

Property Control and Tagging Item Concerns for USFR Compliance

Posted on July 30, 2024



The USFR Compliance Questionnaire requires Arizona school districts to appropriately tag stewardship and capital asset items that should then correspond to a district's stewardship or capital asset listing. The sample size for this requirement has increased over the past few years from six total items reviewed to fifteen, showing the importance of more controls being in place for this compliance area.

While tags on capital asset and stewardship items are the standard way of complying with this USFR requirement, there are some disadvantages to using stickers on items. With the wear and use of stewardship and capital asset items by students and staff, some items will not allow for a non-permanent tag.

There are a few types of stewardship and capital asset items that require some creative strategies than the standard sticker system. The three main types of assets that would require a unique way of tagging are:

- Items that are too large,
- Items that cannot be reached or whose tag cannot be viewed, and
- Items where the tag could fall off or be destroyed during normal use.

Capital asset items that are too large would include buildings where having one tag may be difficult to find if the individual who put the tag in place no longer works at the district. Stewardship or capital asset items that are unable to be reached would include scoreboards or projectors that are on lofty ceilings. Items like wrestle mats and outdoor tables for lunch that are used heavily by students and staff could have their tags damaged which would result in being in non-compliance.

The solution is simple for these "problematic" stewardship and capital asset items. If the asset cannot be tagged in the standard way, a district can use binders of stewardship items that include photos of the assets along with the tag. During an audit, an auditor can review the binder and use the photos to confirm the tag is associated with the correct asset and then still find the asset at the district site. An auditor will still need to locate the asset and confirm that the asset is in the appropriate location, but the documentation can be used to verify that items are in the correct location and are tagged in compliance with the USFR requirements.