Ohio | Department of Education

Equipment and Inventory

Issue Date: , 2020 **Revised:** November 30, 2005; November 13, 2007; February __ 2020

Sources: 2 CFR Part 200.313/333
Key Words: Equipment/Inventory Definition
Summary: Document includes the federal definition of equipment and responsibilities of the district/agency regarding equipment.

Equipment Definition 2 CFR Part 200.313

Every school district/agency purchasing equipment with federal funds should have an approved definition of equipment. If there is none, the federal definition applies as follows:

> Equipment is any tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost of $5,000 or more per unit.

The district/agency must use the same definition for all equipment whether it be funded by federal, state, local or other funds. There cannot be two different definitions -- one for federally funded equipment and one for other-funded equipment.

Written procedures for disposition of real property should already be in place at the district level. The district's policy can be more stringent than federal guidelines but cannot be more lax. Organizations without written policies are required to adhere to federal guidelines

Equipment Inventory 200.313

The district/agency must maintain an inventory of equipment purchased with federal grant funds until disposition takes place.

The inventory of equipment purchased must include:

- Description of the item;
- A serial number or other identification number;
- Funding source of the item (name of funding title/grant);
- Name of holder of title;
- Acquisition date;
- Acquisition cost;
- Percentage of federal participation in the cost of the item;
- Location of the item;
- Use and condition of the item, and;
- Any ultimate disposition data including date of disposal and the sale price of the item.

All inventoried items must be tagged so items may be tracked and monitored. The inventory tag must include the grant fund number and the district number that is on the Inventory/excel sheet. A physical inventory of all equipment and reconciliation with records is required every two years.

Equipment Inventory for Technology Items That Do Not Meet the Capitalization Threshold

While items such as tablet computers, netbooks, and laptops may not meet the capitalization level established by the grantee, the Office of Federal Programs strongly recommends that these items be inventoried, tagged, tracked, and monitored as they are highly mobile and susceptible to pilfering.

Disposition of Equipment 200.313

Equipment may be disposed of with no obligation to the federal government, if ALL of the following criteria are met:

- Equipment is no longer needed in the current program.
- Equipment is not needed in other programs currently or previously funded by a federal agency.
- Equipment item has a current per-unit fair market value of less than $5,000.

If the district/agency disposes of equipment with a fair market value of less than $5,000, the proceeds must be used to support the program that the equipment was purchased for. If the fair market value is more than $5,000, the district/agency must contact ODE, Office of Federal Programs, for disposition instructions.

Equipment Records Retention 200.333

Records for equipment acquired with federal funds must be retained for three years from the date the district/agency submits the final expenditure report for the funding period. If there is an audit exception, the district/agency must keep the records until all litigation, claims, or audit findings have been resolved and final action

December 4, 2019