
FEDERAL PROGRAMS INVENTORY PROCEDURES

The Elementary and Secondary Education Assistance Act of 1965 (ESEA) reauthorized by the Every Student Succeeds Act of 2015 (ESSA) requires, among other things, that Local Educational Agencies (LEAs) implement and maintain financial management systems that substantially comply with federal systems management requirements. These requirements, detailed in 2 C.F.R., Part 200.62 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 C.F.R., Part 200) states that LEAs shall provide "effective control over and accountability for all funds, property, and other assets. Recipients shall adequately safeguard all assets and assure they are used solely for authorized purposes." The requisition for the purchase of equipment should follow the LEA's internal control procedures. Procedures should be in place to ensure prior approval of all purchases and provide specifications for receiving the equipment and issuing the equipment to the proper locations.

Procedures for the Requisition of Items with Federal Funds

1. Local schools must submit an Oxford City Schools Requisition Form along with justification for the purchase to the Federal Programs Liaison.
2. Federal Programs personnel will verify alignment with the schoolwide plan and availability of funds in correct General Ledger Codes.
3. Once the requisition is approved, it is converted to a purchase order by the Accounts Payable Department.
4. The school places the order using the purchase order number generated.
5. Once the item(s) is(are) received and verified, invoices are submitted to Federal Programs Liaison.
6. Federal Programs submits the invoice for payment to the Accounts Payable Department.
7. If an approved invoice qualifies for Title I Inventory:
 - a. An inventory card is completed, using the serial number, model number, location, room number, vendor, GL number, cost of item, date acquired, and purchase order number, by Finance Personnel.
 - b. An inventory label is assigned by Finance Personnel and sent to the appropriate location for placement on the item.
 - c. The item is added to the location's inventory by the Administrative Assistant to the Director of Operations.

Procedures for Disposition of Inventory

1. When an item is broken beyond repair or repair cost would be greater than replacement, a school will request the removal of an item from inventory by completing the Inventory Deletion Form.

2. Once the completed form is received and reviewed by the Federal Programs Liaison, the item is removed from inventory.
3. When necessary, the correct department is notified, and removal is scheduled with the school.

**Equipment items with an acquisition cost/current per unit fair market value of less than \$5,000 and are more than three years old may be retained, sold, or disposed of, with no further obligation to ALSDE. The disposition of such items should be so noted on the equipment inventory maintained by the LEA.

Loss, Damage, or Theft of Inventory item

1. Schools will notify the Federal Programs Liaison should an item be lost, damaged, or stolen.
2. Schools will maintain documentation of notification of loss, damage, or theft of equipment, and if appropriate, any police reports.
3. Item will be removed from inventory if not recovered.

Private School Inventoried Items

Funds from several federal programs may be used to purchase materials and equipment to meet the needs of participating (students eligible to receive services) private school students. It is important to remember that although the equipment may be used by the private school, the LEA purchasing the equipment retains title and must continue to account for the equipment in its inventory management system. The ALSDE 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 federal funds for private school use.

Procedures for Inventory of Items to be used at Private Schools:

1. To ensure all activities including the purchase of equipment paid for with federal funds, are necessary, reasonable, allocable, and allowable, participating private schools must submit requests to the Federal Programs Liaison.
2. The requests are reviewed by the Federal Programs Liaison to verify alignment with the implementation plan and availability of funds in correct GL Codes.
3. Once the request is approved, it is converted to a purchase order by the Accounts Payable Department.
4. The Federal Programs Liaison places the order using the purchase order number generated.
5. Once the item(s) is(are) received and verified, invoices are submitted to the Federal Programs Liaison, who arranges for delivery to the private school.
6. The Federal Programs Liaison submits the invoice for payment to the

Accounts Payable Department.

7. If an approved invoice qualifies for Title 1 Inventory, the procedures outlined above will be followed with one exception: the Federal Programs Liaison will ensure the inventory label(s) is(are) attached to the item(s).

**The LEA will follow the same disposition plan for the item purchased for participating private school students as with any equipment purchased with federal funds in the public school.

Consumable Items

Consumable items are not included in the Title 1 Inventory, however, the procedures for requisitions, purchasing and verification of consumable items is the same as Title I Inventory. Local schools set procedures for maintaining the documentation for consumable items.

**Each school should label materials "Property of Title I" with black Sharpie/permanent marker to items that are not consumable but do not qualify as an inventory item.

**Inventoried items are any single items with a purchase price of \$500 or greater, warranted item, or an item that would be serviced rather than replaced.

Inventory will be monitored annually according to Oxford City Schools procedures. Each school's administration must report any discrepancies or changes regarding items purchased with Title I funds to the Federal Programs Liaison in writing within one (1) week of the completion of the inventory process.

SOURCE: Oxford City Board of Education, Oxford, AL
ADOPTED:
LEGAL REF.: