



## **Procedure for Accounting and Inventory of Fixed Assets for ESSA Programs**

The assistant superintendent for finance shall be responsible for accounting for fixed assets according to the procedures outlined by the Uniform System of Accounts for School Districts and Rush-Henrietta Central School District policies 6640 and 6645. A fixed asset listing (aka inventory) of assets is maintained by the business office. This listing will serve to:

1. Maintain a physical inventory of assets;
2. Establish accountability;
3. Determine replacement costs; and
4. Provide appropriate insurance coverage.

All fixed assets carrying a minimum value of \$2,500 that have a useful life of three (3) years or more and physical characteristics which are not appreciably affected by use or consumption shall be inventoried and recorded on an annual basis. Fixed assets shall include land, buildings, equipment, and materials with an initial cost of \$2,500 or greater.

Items purchased with federal grant funds, including ESSA funds, will have further safeguards as delineated herein. Purchase requisitions utilizing ESSA funds will be reviewed by the budget technician, who oversees grants, to ensure the budget code is correct for the grant being utilized and that the account code is appropriate for either an item to be inventoried (fixed asset - 200 object code) or a consumable material or supply (500 object code).

Upon receipt of items purchased with ESSA funds the following process will be followed:

1. Receipt copy along with packing slip(s) and receipt signature verified and recorded by the budget technician and then forwarded to the accounts payable department for processing.
2. Materials will be delivered to the budget technician so they can be tagged (if an asset) or stamped with Title X, Rush-Henrietta CSD.
3. Technology purchases will be delivered directly to the technology department for an asset tag and to be recorded in the technology inventory database.
4. After being stamped as being purchased with federal grant funds or tagged (if an asset) the items will be sent to their end user (Rush-Henrietta school building or subrecipient school for flow through items).

The budget technician will maintain a perpetual inventory of all ESSA purchases (assets and consumable materials). If an item is an asset both the business office and budget technician will record the asset. Assets shall be recorded at initial cost or, if not available, at estimated initial costs, gifts of fixed assets shall be recorded at estimated fair value at the time of the gift. A property record will be maintained for each asset and will contain, where possible, the following information:

1. Date of acquisition;
2. Description;
3. Cost or value;
4. Location;
5. Estimated useful life;
6. Date and method of disposition; and
7. Funding source (e.g. Title I, Title IV, etc.)

Items purchased with ESSA funds where Rush-Henrietta CSD is the LEA and the items are to be used at a qualifying private school will have their inventory location be the address of the sub-recipient. Prior to receiving either the assets or materials and supplies the sub-recipient will be required to attest that they will maintain an inventory of items purchased with ESSA funds and that they will provide this inventory list to the Rush-Henrietta Central School District on an annual basis after they verify the items are still in their possession. Prior to disposing of assets due to obsolescence or damage, they must inform the Rush-Henrietta CSD so the items can be removed from the perpetual inventory list and the date of disposition noted.