



I3 Academy Federal Programs Inventory Procedures

The Elementary and Secondary Education Assistance Act of 1965 (ESEA) reauthorized by the Every Student Succeeds Act of 2015 (ESSA) requires, among other things, that Local Educational Agencies (LEAS) implement and maintain financial management systems that substantially comply with federal systems management requirements. These requirements, detailed in 2 C.F.R., Part 200.62— Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 C.F.R., Part 200) states that LEAS shall provide: "effective control over and accountability for all funds, property, and other assets. Recipients shall adequately safeguard all assets and assure they are used solely for authorized purposes".

The requisition for the purchase of equipment should follow the LEA's internal control procedures. Procedures should be in place to ensure prior approval of all purchases and provide specifications for receiving the equipment and issuing the equipment to the proper locations.

Requisition of Items

All items purchased with federal funds must be in accordance with the regulations of the funding source.

Procedures for Disposition of Inventory

When an item is broken beyond repair or repair cost would be greater than replacement, a school will request the removal of an item from inventory by completing the Inventory Deletion Form. Once the completed form is received and reviewed by Federal Programs, the item is removed from inventory. When necessary, the correct department is notified, and removal is scheduled with the school.

**Equipment items with an acquisition cost/current per unit fair market value of less than \$5,000 and are more than three years old may be retained, sold, or disposed of, with no further obligation to ALSDE. The disposition of such items should be so noted on the equipment inventory maintained by the LEA.

Loss, Damage, or Theft of Inventory item

2 C.F.R. Part 200.313 (d)(3) requires that a control system be developed by recipients of federal funds to ensure that there are adequate safeguards to prevent loss, damage, or theft of the property, including real property, equipment, and pilferable items.

Schools will notify Federal Programs Department should an item be lost, damaged, or stolen and maintain documentation of notification of loss, damage, or theft of equipment, and if appropriate, any police reports. Item will be removed from inventory if not recovered.

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Consumable Items

Consumable items are not included in the Title I Inventory, however, the procedures for requisitions, purchasing and verification of consumable items is the same as Title I Inventory. Local schools set procedures for maintaining the documentation for consumable items.

**Inventoried items are any single items with a purchase price of \$500 or greater, warrantied item, or an item that would be serviced rather than replaced.

Inventory Monitoring

Administrators are required to monitor Title I inventory items biyearly. The school inventory spreadsheet is uploaded into the Title I Monitoring Documentation folders located in Google Drive at the beginning and end of the school year. Any discrepancies or changes are reported to the Federal Programs Department. The Federal Programs Department ensures the documentation has been uploaded and verified by each school.

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