

INVENTORY CONTROL

Purpose: As per the General Administrative regulations of the Department of Education Sub Title §74.34, Equipment, a physical inventory of all controlled equipment must be taken and the results reconciled with the property records at least once every two years.

Authority: The Title III office has sole authority to verify the existence, current utilization, and continued need for the inventory items that were purchased with Title III funds. Any difference between quantities determined by the physical inspection and those in the accounting records shall be investigated to determine the cause (s) of the difference. A physical inventory of equipment must be taken and the results reconciled with the equipment records at least once every year. The recipient shall, in connection with the inventory, verify the existence, current utilization, and continued need for the equipment.

Requirements: Inventory control must be maintained on all items with a life expectancy of one (1) year or more, not classified as “supplies”. It includes such items as chairs, desks, stools, and file cabinets. Control procedures do not apply to items with a life expectancy of less than one (1) year, and other items such as: library books, maps, films, and leased or rental equipment. Each controlled item is tagged with a bar coded identification tag with a permanent serial number.

The requirement for accurate maintenance of records for each item is to include:

1. A description of the item, including manufacturer’s model number.
2. Manufacturer’s serial number.
3. The activity under which the item was acquired.
4. Percent of Federal funds used to acquire the items.
5. Date of Acquisition.
6. Unit cost.
7. The physical location (with building and room number).
8. The condition of the item when acquired.

Adequate maintenance procedures shall be implemented to keep the controlled item in good condition. A control system shall be in effect to ensure adequate safeguards to prevent loss, damage, or theft of any controlled items, this system require loss, damage, or theft to be investigated fully and documented.

Copies of the Property Inventory Form should be submitted to the Title III Coordinator's Office, listing each piece of each controlled item purchased with Title III funds. If the inventory is not available, a copy of the investigation document is to submitted to the Title III office.

Comments: The recipient shall use the equipment in the project or program for which it was acquired and as long as needed, whether or not the project or program continues to be supported by federal funds and may not encumber the property without approval of the Secretary of Education (§74.34 (c)).

The recipient shall have all equipment purchased under Title III available for use on other projects or programs if other use will not interface with the work on the project or program for which the equipment was originally acquired (§74.34 (d)).

Disposal of Controlled Items: Disposal of controlled items are divided into five (5) categories. They are:

1. Obsolete.
2. Excess needs of the University.
3. Unsafe for further use.
4. Not serviceable for further use.
5. Not usable in present condition.

The Title III office must be consulted before any controlled item is disposed.