

## GLOSSARY

**Accountability** - obligation to keep records of property, documents, or funds, such as identification data, gains, losses, dues-in, dues-out and balances on hand or in use.

**Accountable official** - person officially appointed in writing to maintain a formal set of accounting records of property. This person may or may not have physical possession of the property. There are three types of Accountable Officers: School principals, Department heads and Inventory Control Officers.

**Appeal authority** - the individual designated to take final action on requests for reconsideration when the report of survey approving authority denies relief of financial responsibility to a respondent, and to act on requests for remission or cancellation of indebtedness. Normally, the appeal authority will be the next higher administrator above the Approving Authority.

**Appointing authority** - an individual under the responsibility of or on the staff of the approval authority who can act on behalf of the Approving Authority.

**Appraised value** - an estimate of value established by use of original cost, or actual cash value.

**Approving authority** - an officer authorized to appoint a surveying official/committee and to approve reports of survey.

**Audit trail** - documentation supporting debit and credit entries on accounting records from the time property is brought into the District inventory with a source document, until the property is dropped from accountability.

**Building** - one continuous enclosed structure, which may or may not be connected to other structures by passageways. It includes the structure itself, together with all supporting mechanical, electrical, life safety, environment, as well as other built-in systems and equipment attached to the structure. Individual structures that are connected by breezeways or covered walkways that are not enclosed with a similar type and quality of construction as the building proper or connected by underground passageways, are separate buildings. Passageways above ground and enclosed with a similar type and quality of construction as the building proper are considered part of the building, and any two or more structures so connected are accounted for as one building.

**Capital equipment** - property of a capital nature classified non-expendable.

**Capital nature** - property that has all or most of the following characteristics: a) does not lose its identity when used for its intended purpose, b) has an acquisition cost of \$500/sensitive items \$50) has a useful life of more than 1 year when used when used for its intended purpose.

**Damage** - a condition that impairs either value or use of an article; may occur in varying degrees. Property may be damaged in appearance or in expected useful life without rendering it unserviceable or less useful. Damage also shows partial unserviceability. Usually implies that damage is the result of some act or omission.

**Depreciation** - loss in the value of service life of fixed assets because of wears and tears through use, time, or obsolescence.

**Destruction** - action or omission that renders property completely useless. Damage to the point of complete loss of identity or beyond the prospect of future restoration is considered to be "destruction."

**Direct responsibility** - obligation of a person to ensure that all district property, for which he or she has receipted for, is properly used and cared for, and that proper custody and safekeeping are provided. Direct responsibility results from assignment as an Accountable Officer, receipt of formal written delegation or acceptance of the property on hand receipt from an Accountable Officer. Supervisors will determine and assign in writing the individuals who will have direct responsibility for property.

**Discrepancy** - disagreement between quantities or condition of property on hand and that which is required to be on hand, as shown by an accountability record of the property. It is usually a disagreement between the quantities and the condition of property actually received in a shipment and that recorded on the shipping document.

**Disposal** - all practices and actions associated with removing property from an organization's inventory and accountability. The material is normally considered as having expended its usefulness to the organization.

**Equipment** - articles needed to outfit an organization.

**Excess** - the quantity of items over and above the authorized requisitioning objective.

**Enterprise fund** - to account for operations that are financed and operated in a manner similar to private enterprises where the intent of the governing body is that costs are recovered primarily through user charges.

**Facilities** - sites, buildings, and both built-in and movable equipment.

**Fair wear and tear** - loss or impairment of appearance, effectiveness, worth, or utility of an item that has occurred solely because of normal and customary use of the item for its intended purpose.

**Fixed assets** - land, buildings, machinery, furniture and other equipment the district intends to hold of continue in use over a long period of time.

**Fixed asset master listing** - the formal Richland County School District One database that is the record of fixed assets. The Property Accounting section maintains it, and the guidelines for its administration are dictated by policies and guidelines approved by the state of South Carolina, Richland County and the Richland County School District One Board of School Commissioners.

**Gross negligence** - an extreme departure from the course of action to be expected of a reasonably

prudent person, all circumstances being considered, and accompanied by a reckless, deliberate, or wanton disregard for the foreseeable consequences of the act.

**Hand receipt** - a signed document acknowledging acceptance of and responsibility for items of property.

**Inventory** - an inventory is a physical count of property on hand. Components are inventoried when the end item is inventoried.

**Internal service fund** - to account for goods or services provided by one department or agency to other departments or agencies of the government unit, or to other governmental units, on a cost-reimbursement basis

**Loss** - property that cannot be accounted for by the person responsible for it.

**Maintenance** – those activities, which are concerned with keeping the grounds, buildings, and equipment at their original, condition either through repairs or partial replacement.

**Moveable equipment** - all assets that can be readily transferred from location to location.

**Personal responsibility** - the obligation of a person to exercise reasonable and prudent actions to properly use, care for, and safeguard all District property in his or her possession. Applies to all District property issued for, acquired for, or converted to a person's exclusive use, with or without receipt.

**Primary hands receipt** - hand receipt between an Accountable Officer and the person receiving the property and assuming direct responsibility for it.

**Property accountant** - an individual duly designated by appropriate authority to administer requirements and obligations relative to Richland County School District One property accountability.

**Proximate cause** - cause, which in a natural and continuous sequence unbroken by a new cause, produces loss or damage and without which loss or damage would not have occurred. It can be further explained as primary moving cause, or predominating cause, from which injury follows as a natural, direct, and immediate consequence, and without which it would not have occurred.

**Reconciliation** - a comparison of the property records of separate activities to ensure their compatibility. The term reconciliation includes the corrective actions necessary to bring the record sets into agreement.

**Report of survey** - an instrument for recording the circumstances concerning loss, damage, or destruction of District property. It serves as, or supports, a voucher for dropping assets from property records. It also serves to determine any question of responsibility for absence or condition of the articles.

**Requisition** - a supply request initiated by a school or district department. Budget representatives review it before it is submitted to purchasing to determine the availability of funds by the submitting entity.

**Responsibility** - the obligation of an individual to ensure that District property entrusted to their possession or supervision are properly used and cared for. In addition, there is an inherent responsibility to ensure that fixed assets are properly safeguarded and adequate custody is provided. There are three types of responsibility as defined in this glossary: a) Supervisory, b) Personal, and c) Direct.

**Scrap** - material that has no value except for its basic content.

**Site** - all of the land serving a district location, together with all improvements to the land (other than buildings) such as grading, drainage, parking areas, walks, plantings, athletic courts and fields.

**Standard rebuild cost** - average cost to repair an article to return it to its regular operating condition.

**Stock number** - a number used to identify an item of supply.

**Subhand receipt** - a hand receipt for property from a primary hand receipt holder or a subhand receipt holder to a person subsequently give the property for care, use, safekeeping or further issue. It does not transfer direct responsibility for the property to the subhand receipt holder, but does transfer personal responsibility.

**Supervisory responsibility** - obligation of a supervisor to ensure that all District property issued to, or used by, their subordinates is properly used and cared for, and that proper custody and safekeeping of the property are provided. It is inherent in all supervisory positions and is not contingent upon signed receipts or responsibility statements. It arises because of assignment to a specific position and includes:

- a. providing proper guidance and direction,
- b. enforcing all security, safety, and accounting requirements,
- c. maintaining a supervisory climate that will facilitate and ensure the proper care and use of District property.

**Supply discipline** - is the responsibility of each employee to conserve and protect District supplies and equipment.

**Survey** - act of investigating circumstances involving loss, damage, destruction, or unserviceability of property listed on a report of survey.

**Unserviceability** - more inclusive term than damage or destruction. It indicates, in military usage, that the article to which the term is applied is no longer useful for the intended purpose. Damage or

destruction may not be involved. The term also indicates property that has deteriorated through use; however, it may include property no longer usable for its original purpose, despite the reason for its condition.

**Validation** - the review of open requisitions by the requestor to affirm the continued need for the material and quantity on requisition.

**Voucher** - document attesting to, or serving as, evidence of a specific property transaction. Credit vouchers, such as signed receipts, support a reduction of on-hand balance shown on the property record. Debit vouchers, such as receiving reports, support an increase in recorded on-hand balance.

**Willful misconduct** - any intentionally wrongful or unlawful act dealing with property.