE COMPLETELY DONE.

- Go over to Fixed Assets and scroll down to Take Inventory



- Click Finalize on the right hand side opposite of your center.



3.7 Non-Capital Inventory (original value under \$1,000)

Non-Capital inventory is not entered into FOCUS but it is a very important part of our inventory process. Larger sites may want to print and hand out by room and have completed and returned by each person assigned to that area / departments may have a single person that verified everything. Either way, we recommend keying the information from the forms into the spreadsheet to be retained as a master file and submitted to Property Control. **THIS IS NOT MANDATORY**, however if done once, you will be able to pull up that information annually, print and have your staff confirm and only have to make adjustments.

When you fill out this form you need to do so with the mindset of, “If the building burned to the ground what would I need to put my office/classroom back in place?” An example of a business office sheet would be (4 desks, 4 chairs, 2 printers, 4 calculators, 8 monitors, 4 computers,) or a classroom perspective might look like (24 student desks, 1 teacher desk, 1 chair, projector, laptop). You do not need to include smaller items (staplers, tape dispenser, trash can, etc.) .

Each column on the non-cap inventory form/spreadsheet must be completed (if available) including the condition of the item. Multiple rooms can be listed on a form/spreadsheet

The completed excel spreadsheet, or copies of your inventory sheets, needs to be emailed to Property Control.

3.8 On Site Audit

Each school will be audited annually by the Property Control Division. A schedule is sent out at the beginning of each year indicating what month your site will be inspected. The following is an outline of that process:

- The Property Control Specialist will select a random sample of 5%, or a minimum of 15 items, to sample in an onsite inventory to validate the results of the site’s annual physical inventory.
- Approximately three weeks before the audit, a notice will be sent to the site establishing a date for the audit and providing a list of the selected assets. These assets must be located and notification must be sent back to property control confirming that they have located the items and providing any updates (change in room, etc.)
- The selected items must be available for inspection by property control when they arrive for the audit. Any items that are mobile should be brought in for inspection that day.
- In addition to the selected item, several random assets will be selected during the walk around to be crossed checked in the system for correct location, s/n, etc.
- A preliminary report will be issued to the Site Administrator with the findings of the on-site audit.
- The site will have thirty days to find missing items. After thirty days, a final report will be issued and the site’s inventory will be rated as “Exemplary,” “Satisfactory,” or “Unsatisfactory.” Copies of the Final Report will be submitted to the Site Administrator. (Ratings described below.)
- If the site’s rating is “Unsatisfactory,” the Property Control Specialist will be sent to perform a complete physical inventory of items \$1,000 and higher.

Exemplary rating:

- No missing items/No procedural deficiencies.
- Inventory completed and submitted to the Property control division by the assigned due date.

Satisfactory rating:

- New items are engraved/marked when received.
- District School Board labels are attached to appropriate property.
- Twenty (20%) percent or less of audited inventory missing.
- Fewer than two recurring exceptions.

Unsatisfactory rating:

- 10% or more of new items not engraved/marked.
- Inconsistent procedures in receiving or labeling of items.
- More than twenty (20%) percent of inventory missing.
- Two or more recurring exceptions.
- No inventory, incomplete inventory, or inventory submitted 45 work days, or more, after the due date.

3.9 Change in Site Administrator:

The new Site Administrator must ensure that a new physical inventory is completed and they signed off indicating they accept responsibility of the assets currently located at that site.

Chapter 4

Transferring Property

4.1 Property Transfer: No person should transfer any property without the approval of the Site Administrator. The following procedures establish the documentation and approvals necessary for transferring property. District sites, repair facilities and the Property control division must work together in a concerted effort to account for all transferred property.

- a. Property transfer on site (room to room) – assets can be adjusted on site.
- b. Property transfers to another site- A TRANSFER REQUEST should be done through FOCUS.
- c. The receiving site will need to RECEIVE ASSET in FOCUS.
- d. The movement of property is handled through various methods (courier, Maintenance, IT, etc.). The type of property being moved will determine the method. When moving Federal Grant property, contact the awarding agency prior to movement. Property is subject to disposal procedures for the federal/grant program under which it was posted.
- e. Property that is to be transferred, or removed, should be kept in a secure location and should be not stored outside.
- f. District departments will not move property to another site without prior approval from the Property Control Specialist.

Note: Major renovations and/or remodeling may cause the movement, storage, or relocation to a temporary location. These assets will remain part of the original site's inventory and should not be transferred. A notation should be made in TERMS of the storage location.

Chapter 5

Disposal of Property

MCSB Policy 7310

Subject to State law and regulations of the State Board of Education, the School Board may sell, transfer, or dispose of any school real or tangible property, including instructional materials, which is declared by resolution of the Board to be unnecessary or unsuitable for school purposes because of location, condition, or other cause.

F.S. 112.08, 1001.41, 1001.42, 1001.43, 1006.41, 1006.44, 1013.28

Disposal of Surplus Property

The Site Administrator must ensure the proper disposal of all district property in accordance with District Policies and Procedures. The disposal of all school board property shall be processed through the Property Control Specialist.

When dealing with Federal Grant property, be sure to contact the grant program who purchased it (Head Start, Title I, etc.) so that they can guarantee disposal processes are followed for their program.

When determining the property disposal process please follow the guidelines below:

A. First pull up the item in TERMS and find the original cost as well as the book value.

1. Is the original cost in TERMS under \$5,000 but the item no longer of value to the site OR no longer of value to the District?
 - If it still in good working condition, however you can no longer use it on site, that item should be transferred to the district warehouse. Form [PUR001](#) MUST accompany the item to the warehouse. Upon receipt, the Property Control Specialist will adjust the inventory records in TERMS to 9001-01-100.
 - If it is damaged or beyond economical repair, and retains no value to the district, it can be disposed on site with approval from the Site Administrator. Form [PUR001](#) MUST be sent to the Property Control Specialist. The Property Control Specialist will place property records in TERMS to 9001-01-DEL.
2. Is the original cost in TERMS over \$5,000? If so HOLD. We must get board approval prior to removing the property.
 - If it still in good working condition, however you can no longer use it on site, that item should be transferred to the district warehouse. Form [PUR001](#) MUST accompany the item to the warehouse. Upon receipt, the Property Control Specialist will adjust the inventory records in TERMS to 9001-01-100.
 - If it is damaged or beyond economical repair, and retains no value to the district, it can be disposed on site with approval from the Site Administrator. Form [PUR001](#) MUST be sent to the Property Control Specialist. The Property Control Specialist will place property records in TERMS to 9001-01-DEL.

3. Is there a book value? Be sure to document why the item is being removed from service before its estimated life.
 4. Electronics (tv, computer, radio, AV, projector, etc.)
All electronics can be recycled therefore regardless of condition they should not be discarded. These items should be held by IT at your school/site and reported for removal from inventory by that IT staff member. Once Property Control has taken the items to the board for removal (if applicable) then a recycling pickup will be scheduled by the Property Control Specialist.
- B. Board Approval to Remove
- Property Control will report all property (disposed on site or held due to original purchase amount) to the school board before removal from finance asset records. Once approved, Property Control will determine if the item can be put up for auction or the most efficient and cost-effective means of disposal.
 - The Property Control Specialist will change the “Disposition” (DS) of the removed items to “DE” and add a board removal date in the notes section.
 - The Property Control Specialist will submit a copy of the Board Rationale, spreadsheet of removed items, and supporting documentation to The Finance Department to be removed from the asset records.
- C. Disposal or Sale of Property
- All property with an original cost over \$5,000.00 must be pre-approved by the school board prior to being disposed, unless determined in writing by the site administrator to be in the best interest of the school board to do so otherwise. The school board must be notified in a timely manner of any property with the original purchase cost greater than \$5,000.00 that has been disposed of prior to pre-approval of the board.
 - Any sale of property, the value of which the school district estimates to be \$5,000 or more shall be sold only to the highest responsible bidder, or by public auction, after publication of notice not less than 1 week nor more than 2 weeks prior to sale in a newspaper having a general circulation in the county or district in which is located the official office of the school district. All property valued over \$5,000.00 must be pre-approved by the school board prior to being disposed of by public bid and/or auction.
 - Minimum bid will be established by comparing like items of age, make, model, etc. Bids will be listed for a minimum of one week. If no bids are received a second attempt will be made to sell the item reducing the minimum bid to an amount determined by the Purchasing Supervisor. If no bids are received a second time, the item can be donated to a non-profit or disposed of by the most economic means possible, as determined by the Purchasing Supervisor.

5.1 Disposal of Property:

- a) **Natural Disasters/Pest Infestation:** Throughout the year, fires, storms, lightning, or termites may damage property beyond economical repair. If this occurs, the site administrator has authorization to “dispose on site”, but **MUST** submit form [PUR001](#). The warehouse/Property control division may assist in the final disposal method.
- b) **Vandalism/Theft/Missing:** A Property Damage/Loss Report must be submitted when property is vandalized, stolen, or cannot be located. The report must include a police report if the item(s) is reported as stolen. Attach the Police Report to Form [PUR001](#).

c) **Trade-in:** This can occur when the site exchanges existing property for a new item and receives a monetary allowance for the traded property. The cost of the new property is the allowance plus the cash paid. When a trade-in takes place, the site must:

- In the comment section of the requisition, list the tag number of the item(s) traded in. An explanation of the trade-in is required.
- The amount of the credit must be listed on the requisition.
- The recorded cost of the item will be the amount paid plus the credit received.

Example of how a trade-in it should be listed on the requisition:

Unit price (full price)	\$1,500
Credit	<u>(300)</u>
Net Cost	\$1,200

d) **Obsolescence/Surplus:** When this occurs, a form [PUR001](#) must be completed and submitted. The Administrator of the department that repairs the particular type of equipment will determine if the item can be used elsewhere (Federal Grant property must have approval from the awarding agency prior to declaration), if it is surplus, or if it is to be cannibalized or junked. Public auctions may be held periodically to dispose of obsolete/surplus property.

e) **Cannibalization:** Only district repair facilities can determine if an item is to be cannibalized. A district repair facility may initiate a transfer of property to the surplus warehouse if the item(s) is beyond economical repair. Residual parts must be sent to the surplus warehouse for disposal. All property that has been cannibalized must be taken to the school board to be removed from the asset report.

f) **Conversion of Property:** A site may determine that an asset can be better utilized in a manner other than its intended use. In a computer repair class, an obsolete computer may serve a better purpose as individual parts for display. This conversion of property to an instructional material will require approval from the appropriate district repair facility. If the district repair facility agrees with its new intended use, the Site Administrator must submit form [PUR001](#). The district repair facility will approve the item as obsolete and forward the transfer form to the surplus warehouse for processing and removal from the district's TERMS Asset Management.

5.2) Removal of Sensitive or Confidential Information from Storage Devices:

The site must ensure that surplus or obsolete property (including desks, file cabinets, etc.) does not contain personal, sensitive, or confidential information on students or staff.

- a) Sensitive or confidential information must be removed from all electronic and recording devices, and photographic equipment, such as:
- Computers (hard drives), routers, printers, still cameras, movie cameras, digital cameras, fax machines, video cameras and other imaging devices.
- b) Sensitive or confidential information must be deleted from storage mediums such as film, diskettes, audio and videotapes and CDs.

5.3) Disposal by Donation: NON PROFIT ORGANIZATION//STUDENT

Form [PUR002](#) must be signed by the receiving organization/person with the authorization of the Superintendent/Site Administrator. This property is donated as is, no warranty or maintenance agreements. It is not supported by the Monroe County School District or employees for any maintenance, service or repairs. Proper disposal is the responsibility of the organization/person receiving the donation

Appendix A - Object Codes

Sites must put the correct object code on their requisition when purchasing fixed assets. The objects used to acquire property are in the 6xx grouping.

360 Rentals: Includes fees charged for annual maintenance of software and broadcast rights fees. This includes subscription software.

621 CAPITAL Audiovisual Materials: Use this object code for non-consumable materials such as film, filmstrips, recordings, exhibits, charts, maps and globes and the cost is \$1,000 or more.

622 Audiovisual Materials: Use this object code when the cost of the audiovisual materials is \$999.99 or less.

641 CAPITAL Furniture, Fixtures, and Equipment: Use this object code for the majority of capitalized purchases when the cost is \$1,000 or more. Do not use this object code when purchasing computer hardware, audiovisual materials, software or vehicles.

642 Furniture, Fixtures and Equipment: Use this object code when the cost is \$999.99 or less.

643 CAPITAL Computer Hardware: Use this object code when purchasing computer related items and the cost is \$1,000 or more. Do not use this object code for software.

644 Computer Hardware: Use this object code when purchasing computer related items and the cost is \$999.99 or less. Do not use this object code for software.

645 CAPITAL Furniture, Fixtures and Equipment: Use this object for contractor installed equipment at new or renovated sites that is a Direct Purchase and the cost is \$1,000 or more.

646 Furniture, Fixtures and Equipment: Use this object for contractor installed equipment at new or renovated sites that is a Direct Purchase and the cost is \$999.99 or less.

651 CAPITAL Buses

652 CAPITAL Vehicles: Use this object code when purchasing heavy-duty vehicles.

654 CAPITAL Vehicles: Use this object code when purchasing passenger cars, pickup trucks and vans.

691 CAPITAL Software: Use this object code when the cost is \$1,000 or more. (See object 360 when purchasing subscription software).

692 Software: Use this object code when the cost is \$999.99 or less. (See object 360 when purchasing subscription software).

Note: Object codes are obtained from the state manual entitled: *Financial and Program Cost Accounting and Reporting for Florida Schools ("The Red Book")*.

Appendix B - References

I. Florida Statutes

Florida Statutes Title XVIII, Chapter 274

This chapter addresses tangible personal property owned by local governments.

Chapter 274.01 Definitions

This chapter defines “Governmental unit,” “Custodian” and “Property.” The governmental unit is the governing board, the custodian is the superintendent and property means all tangible personal property, owned by a governmental unit, of a non-consumable nature.

Chapter 274.02 Record and Inventory of Certain Property

This chapter addresses inventory records and the requirements that the Chief Financial Officer shall establish by rule the requirements for the recording of property.

Chapter 274.03 Property Supervision and Control

This chapter addresses the governmental unit’s responsibility for the supervision and control of district assets. The school board has delegated this responsibility to the superintendent.

Chapter 274.04 Property Acquisition

This chapter addresses the acquisition and exchange (trade-in) of property.

Chapter 274.05 Surplus Property

This chapter addresses the sale and disposal of surplus / obsolete property.

Chapter 274.06 Alternative Procedure

This chapter offers additional options to Chapter 274.05.

Chapter 274.07 Authorizing and Recording the Disposal of Property

This chapter states that the authority for the disposal of property shall be recorded in the minutes of the governmental unit.

EDGAR 80.32 Education Department General Administrative Regulations

II. GAAP - Generally Accepted Accounting Principles

Financial Accounting Statement 13 – Accounting for Leases

This Statement establishes standards of financial accounting and reporting for leases by the lessee and the lessor. For the lessee, a lease is a financing transaction called a capital lease, if it meets any one of four specified criteria; if not, it is an operating lease. The lessee treats capital leases as the acquisition of assets.

III. Rules of the Auditor General

Chapter 10.400 of the Rules of the Auditor General stipulates the procedures for property records. The purpose of these rules is to implement Chapter 274, Florida Statutes. This chapter has been removed and authority assigned to the Chief Financial Officer under the Florida Department of Financial Services.

IV. Department of Education (DOE) “The Red Book”

The District utilizes the DOE (“The Red Book”) in assigning object codes.

V. The School District of Monroe County Policies

The School Board Policies are available on the district’s web page. The District follows state statutes, Rules of the Auditor General, Florida Department of Education (DOE) guidelines and applicable federal rules and regulations in establishing district policies.

Appendix C – Definitions

This appendix contains definitions of terms used in this manual and such additional terms that seem necessary to achieve a common understanding of tangible and intangible personal property.

Acquisition Date – The date the item(s) is received by the school district, or the date the Site Administrator accepts a donation.

Attest Letter – A memo by the Site Administrator and approved by the Area Director (or Department Head) that is submitted to the Property control division to explain the loss, removal, or destruction of an asset. The attest letter is used when the exact circumstances of the removal of the asset is known, but transaction paperwork cannot be located. As an example, an attest letter may be used when an asset was removed or destroyed without paperwork due to an emergency, or represents a safety / health issue.

Beyond Economical Repair – This occurs when the cost of repairing an asset surpasses the value of the item.

Cannibalized – The process where parts are removed from one item in order to maintain, repair, or possibly improve a different item.

Cost – The acquisition or procurement cost: e.g., invoice price plus freight and installation charges less discounts.

Depreciation – An accounting term used to reduce value of a fixed asset over time.

Equipment – A material item of non-expendable nature, unit of furniture or furnishings, an instrument or apparatus, a machine (including attachments), instructional skill-training device, or a set of small articles whose parts are replaceable or repairable, the whole retaining its identity and utility over a period of time characteristic of items of its class. A material unit that meets all of the following conditions:

- It retains its original shape and appearance with use.
- It is non-expendable; i.e., it is usually more economically feasible to repair than to replace.
- It represents an investment of money, which makes it feasible and advisable to capitalize the item.
- It does not lose its identity through incorporation into a different or more complex unit or substance.

NOTE: *Equipment built-in or fixed to the building or grounds is considered part of the building or land improvement, and is to be charged to those respective accounts.*

Equipment Loan Contracts -. This includes equipment on loan to staff, as well as band instruments loaned to students or other schools.

Exceptions – Actions the auditor believes are needed to correct problem areas and to improve operations.

Fixed Assets – Machinery, furniture, and other equipment that has a useful life in excess of one year. “Fixed” does not indicate immobility of an asset.

Generally Accepted Accounting Principles (GAAP) – Are rules and procedures established by authoritative bodies or conventions that have evolved through custom and common usage.

- The Governmental Accounting Standards Board (GASB) establishes accounting principles and financial reporting standards for state and local governmental entities.

- The Financial Accounting Standards Board (FASB) establishes accounting principles for non-governmental entities.
- The General Accounting Office (GAO) establishes accounting principles and financial reporting standards for the federal government.
- Some state and local governments and regulatory bodies also have established specific accounting principles.

Intangible Personal Property – A fixed asset having no physical existence. Software is an intangible asset.

Property Damage/Loss Report – This is the email form that is used to report damage, loss, theft, vandalism, fire, etc. of a building or asset. All reports of stolen assets must have a police report number. All PDR-100s that report loss or stolen equipment are submitted to the Board on a regular basis.

Purchase Order– A document issued to a vendor authorizing the delivery of goods or services, which implies the obligation of funds.

Serial Number – Most items (computers, printers, vehicles, etc.) are given a unique identification number by the manufacturer. This number is essential in tracing missing or stolen property. The site is responsible for recording the serial number when the item is received.

Supply – An item of expendable nature that is consumed and quickly worn out with use or is too little of value to classify as an inventory asset. It may also lose its identity through fabrication or incorporation into a different or more complex unit or substance.

Surplus Property – The District shall have the discretion to classify as surplus any of its property, that is obsolete or the continued use of which is uneconomical or inefficient, or which serves no useful function. With School Board approval, surplus property may be sold to the highest bidder at public auction. Surplus property without commercial value may be donated or destroyed. (F.S.274.06)

Tag Number - The unique asset number assigned and affixed to each item of property to identify it as property of the School District of Monroe County and used to differentiate one item of property from another. The asset number is sometimes referred to as the “DSB” (District School Board) number.

Tangible Personal Property – Equipment and other tangible property of a non-consumable nature owned by the District.

Value – The worth or marketable delivered price (fair market) at the date of acquisition or any subsequent evaluation or appraisal date.