

REGULATION ANNE ARUNDEL COUNTY PUBLIC SCHOOLS

Related Entries: DDH

Responsible Office: CHIEF OPERATING OFFICE, DIVISION OF FINANCIAL OPERATIONS

PROPERTY CONTROL AND ACCOUNTABILITY

A. PURPOSE

To establish guidelines and procedures for the accountability, control, and disposal of fixed assets at Anne Arundel County Public Schools (AACPS).

B. BACKGROUND

An accurate inventory of property is necessary to establish accurate and complete accounting of property and establish ownership in the event of fire, theft, or natural disaster. Accurate and complete property accounting aids in the preparation of financial reports per the standards of the Government Accounting Standards Board.

C. DEFINITIONS

1. ***Fixed Assets*** – tangible items, including personal property and moveable property, having a life cycle greater than 1 year and meeting the following criteria:
 - a. Acquisition cost greater than or equal to \$5,000;
 - b. Moveable and not attached to a building, to land, or a fixture;
 - c. Functions alone and not part of a larger system; and
 - d. Not consumed in use.
2. ***Components*** – items that are not intended to function alone but as an integral part of a larger system, including motors, starters, transmissions, hard-drives, and keyboards.
3. ***Repairable Property*** – items that require minor maintenance to be fully operational and where it is economically beneficial to repair the item than to replace it, including fuel driven items, hydraulic items, wood working machines, and food service items.
4. ***Salvage Property*** – fixed assets or sensitive items that are not in working order, unserviceable, and economically too costly to repair.

5. **Scrap Property** – property that has little to no value except for its basic material content, including items containing copper, brass, aluminum, and other metals, paper, batteries, and books.
6. **Sensitive Items** – tangible items with a life cycle greater than 1 year in accordance with the following criteria:
 - a. Highly prone to theft as determined by the Division of Financial Operations;
 - b. Acquisition cost of less than \$5,000;
 - c. Moveable and not attached to a building, to land, or a fixture;
 - d. Functions alone and not part of a larger system; and
 - e. Not consumed in use.
7. **Supplies** – items that are consumed in use, including consumables and durables.
 - a. **Consumable** – items that are consumed through use. Including paper, toner, fuel, and paint.
 - b. **Durables** – items with a life cycle of more than 1 year and acquisition cost of less than \$5,000, and not considered a sensitive item, including hand tools, projectors, vacuum cleaners, and microwave ovens.
8. **Surplus Property** – fixed assets or sensitive items that are in working order but are no longer required or needed in the department or school to which they are assigned.

D. PROCEDURES

The primary objective of property control and accountability is to ensure effective management, control, and full utilization of property belonging to AACPS.

1. Responsibilities

- a. The Superintendent is responsible for ensuring prudent management of publicly funded resources dedicated to the education of AACPS students.
- b. The Superintendent or the Superintendent's designee is responsible for developing and implementing procedure for the management, control, accountability, and disposal of fixed assets.
- c. Supervisors of administrative units as well as principals are inherently responsible for the proper use, safeguarding, control, accountability, maintenance, inventory,

and disposal of property such as fixed assets under their jurisdiction. This authority can be delegated to subordinates, including a chief custodian, department chair, or secretary, to manage and account for all assigned and incoming property.

- d. Property Control is responsible for managing a modern system of property accounting to include developing operating procedures for property control, maintaining the official AACPS property database for capital items, the database for sensitive items, and reviewing and updating the *AACPC Property Control Manual* on a regular basis.
- e. AACPS employees are responsible for adhering to all regulatory and procedural guidelines regarding property control and accountability.

2. Ownership and Use

- a. Regardless of the method acquired, all property, including donations, title to all property, supplies, components, and recyclable material is vested in AACPS and not to individual schools and offices. Therefore, supervisors and principals may be directed to transfer or dispose of property items as requirements dictate.
- b. Property acquired through federal and State grants is also vested in AACPS unless otherwise stipulated in the terms of a grant agreement.

3. Minimum Dollar Values

- a. The minimum per item dollar value requiring formal property accounting and recording in the official property database is \$5,000.
- b. Certain sensitive items shall be recorded regardless of their acquisition cost while others are recorded at \$500 minimum value. See *AACPS Property Control Manual* for a complete list of sensitive items.
- c. The minimum dollar value for requiring property accounting for intangible property is \$250,000.
- d. The minimum value for requiring property accounting for real property is \$250,000.

4. Item Identification

- a. Fixed assets and sensitive items shall be tagged, labeled, barcoded, stenciled, or otherwise marked to identify the items as belonging to AACPS. Additionally, grant related items must be labeled, barcoded, stenciled or marked to identify items as grant funded.

- b. Items already having a barcode or scannable serial number or other suitable identification are not required to have an additional AACPS barcode added.
- c. In cases where a tag, label, stencil, or other markings would interfere with the basic operation of the item, no markings shall be required.

5. Property Accounting

a. *New Items*

- i. Newly received fixed assets or sensitive items acquired from all sources shall be recorded in the official property database and remain until time of disposal.
- ii. Newly received sensitive items acquired from all sources shall be recorded in the sensitive item database and remain until time of disposal.
- iii. See *AACPS Property Control Manual* for guidance on adding new items.
- iv. Schools and administrative units have the responsibility to account for new non-technology property coming into their jurisdiction.
- v. Technology is responsible for recording and maintenance of all technology related hardware given to schools and administrative offices.

b. *Property Transfers*

- i. Certain types of property may be transferred from one AACPS entity to another. See the *AACPS Property Control Manual* for guidance on the transfer process.
- ii. Motorized vehicles may only be transferred upon the consent of the Director of Facilities.
- iii. Property may not be transferred to entities outside of AACPS unless consent is given by the Superintendent or the Superintendent's designee.
- iv. Technology equipment and technology related items may be transferred within AACPS offices and departments with written consent of the Office of Technology.
- v. School kitchen and cafeteria equipment may be transferred within AACPS offices and departments with the consent of the Division of Food and Nutrition Services.
- vi. Property may only be transferred to outside AACPS entities with the consent of the Superintendent or the Superintendent's designee.

c. *Donations*

See Policy DCA – Gifts, Bequests, Donations, and Solicitations for guidance on gifts, bequests, and donations.

6. Property Disposal

- a. Property may be disposed of when it becomes unserviceable, economically un-repairable, or unsafe for use.
- b. Surplus, scrap, and repairable property may be sent to a surplus storage facility to be stored for re-issue, trade-in, auction, recycle, or disposal.
- c. Personal computers, laptops, and computer related accessories shall be disposed of under the guidance of the Office of Technology.
- d. All property, including salvage property, shall be disposed of in a method that is the most economically benefiting and one that protects AACPS from liability.
- e. Grant or lease acquired property shall be disposed of in accordance with this regulation unless otherwise stipulated in the grant or contract agreement.
- f. All items shall be disposed of in accordance with applicable federal, State, or local hazardous waste guidelines.
- g. The following offices shall provide guidance for the transfer or disposal of office specific property under their control:
 - i. Medical Services in the Division of Student Services;
 - ii. Office of Athletics;
 - iii. Office of Career and Technology Education;
 - iv. Office of Family and Consumer Science;
 - v. Office of Food and Nutrition Services;
 - vi. Office of Health, Physical Education, and Dance;
 - vii. Office of Logistics Support;
 - viii. Office of Media Services;
 - ix. Office of Music;

- x. Office of Technology; and
- xi. Single Textbook Adoption Program in the Office of Financial Operations.

7. Inventories

- a. Physical inventories shall be conducted by the schools and administrative units in order to account for property listed in the official property database.
- b. Physical inventories may be directed by the Superintendent or the Superintendent's designee at any time.
- c. See the *AACPS Property Control Manual* for procedural guidance regarding inventories.

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