

Inventory Guidelines

Inventory

Agencies funded by the Imperial County Children and Families First Commission (Commission) must classify as inventory all equipment purchased with Proposition 10 funds.

Equipment includes movable personal property of a relatively permanent nature and of significant value, such as furniture, machines, tools, vehicles.

For “computer software” purchased, including software purchased from an internal service fund on a special task or “time and material” basis, capitalization is recommended but not required.

“Relatively permanent” is defined as a useful life of one year or longer. “Significant value” is defined as a minimum value of \$500.

The gathering of costs must be applied in instances to aggregates of units of similar type or purpose, such as blocks of folding chairs, and shelving and filing drawers, rather than to the unit itself. In the case of an agency conducting a purchase and not aggregating the units, the Commission reserves the right to require the agency to aggregate those units, and if necessary reclassify them. If ambiguity on aggregating units may occur, agency must clarify with Commission prior to purchase.

Funded agencies must be in compliance with Commission inventory guidelines regardless of the system or practices it normally follows.

Continuation of Use

An agency that has completed the term of its contract with Commission and will no longer continue to receive Proposition 10 funds consistent with the purpose, goals and objectives of the contract may continue to utilize equipment as long as the usage will benefit Imperial County children ages 0 through 5.

In order to continue using equipment, the agency must submit a **Continued Use form** attached with a current up-to-date **Inventory Record form** to the Commission office for approval no later than the fourth quarter reporting period for that contract year.

If approved, the agency will have the opportunity to use equipment for one year from the date the Commission office approved continued use of equipment or the date the contract with Commission ends, whichever is sooner. It is the agency’s responsibility to resubmit **Continued Use form** and **Inventory Record form** before the end of the approved year to Commission office for approval to use equipment for the following year. The agency must request for approval of continued use of equipment for a minimum of 4 consecutive years from the date of termination of contract with Commission.

Commission may require the return of equipment from agency at any time during the approved year.