

Perkins Capital Equipment – Practice & Procedures

Capital equipment (equipment with a cost equal to or greater than \$5,000) requests are submitted to the Associate Dean of Instructional Services. No less than 3 quotes/bids must accompany the request unless one of the criteria related to Procurement by Noncompetitive Proposals is met: 1) The item is available from only one source (letter from vendor accompanying quote/bid identifying it as a single source item); or 2) After solicitation of a number of sources, competition is determined inadequate.

Once a capital equipment request is accepted through Perkins funding, a purchase request is generated by the Program which is sent to the Associate Dean of Instructional Services (who has oversight of the Perkins funding); then to the Dean of Instructional Service for approval; then to the Business Office where it is approved and a Purchase Order is propagated. Based on the criteria shown on the Purchase Request, either the Purchase Order is returned to the originating entity to place the order; or the Business Office personnel orders the equipment.

Once a capital equipment order is received, the Program notifies: 1) the Business Office who then processes payment; 2) the Office of the Associate Dean of Instructional Services who in turn generates an inventory tag which is adhered to the item.

The inventory tags show the following information:

USER: (location or program, e.g., AUTO for Automotive Technology)

INV #: P15160002

Inventory numbers are comprised of a letter and 8 digits as follows:

- 1) Starts with a letter: **P**=Perkins; **V**=Vernon College funds; **T**=Title 3; **S**=Skills Development Funds; **O**=other such as donation.
- 2) First 4 numbers are the academic year purchased. E.G., **1516** means academic year 2015-2016
- 3) Second 4 numbers are sequential – such as, **0001**, **0002**, **0003**, etc. and are issued in the order the capital equipment is received at Vernon College.

SER. #: (serial number from manufacturer's tag on the item)

DESC: (brief description of item)

For Perkins purchases, an additional tag with the following verbiage is also attached:

Property of Vernon College
Funding provided by the Texas Higher
Education Coordinating Board under the
auspices of the federal Carl D. Perkins
Technical Education Act of 2006

Inventory is taken every year to ensure the equipment has not been disposed of improperly.

Capital Equipment Property Standards

All inventory is recorded in a spreadsheet which includes the following categories: Location/Classroom (Location/Classroom explanation: VER=Vernon Campus; CCC=Century City Center; STC=Skills Training Center, followed by the room # where the item is generally kept); User ID; Funding Type; Inventory #; Serial/Model Number; Description; Purchase Date; Quantity; Total Cost; Purchase Order #; Vendor; Expected Years in Use; Expected Expiration Date of Use; Salvage/Disposition notes. As new capital equipment is received, it is then added to this spreadsheet. A physical inventory on all capital equipment purchased with grant funding is completed at least every two years by the office of the Associate Dean of Instructional Services, which is then reconciled with the information in this spreadsheet.

Disposition of Capital Equipment purchased with Perkins funds

Any loss, damage or theft of equipment is to be reported to the Office of the Associate Dean of Instructional Services at once. The Associate Dean of Instructional Services makes the final determination of disposition of equipment that has outlived its usefulness in accordance with the Federal awarding agency disposition instructions.

Equipment that is no longer required or needed for the original project/program it was purchased for will be required to follow one of the following guidelines:

1. Items of equipment with a current per unit fair market value of \$5,000 or less may be retained, sold or otherwise disposed of with no further obligation to the Federal awarding agency.
2. Except as provided in Uniform Grant Guidance, §200.312 Federally-owned and exempt property, paragraph (b), or if the Federal awarding agency fails to provide requested disposition instructions within 120 days, items of equipment with a current per-unit fair-market value in excess of \$5,000 may be retained by Vernon College or sold. The Federal awarding agency is entitled to an amount calculated by multiplying the current market value or proceeds from sale by the Federal awarding agency's percentage of participation in the cost of the original purchase. If the equipment is sold, the Federal awarding agency may permit Vernon College to deduct and retain from the Federal share \$500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.
3. Vernon College may transfer title to the property to the Federal Government or to an eligible third party provided that, in such cases, Vernon College must be entitled to compensation for its attributable percentage of the current fair market value of the property.
4. In cases where Vernon College fails to take appropriate disposition actions, the Federal awarding agency may direct Vernon College to take disposition actions.