

CAREER AND TECHNICAL EDUCATION (CTE) EQUIPMENT GUIDELINES

1. Equipment is defined as follows (per USFR III-51):
 - a. Typically has a useful life of at least one year.
 - b. Typically repaired rather than replaced when worn or damaged.
 - c. An independent unit that retains its original shape, appearance and character with use and does not lose its identity through fabrication or incorporation into a different or more complex unit or substance.
2. Equipment with a unit cost of \$5,000 or more must be listed on the district's general fixed assets listing as it is considered capital (USFR VI-E and 2 CFR 200.313). A district may select a lower threshold at which items must be listed as capital. Charter schools are subject to the provisions of the Uniform System of Financial Records for Arizona Charter Schools (USFRCS). Non-secondary public schools, such as universities and community colleges, must follow the equipment purchase and inventory guidelines set forth under state law for their particular type of institution.

Equipment under the \$5,000 threshold which meet the three minimum requirements above are considered equipment supplies (a stewardship list should be maintained for these items).
3. The acquisition, per item cost is to include actual costs, including ancillary charges necessary to put the assets in use. Ancillary costs include tax, freight charges, assembly and installation, and other incidental costs.
4. Equipment must be logically related to, and necessary to, the occupation being taught. The equipment is to be used only for CTE programs or loaned/shared with other school-based programs so as not to interfere with the CTE program for which the equipment was originally purchased.
5. Eligible recipient will have available upon request requisitions, purchase orders and invoices for all CTE equipment purchases.
6. Equipment will have been received and be operational in sufficient time to make an impact on the current program.
7. All purchased equipment will have adequate insurance coverage.
8. Eligible recipients will have available upon request a physical inventory of CTE equipment. Districts and recipients should update their capital equipment and equipment supplies listing at least annually for acquisitions and disposals.
9. Property records of CTE capital equipment shall include the following:
 - Description of the Property
 - Serial/Identification Number
 - Source of Funding for the Property
 - Title Holder (if applicable)
 - Acquisition Date
 - Purchase Document Number (purchase order, voucher etc...)
 - Cost of the Property

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- Location of the Property
- Use and Condition of the Property
- Percentage of federal participation in an assets costs (for capital items with a unit cost of \$5,000 or more purchased with federal funds).
- Ultimate Disposition Information (date of disposal, sale price etc...)

10. Equipment supplies costing less than \$5,000 shall maintain a stewardship listing which includes the following:
 - Physical Location
 - Identification Number
 - Description of the Item
 - Acquisition Date
11. A control system must be developed to ensure adequate safeguards to prevent loss, damage or theft of the property. Any loss, damage or theft shall be investigated.
12. When acquiring replacement equipment, the eligible recipient may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property.
13. Adequate maintenance procedures must be developed to keep property in good condition. Costs incurred for maintenance of equipment which neither add to the permanent value of the property nor appreciably prolong its intended life, but keep it in an efficient operating condition are allowable expenditures for Perkins (2 CFR 200.452).
14. Eligible recipient will show that proper procedures were followed when disposing of CTE equipment (2 CFR 200.439).
15. Approved equipment lists for CTE programs can be found on the ADE-CTE website. Any item not found on the list (or if a list does not exist for an approved program) must be approved by the appropriate CTE Program Specialist before the purchase can be made.
16. None of the Perkins funds may be used to acquire equipment (including computer software) for any instance in which such acquisition results in a direct financial benefit to any organization representing the interests of the eligible recipient, the employees of the eligible recipient or any affiliate (§122(c)(12)).
17. Coding for equipment in the Secondary Perkins grant will utilize the following object codes:

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Budget By Function Codes

View	Object Code	
View	6100 - Salaries	
View	6200 - Employee Benefits	
View	6300 - Purchased Professional Services	
View	6400 - Services	
View	6500 - Other Purchased Services	
View	6600 - Supplies	} In Application Narrative *Consumables
View	6731 - Supplies (Under \$5,000)	
View	6732 - Supplies (Under \$5,000)	
View	6734 - Supplies (Under \$5,000)	} On Supplies Spreadsheet *Equipment under \$5,000 but not a consumable.
View	6735 - Supplies (Under \$5,000)	
View	6737 - Supplies (Under \$5,000)	
View	6738 - Supplies (Under \$5,000)	
View	6733 - Capital (\$5,000 or Above)	
View	6736 - Capital (\$5,000 or Above)	} On Capital Worksheet *Equipment \$5,000 or more
View	6739 - Capital (\$5,000 or Above)	
View	6800 - Other Expenses	
View	6910 - Indirect Cost Recovery	
View	0190 - Capital Outlay	

18. Equipment purchased with monies awarded for CTE must be used to support ongoing CTE programs. If a CTE program ends, the equipment must be used to support other ongoing, approved CTE programs. If an eligible recipient no longer offers CTE or the equipment is no longer needed by any of the eligible recipient's CTE programs, the state may request that the equipment be transferred to another eligible recipient. If the state elects not to request the equipment be transferred, then the eligible recipient may transfer or dispose of the equipment in accordance with their own policies, subject to the requirements of state law or federal law, depending upon the source of funds used to purchase the equipment.