



**LOS ANGELES UNIFIED SCHOOL DISTRICT
POLICY BULLETIN**

TITLE: Inventory for Equipment Purchased Through Categorical Programs

NUMBER: BUL-3508.1

ISSUER: Rita P. Caldera, Assistant Superintendent
Specially Funded Programs Division

DATE: February 4, 2008

POLICY: This Policy Bulletin outlines federal and state guidelines for requiring an inventory for equipment purchased with categorical funds at school sites and offices, including equipment purchased through the imprest fund or with the Procurement Card (P-Card). The equipment must be maintained and readily available for examination. Equipment inventories are subject to review at any time by federal and state auditors for equipment costing a total of \$500 (excluding tax or other charges) or more.

MAJOR CHANGES: This revision replaces Bulletin Number BUL-3508.0 of the same title issued on January 29, 2007, from Specially Funded Programs, Compliance and Technical Support Branch (SFP). It has been updated to reflect the processes for the liquidation of equipment and the physical inventory check of equipment at school sites.

GUIDELINES: The following guidelines apply.

PROCEDURES

The school's inventory system must include the following elements:

- Each piece of equipment costing \$500 or more must be correctly labeled and inventoried.
- Inventory forms for each equipment item should be available for examination and will be reviewed annually for compliance. The data on these forms should be verified at the beginning and at the end of each school year.
- A file of requisitions and invoices for all equipment purchases must be maintained.
- A log with the police report number for any and all equipment that may have been stolen or misplaced must be maintained.
- All equipment purchased must be justified in the *Single Plan for Student Achievement* (SPSA) and referenced on the appropriate Budget Justification page. The justification should make clear how the equipment supports the instructional program and how students will benefit from its use. The SPSA pages must be available upon request.

ROUTING
 All Schools and Offices
 Local District Superintendents
 Local District Directors of Instruction
 Local District School Support Directors
 Categorical Program Coordinators
 Principals
 Title I Coordinators
 School Administrative Assistants



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State and federal guidelines require provisions for the disposition of property that is no longer needed. Contact SFP for the disposal of unneeded items.

A. Equipment Labels

- Use the Red Label and check the appropriate box to indicate source of funds—Title I, State EIA-SCE, State EIA-LEP, or School and Library Improvement (Attachment A).
- Identify the serial number for each equipment item. Note that file cabinets, tables, chairs, and other types of equipment do not have serial numbers. Please check with the appropriate local district staff before purchasing these items.
- Enter the date of acquisition (delivery date).
- Engrave identification directly onto the equipment. It is strongly encouraged that school staffs engrave the school location code and the funding source, for example, 7S046—ESEA/NCLB—Title I.

B. Inventory Form and Equipment Inventory Database

- Access the equipment inventory form (Attachment B) on the SFP website www.lausd.k12.ca.us/lausd/offices/instruct/sfp or Inside LAUSD. Fill out the form for each piece of newly purchased equipment. Forward the form to the local district categorical coordinator to review for compliance and keep one copy on file at the school site.
- Add newly purchased equipment items to the school's annual equipment database.
- Maintain a separate file of disposed equipment (Attachment C).
- Send the original copy of the Equipment Inventory sheet (Attachment B) to the local district office by June 30. The local district office must forward the copy of Attachment B to SFP by August 1.

C. Equipment Removal Form

- Use the Equipment Removal Form for Disposal of Equipment (Attachment C).
- Access the Equipment Removal Form (Attachment C) on the SFP website www.lausd.k12.ca.us/lausd/offices/instruct/sfp or Inside LAUSD.
- Input the required information. Print three copies. Obtain the principal's signature on the required line. Forward the copy with the original signature to SFP and one to the local district. Maintain one copy for the school site.



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D. Letter of Certification

- Provide a letter of certification if categorical funds were not used to purchase equipment during the school year (Attachment D).

E. Categorical Equipment Inventory Physical Check

- A physical check of the equipment inventory must be conducted every two years, and the results of the physical check must reconcile with inventory records. (Categorical Program Monitoring, Cross Programs 8.1)
- The local district should identify staff to conduct the physical check at school sites. The staff can be a school-site or district-level personnel.

F. Single Plan for Student Achievement Update and Justification for Equipment Purchased/Leased through Categorical Programs (Attachment E)

- Complete this page when funds have been budgeted for equipment which is \$500 or more per item.

G. Timetable for Inventory Equipment

- Equipment must be inventoried at the time the item is delivered to the school.
- The school must verify the accuracy of inventory records at the beginning and end of the school year. Refer to BULLETIN NO. BUL-953 CONTROL OF SITE EQUIPMENT. Any discrepancy in school records must be reported by the local district to SFP.

AUTHORITY: This is federal and state policy for equipment, with an acquisition cost of \$500 or more per unit, that is purchased with categorical funds.

RELATED RESOURCES: Bulletin No. BUL-953 Control of Site Equipment—May 10, 2004.

ASSISTANCE: For assistance or further information please contact the appropriate program staff in your local district or Debbie Ernst, Director, Specially Funded Programs, Compliance and Technical Support Branch at (213) 241-6990.

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ATTACHMENT A

Instructions for Completing Inventory Form and Label

1. Complete a label for each item of equipment purchased with categorical funds. Consumable materials need not be inventoried.
2. This label must be affixed to the equipment item.
3. The following is an explanation of the informational items:

Funding Source: Indicate the funding source used to purchase the item of equipment.

School: Indicate the name of the school.

Delivery or Purchase Date: Record the date the equipment was received by the school.

Date of Salvage: Record the date the equipment was sent to Salvage because it is worn or obsolete. Contact Salvage at (562) 654-9000.

Serial Number: Assure the accuracy of the serial number recorded on the label. The serial number is vital for identifying lost or stolen property.

Sample of Completed Equipment Label

LOS ANGELES UNIFIED SCHOOL DISTRICT			
PROPERTY OF CATERGORICALLY FUNDED PROGRAMS			
EIA, SCE	<input checked="" type="checkbox"/>	EIA, LEP	<input type="checkbox"/>
TITLE I	<input type="checkbox"/>	SCH. & LIB. IMPROVEMENT	<input type="checkbox"/>
SCHOOL	FANTASTIC SCHOOL		
DELIVERY OR PURCHASE DATE	JANUARY 8, 2004		
DATE OF SALVAGE	<input type="text"/>	SER. NO.	622494

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ATTACHMENT B

Los Angeles Unified School District Categorical Equipment Inventory

Title I – 7S046 (S046)
EIA-SCE – 7S539 (S539)
EIA-LEP – 7S536 (S536)
SI – 7S671 (S671) / SLI – 14222 (4222)

Name of School _____

Local District _____ Phone Number _____

Principal's Name _____

Inventory Year(s) _____ Date _____

**CHECK ALL
THAT APPLY**

____ SWP

____ TAS

____ SBCP

For all categorical programs, the local educational agency and school sites maintain an inventory record for each piece of equipment, with an acquisition cost of \$500 or more per unit, that is purchased with federal funds. The record describes the acquisition by: (a) type, (b) model, (c) serial number, (d) funding source, (e) acquisition date, (f) cost, (g) location, (h) current condition, and (i) transfer, replacement, or disposition of obsolete or unusable equipment. (Categorical Program Monitoring, CP8; Education Code 35168)

DESCRIPTION (Type/Model)	SERIAL NUMBER	PURCHASE DATE	LOCATION	COST	DELIVERY DATE	FUNDING	*CURRENT CONDITION	DISPOSITION

* N – New, G – Good, F – Fair, P – Poor

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ATTACHMENT C

Disposal of Equipment

All equipment purchased with consolidated application funds is retained by the District and is kept on its inventory list as long as the equipment is needed to accomplish the purpose of a project. If the equipment is not being used because the project has changed, been moved, or because it is worn or obsolete, disposal is authorized. If the equipment item is lost or stolen, the loss or theft must be recorded on the inventory, and it must be reported through the "Equipment Removal Form," (Form CPM-11). Contact Specially Funded Programs, Compliance and Technical Support Branch prior to the disposition of any equipment purchased with consolidated application funds.

Complete a "Transportation Order" form for salvage pick-up and send by facsimile to (562) 654-9011. Refer to Reference Guide REF-1293.3, "Pick-Up and Transfer of Materials For Salvage," for a form and for additional information.

Title I Policy and Partnership Office California Department of Education 1430 N. Street; P.O. Box 944272 Sacramento, CA 94244-2720						Equipment Removal Form					
Request to Remove from Inventory Equipment Purchased with Consolidated Application Funds											
Preparation				Certification				Project			
3 Copies • Mail copy with original signatures to Specially Funded Programs Branch • Send one copy to the local district • Maintain one copy for the school site				Pursuant to federal regulations §80.32(e)(1) and (2) and/or appropriate provisions of Title 5, <i>California Code of Regulations</i> , the items listed below are no longer needed to accomplish the purpose of the project and should be removed from inventory.				Project number (if appropriate) Funding source—check one: <input type="checkbox"/> ESEA Title I <input type="checkbox"/> SLIP <input type="checkbox"/> EIA/SCE <input type="checkbox"/> SIP <input type="checkbox"/> EIA/LEP <input type="checkbox"/> Other: _____			
Identification				Signature _____ Date _____ Type Name _____ Telephone _____				Value class—check one <input type="checkbox"/> Fair market value less than \$5,000 <input type="checkbox"/> Fair market value more than \$5,000			
District Name		CDS									
School name		Address		By _____		Date _____		Total \$ _____			
City		Zip Code		California Department of Education							
Description of Equipment		District's Identification Number		Fiscal Year of Purchase		Original Purchase Price		Present Value		Reason for Removal	
Form No. CPM-11 (rev. 1/08)											

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ATTACHMENT D

(Sample Letter)

SCHOOL LETTERHEAD

Date _____

Dear Ms. Ernst:

I, _____ (Name of Principal) do hereby certify that during the _____ (School Year) school year.
_____ (Name of School) has not used categorical funds to purchase equipment costing over \$500. Therefore, we are not submitting the Categorical Equipment Inventory Log per BUL-.

If there are questions, please contact me at _____ (Phone Number) .

Sincerely,

(Principal's Signature)

Principal (Print name of Principal)

Check all that apply:

Budget Development SWP
 Budget Adjustment TAS

Single Plan for Student Achievement Update and Justification for Equipment Purchased/Leased through Categorical Programs

State Code 19-64733						

School _____ Local District _____ School Year _____ School Code _____

Directions: Complete this page when funds have been budgeted for equipment which is **\$500 or more per item**. List the need of the equipment based on data and describe how the equipment will be utilized to close the achievement gap for the identified subgroup(s). Identify the funding source(s) as Title I, EIA-SCE, EIA-LEP, or SI/SLI. **Except for leased equipment**, all items on this page must be added to the school's *Inventory for Equipment Purchased through Categorical Programs*. Refer to Reference Guide Number 2177.1 dated March 15, 2006 for further information. **This page must be attached when submitting a Budget Adjustment Request form.**

<p>Specific data used for Key Finding(s):</p> <p>___ CST Scores ___ AMAOs ___ CELDT Scores ___ Needs Assessments/Survey ___ AMOs ___ Other _____</p>	<p>Targeted Subgroup(s):</p>	<p>Action Plan(s) (Check appropriate action plan(s) as needed.)</p> <p>___ English/Language Arts ___ Mathematics ___ English Language Development ___ Partnerships, Support Services and Organization</p>
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Itemized Equipment (Type/Model)	Number of Units	Key Finding(s)	Describe how the use of the equipment will close the achievement gap for the identified subgroup(s)	Outcomes/ Evidence	Position of Person(s) Responsible for Reporting and Monitoring Implementation	Cost or Amount of Lease	Funding Source