

# Policy

BOARD OF EDUCATION  
HORTONVILLE AREA SCHOOL DISTRICT

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## PROPERTY INVENTORY

As steward of this District's property, the Board of Education recognizes that efficient management and full replacement upon loss requires accurate inventory and properly maintained property records.

The Board shall annually maintain a complete inventory of all District-owned equipment and computing devices.

For purposes of this policy, "equipment" means tangible personal property (including information technology systems) having a useful life of more than one (1) year and a per-unit acquisition cost which equals or exceeds \$5,000.

Capital assets include equipment as well as the following:

- A. Land, buildings (facilities), and intellectual property (including software) whether acquired by purchase, construction, manufacture, lease-purchase, exchange, or through capital leases
- B. Additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations or alterations to capital assets that materially increase their value or useful life (not ordinary repairs and maintenance)

Capital expenditures, which are expenditures for capital assets, require prior written approval in order to be allowable in certain situations. General purpose equipment, buildings, and land, as well as improvements to land, buildings, or equipment which materially increase their value or useful life, are unallowable as direct charges unless the Federal awarding agency or pass-through entity provides prior written approval. Whereas capital expenditures for special purpose equipment are allowable as direct costs, provided that items with a unit cost of \$5,000 or more have the prior written approval of the Federal awarding agency or pass-through entity.

When defining supplies for inventory purposes, not items will be counted whose total acquisition cost is less than \$250.

"Computing devices" are machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories for printing, transmitting, and receiving, or storing electronic information. Examples of computing devices include laptops, smartphones, tablets, etc. Computing devices are classified as equipment if their acquisition cost meets the above-mentioned equipment threshold. Computing devices that do not meet the acquisition cost threshold are considered supplies. Regardless of whether a computing device is classified as an equipment or supply, it must be counted during the inventory.

It shall be the duty of the Business Manager and assigned Grant Coordinator to ensure that inventories are recorded systematically and accurately and property records of equipment are updated and adjusted annually by reference to purchase orders and withdrawal reports.

Board Approved 10/24/16  
Adoption Resolution 10/13/14

# Policy

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Major items of equipment shall be subject to annual spot check inventory to determine loss, miss location, or depreciation; any major loss shall be reported to the Board.

Equipment and computing devices acquired under a Federal award will vest upon acquisition to the District, subject to the following conditions:

- A. The property shall be used in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the Federal award.
  1. When no longer needed for the original program or project, the property may be used in other activities in the following order of priority: (1) activities under a Federal award from the Federal awarding agency which funded the original program or project; the (2) activities under Federal awards from other Federal awarding agencies.
  2. During the time that property is used on the project or program for which it was acquired, the District must also make the property available for use on other projects or programs currently or previously supported by the Federal program, provided that the use will not interfere with the work on the original project or program.
- B. The property may only be used and disposed of in accordance with the provisions of the Federal awarding agency or the pass-through entity and Policy #7300 – Disposition of Real Property and Policy #7310 – Disposition of Surplus Property.
- C. Property records shall be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the FAIN), title entity, acquisition date, cost of the property, percentage of Federal participation in the project costs for the award under which the property was acquired, the location, use, and condition of the property, and ultimate disposition data, including date of disposal and sale price of the property, in accordance with this policy.
- D. The Project Coordinator with the teaching staff shall maintain a control system to provide adequate safeguards to prevent loss, damage, or theft of the property. Any such loss, damage, or theft shall be reported and investigated.

2 C.F.R. 200.313

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