

James Rumsey Technical Institute Instructional Equipment Inventory System

James Rumsey Technical Institute, a West Virginia state institution, is bound by the West Virginia Department of Education, Office Title I, Procedures for Maintaining an Inventory of Equipment.

The policy for the maintaining an inventory of equipment, as mandated by the West Virginia Department of Education, is described beginning with Page 3:

<http://wvde.state.wv.us/search.html?q=equipment+inventory&x=0&y=0>

James Rumsey Technical Institute Equipment Inventory Form

Name/Description	Quantity	Serial #	Model #	Funding Source Indicate FY % from this source	Acquisition Date	Acquisition Cost	Location and Condition	Disposition Data date of disposal/transfer and sale price if applicable

**Procedures for Maintaining an Inventory of Equipment
Effective Date July 1, 2011**

Legal Requirements

OMB CIRCULAR A-110, Section 34 (REVISED 11/19/93, as further amended 9/30/99) sets forth standards for obtaining consistency and uniformity among federal agencies in the administration of grants to and agreements with institutions of higher education, hospitals, and other non-profit organizations. Circular A-110 is issued under the authority of 31 U.S.C. 503 (the Chief Financial Officers Act), 31 U.S.C. 1111, 41 U.S.C. 405 (the Office of Federal Procurement Policy Act), Reorganization Plan No. 2 of 1970, and E.O. 11541 ("Prescribing the Duties of the Office of Management and Budget and the Domestic Policy Council in the Executive Office of the President").

OMB CIRCULAR A-122 establishes principles for determining costs of grants, contracts and other agreements with non-profit organizations. It does not apply to colleges, universities, which are covered by the Office of Management and Budget (OMB) CIRCULAR A-21, "Cost Principles for Educational Institutions"; State, local and federally recognized Indian tribal governments which are covered by OMB CIRCULAR A-87, "Cost Principles for State, local and Indian Tribe Governments"; or hospitals. CIRCULAR A-122 is issued under the authority of 31 U.S.C. 503;31 U.S.C. 405; Reorganization Plan No. 2 of 1970; E.O. 11541, 35 FR 10737, 3 CFR, 1966-1970, p. 939.

EDGAR states that all Title I Programs must adhere to the guidelines provided in EDGAR 80.32 regarding the use and disposition of equipment.

Applicability

Except as provided herein, the standards set forth in this Circular are applicable to all Federal agencies. If any statute specifically prescribes policies or specific requirements that differ from the standards provided herein, the provisions of the statute shall govern.

The provisions of the sections of this Circular shall be applied by Federal agencies to recipients. Recipients shall apply the provisions of Circular A-110 to sub recipients performing substantive work under grants and agreements that are passed through or awarded by the primary recipient, if such sub recipients are organizations described as in paragraph 1.

Definition of Equipment

According to OMB Circular A-122, equipment is defined as *an article of nonexpendable, tangible personal property having a useful life of more than one year and an acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-profit organization for financial statement purposes.*

Regardless of the control levels selected, county Title I directors must develop and maintain controls to ensure that all Title I property is purchased in accordance with the LEA's procurement procedures and that adequate controls are maintained to safeguard all equipment purchased with Title I funds. **Therefore an inventory shall be maintained for all tangible property with a useful life of one year, regardless of the acquisition cost. The SEA and LEAs are not required to track consumable items, but are required to maintain an inventory of items such as computers, PDAs, cell phones, etc.**

Private Schools

Title I funds may only be used to purchase materials and equipment to meet the needs of "participating" (students eligible to receive services) private school students. Non Title I private school students may not use materials and equipment purchased with Title I funds.

The WVDE shall require all LEAs serving private school children to implement adequate procedures and internal controls to account for the location, custody, and security of materials, equipment, and property purchased with Title I funds for private schools. These procedures must include the proper labeling of materials and equipment purchased with Title I funds, policies and procedures to ensure that private school officials do not use these materials and equipment with ineligible children, and disposal procedures. **Each LEA shall maintain an inventory of all materials, equipment, and property purchased with Title I funds for private schools.** The inventory form shall contain the following information:

name/description, quantity; serial number; model number; funding source (including the percentage of funds from the funding source(s) and indicate FY; Acquisition Date; Acquisition Cost; Location and Condition; and Deposition Data (date of disposal/transfer and sale price if applicable). The required inventory form and off site equipment record are located on the WVDE Title I website at http://wvde.state.wv.us/titlei/fi_inventory.html .

Purchase of Equipment and Contracts for Services Acquired with Title I Funds

The LEA shall implement the procedures in State Board of Education Policy 8200 as specified in the WVDE *Purchasing Policies and Procedures Manual for Local Educational Agencies* and all local purchasing procedures for the purchase of Title I equipment and contracts for services. Purchasing policies and procedures for Title I must require the use of purchase orders and the appropriate justification for each purchase. An exception to the requirement for the issuance of purchase orders may be permitted for commodities and services made through the use of the State's purchase card system or other purchase card system which provides the same level of internal accounting controls as the State's system. However, if used, credit card purchases require the written preauthorization of the Title I director. Sufficient descriptions of goods and services on all vendor invoices shall be provided. At a minimum, the vendor invoice for professional services must include a detailed description of the services performed, dates, and location of the services, and if applicable, the number of students served. Information provided on the invoices must be consistent with the descriptions of deliverables specific in the contracts and purchase orders. The LEA shall inform administrators and Title I teachers of such procedures and ensure that the procedures are consistently applied. Requisition and purchase orders shall be retained for files and inspection during Title I on site monitoring.

Utilization of Equipment Acquired with Federal Funds

OMB CIRCULAR A-110 Section .34 Equipment

Equipment acquired by a recipient with federal funds shall abide by the following conditions of this section:

- The recipient shall not use equipment acquired with federal funds to provide services to non-federal outside organizations for a fee that is less than private companies charge for equivalent services, unless specifically authorized by Federal statute, for as long as the Federal Government retains an interest in the equipment.

- The recipient shall use the equipment in the project or program for which it was acquired as long as needed, whether or not the project or program continues to be supported by federal funds and shall not encumber the property without approval of the federal awarding agency.
- When no longer needed for the original project or program, the recipient shall use the equipment in connection with its other federally-sponsored activities, in the following order of priority:
 - Activities sponsored by the Federal awarding agency which funded the original project
 - Activities sponsored by other Federal awarding agencies.
- During the time that equipment is used on the project or program for which it was acquired, the recipient shall make it available for use on other projects or programs if such other use will not interfere with the work on the project or program for which the equipment was originally acquired. First preference for such other use shall be given to other projects or programs sponsored by the Federal awarding agency that financed the equipment; second preference shall be given to projects or programs sponsored by other federal awarding agencies. If the Federal Government owns the equipment, use on other activities not sponsored by the Federal Government shall be permissible if authorized by the Federal awarding agency. User charges shall be treated as program income.
- When acquiring replacement equipment, the recipient may use the equipment to be replaced as trade-in or sell the equipment and use the proceeds to offset the costs of the replacement equipment subject to the approval of the Federal awarding agency.

NOTE: Non Title I private school students may not use the materials and equipment purchased with Title I funds.

Utilization of Equipment Used Off Site

The LEA shall develop written procedures for ensuring an effective tracking system for all equipment used off site. These procedures must include the procedures for requesting the use of and signing out Title I equipment utilized off site.

Procedures for Maintaining an Inventory of Equipment

The LEA shall develop and annually update an inventory of all equipment purchased with Title I funds.

The recipient's equipment records shall be maintained accurately and shall include the following information:

- A description of the equipment/property;
- Manufacturer's serial number;
- Model or other identification number;
- Funding source of the equipment, including the grant award year and the percentage of federal participation in the cost of the property
Equipment owned by the Federal Government shall be identified to indicate Federal ownership. (Mark all equipment with Title I and grant award year.);
- Acquisition date;
- Unit acquisition cost;
- Location of the equipment;
- Condition of the equipment;
- Disposition data including the date of disposal and sale price of the property; and
- Date the information was reported (indicate dates of physical inventories and the date of the inventory revision within the footnote section)

A **physical inventory of Title I equipment** shall be taken and the results reconciled with the equipment records **at least once every two years** in accordance with *EDGAR 80.32(d)(1-2)*. Any differences between quantities determined by the physical inspection and those shown in the accounting records shall be investigated to determine the causes of the difference. The recipient shall, in connection with the inventory, verify the existence, current utilization, and continued need for the equipment. Documentation shall be maintained of the date and the person conducting the physical inventory.

Adequate maintenance procedures shall be implemented to keep the equipment in good condition.

Loss, Damage, or Theft of Equipment

A control system shall be in effect to insure adequate safeguards to prevent loss, damage, or theft of the equipment. Any loss, damage, or theft of equipment shall be investigated and fully documented. The sub grant recipient shall promptly notify the State Educational Agency of any damage, loss, or theft of equipment purchased with Title I funding. The form on page 37 of the *WVDE Procedures Manual Capital Asset Management System* shall be utilized for this reporting purpose.

Deposition of Equipment

Each sub grant recipient shall implement procedures for the deposition of equipment in accordance with guidelines found in the *WVDE Procedures Manual Capital Asset Management System*.

Where the recipient is authorized or required to sell the equipment, proper sales procedures shall be established which provide for competition to the extent practicable and result in the highest possible return.

Documentation must be maintained for the following deposition data:

- Date of disposal;
- Sales price; and
- Method used to determine current fair market value where a recipient compensates the Federal awarding agency for its share.

Procedures for Deposition of Equipment

When the recipient no longer needs the equipment, the equipment may be used for other activities in accordance with the following standards:

- For equipment with a current per unit fair market value of \$5000 or more, the recipient may retain the equipment for other uses provided that compensation is made to the original Federal awarding agency or its successor. The amount of compensation shall be computed by applying the percentage of federal participation in the cost of the original project or program to the current fair market value of the equipment.
- If the recipient has no need for the equipment, the recipient shall request disposition instructions from the Federal awarding agency. The Federal awarding agency shall determine whether the equipment can be used to meet the agency's requirements. If no requirement exists within that agency, the availability of the equipment shall be reported to the General Services Administration by the Federal awarding agency to determine whether a requirement for the equipment exists in other Federal agencies. The Federal awarding agency shall issue

instructions to the recipient no later than 120 calendar days after the recipient's request and the following procedures shall govern.

- If so instructed or if disposition instructions are not issued within 120 calendar days after the recipient's request, the recipient shall sell the equipment and reimburse the Federal awarding agency an amount computed by applying to the sales proceeds the percentage of federal participation in the cost of the original project or program. However, the recipient shall be permitted to deduct and retain from the federal share \$500 or ten percent of the proceeds, whichever is less, for the recipient's selling and handling expenses.
- If the recipient is instructed to ship the equipment elsewhere, the recipient shall be reimbursed by the Federal Government by an amount which is computed by applying the percentage of the recipient's participation in the cost of the original project or program to the current fair market value of the equipment, plus any reasonable shipping or interim storage costs incurred.
- If the recipient is instructed to otherwise dispose of the equipment, the recipient shall be reimbursed by the Federal awarding agency for such costs incurred in its disposition.
- The Federal awarding agency may reserve the right to transfer the title to the Federal Government or to a third party named by the Federal Government when such third party is otherwise eligible under existing statutes. Such transfer shall be subject to the following standards:
 - The equipment shall be appropriately identified in the award or otherwise made known to the recipient in writing.
 - The Federal awarding agency shall issue disposition instructions within 120 calendar days after receipt of a final inventory. The final inventory shall list all equipment acquired with grant funds and federally owned equipment. If the Federal awarding agency fails to issue disposition instructions within the 120 calendar day period, the recipient shall apply the standards of this section, as appropriate.
 - When the Federal awarding agency exercises its right to take title, the equipment shall be subject to the provisions for federally owned equipment.

Compliance with these required procedures will be monitored for the Title I program during the on site visits conducted as part of the consolidated monitoring of federal programs. Refer to Section VII items 7.1, 7.4, 7.5, 7.6, and 7.7 of the consolidated monitoring document.

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Name/Description	Quantity	Serial #	Model #	Funding Source Indicate FY % from this source	Acquisition Date	Acquisition Cost	Location and Condition	Deposition Data date of disposal/transfer and sale price if applicable

Indicate the dates of the inventory revisions
Indicate dates of physical inventories