

# REGULATION MONTGOMERY COUNTY PUBLIC SCHOOLS

---

**Related Entries:** DJA-RA, EDB-RA, EDC

**Responsible Office:** Chief Operating Officer

## Control of Furniture and Equipment Inventory

### I. PURPOSE

To set forth guidelines and procedures for the control of furniture and equipment owned by Montgomery County Public Schools (MCPS) and to establish responsibility for the maintenance of the inventory records

### II. DEFINITIONS

A. The *appropriate administrator* may be one of the following:

1. The principal of a school
2. Each project director for supported programs such as Title I, Head Start, and Vocational Education
3. The director of the department or division concerned, where not stated above

B. *Movable property* is that furniture/equipment which can be transported from one location to another without appreciable damage or change either to the location from which it is removed or to the new location where it is to be installed. Such items of furniture/equipment do not function as integral parts of the building or grounds, nor are they permanently fastened or attached to the building or grounds. The term movable does not refer to size or weight but rather to permanency of installation and to whether or not the furniture/equipment is built in. See Regulation DJA-RA: *Procurement of Equipment, Supplies, and Contractual Services*.

C. *Inventory items* are those nonconsumable items valued at \$5,000 or more. See Regulation EDB-RA: *Instructional Materials and Equipment*, for guidelines distinguishing equipment from supplies. Also see III C, Minimum Value, under the following guidelines for exceptions to \$5,000 per item rule.

D. *Supported programs* are those programs which are funded partially or completely by agencies other than MCPS. Reference should be made to the laws, federal and/or

state regulations, or grant agreements to determine applicable rules on movable property. The appropriate administrator must notify the Department of Materials Management concerning applicable rules on movable equipment.

**III. GUIDELINES**

The primary objectives of the inventory system are to encourage full utilization of MCPS property and to facilitate effective property management and control. Maintenance of accurate property records and physical inventories and the assignment of control responsibility are ways in which these objectives can be achieved. The cooperation of all personnel is necessary to assure full utilization and control of all property.

**A. General**

1. The appropriate administrator is responsible for the accountability and records maintenance of all items of furniture and equipment acquired or disposed of regardless of source or reason. Any individual to whom MCPS furniture and equipment is entrusted is responsible for the use, care, and protection of that property. This applies to permanent and temporary loans of furniture and equipment.
2. The Department of Materials Management is responsible for maintaining central records of movable property for the entire school system. This includes such functions as barcoding and accounting control of the central inventory file; establishment of procedures to assure that reported changes are made promptly and accurately; notification to schools of deficiencies in data and/or forms preparation, and other related functions.
3. The Department of Materials Management is also responsible for determining that each school/office inventory is correct by conducting a physical inventory using bar code technology.

**B. Furniture and Equipment Inventory Records**

Records covering the acquisition (Form 234-18) or disposition (Form 234-17) of items of furniture and equipment in a school/office are to be in compliance with the procedures set forth in Section IV below. Each school/office must establish internal procedures to assure that items of furniture and equipment being received into or removed from the school/office building are brought to the attention of the appropriate person so that necessary changes may be reflected in the inventory records on a current basis.

C. Minimum Value

The minimum value per item to be recorded in the central inventory system will be \$5,000. The exceptions to this rule will be microcomputers and their components, electric typewriters, cassette recorders, televisions, pianos, video equipment, cafeteria equipment, building service equipment, and vehicles.

D. Marking Equipment with Barcode Labels

School/office equipment will be barcoded with an identification number.

E. Ownership and Use

1. Title to all property is vested in the Montgomery County Public Schools; but the appropriate administrator has the custodianship of and responsibility for all property coming into the possession of the school/office by whatever means acquired.
2. Furniture and equipment items are the property of the Montgomery County Public Schools and not of individual schools/offices. As such, items may be transferred to other locations as program changes dictate.

F. Responsibility for Lost Items

The appropriate administrator and the assigned user (or the individual to whom it is officially entrusted) will be held responsible for lost furniture and equipment items. Such items may be replaced with MCPS allocated funds or from the general school fund account of the Independent Activity Funds. The chief operating officer/deputy superintendent/associate superintendent determines the source of the funds for replacement after review of the report of missing inventory items. It may not be possible to replace some items.

G. Surplus Movable Property

Movable property that is in excess of the needs of an office/school may be transferred as surplus to the Department of Materials Management. Complete MCPS Form 234-17: *Furniture/Equipment Inventory Property Report: Delete* for the pickup of the surplus property. The surplus property is picked up for reuse, reconditioning, storage, or disposal.

**IV. PROCEDURES FOR PROPERTY ACQUISITION, CONTROL, AND DISPOSITION**

(CENTRAL OFFICES MAY ADJUST THESE PROCEDURES ONLY TO THE EXTENT ABSOLUTELY NECESSARY TO CONFORM TO THEIR ATYPICAL SITUATION.)

**A. Items Obtained by MCPS Purchase Order**

1. Follow the regular purchasing procedure.
2. Upon receipt of an inventory item, record the pertinent identification data (serial number, make, and model) on the Purchase Order Users' Receiving Copy and Principal's Copy of the purchase order.
3. Sign the completed receiving copy of the purchase order to indicate receipt of material, and send it to the Division of Controller for payment.
4. Retain the principal's copy of the purchase order in the school/office.
5. Central records will be created from data appearing on the vendor's invoice and from the receiving copy of the purchase order subsequent to the vendor payment.
6. Compare subsequent inventory reports with the inventory data shown on the principal's copy of the purchase order to determine the completeness of the inventory reports. If discrepancies such as omissions, errors, or incomplete data are found, contact the Department of Materials Management (in writing) so that the discrepancies may be resolved.
7. Local inventory items (under \$5,000) should be accounted for by methods established by the responsible administrator.

**B. Other Acquisitions**

1. Items that are not acquired by MCPS purchase order may include warehouse issue, gifts, grants, direct school purchases, and items manufactured by the Division of Maintenance.
2. The receiving school/office records, on MCPS Form 234-18: *Furniture and Equipment Inventory Report: Add/Correction*, the complete data for each line entry and submits this form with appropriate approval per instructions on the form. The school/office copy of this form serves as accounting support and documentation for tracing to subsequent inventory reports.

3. The inventory data submitted will be entered on the central inventory file and should appear on the next inventory report. Inventory reports may be requested through the Department of Materials Management.

C. Transfers (Permanent)

1. The sending school/office initiates MCPS Form 234-18: *Furniture/Equipment Inventory Property Report: Addition/Correction* for the item(s) permanently transferred.
2. The transfer is crossed off the control copy of the inventory report of the sending school/office and a short explanation is appended to note receiving school/office and date shipped.
3. The receiving school/office records the receipt of the item on the control copy of the inventory report. The manually recorded data should be checked with the next inventory report to insure that the item has been accurately transferred. It is not necessary for the receiving school/office to initiate MCPS Form 234-18: *Furniture/Equipment Inventory Property Report: Addition/Correction* since this is the responsibility of the sending school/office.

D. Transfers (Temporary)

Temporary transfers are controlled by an appropriate entry on the control copy of the inventory report. The receiving location should place a label on the item to indicate the school/office to which the item belongs. Both the sending and receiving school/office must obtain a written receipt to show the transaction, and both must retain a copy for their inventory file. Records of all equipment removed from the building must be kept on file. (Use Form 234-23, *Receipt and Bond Form for Equipment Loan*) as approved. This includes equipment being repaired.

E. Trade-Ins

1. The releasing school/office completes MCPS Form 234-17: *Furniture/Equipment Inventory Property Report: Delete* for items(s) traded in.
2. Cross off the item(s) from the school/office control copy of the inventory and append a short explanation of the details such as:

- a) Date released
- b) Purchase order number
- c) Vendor's name

F. Damaged, Stolen, or Fire Loss

1. The school/office will record the inventory data on MCPS Form 234-17: *Furniture/Equipment Inventory Property Report: Delete*, using the data from the inventory listing.
2. Cross off the item(s) from the control copy of the inventory listing and append a short explanation of what happened to the item.

G. Any Other Disposition

1. The school/office will record the inventory data on MCPS Form 234-17: *Furniture/Equipment Inventory Property Report: Delete*, using the data from the inventory listing.
2. Cross off the item(s) from the inventory listing, and append an explanation of what occurred.

H. Physical Inventory

1. The Department of Materials Management will perform a physical inventory, at least every two years, of items meeting the following criteria:
  - a) All items of furniture and equipment valued at \$5,000 or more
  - b) Selected items are included even if valued at less than \$5,000: micro-computers and their components, electric typewriters, cassette recorders, televisions, musical instruments, video equipment, cafeteria equipment, building service equipment, and vehicles
2. A Materials Management team will bar code the inventory items.
3. After the physical inventory, the appropriate administrator must reconcile the results before adjustments are incorporated into the master record data base.

I. Local Inventory

It is the responsibility of the appropriate administrator to ensure that the equipment not listed on the central inventory listing is appropriately accounted for.

*Regulation History:* Formerly Regulation No. 235-6, June 9, 1975, amended by memorandum to the Board of Education, September 9, 1980; directory information updated January, 1983; reprinted April, 1988; revised May 26, 1992; revised November 3, 2004.