

3.10 PROPERTY MANAGEMENT SYSTEM

Policy: All equipment or property with an acquisition cost of over \$5,000 per unit with a useful life of more than one year must be inventoried and a central record of equipment kept. *41 CFR Part 102-84-Annual Real Property Inventories.*

Procedure:

1. Title X clinics must have a local policy describing the clinic's property management system. The local policy must meet the following standards. A sample policy with additional best practices can be found in the MT TX FP Administrative Manual, Policy 8.6 *Sample Financial Management System Policy.*
2. At least every two years, a physical inventory must be taken, and the equipment located and verified. The person responsible for conducting the inventory should be separate from the person responsible for the physical security of inventory.
3. Physical records must be maintained yearly and include the following:
 - a. Description of property
 - b. Serial or identification number
 - c. Date acquired
 - d. Cost
 - e. Current location
 - f. % of federal share
 - g. Use and condition of the property
 - h. Any disposition data, including the date of disposal and/or sale price of the property
4. Inventory records should be reconciled to the general ledger at least annually, preferably at fiscal year-end, prior to the annual audit.
5. Unauthorized access to assets/equipment and to the inventory records must be prevented.