Regulation 3440: Inventories	**Status:**
Original Adopted Date: 06/01/1998 **| Last Revised Date:** 02/01/2026 **| Last Reviewed Date:** 02/01/2026	APPROVED 11/19/26

In order to provide for the proper tracking and control of district property, the Superintendent or designee shall maintain an inventory of equipment in accordance with law for the following:

1. All equipment items currently valued in excess of $1,500 (Education Code 35168)
2. All equipment items purchased with state and/or federal categorical funds that have a useful life of more than one year with an acquisition cost of $500 or more per unit

Additionally, the Superintendent or designee may maintain a list of specific items which shall be inventoried for internal control purposes regardless of their initial cost or current value.

The inventory shall contain a record of the following information: (Education Code 35168; 5 CCR 3946; 2 CFR 200.313)

1. Model/name and type/description of the property
2. Serial/identification number
3. Original cost of the item of equipment or a reasonable estimate if the original cost is unknown
4. Date of acquisition
5. Location of use
6. The date and method of disposal

In addition to the information specified in Items #1-6 above, the following information shall be recorded for equipment acquired with state and/or federal categorical funds unless otherwise specified in law: (5 CCR 3946; 2 CFR 200.313)

1. Source of the property (funding source), including any applicable federal award identification number
2. Titleholder
3. Percentage of federal participation in the cost of the property for the federal award under which the property was acquired
4. Use and current condition of property
5. Transfer, replacement, or disposition of obsolete or unusable equipment
6. Any ultimate disposition data, including the sale price of the property upon disposition and method used to determine current fair market value

At the time of purchase, the Superintendent or designee shall affix a label to the equipment containing the identification number and the district name. Equipment items purchased with categorical program funds shall also be labeled with the name of the project in accordance with 5 CCR 3946.

Whenever an equipment item is moved to a new location or the equipment is used for a new purpose, the new location or purpose shall be recorded in the inventory.

A copy of the inventory shall be kept at the district office and at the appropriate school site.

The Superintendent or designee shall annually submit an inventory listing of federally owned property in its custody to the federal agency that granted the award. (2 CFR 200.312)

Physical Inventory

At least once every two years, a physical inventory of equipment shall be conducted and the results reconciled with the property records. (2 CFR 200.313)

The Superintendent or designee shall establish procedures for conducting the physical inventory which shall include, but not be limited to, designation of person(s) responsible for coordinating and conducting the inventory, preparation and distribution of count sheets, procedures for implementing the inventory, and procedures for conducting a recount to substantiate the validity of the inventory.

The Superintendent or designee shall investigate any differences between the quantities determined by the physical inspection and those in the accounting records.

Policy Reference Disclaimer:
These references are not intended to be part of the policy itself, nor do they indicate the basis or authority for the Governing Board to enact this policy. Instead, they are provided as additional resources for those interested in the subject matter of the policy.

State	**Description**
5 CCR 16022-16023	Classification of records
5 CCR 16035	Historical inventory of equipment
5 CCR 3946	Control, safeguards, disposal of equipment purchased with consolidated application funds
Ed. Code 35168	Inventory of equipment
Federal	**Description**
2 CFR 200.0-200.521	Federal uniform grant guidance
20 USC 2301-2414	Strengthening Career and Technical Education for the 21st Century Act
Management Resources	**Description**
California Department of Education Publication	California School Accounting Manual
Website	CSBA District and County Office of Education Legal Services
Website	California Association of School Business Officials
Website	California Department of Education
Website	Office of Management and Budget

Cross References

Code	Description
3000	Concepts And Roles
3230	Federal Grant Funds
3230	Federal Grant Funds
3270	Sale And Disposal Of Books, Equipment And Supplies
3270	Sale And Disposal Of Books, Equipment And Supplies
3290	Gifts, Grants And Bequests
3300	Expenditures And Purchases
3400	Management Of District Assets/Accounts
3400	Management Of District Assets/Accounts
3512	Equipment
3512-E(1)	Equipment
3515	Campus Security
3515	Campus Security
3530	Risk Management/Insurance
3530	Risk Management/Insurance
3580	District Records
3580	District Records
6178	Career Technical Education
6178	Career Technical Education