This publication presents performance flow charts and other accompanying forms that are elements of an economical computerized continuing inventory system. The system described here is intended to serve school systems as an adequate fixed asset system and to provide a computerized inventory model that offers support for costs of future educational program designs and contributes to budget preparation by school systems. The inventory design consists of two subsystems, one for fixed assets and one for materials and supplies. The sample forms presented are applicable to both of these subsystems and include inventory reports, burglary/vandalism/loss reports, maintenance of inventory records, new acquisition/file update records, equipment checkout forms, forms for permanent transfer or disposal of fixed assets or supplies, and forms for making miscellaneous record changes. In addition, group and item classifications are explained along with a plan for numbering inventory items, and an explanation of how to develop a catalog of item labels with identifying numbers is provided. A sample computer printout is also included. (Author/JG)
BUILD YOUR OWN, INVENTORY SYSTEM

ANNUAL COST: $100.00 (APPROXIMATE)

Fixed Assets, Materials and Supplies

The Practical Elements for a Computerized, Continuing Inventory System in Schools and Use in Determining a Measure for Instructional Cost

Compiled by:

Dr. Arnold Payne
Administrative Assistant to Superintendent
Gonzales Independent School District
Gonzales, Texas 78629

Non-profit:
Materials, printing, and mailing costs are $1.00.

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BEST COPY AVAILABLE
December 19, 1975

Dr. Arnold Payne  
Gonzales ISD  
P. O. Box 157  
Gonzales, Texas 78629

Dear Dr. Payne:

In reviewing the invoices we have billed you, I find the following:

- During the past 12 months, December 1974 through December 1975, Gonzales has been billed $146.30 for fixed asset processing.*
- Keypunch charges equaled $32.00 during this period.

As we suspected, the system is quite economical to maintain. I did not go back to 1973 to see the cost of creating the file - the records are in storage at the warehouse - but memory tells me the creating keypunching cost was around $400 and creation processing around $100.

I hope these figures serve your purposes. Please call me if more data is needed.

Sincerely,

Jim Johnson  
Director, Fiscal Affairs and Data Processing  
JJ:gf.

* Our computer print-out requirements for the 1975 year were above normal.
Foreword

The following directions and forms are taken from the results of several months work in a cooperative venture by the Gonzales Independent School District, and the Education Service Center, Region XIII, Texas to develop a fixed asset system. The expertise of Region XIII staff in fixed asset accounting and computer usage integrated itself with the practicality found in a school operation as the efforts of personnel from the two staffs were coordinated to achieve the following major goals:

1. To provide the Education Service Center, Region XIII, personnel with practical experience in developing a generalized computer based system.

2. To provide the Gonzales Independent School District with an adequate computer based fixed asset system, and that which could be used by other school systems.

3. To provide educational research with a computerized inventory model which offers support for future educational program design costs and contributes to budget preparation by a school system.

Dr. Arnold Payne
Coordinator of Region/District Endeavor

Region and School Officials

Mr. Fred A. Havel, Jr., Superintendent, Gonzales Independent School District, Texas
Mr. Jim Johnson, Director for Fiscal Affairs and Data Processing, Region XIII, Texas
Mr. Steve Colley, Project Leader, Region XIII, Texas
School Staff, Gonzales Independent School District, Texas

Reference

(R-2) Fixed Asset Manual, Gonzales Independent School District, Texas
For the convenience of individuals, departments, and/or records kept on particular items in the school system, an inventory for materials and supplies can be easily included and yet kept apart from the fixed asset inventory. This is done by simply assigning a fund code number which is not found with the fixed asset system inventory. All other data found in the fixed asset system are applicable to the variable accommodation system inventory.

However, whereas fixed assets are made accountable to the current inventory records, the variable accommodations are only accountable to administrative regulations. For example: the administration of a school system may desire to maintain a stock of paper on or above a minimum level throughout the school year. The school system through a Variable Accommodation System has the initial cost in purchase of paper and through periodic checks will be able to anticipate both needs and expenditures. Furthermore, the areas where the greatest demand exists will be evident through the inventory system.
II.
Inventory

A. The Fixed Asset System

What is a Fixed Asset?

Theory

A tangible fixed asset can generally be defined as an item of material value which will provide benefits for a period of time greater than one accounting period. Fixed assets include land, buildings, equipment, tools, furniture and construction-in-process. The accounting period for the Gonzales system is one year.

Texas Education Agency

The Texas Education Agency has defined a fixed asset or capital outlay items as follows:

Equipment costing $100 or more per unit and having a useful life expectancy of more than two years is considered to be capital outlay and costs will be entered and controlled in the General Fixed Asset group of accounts. (TEA-BUL-679, 1971; REQ-103)

It should be noted that the requirements of Bulletin 679 are minimum; a school district may, if it wishes, apply a stricter definition of a fixed asset.

Gonzales

The Gonzales Independent School District has made a statement of policy which defines those items to be included in its original fixed asset inventory. Its policy is both theoretically sound and complies with the standards set forth by TEA. The criteria as to what is to be included in the Gonzales fixed asset system are:
(1) All items with a unit cost of $10 or greater and a useful life of more than 2 years, and all items which appear in the catalog system.

(2) Books and instructional materials which are not catalogued and controlled by a central place (such as a library or media center) are not to be included.

(3) Where a need was felt to affix increased accountability to certain items, those items would be included in the system.

Now that the file has been built for the fixed asset system, only those items purchased from the 6600 accounts will be added to the fixed asset file as the on-going portion of the system.

Elements of a Good Fixed Asset System

A good fixed asset system should provide up-to-date accounting information concerning the fixed asset and provide a means of identifying and assigning responsibility for the custody of the fixed asset.

Among the benefits of a good fixed asset system are:

(1) An adequate set of records which summarize the financial transactions in an orderly fashion

(2) An ability to quickly respond to inquiries by several outside parties such as governmental agencies and concerned taxpayers

(3) Aid in compiling the school budget

(4) Aid in the estimation of insurance needs
Additionally, a computerized fixed asset system will provide increased confidence on the part of taxpayers that their taxes are being kept track of and an easier method of taking and reconciling the annual inventory of fixed assets within the school system.

Another important element of the fixed asset system is the provision for physical control of the items. Because fixed assets are of the nature that they have a higher value, it is especially important that the physical and internal controls over these items be more rigorous than that over items which are considered supplies. There are two types of control over fixed assets which are generally accepted and are being used in the Gonzales system:

**Group Control**

Within the general theory of internal control there is the provision that items which exist in numbers greater than one (1) within a given inventory area (e.g. room in a school) and exhibit the property that they are more or less indistinguishable from one another should be placed under group control.

The Gonzales criterion for group control is that it applies to items not described under unit control, which do not have a serial number and include, but are not limited to, desks, tables, chairs, filing cabinets, etc. Where more than one of these items is in a room or area, their group description is to be used and the total quantity of the like items is to be used. To be combined as a group entry, the items must not have a serial number and must be similar in appearance, type of construction, and dimension. Single units of items not having a serial
number will still be considered under group control and
will show a quantity of one (example - one teacher desk in
a given classroom).

Unit Control

Unit control generally applies to those items which,
because of value, need additional safekeeping measures and
should be accounted for on individual basis rather than a
group basis.

The Gonzales system provides that all equipment items
which have a serial number will be entered individually on
data sheets under unit control. Such items will always
show a quantity of one and will include, but are not limited
to, machinery, vehicles, audio-visual equipment, office
machines, etc. These are items, because of their nature,
that the district wishes to account for individually. These
items will have district identifying property tags attached
to them.

The property tags to be used under unit control are
metal and are to be physically attached to the piece of
equipment. The tags are controlled and assigned by each
inventory area when the new acquisition is received. If
there is a question as to whether group or unit control (and
the use of a tag) is to be used, the Central Office should be
contacted.

The tags are to be attached according to the directions
provided with the tag kit. The positioning of the tag should
be administration policy and should be in such a position
that they do not inhibit the proper operation of the item,
and are not subjected to excessive wear or weather.
Because of the expense of the metal property tags, blocks of numbers have been assigned to each campus on a pro rata basis according to the number of unit control items observed during the initial inventory. The individual inventory areas are to use the tags assigned to them, with their associated item numbers, and should contact the Central Office when new tags are needed. When a new group of tags is needed, the Central Office will purchase them and allocate the new tags by blocks to each inventory area. The blocks of tag numbers and their associated tag numbers to be used at Gonzales for the first 2000 tags are:

<table>
<thead>
<tr>
<th>Inventory Area</th>
<th>Tag Block</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Avenue</td>
<td>1-269</td>
</tr>
<tr>
<td>East Avenue</td>
<td>270-520</td>
</tr>
<tr>
<td>High School</td>
<td>521-1275</td>
</tr>
<tr>
<td>Junior High</td>
<td>1276-1494</td>
</tr>
<tr>
<td>Warm Springs</td>
<td>1495-1516</td>
</tr>
<tr>
<td>Elks Hospital</td>
<td>1517-1531</td>
</tr>
<tr>
<td>Superintendent's Office</td>
<td>1532-1592</td>
</tr>
<tr>
<td>Tax Office</td>
<td>1593-1598</td>
</tr>
<tr>
<td>Custodial Services</td>
<td></td>
</tr>
<tr>
<td>Maintenance Services</td>
<td>1599-1648</td>
</tr>
<tr>
<td>Transportation</td>
<td>1649-1719</td>
</tr>
<tr>
<td>Vocational School</td>
<td>1720-1903</td>
</tr>
<tr>
<td>High School Cafe</td>
<td>1904-1933</td>
</tr>
<tr>
<td>Junior High Cafe</td>
<td>1934-1944</td>
</tr>
<tr>
<td>North Avenue Cafe</td>
<td>1945-1974</td>
</tr>
<tr>
<td>East Avenue Cafe</td>
<td>1975-2000</td>
</tr>
</tbody>
</table>

The next group of tags to be purchased, assuming that 2000 are needed, would be serially numbered from 2001 to 4000.
II.

B. Responsibilities

1. Campus Responsibilities
   a. Initial receipt of items
   b. Labeling of items
   c. Submission of complete receipt information to Business Office
   d. Initiate transfer/disposal/loss reporting procedure
   e. Maintenance of adequate internal control over assets
   f. Proper and timely completion of necessary reporting documents and submission to Central Office
   g. Taking periodic inventory of capital outlay items

2. Central Administration Responsibilities
   a. Continued emphasis on the importance of maintaining an accurate system
   b. Review and action on inventory report findings, transfer and disposal requests, and burglary/vandalism/loss reports
   c. Supervision of the taking of a physical inventory at least annually
   d. Coordination of the activities of the campuses and the Business Office to ensure operation of a smooth on-going system
   e. Overall responsibility for accuracy and completeness of the system

3. Business Office Responsibilities
   a. Responsible for all input to the computer
   b. Assure timely and correct addition(s) to the file of all new acquisitions
   c. Prepare all necessary corrections to the system
   d. Accomplish in a timely fashion any changes that are authorized by central administration
   e. Responsible for producing the needed and requested computer reports

4. Education Service Center Responsibilities
   a. To aid the school system in the implementation of the fixed asset accounting system
   b. To keypunch from the submitted maintenance form, the information needed to update the fixed asset file
   c. To actually update the fixed asset computer file
   d. To supply to the school district computer print-outs which are necessary for the proper and timely implementation of the fixed asset system.
II.

c. Catalog Index *

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>01XXX</td>
<td>Furniture and Gen. Equip.</td>
</tr>
<tr>
<td>02XXX</td>
<td>Office Equipment</td>
</tr>
<tr>
<td>03XXX</td>
<td>Audio-Visual Equipment</td>
</tr>
<tr>
<td>04XXX</td>
<td>Voc. - Tech. &amp; Indus. Arts</td>
</tr>
<tr>
<td>05XXX</td>
<td>Home Econ. Training</td>
</tr>
<tr>
<td>06XXX</td>
<td>Science Lab Equipment</td>
</tr>
<tr>
<td>07XXX</td>
<td>General Instruction Equip.</td>
</tr>
<tr>
<td>08XXX</td>
<td>Custodial Equipment</td>
</tr>
<tr>
<td>09XXX</td>
<td>Cafeteria Equipment</td>
</tr>
<tr>
<td>12XXX</td>
<td>Transportation Equipment</td>
</tr>
<tr>
<td>13XXX</td>
<td>Athletic Equipment</td>
</tr>
<tr>
<td>14XXX</td>
<td>Musical Equipment</td>
</tr>
<tr>
<td>15XXX</td>
<td>Maintenance and Warehouse</td>
</tr>
<tr>
<td>20XXX</td>
<td>Land and Buildings</td>
</tr>
</tbody>
</table>

* Each school should without difficulty be able to determine its own catalog index.

Another item of a fixed asset system is a catalog system which will identify the different articles in the system by the type of furniture or equipment which it represents. The catalog system must be both specific enough to clearly distinguish different classes of fixed assets and general enough so that the catalog system is not cluttered with different classes of items.

The catalog system used by Gonzales is quite extensive and adequately covers almost any fixed asset. In the formulation of the Gonzales catalog system, in all cases, the items are listed alphabetically within each general class section in order to facilitate the search for a particular catalog item. Also, in most cases, the items are in numerical sequence.

If it appears that there is a fixed asset in the inventory which is not adequately described by the existing system, the catalog system can be updated. This can be easily done by placing the item in the proper alphabetical position in the catalog and then assigning to that item a catalog number which was not previously in use.
### Chairs
- 01102 Bean Bag
- 01105 Executive, swivel
- 01110 Fiberglas
- 01115 Folding
- 01120 Patio
- 01122 Plastic
- 01125 Secretary, swivel
- 01127 Side Chair
- 01130 Student, 11 in. thru 18 in.
- 01133 Teacher's
- 01135 Wooden, with arms
- 01140 Wooden, without arms
- 01145 Lounge
- 01150 With Casters

### Desks
- 01452 Adjustable
- 01455 Art
- 01457 Check-out
- 01462 Executive
- 01463 File Desk
- 01465 Secretary
- 01471 Student, 21 in.-29 in.
- 01477 Student, double
- 01474 Tablet Arm (Chair-Desk)
- 01479 Wooden

### Stools
- 01205 Fiberglas
- 01210 Wood
- 01215 Metal
- 01220 Step

### Sofas
- 01302 Couch
- 01305 Sectional
- 01310 Sofa, 2 place
- 01315 Sofa, 3 place

### Tables
- 01403 Art
- 01405 Bakers (See Cafe.)
- 01407 Conference
- 01409 Coffee
- 01412 Dining & chairs
- 01415 Drafting
- 01418 End
- 01421 Lab
- 01424 Library
- 01427 Picnic
- 01428 Projection
- 01429 Reading
- 01430 Rolling
- 01433 Sewing machine
- 01436 Shop
- 01437 Typing
- 01447 Wooden
- 01448 Work

### Cabinets, Files, Shelves, Cases, Racks, Stands
- 01503 Bookcase, metal
- 01506 Bookcase, Wood
- 01509 Cabinet, Apparatus
- 01511 Cabinet, Display
- 01512 Cabinet, Filing, Letter
- 01513 Cabinet, Filing, Legal
- 01514 Cabinet, Music
- 01515 Cabinet, Storage
- 01516 Card Index File
- 01517 Credenza
- 01518 Rack, Book
- 01521 Rack, Bicycle
- 01522 Rack, Coat
- 01524 Rack, Magazine
- 01525 Rack, Record
- 01527 Rack, Weight
- 01530 Shelving, Movable
- 01535 Stand, Atlas
- 01537 Stand, Conductors
- 01538 Stand, Chart
- 01540 Stand, Dictionary
- 01541 Stand, Newspaper
- 01545 Stand, photocopy
- 01548 Stand, Speakers
- 01550 Stand, Television
- 01551 Stand, Work

### Trucks and Carts
- 01553 Book Truck
- 01554 Hand Truck
- 01556 Cart
- 01560 Dolly
- 01561 Welding cylinder (See Voc.)
III.
REPORT FORMS

A-1. Inventory Report Form

CAMPUS/ORGANIZATION

AFTER THE ANNUAL INVENTORY, THE DIRECTOR WILL RECONCILE ADDITIONS AND DELETIONS AND COMPLETE BOTH COPIES OF THE FORM TO SHOW THE RESULT OF THE RECONCILIATION WITHIN HIS OR HER CAMPUS.

CENTRAL OFFICE

1. RECONCILE INVENTORY REPORTS FROM ALL CAMPUSES.

2. ARE THERE ANY DELETIONS INDICATED NECESSARY?

YES      NO

CENTRAL OFFICE

WERE THE ITEMS PURCHASED WITH FEDERAL FUNDS?

YES

CENTRAL OFFICE

OBTAIN PERMISSION FROM THE APPROPRIATE GOVERNMENT AGENCY TO DELETE THE ITEM FROM INVENTORY.

NO

CENTRAL OFFICE

1. COMPLETE THE INVENTORY FORM GIVING PERMISSION TO REMOVE

2. SEND COPY #2 TO THE ORIGINATING CAMPUSES

3. RETAIN ORIGINAL

CENTRAL OFFICE

COMPLETE THE FIXED ASSET MAINTENANCE FORM TO REFLECT THE CHANGES TO BE MADE IN THE FIXED ASSET INVENTORY. WHEN ACTUALLY SHOWN ON THE COMPUTER PRINT-OUT, DISCARD COPY #1

CAMPUS/ORGANIZATION

IF NECESSARY, INDICATE TO THE CONCERNED CAMPUSES THE LOCATION OF THEIR ITEMS AND INSTRUCTIONS AS TO WHETHER THEY SHOULD BE RETURNED OR PERMANENTLY TRANSFERRED.

RETAIN COPY #2 ON FILE. ONCE THE CHANGES HAVE BEEN MADE BY THE CENTRAL OFFICE AND THE NEXT COMPUTER PRINT-OUT REFLECTS THEM, DISCARD COPY #2 FROM THE FILE.
INVENTORY REPORT FORM

INSTRUCTIONS: Identify the areas for which you are responsible, complete the certification block and list any assets not located when the inventory was taken. Turn this report in to the Superintendent by the prescribed time.

A. Inventory areas for which you are responsible: East Avenue Elem (101)

B. Date of computer inventory listing: 5/16/74

C. Certification of Inventory:

I certify that a complete inventory of the inventory areas for which I am responsible has been taken and that all items on the listings were physically observed except those items listed below. For the items listed below, I certify that a complete search of the premises has been made and that staff members have been questioned concerning the whereabouts of the item(s) and that the items cannot be found and are presumed lost.

<table>
<thead>
<tr>
<th>TAG NUMBER</th>
<th>FEDERAL FUNDS (Y)</th>
<th>ASSET DESCRIPTION</th>
<th>LOCATION AREA</th>
<th>ASSET VALUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>00000000338</td>
<td>☑</td>
<td>Overhead Projector 72323R</td>
<td>101</td>
<td>144.00</td>
</tr>
</tbody>
</table>

D. The following items are not assigned to my inventory area but were found in my area at the time the inventory was taken:

<table>
<thead>
<tr>
<th>TAG NUMBER</th>
<th>ASSET DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>UNKNOWN</td>
<td>16 mm Projector, Serial # 40263</td>
</tr>
</tbody>
</table>

Report completed by: [Signature] Date: 5-17-74

REMOVAL FROM INVENTORY AUTHORIZATION

Authorization given by: [Signature] Information:

Dr. Arnold Payne
P.O. Box 157
Gonzales, Texas 78629

Loss entries made by: [Signature] Date: 5-17-74

BUSINESS OFFICE USE

Date: 5-17-74
III.

B-1 Equipment Checkout Card

CAMPUS/ORGANIZATION
COMPLETE BOTH COPIES (WHITE AND BLUE) OF THE CHECKOUT CARD AND HAVE THE REQUESTOR SIGN THEM

WHITE COPY  BLUE COPY

CAMPUS/ORGANIZATION
RETAIN ON FILE

EQUIPMENT
ATTACH THE BLUE COPY PHYSICALLY TO THE ITEM

EQUIPMENT IS RETURNED

CAMPUS/ORGANIZATION
1. PULL THE WHITE COPY AND COMPARE WITH BLUE COPY ON THE RETURNED ITEM.
2. COMPLETE THE WHITE AND BLUE COPIES

WHITE COPY  BLUE COPY

CAMPUS/ORGANIZATION
RETAIN WHITE COPY ON FILE

PERSON WHO CHECKED OUT EQUIPMENT
BLUE COPY SERVES AS A RECEIPT

16
III.

B-2. EQUIPMENT CHECKOUT CARD

NAME OF AREA/CAMPUS, East Avenue Elem. School

BEFORE ANY EQUIPMENT MAY LEAVE THE AREA THIS CARD MUST BE COMPLETED WITH APPROPRIATE SIGNATURES

EQUIPMENT DESCRIPTION Projector, Overhead # F3323R

EQUIPMENT TAG NUMBER 335

DATE OF CHECKOUT 5-16-74 DATE TO BE RETURNED 5-20-74

LOCATION OF EQUIPMENT DURING CHECKOUT Gonzales City Library

SIGNATURE OF PERSON REQUESTING EQUIPMENT

SIGNATURE OF PERSON APPROVING REQUEST

CONDITION OF EQUIPMENT Satisfactory

DATE EQUIPMENT IS RETURNED 5-19-74

SIGNATURE OF PERSON CHECKING IN EQUIPMENT

CONDITION OF EQUIPMENT Satisfactory

Gonzales Independent School District

Information
Dr. Arnold Payne
P.O. Box 157
Gonzales, Texas 78629
II.

C-1. Request for Permanent Transfer or Disposal of Fixed Assets

REQUESTING CAMPUS/ORGANIZATION

COMPLETE SECTION A OR B AND SEND ALL 3 COPIES TO THE CENTRAL OFFICE

PERMANENT DISPOSAL

CENTRAL OFFICE

COMPLETE A FIXED ASSET MAINTENANCE FORM TO REFLECT THE CHANGE. ONCE THE CHANGE IS SHOWN ON THE NEXT COMPUTER PRINT-OUT, COPY #1 CAN BE DISCARDED.

CENTRAL OFFICE

UPON APPROVAL RETAIN COPY #1 AND REROUTE THE OTHER 2 COPIES

CENTRAL OFFICE

WAS THE ITEM PURCHASED WITH FEDERAL FUNDS?

YES NO

CENTRAL OFFICE

OBTAIN PERMISSION FROM THE APPROPRIATE GOV'T AGENCY TO DELETE THE ITEM FROM THE INVENTORY

PERMISSION OBTAINED

CENTRAL OFFICE

COMPLETE THE FIXED ASSET MAINTENANCE FORM TO REFLECT THE DISPOSAL. COPY #1 MAY BE DISCARDED ONCE THE CHANGE IS ACTUALLY SHOWN IN THE NEXT COMPUTER PRINT-OUT

REQUESTING CAMPUS/ORGANIZATION

DISPOSE OF THE ITEM ACCORDING TO THE INSTRUCTIONS INDICATED ON COPY #2

CENTRAL OFFICE

UPON APPROVAL RETAIN COPY #1 AND DISCARD COPY #2

COPY #3

"TO" INVENTORY AREA

ARRANGE WITH "TO" AREA TO PHYSICALLY TRANSFER THE ITEM

CENTRAL OFFICE

REQUESTING CAMPUS/ORGANIZATION

DISPOSE OF THE ITEM ACCORDING TO THE INSTRUCTIONS INDICATED ON COPY #2

CENTRAL OFFICE

UPON APPROVAL RETAIN COPY #1 AND DISCARD COPY #2

COPY #3

"TO" INVENTORY AREA

ARRANGE WITH "TO" AREA TO PHYSICALLY TRANSFER THE ITEM

CENTRAL OFFICE

COMPLETE THE FIXED ASSET MAINTENANCE FORM TO REFLECT THE DISPOSAL. COPY #1 MAY BE DISCARDED ONCE THE CHANGE IS ACTUALLY SHOWN IN THE NEXT COMPUTER PRINT-OUT
C-2. GONZALEZ INDEPENDENT SCHOOL DISTRICT
FIXED ASSET INVENTORY SYSTEM

REQUEST FOR PERMANENT TRANSFER OR DISPOSAL OF FIXED ASSETS

☐ Permanent Transfer (Use Section A Only)
☐ Disposal (Use Section B Only)

Date: August 20, 1974

<table>
<thead>
<tr>
<th>EQUIPMENT ITEM NUMBER</th>
<th>EQUIPMENT DESCRIPTION AND SERIAL NUMBER</th>
<th>QUANTITY</th>
<th>TOTAL CARRYING VALUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>0000033</td>
<td>Projector, Overhead A2323.R</td>
<td>1</td>
<td>14.40</td>
</tr>
</tbody>
</table>

SECTION A
PERMANENT TRANSFER: It is requested that the equipment listed above be transferred

FROM

AREA

ROOM

REMARKS

"TO" AREA SIGNATURE

"FROM" AREA SIGNATURE

CENTRAL OFFICE APPROVAL

APPROVAL DATE

SECTION B
DISPOSAL: It is requested that the equipment listed above be disposed of from the inventory.

IMPORTANT: Were any of the items listed above bought with Federal funds? ☐ Yes ☐ No ☐ Unknown

DISPOSAL REASON: SCRAPPED

1. To be sold to

Value to be received

2. To be traded-in on

Suggested Vendor

Value to be received

3. Scrap disposition suggestion

TO BE THROWN AWAY

Suggested Vendor

Estimated scrap value

4. Other Reasons

REMARKS: The item was TOTALLY damaged during move

Requesting Signature

Central Office Information

Approval Signature: Dr. Arnold Payne

Approval Date: P.O. Box 157

Gonzales, Texas 78629
D-1. Miscellaneous Change Form

CAMPUS/ORGANIZATION
COMPLETE BOTH COPIES OF THE FORM TO SHOW THE CHANGES THAT ARE DESIRED. SEND BOTH COPIES TO THE CENTRAL OFFICE

CENTRAL OFFICE
UPON APPROVAL RETAIN THE ORIGINAL AND SEND COPY #2 TO THE ORIGINATING CAMPUS

COPY #2
CAMPUS/ORGANIZATION
RETAIN COPY #2 ON FILE UNTIL THE CHANGE IS SHOWN ON THE NEXT COMPUTER PRINT-OUT

COPY #1
CENTRAL OFFICE
COMPLETE A FIXED ASSET MAINTENANCE FORM TO REFLECT THE DESIRED CHANGES. RETAIN COPY #1 UNTIL THE CHANGES ARE SHOWN IN THE NEXT COMPUTER PRINT-OUT
MISCELLANEOUS CHANGE FORM

PURPOSE: The Miscellaneous Change Form is to be used to report the following changes in the condition of fixed assets: (1) A change in catalog number, (2) A change in description, (3) A change in room number, (4) Other messages concerning a given asset. It is not to be used to report a loss or a transfer of an asset.

INSTRUCTIONS: List item number of asset in column 1. Detail the requested change in column 2. Use the following change format:

CHANGE _______ TO
EXAMPLE: CHANGE _______ Catalog Number _______ TO _______ 20102

<table>
<thead>
<tr>
<th>ITEM NUMBER</th>
<th>DESCRIPTION OF CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>H000050102</td>
<td>Change Fund to 216</td>
</tr>
<tr>
<td>H000050520</td>
<td>Change Catalog Number to 20102</td>
</tr>
<tr>
<td>H000050321</td>
<td>Change Unit Cost to $12,000</td>
</tr>
</tbody>
</table>

Changes Requested By ____________________________
Date ____________________________

Changes Authorized By __________________________
Date ____________________________

Information
Dr. Arnold Payne
P.O. Box 157
Gonzales, Texas 78629

BUSINESS OFFICE USE
Changes Entered By __________________________
Date ____________________________

21-17-17 (R-2)
III.

E-1. Burglary/Vandalism/Loss Report

CAMPUS/ORGANIZATION
COMPLETE BOTH COPIES AND
SEND TO THE CENTRAL
OFFICE

CENTRAL OFFICE
WAS THE ITEM PURCHASED WITH FEDERAL
FUNDS?

YES

CENTRAL OFFICE
OBTAIN PERMISSION FROM THE
APPROPRIATE GOVERNMENT
TO DELETE THE ITEM
FROM THE INVENTORY

PERMISSION OBTAINED

CENTRAL OFFICE
COMPLETE A FIXED
ASSET MAINTENANCE
FORM TO REFLECT
THE CHANGE

CENTRAL OFFICE
1. AUTHORIZE REMOVAL
FROM THE INVENTORY
2. RETAIN THE ORIGI-NAL COPY ON FILE

CAMPUS/ORGANIZATION
RETAIN THE COPY ON
FILE.

22
-18- (R-2)
INSTRUCTIONS: Complete this form as completely as possible. It is the original record detailing the loss and as such will be used for police and insurance reporting. It is very important that all pertinent facts concerning the loss be detailed. Use a separate form for each item involved.

A. Type of Loss (Check One): ☑ Burglary ☐ Vandalism ☐ Mysterious Disappearance

B. Was the item federally funded? ☑ Yes ☐ No ☐ Unknown

C. Complete description of the item including tag number, description of the item and manufacturer's serial number if known:

- **Ophthalmic Projector**
- Tag #: 00000000000

D. To what area is the item assigned: East Avenue (101), Room 0008

E. Carrying value of asset $: 142.00

F. Name and title of person discovering the loss: Teacher at East Avenue

G. Location of item when theft/damage/loss occurred: Room 0008

H. Date and time of discovery of the loss: May 15, 1974, 6:30 A.M.

I. Last date and time the item was observed and by whom: May 14, 1974, 4:30 P.M.

J. BURGLARY—Describe any physical evidence of the theft or anything out of the ordinary in the vicinity of the theft:

- Several outside windows had been broken and opened.
- Several other items are also missing; burglary forms are submitted for them.

K. Approximate date and time of the theft/damage: probably after 8:00 P.M., 5-14-74

L. To whom was the loss reported:

- Police: Attach a copy of the police report if possible
- Superintendent of Schools

M. Describe the safeguards used to protect the item:

- The door and windows of room 8 had definitely been closed and locked by before she left school on the 14th.

Report completed by: [Name and Date]

Report accepted by: [Name and Date]

---

**REMOVAL FROM INVENTORY AUTHORIZATION**

Authorization given by: [Name and Date]

Information

Dr. Arnold Payne
P.O. Box 157
Gonzales, Texas 78629

---

**BUSINESS OFFICE USE**

Loss entries made by: [Name and Date]

---
IV.

A-1. Fixed Asset Maintenance Form

CAMPUS/ORGANIZATION

INVENTORY REPORT FORM
PERMANENT TRANSFER OR DISPOSAL FORM
BURGLARY VANDALISM LOSS REPORT
MISCELLANEOUS CHANGE FORM
NEW ACQUISITION

CENTRAL OFFICE

COMPLETE THE MAINTENANCE FORM ENTRY OF EACH ITEM INVOLVED AFTER MONTHLY RECONCILIATION OF ADDITIONS AND LOSSES ON THE 350 REPORT WITH MAINTENANCE FORM ENTRIES. SUBMIT FORM TO ESC WITH A COMPLETED DATA PROCESSING REQUEST FORM.

EDUCATION SERVICE CENTER

KEYPUNCH INFORMATION FROM THE MAINTENANCE FORM AND UPDATE THE COMPUTER FIXED ASSET INVENTORY FILE

DATE OF NEXT FIXED ASSET INVENTORY

CAMPUS/ORGANIZATION

CAMPUS WILL RECEIVE THE FIXED ASSET COMPUTER PRINT-OUT WHICH INCLUDES THE CHANGES SHOWN ON THE FIXED ASSET MAINTENANCE FORM.

-20-

(R-2)
### New Acquisition

#### Examples of Completed Forms

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<tr>
<th>Item Number</th>
<th>Catalog Number</th>
<th>Description - Serial Number</th>
<th>Location Code</th>
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<th>Number of Units</th>
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<th>Check Voucher Number</th>
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#### Burglary - Vandalism - Loss

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#### Disposal

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#### Permanent Transfer

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IV.

B. New Acquisition/File Update

Fixed Asset Maintenance Form

The purpose of the Fixed Asset Maintenance Form is to update the computer file on fixed assets. The update may be the result of new acquisitions, errors discovered by an inventory review, or disposals or losses of fixed assets.

New Acquisition - The concerned campus must provide the appropriate item number or numbers and room number or numbers for each item or group of items to the central office by writing them on the Receiving Unit copy of the purchase order.* The central office will then complete the report.

1. New Acquisition Procedure

I. Campus/Organization Activities

A. Capital outlay item is received at campus/organization

B. Director* completes Receiving Unit copy of purchase order denoting following items on the P.O.:

1. Quantity received
2. Date received
3. Receipt signature

The above information has always been provided by the principal as it is needed information to process a bill for payment. In addition, the director* would supply the following information (needed for inclusion in the fixed asset system) on 6600 acquisitions:

4. Catalog number
5. Item number
6. Room number
7. Serial number of machine if applicable

C. Director* affixes property tag to a unit control item

D. Receiving copy of P.O.* is sent in school mail to the Business Office
II. Business Office Activities

A. Receives receiving report copy of P.O. from campus

B. Pulls accounting copy of P.O. and the associated invoice and processes bill for payment in normal fashion

C. If the transaction involves a 6600 account, the Business Office completes a fixed asset maintenance form to enter the capital outlay acquisition into the fixed asset system

D. Transaction documentation is then filed as usual

E. Monthly, upon receipt of the 350 report, the Business Office prepares a schedule resulting in a dollar total by fund of monthly increases in the 6600 accounts. (For funds not on computer, monthly increases in manually kept 6600 records would be determined similarly.)

F. At end of month, a dollar total of fixed asset acquisition entered on the maintenance form would be obtained.

G. If the totals of item E and F agree, the maintenance sheets are sent to the Service Center for processing.

H. If the totals of items E and F don’t agree, the Business Office must resolve the difference(s) and then forward the maintenance forms to ESC for processing.

*Where the inventory director is the campus principal, the data required is entered on a fixed asset maintenance form. This form is submitted along with his six weeks report to the superintendent.

Stamp for Invoices

Fixed Assets

1. Item No
2. Catalogue No.
3. Serial No.
4. Date Received
5. Quantity Received
6. Room No.
7. Signature
8. Check

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IV.

2. **File Update.** Only the item number and the updated or changed entry must be completed. All other blocks can remain blank.

Example 1: An incorrect serial number was entered in the description block during the first inventory. We now wish to correct or update our fixed asset file to show the correct serial number. Since this is an update and only Card 1 is involved, and because the description block is on this card, we complete the Card 1 item number and complete the entire description block with the new serial number. The update is complete and it is not necessary to complete Card 2.

Example 2: An item which was purchased with consolidated application funds was stolen. First permission must be obtained from TEA to delete the item from the inventory and a Burglary/Vandalism/Loss-Report will be filed. Upon approval from TEA, the item number will be completed on Card 2 and the status code will be 2. This will complete the form to show the theft.

B-1. **Maintenance Form Completion**
School District - Gonzales I.S.D.
County District No. - 089901
Prepared By - Name of the person in the central office who prepares the form.
Date - The date on which the form was completed.
Item Number (1-10) - This is a unique identifying code which designates either a single item or group of items. The number is to be supplied to the central office and controlled by each inventory area. The item number must always appear on the card.

Catalog Number (11-20) - This is a number code which categorizes items by their function, description and/or use. The catalog numbers are to be found in the catalog system and are to be entered by the central office. In the event that an item cannot be adequately described by the existing catalog structure, the item can be given a catalog number not in use.

Description-Serial Number (21-70) - This is a written description of the item involved which will most easily identify the item. If unit control is desired, the serial number should be entered in this space also, preferably to the right side of the block. Also, helpful information might include the manufacturer's name and the model number. Abbreviations are often helpful.

Location Code (71-73) - This is a code which refers to the campus and/or organizational unit to which the item is assigned.

Gonzales High School  001
Gonzales Jr. High School  042
North Ave. Elem. School  103
East Ave. Elem. School  101
IV.

Warm Springs Hospital School 003
Elks Hospital School 102
High School Cafeteria 930
Junior High School Cafeteria 931
North Avenue Cafeteria 932
East Avenue Cafeteria 933
Superintendent's Office 901
Tax Office 910
Custodial Services 915
Maintenance Services 916
Transportation (Buses) 925
Vocational School 002

Fund (74-76) - This is a numerical code which identifies the source of funds used to purchase the item. For an explanation of the fund coding system refer to Texas Education Agency Bulletin 679, Fund Code Description, CDE-402.

Number of Units (77-80) - Enter the quantity of the items referred to in the description block. This may be one (1) or greater for group control but it must be one (1) for unit control. Move the number as far right as possible.

CARD II

Item Number (1-10) - Same as for Card I.

Purchase Order Number (11-17) - This is the number of the purchase order involved in a new acquisition. It is to be completed by the central office from the...
Receiving Unit copy of the purchase order after the item has been received. Where there is no purchase order involved, leave this block blank. Move the number, when used, as far right as possible.

**Check/Voucher Number (18-25)** - This is the number of the check used to pay for the item. It is to be completed by the central office and moved as far right as possible.

**Acquisition Date (26-31)** - This is the date on which the item is actually acquired and, in most cases, can be obtained from the Receiving Unit copy of the purchase order.

Example: The Receiving Unit copy states that the item was received on May 16, 1974.

Enter 051674

**Acquisition Code (32)** - This code explains how the item was acquired:

1 - It was a newly purchased item.
2 - It was a replacement item not obtained with school funds, e.g., an insurance replacement for a stolen item.
3 - It was a donated item.
4 - It was purchased by a campus organization, booster club, or PTA.

**Status (33)** - This code describes the correct status of the item:

1 - Active
2 - Stolen
3 - Retired
4 - Destroyed
5 - Delete from File

Estimated Useful Life (34-35) - This is the estimated total useful life of the item, not the estimated remaining life of the item. It is expressed in years and should be moved as far to the right as possible.

Room Number (36-39) - This is a code, using alphabetical and/or numeric characters which describes the room or area within the location code where the item is assigned.

Unit Cost (40-49) - This is the total cost of getting the fixed asset in such a state that it is functional. In cases of newly purchased items, the invoice, not purchase order price, must be used. Any freight costs must be included. This cost is to be entered by the central office from the vendor's invoice. In the event that no documentation exists for the item, an estimate should be made.

Important Notes:

(1) This is the cost of one (1) item. The total cost is not entered on this form but is computed with the aid of the quantity block.

(2) Cents are always included in this figure, but the decimal point is not included.

Example: the cost is $50.29; enter 5029.

In all cases, the cents will be entered in blocks 48-49.

-28- 32 (R-2)
IV.

**Condition Code (50)** - This code describes the physical condition of the item. Where group control is used, an average should be utilized:

- **S** - Satisfactory Condition
- **F** - Needs to be repaired
- **R** - Needs to be replaced

Once the Fixed Asset Maintenance Form has been completed, it should be sent to the Education Service Center to be keypunched and entered into the computer. The Maintenance Form will, as always, be accompanied by a completed Data Processing Request.
### IV.

**SCHOOL DISTRICT:** GONZALES F.S.D.  
**COUNTY DISTRICT NO.:**

**A-3. FIXED ASSET MAINTENANCE FORM**

**DELETION OF ITEM FROM FILE - RE INVENTORY REPORT FAX**

<table>
<thead>
<tr>
<th>ITEM NO.</th>
<th>DESCRIPTION - SERIAL NUMBER</th>
<th>LOCATION CODE</th>
<th>FUND</th>
<th>NUMBER OF UNITS</th>
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**MISCELLANEOUS CHANGE #1 (CHANGING FUND NUMBER)**

<table>
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<tr>
<th>ITEM NO.</th>
<th>DESCRIPTION - SERIAL NUMBER</th>
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<tbody>
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**MISCELLANEOUS CHANGE #2 (CHANGING CATALOG NUMBER)**

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**MISCELLANEOUS CHANGE #3 (CHANGING UNIT COST)**

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<tbody>
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Information  
Dr. Arnold Payne  
P.O. Box 157  
Gonzales, Texas 78629
IV.
C. PROCESSING REQUEST
FIXED ASSET INVENTORY

<table>
<thead>
<tr>
<th>DATE REQUESTED</th>
<th>Date Received</th>
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☐ FIXED ASSET MASTER FILE UPDATE

☐ FIXED ASSET INQUIRY

TYPE OF SORT DESIRED

☐ BY CAMPUS LOCATION

☐ BY ROOM WITHIN CAMPUS LOCATION

☐ BY ITEM NUMBER WITHIN ROOM

☐ WITH GRAND TOTAL

☐ BY FUND CODE

☐ BY ITEM NUMBER WITHIN FUND CODE

☐ WITH GRAND TOTAL

☐ BY GAIN CODE

☐ BY ITEM NUMBER WITHIN GAIN CODE

☐ WITH GRAND TOTAL

☐ BY ITEM NUMBER

☐ WITH GRAND TOTAL

☐ BY CATALOG NUMBER

35

-31-

(R-2)
<table>
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<th>CATALOG NO</th>
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**Total:** 1,319,00
Perhaps the most visually impressive result of the fixed asset system is the computer print-out. An actual computer print-out for the Gonzales schools is shown in reduced form on page 32.

The print-out itself is composed of different areas or fields which each contain different information about the fixed assets. At the top of each sheet is the date of the fixed asset inquiry and the name of the district involved. Above the actual data are the field descriptions for the data. Each particular item is represented by two lines of printed information.

Example:

The first field on the left is the ITEM NUMBER, which is a unique number which specifically identifies the article of furniture or equipment to the computer. Item numbers with an alphabetical prefix represent items under group control and items with all numeric item numbers are under unit control. The unit control item numbers are the same numbers as are stamped on metal tags and physically placed on the item. Throughout this example we will consider item number 0000000920 on the print-out. The next field on the same line as the item number is the CATALOG NUMBER which identifies the article by type or class. In this example, item number 0000000920 has the catalog number 02275 which was obtained from the catalog system.

The next field, the DESCRIPTION, is the largest and can accommodate fifty characters. In the example the description is TYPEWRITER, MANUAL-ROYAL MCP 11-
7402558 where the article itself, its manufacturer and its serial number are all indicated.

The field with the heading LOC is the location or campus at which the item is located. It is not the actual name of the location but its code. In the example, the location code is 001, which represents Gonzales High School.

The ROOM field is the actual area within the location code where the article is located. The abbreviations and codes used in this field are developed by the inventory area directors and are most meaningful to them. The ROOM code for our example item is 8410.

The GAIN code indicates how the items were acquired. These codes are enumerated in the earlier description of the Fixed Asset Maintenance Form. A GAIN code of one (1) indicates that the item was newly acquired.

STATUS code indicates the present status of the piece of equipment. A status code of one (1) indicates that the item is being actively used.

The UNITS field reflects the number of articles identified by the particular item number. Group control items will have a UNITS field of one (1) or greater, while unit control, as in our example, will always have a UNITS field of one (1).
The **UNIT VALUE** is the cost of one item represented by the item number. In this example, the unit cost is $145.00 for the typewriter.

**TOTAL VALUE** is the unit value multiplied by the units field.

Information about item number 0000000920 is also shown on the next line below the item number. The first field on the second line is entitled **PONR** which represents the purchase order number and is used mainly for new acquisitions. In our example, this field is blank.

The next field, which is also blank, is **VONR** or voucher number. This field is to contain, in the case of Gonzales, the number of the check that was issued to pay for the particular item.

Right of the **VONR** field is the **AQDT** or acquisition date field. This is the date that the item was actually acquired. In many instances, in the Gonzales inventory, the acquisition date was unknown, so the date of the inventory 041974 was used. This is the case with our example.

The next field on the second line is **FUND**, or the code of the fund which was used to purchase the item. The fund codes are standardized and can be found in TEA Bulletin 67. The fund code for item number 0000000920 is 104.

Next to the **FUND** code is the **EUL** or estimated useful life in years of the article. This field is to be used with new acquisitions.
The last field which is used to describe the particular item is the **COND** or condition code, which is a code which describes the physical description of the item. In our example, the condition code is S or satisfactory.

At the bottom of the page are the totals figures. The totals indicated by three stars are those for the particular room, 0410, in which there are 44 individual items with a total value of $1,339.00. The two star totals are those for the entire location. In the example, Gonzales High School has a total of 7,282 items with a total value of $2,707,352.64. If there were a one star total, it would be for the entire Gonzales school system.
A. Distribution of Annual Fixed Asset Inventory Computer Print-Out

<table>
<thead>
<tr>
<th>COPY #1</th>
<th>COPY #2</th>
<th>COPY #3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Campus A</td>
<td></td>
<td>Campus A</td>
</tr>
<tr>
<td>RETAINED INTACT AT CAMPUS A</td>
<td>Separated and dist. to indiv. Rooms at Campus A</td>
<td>Room 1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Room 2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Room 3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Room N</td>
</tr>
<tr>
<td>Campus B</td>
<td>Campus B</td>
<td>Campus B</td>
</tr>
<tr>
<td>RETAINED INTACT AT CAMPUS B</td>
<td>Separated and dist. to indiv. Rooms at Campus B</td>
<td>Room 1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Room 2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Room N</td>
</tr>
<tr>
<td>Campus L</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RETAINED INTACT AT CAMPUS M</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Campus M</td>
<td></td>
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</tr>
</tbody>
</table>

RETAINED INTACT BY THE CENTRAL OFFICE

VI.

-37- (R-2)
B. Distribution, Routing and Return of the Print-Out

The computer print-out is to be used by the teachers to assist them in taking their annual inventory of furniture and equipment. Upon request from the central office by use of a Processing Request, the Education Service Center will run a fixed asset inquiry which will produce the Gonzales inventory.

Three copies of the inventory are to be supplied to the central office. A distribution diagram is shown on page 37. The distribution of the copies follows:

Copy 1: This is the central office copy and is to be retained intact until the time of the next fixed asset inquiry when it will be discarded.

Copy 2: This copy is to be divided by campus location and distributed to the different campuses. Each campus office will keep their copy intact as an office copy. When a new inquiry is received by the campus, the old one will be discarded.

Copy 3: This copy is to be separated by campus, sent to the campus directors, and then split-up by room or inventory location at the campus level and distributed to the individual teachers or other persons who will take the inventory.
### Form to Initiate Inventory System

**OF**

**FURNITURE AND EQUIPMENT**

**YEAR**

<table>
<thead>
<tr>
<th>Description</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
<th>J</th>
<th>K</th>
<th>L</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of Item</td>
<td>SERIAL NUMBER</td>
<td>FUND SOURCE</td>
<td>NUMBER OF UNITS</td>
<td>ITEM NUMBER</td>
<td>DATE ACQUIRED</td>
<td>ACQUISITION</td>
<td>UNIT COST</td>
<td>NOTION</td>
</tr>
<tr>
<td>21-60</td>
<td>61-70</td>
<td>74-76</td>
<td>77-80</td>
<td>1-10</td>
<td>26-31</td>
<td>32</td>
<td>40-49</td>
<td>50</td>
</tr>
</tbody>
</table>

---

**Inventory Reviewed By (P):**

**Date Inventory Reviewed (Q):**

(R-2)
## Inventory System Form

**Organization Name (A):**

**Location Code (B):** C-1 71-73

### Furniture and Equipment Inventory

<table>
<thead>
<tr>
<th>ITEM NUMBER (Leave Blank)</th>
<th>CATALOG NUMBER</th>
<th>DESCRIPTION</th>
<th>SERIAL NUMBER</th>
<th>FUND SOURCE</th>
<th>NUMBER OF UNITS</th>
<th>ITEM NUMBER (Leave Blank)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-10</td>
<td>11-20</td>
<td>21-60</td>
<td>61-70</td>
<td>74-76</td>
<td>77-80</td>
<td>1-10</td>
</tr>
</tbody>
</table>

**Inventory Taken By (N):**

**Date Inventory Taken (O):**

**Inventory Reviewed By (P):**

**Date Inventory Reviewed (Q):**

(R-2)
<table>
<thead>
<tr>
<th>ITEM</th>
<th>DATE</th>
<th>COUNTRY DISTRICT NO.</th>
<th>SCHOOL DISTRICT NO.</th>
</tr>
</thead>
<tbody>
<tr>
<td>ITEM A</td>
<td></td>
<td></td>
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<tr>
<td>ITEM B</td>
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<tr>
<td>ITEM C</td>
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<tr>
<td>ITEM D</td>
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<tr>
<td>ITEM E</td>
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</tr>
</tbody>
</table>

**Fixed Asset Maintenance Form**
<table>
<thead>
<tr>
<th>Description</th>
<th>Serial Number</th>
<th>Location</th>
<th>Code</th>
<th>Fund</th>
<th>Units</th>
<th>Life Number</th>
<th>Room</th>
<th>Set Date</th>
<th>Est. Date</th>
<th>Day</th>
<th>Yr</th>
<th>D</th>
<th>Voucher</th>
<th>D</th>
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</tbody>
</table>

**Fixed Asset Maintenance Form**

Prepared By

VIII
The overall account code structure is designed to serve as both an efficient account coding facility and a basic management tool. It creates a common language for use in controlling, recording, accumulating and reporting the activities of the school districts.

The code ranges are illustrated below:

The minimum information required by the Texas Education Agency will require nine (9) digits. These are the Fund, Function, Account Classification and Object Codes. Use of the Sub-object, Organization and Program codes will depend upon the size of the district and its accounting requirements.

**BASIC SYSTEM CODE COMPOSITION:**

**FUND CODE** - A 3 digit code that identifies the fund group, specific fund, and the fiscal year. The first digit refers to the fund group; the second digit specifies the fund; and the third digit of the fund code is the last digit of the appropriate fiscal year. (For example - the ESEA Title I - Regular fund for fiscal year 1972 (school year 1971/1972) will be coded 212. The first 2 indicates the Designated Purpose Fund. The 1 specifies Title I, Regular and the last 2 is fiscal year 1972).

**FUNCTION CODE** - A 2 digit code applied to expenditures that identifies the purpose of the transaction. The first digit identifies the major service area and the second digit refers to the specific function within the area. (Example - the function "Health Service" is coded 33. The first 3 specifies PUPIL SERVICES and the second 3 is Health.)
ACCOUNTING CODE OVERVIEW—(Continued)

ACCOUNT CLASSIFICATION CODE - A 1 digit code denoting the type of account affected by a transaction. For example, the InventorY account is coded 1300. The account code 1 identifies an asset account and the 300 is the detail code that identifies Supplies and Materials. Code 6300 would indicate an expenditure account (6) for the object 300 Supplies and Materials. (see following)

OBJECT CODE - A 3 digit code identifying the object of an expenditure or a source of revenue. There are six major expenditure and three major revenue object classifications. The first of the three digits identifies the major area and the second and third digits provide further sub-classifications. For example, money received from the Federal Government for a "Head Start" Project would be recorded in account 5914. The 5 denotes revenue, (account classification) the 9 shows Federal Sources, Transfers and Non-Revenue Receipts, the 1 is Federal and the 4 is Head Start projects.

SUB-OBJECT - A 2 digit code for use if required to further breakdown an object code. For example, Object Code 6391 - General Supplies, may be further expanded to 6391XX to identify items such as paper, pencils, workbooks, etc. The Sub-Object code may also be used in lieu of a program or project code to identify expenditures which must be reported periodically i.e., Special Education, Vocational Education, etc.

ORGANIZATION CODE - A 3 digit code identifying the organization affected by a transaction. (i.e., High School, Bus Barn, Superintendent's Office, etc.).

PROGRAM CODE COMPOSITION:

PUPIL POPULATION GROUP CODE - A single character alphabetical code that identifies types of students for whom programs have been specifically designed.

INSTRUCTIONAL AREAS AND/OR ARRANGEMENTS CODE - A 2 digit code used to designate the activities dealing directly with the teaching of students; direct interaction of pupils and teachers designed to produce learning according to subject areas or instructional arrangements described here-in. Should the district not require detail breakouts, coding may be effected by class, i.e., code 10 for all regular basic skills; code 30 for all remedial, etc.

EDUCATIONAL SPAN CODE - A single alphabetical character code that identifies programs/projects designed for groups or classes at various instructional levels.

PROJECT DETAIL CODE - A 2 digit code that may be used by the district to further describe the Program, i.e., 01 might be English I; 02 is English II, etc.

When classifying a transaction such as an expenditure, answering the following questions will assist in proper application of accounting codes:

(Q) How and when is the expenditure financed? (A) Fund Code

(Q) Why was the expenditure made? (A) Function Code
ACCOUNTING CODE OVERVIEW—(Continued)

(Q) What was purchased? (A) Object Code

(Q) Where is the beneficiary of the expenditure located? (A) Organization Code

(Q) Who are the students benefited? (A) Pupil Population Group Code

(Q) What is the subject matter or differentiated instructional arrangement? (A) Instructional Area/Arrangement Code.

(Q) What instructional level is to be charged? (A) Educational Span Code

EXAMPLE:

Assume a program locally developed to provide an innovative course in computer-related mathematics at the 11th grade level for adults. Classes are held during evening sessions and are the responsibility of the principal of one of the local high schools. The salary of the teacher during 1971-1972 would be coded as follows:

<table>
<thead>
<tr>
<th>FUND</th>
<th>FUNC.</th>
<th>OBJ.</th>
<th>SUB.</th>
<th>ORG.</th>
<th>PUPIL POP.</th>
<th>INST.</th>
<th>ED.</th>
<th>SPAN</th>
<th>PROJECT</th>
</tr>
</thead>
<tbody>
<tr>
<td>102</td>
<td>11</td>
<td>6111</td>
<td>00</td>
<td>015</td>
<td>V</td>
<td>19</td>
<td>M</td>
<td>22</td>
<td></td>
</tr>
</tbody>
</table>

Fund code 102 is the general operating fund for fiscal year 1971-72. Function code 11 indicates direct classroom instruction. Object code 611 denotes an expenditure for professional salary. The organization code 015 is the campus code for the hypothetical high school. Pupil population group V is other adults. Instructional area 19 is mathematics. Educational Span M indicates 11th grade. If this were local project number 22 (in sequence) that number could be assigned.

NOTE: No single code can give the complete transaction information required. The fund, function, account classification and object code (9 digits) combine to provide the minimum information and allow extraction of varying fiscal data for school management.
GENERAL OPERATING FUND

The purpose of this fund is to account for all transactions having to do with the operations of the school district's regular programs. This independent accounting entity with its own assets, liabilities, and fund balances will include transactions involving the State and County Available, Local Maintenance, Transportation Fund, and the Schools for the Deaf Fund. State and County Available, Local Maintenance, Transportation, and Schools for the Deaf Funds may be separated into sub-funds within the General Operating Fund. The General Operating Fund contains all funds that are not required to be identified separately within other fund groups.

Local Maintenance - This sub-classification of the fund group includes Local Maintenance and Salary and Operation Funds.

Transportation - This sub-classification of the fund group includes all State Transportation funds.

State and County Available - This sub-classification of the fund group includes only State and County Available Funds.

Schools for the Deaf - This sub-classification of the fund group includes allocations of salaries and other monies from the State for the operation of regional, county wide, and bi-county schools for the deaf.

DEVELOPMENT FUND

The purpose of this fund group is to account for all transactions of programs that are of a special nature. Programs that are designed for specific purpose and that have special requirements as to the accountability of the funds are coded as sub-classifications of the fund groups. Separate bank accounts and separate general ledger accounts are not necessary for separate accountability of the sub-classifications.

Title I, ESEA-Regular - This sub-classification of the fund group includes all projects under the regular Title I program.

Title I, ESEA-Migrant - This sub-classification includes all Title I-Migrant projects. When a district participates in more than one migrant program, the individual programs may be identified by use of the detail code (project code).

NOTE: The 3rd digit of the fund code group (depicted as X) is the last digit of the applicable fiscal year, i.e., 1972 is 2.
<table>
<thead>
<tr>
<th>CODE</th>
<th>CLASS</th>
<th>DETAIL</th>
<th>FUND TITLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>23X</td>
<td></td>
<td></td>
<td><strong>Title II, ESEA</strong> - The intent of this program is to assist schools in making available library resources, textbooks, and other printed and published materials to all pupils and teachers in both public and non-public schools. The improvement of the instructional program in all grade levels is of primary concern. Equipment, furniture, remodeling, personnel, and maintenance supplies for printed materials are not allowable in this program.</td>
</tr>
<tr>
<td>24X</td>
<td></td>
<td></td>
<td><strong>Title III, ESEA</strong> - Funds are available for innovative educational programs. A variety of activities may be included depending on approval of the program.</td>
</tr>
<tr>
<td>26X</td>
<td></td>
<td></td>
<td><strong>Title VII, ESEA</strong> - Funds are available for programs in bilingual education.</td>
</tr>
<tr>
<td>27X</td>
<td></td>
<td></td>
<td><strong>Title VIII, ESEA</strong> - Funds are available for programs to prevent school drop-outs.</td>
</tr>
<tr>
<td>28X</td>
<td></td>
<td></td>
<td><strong>O.E.O.</strong> - All Economic Opportunity Act of 1964 funds received directly from Federal Agencies for the many programs within this act may be accounted for by use of project codes. Each project will have expenditure limitations.</td>
</tr>
<tr>
<td>29X</td>
<td></td>
<td></td>
<td><strong>Manpower Development and Training Act</strong> - This program provides technical occupational training for the unemployed or underemployed who cannot be expected to obtain appropriate full-time employment without training. Training allowances, subsistence allowances, and instructional costs are provided for in this program.</td>
</tr>
<tr>
<td>31X</td>
<td></td>
<td></td>
<td><strong>Adult Basic Education</strong> - Grants are to provide for or support programs for educational training in the fundamental skills of reading, writing, speaking, and arithmetic. Persons 18 years or older, that are not attending a regular public school program, and who have only an eighth grade or less education may receive the services. Instructional and supervisory salaries and certain supplies and equipment may be purchased to provide the service to eligible participants of this program.</td>
</tr>
<tr>
<td>CLASS</td>
<td>DETAIL</td>
<td>FUND TITLE</td>
<td></td>
</tr>
<tr>
<td>-------</td>
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</tr>
<tr>
<td>32X</td>
<td>Vocational Education - Funds are available to provide assistance in providing vocational education opportunities in the fields of agriculture, homemaking, trades and industry and distributive occupations. Travel allowance, equipment, certain construction and remodeling, certain supplies, and salaries may be provided for out of these funds.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>33X</td>
<td>Title III, NDEA - Funds are available for instructional materials, equipment, and minor remodeling when such expenditures are primarily for educational needs in the critical subject areas. The critical subject areas are defined by this Act and State Board Policy.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>36X</td>
<td>ESAP-Federal - All Emergency School Assistance Program funds received directly from Federal sources.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>37X</td>
<td>Title I-Part C - All Federal Special Grants for Urban and Rural Areas received under PL 89-10, as amended.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>50X</td>
<td>INTEREST AND BONDED DEBT FUND This fund will include all accounts necessary to record transactions affecting the value of the unpaid principal of bond issues, value of cash on deposit in the interest and sinking fund, the value of any temporary investments, and the amount of current interest and principal requirements. An approved bond register should be made a part of the records of this account group.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>60X</td>
<td>CONSTRUCTION FUND This fund will account for cash funds for construction, the value of construction-in-progress, and the related group balance and liability accounts.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>70X</td>
<td>ENTERPRISE FUNDS This fund will include all accounts necessary to record transactions having to do with enterprise areas such as student activity, and athletic programs. Each enterprise activity program will be classified as a sub-fund. All transactions affecting these enterprise activities should be recorded in this fund. Financial support by the General Operating and other funds must be recorded in this fund.</td>
<td></td>
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</tr>
<tr>
<td>71X</td>
<td>Food Service - This sub-classification includes all food service activities of the school district.</td>
<td></td>
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</tr>
<tr>
<td>72X</td>
<td>Athletic Program - All athletic activities not a part of the regular instructional program will be recorded in this classification.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CODE</td>
<td>CLASS</td>
<td>DETAIL</td>
<td>FUND TITLE</td>
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<tr>
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<td>-------</td>
<td>-----------------</td>
<td>---------------------------------------------------------------------------</td>
</tr>
<tr>
<td>73 x</td>
<td></td>
<td>-Student Activity Program - This sub-classification includes all student activities not identified in other funds or sub-fund classifications.</td>
<td></td>
</tr>
<tr>
<td>90 x</td>
<td></td>
<td>GENERAL FIXED ASSET ACCOUNTS</td>
<td>This set of self-balancing accounts is to account for those fixed assets which are not accounted for in the Construction Fund. This self-balancing group of accounts will account for specific pieces of property such as equipment, land, and buildings. These items must be of a tangible nature and have a life expectancy greater than two years.</td>
</tr>
</tbody>
</table>
XI.

SCHOOL FINANCE

We cannot say that past or current financing of schools have unquestionable rights, but it can be said current and future financing should be utilized so as to provide the optimum democratic approach for assuring Quality Education for all children of Texas within the Goals for Public School Education.

In explaining Quality Education for all children, without an adequate equalizing factor in the state design for public education many of our schools find it necessary to restrict their services to that below a desirable level. Equality of education is a consideration which must be taken into account. In equality of education the totality of the individual's characteristics and makeup, his developmental needs, and his educational environment must be considered. Equality of education is not identical educational processes, but a variety of educational processes is equality education necessary for Quality Education for all children. The cost factor is essential for equality education.

It is apparent that Quality Education possessing equality of education must be brought into congruency with financial support. Furthermore, financing the school program throughout the state necessitates consideration of cost of salaries, equipment, materials, supplies, and facilities relevant to outcomes to be found in the expectancies of Quality Education. Also, reasonableness of the program in terms of the state's potential to be able to carry the burden of cost is a factor considered.

Computerized inventory systems may contribute in an important way to current and future financing of schools.

Dr. Arnold Payne