OESD
early learning
department
come grow with us!

Taggable Inventory Procedure

Purpose

Both OHS (Office of Head Start) and DCYF (Department of Children, Youth, and Families) require a physical inventory of all equipment and supplies every two years. The "tagging" dollar amount $300 is from the ECEAP contract section #20. DCYF list several items that should be "tagged" but the last item in subsection b "(4) other assets identified by the contractor as vulnerable to loss", could be all inclusive. The OHS does not require inventory tags just the physical inventory, but it is good practice to keep accurate records of items with useful life spans greater than one year, because when the program ends or is terminated it is a requirement to compensate the Federal Government for its share of any unused supplies greater than $5,000 (UG 200.314).
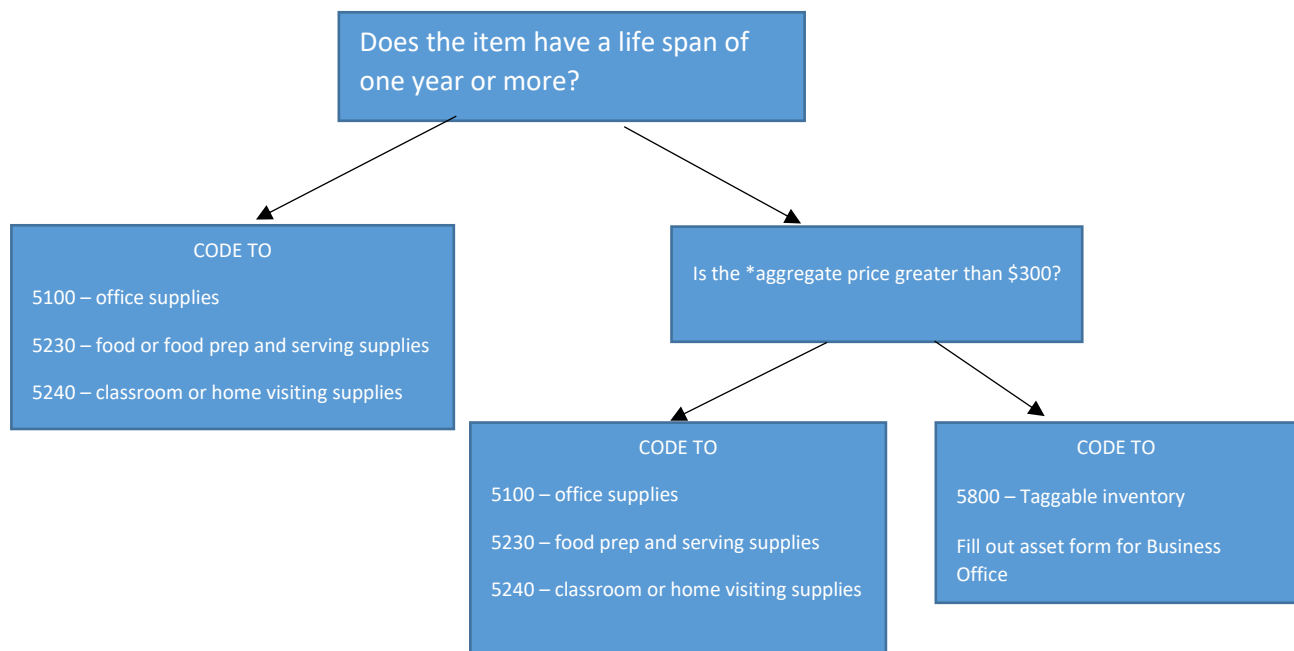
Procedure

How the Early Learning Department Determines What Needs to be Tagged:

When deciding if you need to tag an item, first look at the lifespan of the product:
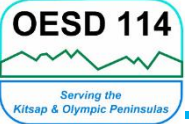
- If the lifespan is less than one year, i.e., most office supplies, code them to the appropriate object code

- If the lifespan is greater than one year **and** has a value greater than $300, i.e. classroom furniture, Curricula, appliances or technology, use object code 5800 only

  o Once object code 5800 is used, it will trigger the business office to contact the purchaser for needed asset form and receipt.

  o Once those are processed, a physical tag will be given to purchaser. Tags will only go on technology items such as desktop computers. All other tags will go into the inventory binder and placed in the appropriate file located in the Administrative Assistant (technology) office, unless otherwise directed by the Business office or state auditor

Decision Flow Chart

Does the item have a life span of one year or more?

CODE TO

5100 – office supplies

5230 – food or food prep and serving supplies

5240 – classroom or home visiting supplies

Is the *aggregate price greater than $300?

CODE TO

5100 – office supplies

5230 – food prep and serving supplies

5240 – classroom or home visiting supplies

CODE TO

5800 – Taggable inventory

Fill out asset form for Business Office

Asset Form Requirements:

Below are the DCYF requirements for the inventory list:

1. Inventory Control Number (tag)
2. Description of the asset
3. Manufacturer or trade name
4. Serial number
5. Contractor's acquisition date
6. Order number from purchasing document
7. Total cost or value at time of acquisition (including all ancillary costs)
8. Ownership status, for example if shared by multiple funding sources
9. Depreciation (for capital assets)
10. Location of item
11. Useful life, in year
12. Disposal date, method and salvage value