

STANDARD OPERATING PROCEDURES FOR BUSINESS AND FISCAL AFFAIRS NEW YORK CITY DEPARTMENT OF EDUCATION



CHAPTER: Inventory TOPIC 1: INTRODUCTION

1. INTRODUCTION

1.1 Rationale

Every principal and site administrator should read this chapter and be thoroughly familiar with its contents. The chapter delineates exactly what items of equipment, types of supplies, or materials must be inventoried, how often, by whom, and how. The maintenance of accurate inventories of equipment, supplies, and textbooks is an important factor in creating the atmosphere necessary for effective teaching and learning. Inventory records that are up-to-date and accurate can guide a site administrator in ordering new materials, maximizing the use of resources on hand and in minimizing loss or theft.

This chapter will help you designate an **Inventory Specialty Officer (ISO)** – see definition on page 5- to implement and maintain inventory records and oversee all procedures related to inventory control. It will clarify the differences among equipment, supplies, textbooks and computer software. It will reflect a date (no later than **April 15th**) for the physical inventory of all textbooks, equipment and materials for the academic year. It will also provide forms, which have been used for Inventory Control. You may use these forms or utilize your own Inventory Database (recommended) using the forms as a guide for establishing the required “fields” in such a database.

1.2 Overview

Why

New York State Education Law (Section 2554, paragraph 4) specifies that "the Department of Education . . . shall . . . prescribe rules and regulations for the preservation of [its] property." This includes responsibility for taking a comprehensive inventory. In addition, federal property management requirements call for policies and procedures to manage and account for equipment purchased with federal funds under federal-direct and State-administered programs (reimbursable programs).

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Who

Each site administrator is responsible for maintaining and updating the inventory records for his or her site and removing (discarding or transferring to another DOE site or outside entity) obsolete equipment from his/her site. He or she should designate an Inventory Specialty Officer (ISO), who is a responsible person and delegate to that individual the duties for conducting and monitoring inventory. (For internal control purposes, assignment to this task should be periodically rotated). Whenever any item is delivered to a site, the person responsible for accepting it verifies the receipt of the shipment and advises the ISO who has the responsibility for storage, distribution and/or inventory control.

What

All equipment, textbooks, computer software and educational and administrative supplies stored in large quantities, should be inventoried regardless of funding source. (For example, special education inventory items should be included in the inventory of the host school; however, special education field supervisors are expected to make themselves available to help the site administrator, principal, or designee with this procedure).

When

The annual updated inventory of equipment and large quantities of unused supplies in storage must be completed on an annual basis no later than **April 15**. School principals and site supervisors must electronically forward this "Annual Inventory Statement" (Exhibit A, page 34) within 30 days of the completion of the inventory to their respective ROC/Central Office attesting that this activity was conducted. You may access this Annual Inventory Statement via the FAMIS Portal by:

Navigating to the website of the Division of Financial Operations (DFO) at <http://nycenet.edu/offices/dfo/default.htm>. Once there, click on "FAMIS Portal" (right side) >Enter your Password and ID > Go to "Miscellaneous" > "Inventory" >Click on "Annual Inventory Statement."

Note: Authorization to enter FAMIS and secure inventory information is restricted to select personnel only. In schools, it would be the principal or his/her assistant principal(s).

Books and computer software should also be inventoried no later than **April 15** to indicate the numbers on hand as of the completion date of the physical inventory.

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If a project comes to an **end** or a site is **closed**, then there should also be a **final inventory** (which would include furniture). These records should be maintained at the respective site as well as the site where the items are being relocated. If necessary, an e-mail advising the ROC's ISO that a FINAL inventory has been taken and is available at the site should be forwarded soon after the project ending or site closure.

Equipment No Longer Needed at a Site/School (Obsolete Equipment)

Section 3.9, page 19 and section 3.10, page 26 discusses in detail the procedures to follow when you wish to dispose of equipment classified into one of the following categories:

Category A (page 20) – Unrepairable or Not Cost Effective to Repair

Category B (page 22) – Technologically and/or Educationally Inappropriate for the Site or Safety Hazard to the Site.

From the "Disposition of Obsolete Equipment Form" (page 39) an advertisement will be automatically generated and posted each Wednesday to DFO's website. This advertisement will remain in effect for two (2) weeks from the date of original posting and then be removed. If no responses are received (see details in section 3.9, page 19) within the two (2) week time period, you are authorized to **discard** the item. Computer equipment must be discarded using Dell Managed Services (see details in section 3.10, page 26).

How

In the past, inventory records were kept on Inventory Lists and/or Cards. These lists and cards are no longer necessary since most sites have adopted a computer database to keep its inventory records. We strongly recommend for those sites who have not yet converted its inventory records to a computer database to do so immediately. Depending on what kind of computer hardware the site has available, it can choose from a variety of commercial database programs, or a staff member may wish to customize a program to suit the site's individual needs. We are providing facsimiles (see Topic 5 – *Forms and Samples* – page 33) of the obsolete cards and lists so that you may view the various "fields" contained therein, since at the very minimum you must include these fields on your database program.