



<b>TITLE:</b>	Control of Site Equipment	<b>ROUTING</b>
<b>NUMBER:</b>	<b>BUL-953</b>	<b>Local District Superintendents</b>
<b>ISSUER:</b>	Richard Knott, Controller Accounting and Disbursements Division	<b>Local District Support Directors</b>
<b>DATE:</b>	May 10, 2004	<b>Local District Business Manager</b>
		<b>Secretaries</b>
		<b>Principals</b>
		<b>Administrators</b>

**POLICY:** The primary purpose for performing annual inventories and maintaining permanent inventory records is to maintain accountability for, and to account for changes in quantities of site equipment from year to year. Each school or office administrator must assign a staff member the responsibility for site equipment control, especially for highly desirable and portable equipment. Records must be maintained for all items of equipment at a site. The records must reflect when equipment is received, disposed of, stolen, loaned, transferred, sent in for repair or sent to salvage. In addition, the records should reflect the room or office at the site where the equipment is located. Equipment inventory records are subject to audit at any time, therefore, it is important to keep these records up-to-date.

Newly assigned site administrators should determine that equipment records are maintained and that a staff member is assigned the responsibility for equipment control.

Schools and offices that have purchased equipment with categorical funds (e.g. Title I, State Compensatory Education, etc.) should refer to Reference Guide No. REF-823, "Inventory of Equipment Purchased through Categorical Programs" dated March 20, 2004, issued by the Division of Specially Funded and Parent/Community Programs, for additional inventory requirements.

**MAJOR CHANGES:** This revision replaces Bulletin No. BUL-273 of the same title issued on July 8, 2003, from the Accounting and Disbursements Division. The content has been updated to reflect current District policy and restructuring, and the current language contained in Education Code 35168, Board Rule No. 1703, and Board Rule No. 1704.



**GUIDELINES:** The following guidelines present the minimum requirements of an equipment inventory control system:

- A. Schools and offices should complete an annual equipment inventory to verify that inventory records are complete and up-to-date. Equipment items should have an original unit price of \$500 or more. Equipment is defined as "...moveable personal property of a relative permanent nature and/or significant value". It does not involve supplies, building fixtures or personal property. See Office of the Chief Financial Officer, Bulletin No. DB-18 (Rev.) "Accounting for Supplies and Equipment Purchases" dated June 12, 2002.

Changes in quantities on hand (based on the physical counts) from the previous annual inventory to the current inventory must be explained by completing the "Comments" column on the Room Equipment Inventory Sheets (e.g., received, disposed of, stolen, loaned, transferred, sent in for repair or sent to salvage).

Show all equipment on the inventory regardless of source of funding, i.e., Title I, Gifted, etc. (excluding Cafeteria and Student Body-owned equipment). Cafeteria equipment inventories are maintained separately by the Food Services Branch and are not included. Student Body inventories are maintained by the Financial Manager at secondary schools and the School Administrative Assistant at elementary schools - these are also not to be included.

- B. When equipment is received during the year, the staff member assigned the responsibility for equipment inventory control should make sure that room and central office equipment records are updated to reflect the new additions. Changes in the inventory must be recorded on the Room Equipment Inventory Sheet as they occur during the year.
- C. Pre-numbered identification labels should be placed on all equipment. The labels are available in the District Store's Warehouse and may be ordered as Stock No. 966-70-15571, 250 to a package, for \$9.00.
- D. A Room Equipment Inventory Sheet (Attachment C) must be used to list equipment located in each room. This sheet may be accessed in the District Communication System (LAUSD NET – Inside LAUSD). A copy is also attached to this Bulletin No. BUL-953, dated May 10, 2004 and can be reproduced as needed.



Copies of the Room Equipment Inventory Sheet should be retained in a central location at each site, to facilitate inspection and audit by auditors.

As stated in Reference Guide No. REF-823, "Inventory of Equipment Purchased through Categorical Programs" issued by the Specially Funded and Parent/Community Programs Division; a copy of the Room Equipment Inventory Sheet (Attachment C) must be sent to the local district office by June 30, 2004. The local district office must then forward a copy of the Room Equipment Inventory Sheet to the Specially Funded Programs Branch by August 1, 2004.

DO NOT SEND ORIGINAL AND/OR COPY OF THE ROOM EQUIPMENT INVENTORY SHEET TO THE OFFICE OF THE CONTROLLER

- E. An annual physical inventory must be conducted at the end of the school year, and reconciled to the quantity shown on the Room Equipment Inventory Sheet. Room Equipment Inventory Sheets prepared by the staff should be submitted to the administrator in charge and included as a routine check-out requirement along with roll books, keys, collections of money and other school records.

It is recommended that software or an automated system be used if the site has access to a personal computer. The system must contain, as a minimum, the data elements prescribed for the manual system.

- F. During the annual physical equipment inventory, note the following conditions on your room inventory sheets. Unless noted otherwise, equipment will be deemed to be serviceable and in good working condition.
1. Equipment that needs to be repaired. Refer to Office of the Chief Information Officer, Bulletin No. K-22 "Closure of Office Machine Repair" dated August 20, 2001 for list of recommended repair vendors.
  2. Obsolete equipment not being used. Refer to Chief Administrative Officer, Business and Finance, Bulletin No. DB-16 "Transportation Order for Equipment to be Transferred to Salvage Warehouse or Another District Location" dated August 2, 1999.



- G. Equipment may not be loaned to any District employee, group or other persons for personal use. Equipment which is temporarily taken away from the site to perform District functions must be strictly controlled and accounted for. Refer to Office of the Chief Financial Officer, Bulletin No. DB-15 "Written Authorization for Possession of District Equipment Offsite" dated July 25, 2001. The time period that equipment is temporarily away from the site should be kept at a minimum and should not exceed six months. All such equipment must be returned to the site prior to taking the annual equipment inventory.
- H. Highly desirable and portable equipment, such as computers, typewriters, VCRs and televisions, must be anchored with security devices and housed in rooms that can be secured. When these items are not in use, they should be stored in secured rooms or locked closets. Equipment shall not be taken home to be stored. In addition, all highly desirable and portable equipment items must be permanently marked "Los Angeles Unified School District" in a prominent area on the equipment. Assistance in securing equipment and rooms can be obtained from your Maintenance Area. See the District Store's Warehouse Supplies and Equipment Catalog for appropriate security devices.
- I. Reporting Requirements:
1. No later than June 30 each year, the principal/administrator shall submit to the appropriate Local District Superintendent/Division Head, a written statement (Attachment A) indicating the completion of the annual equipment inventory.

DO NOT SEND ATTACHMENT A TO THE OFFICE OF THE CONTROLLER

2. The offices that report directly to the General Superintendent should send their written statements (Attachment A) to the:

Office of the Superintendent  
Beaudry Building – 24<sup>th</sup> Floor  
ATTN: Chief of Staff

DO NOT SEND ATTACHMENT A TO THE OFFICE OF THE CONTROLLER



3. For equipment purchased through categorical programs, a copy of the Room Equipment Inventory Sheet (Attachment C) must be sent to the local district office by June 30, 2004. The local district office must then forward a copy of Attachment C to the Specially Funded Programs Branch by August 1, 2004.

DO NOT SEND ATTACHMENT C TO THE OFFICE OF THE CONTROLLER

4. Each Local District Superintendent/Division Head will assure that his/her reporting units have complied with the equipment inventory requirements, and will forward a summary status report, such as that shown by Attachment B, to the:

Office of the Controller  
Business Accounting Branch  
Accounting and Disbursements Division  
Beaudry Building – 27<sup>th</sup> Floor  
ATTN: Director, Business Accounting Branch

**AUTHORITY:** This is policy adopted based on the following authorities:

Education Code Section 35168 – Inventory of Equipment

The governing board of each school district shall establish and maintain a historical inventory, or an audit trace inventory system or any other inventory system authorized by the State Board of Education, which shall contain the description, name, identification numbers, and original cost of all items of equipment acquired by it whose market value exceeds five hundred dollars (\$500) per item, the date of acquisition, the location of use as well as time and mode of disposal. A reasonable estimate of the original cost may be used if the actual cost is unknown.

Board Rule No. 1703 – Responsibility of Principals for School Property

Responsibility for all property belonging to, or located at a particular school rests with the principal thereof, who shall have general charge of the grounds, buildings, furnishings and equipment. (Also see Board Rule 1306)

Board Rule No. 1704 – Responsibility of Employees for School District Property

Teachers and other employees under direction of the principals are held responsible for the care of school property, particularly such property as is located in the room or rooms to which they are assigned or is directly related to activities of students under their charge.



**RELATED**

**RESOURCES:** Reference Guide No. REF-823, "Inventory of equipment purchased through Categorical Programs" dated March 20, 2004, issued by the Division of Specially Funded and Parent/Community Programs.

Bulletin No. DB-18 (Rev) "Accounting for Supplies and Equipment Purchases" dated June 12, 2002, issued by the Office of the Chief Financial Officer.

Bulletin No. K-22 "Closure of Office Machine Repair" dated August 20, 2001, issued by the Office of the Chief Information Officer.

Bulletin No. DB-15 "Written Authorization for Possession of District Equipment Offsite" dated July 25, 2001, issued by the Office of the Chief Financial Officer.

Bulletin No. DB-16 "Transportation Order for Equipment to be Transferred to Storage Warehouse or Authorized District Location" dated August 2, 1999, issued by the Chief Administrative Officer.

District Store's Warehouse Supplies and Equipment Catalog

**ASSISTANCE:** For assistance or further information please contact the Business Accounting Branch at 213-241-2736.

LOS ANGELES UNIFIED SCHOOL DISTRICT  
Accounting and Disbursements Division

BULLETIN NO. BUL-953  
May 10, 2004

ATTACHMENT A

TO: **(LOCAL DISTRICT SUPERINTENDENT/DIVISION HEAD)**

DATE:

FROM: **(PRINCIPAL/ADMINISTRATOR)**

SUBJECT: ANNUAL EQUIPMENT INVENTORY

In accordance with Accounting and Disbursements Division Bulletin No. BUL-953, dated May 10, 2004, the equipment inventory records at \_\_\_\_\_ (school/office) have been updated to reflect the transactions which occurred during the \_\_\_\_\_ school year. These records are available for inspection or audit at this location

**DO NOT SEND ORIGINAL AND/OR COPY OF THIS  
ATTACHMENT A OR ATTACHMENT C TO THE OFFICE OF THE  
CONTROLLER**

LOS ANGELES UNIFIED SCHOOL DISTRICT  
Accounting and Disbursements Division

BULLETIN NO. BUL-953  
May 10, 2004

ATTACHMENT B

TO: **OFFICE OF THE CONTROLLER**  
Business Accounting Branch  
Accounting and Disbursements Division  
Attention: Director, Business Accounting Branch

DATE:

FROM: **(LOCAL DISTRICT SUPERINTENDENT/DIVISION HEAD)**

SUBJECT: ANNUAL EQUIPMENT INVENTORY

In accordance with Accounting and Disbursements Division Bulletin No. BUL-953, dated May 10, 2004, the equipment inventory records for all reporting units under my responsibility have been updated to reflect transactions which occurred during the \_\_\_\_\_ school year.

LOS ANGELES UNIFIED SCHOOL DISTRICT  
Accounting and Disbursements Division

BULLETIN NO. BUL-953  
May 10, 2004

ATTACHMENT C  
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INSTRUCTIONS FOR COMPLETING ROOM EQUIPMENT INVENTORY

Completing the Count:

1. Complete a "Room Equipment Inventory" for each room or area at school; including playground, office and custodial equipment.
2. List and count all equipment items as defined in Office of the Chief Financial Officer, Bulletin No. DB-18 (Rev.) "Accounting for Supplies and Equipment Purchases" dated June 12, 2002.
3. Use the catalog-type description, starting with noun (i.e., "chair") followed by size, type or distinguishing features.
4. Count all of the same items on one line, i.e., "chair, 18," except that multiple items of serially-numbered equipment must be entered individually, one line per item to record the individual serial number.
5. For all serially-numbered items (office machines, shop machinery, audio-visual equipment, etc.), indicate the manufacturer, model number and serial number.
6. Record date of acquisition and IFS program code for the funding source, i.e., "IMA," CE-IASA TITLE I, "etc."
7. Record the acquisition price.
8. Indicate the quantity on hand as of the inventory date. Explain changes in quantity on hand from the previous count in the "Comments" column.
9. For missing items, record disposition with a reference to the appropriate disposition document (Transfer Req. No., Pick-up No., Security Section Report No. for losses, etc.).

Disposition of Forms:

1. Keep original report in identifiable location/folder at each reporting location.
2. Keep copy (updated as required) on file in the Main Office.

