

EQUIPMENT INVENTORY AND TAGGING

Homeland Security Grant Funds Recipients:

Recently there has been some uncertainty regarding equipment tagging and inventory requirements for equipment purchased with funds from the various Department of Homeland Security grants. This memo is being sent out to make sure everyone has the same information and understands the requirements. These are the guidelines regarding equipment tagging and inventory which will be used by the program monitors from the Tennessee Department of Military.

Any agency/jurisdiction receiving grant funds from the U.S. Department of Homeland Security through the State of Tennessee, must comply with the following:

1. The Grantee must be able to account for all items purchased with Department of Homeland Security grant funds.
2. Any piece of equipment must be tagged and inventoried. "Equipment" is defined as any tangible, non-expendable, piece of personal property which has a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. An inventory control report must be maintained for these items and must include, at a minimum, the following information:
 - a. Description of the equipment
 - b. Manufacturer's serial number or other identification number, when applicable
 - c. Consecutive inventory equipment tag identification
 - d. Acquisition date, cost, and check number
 - e. Fund source, State grant number, or other applicable fund source identification
 - f. Percentage of state funds applied to the purchase
 - g. Location within the Grantee's operations where the equipment is used
 - h. Condition of the property or disposition date if Grantee no longer has possession
 - i. Depreciation method, if applicable
 - j. Monthly depreciation amount, if applicable
3. The Grantee must tag equipment with an identification number which is cross referenced to the equipment item on the inventory control report.
4. The Grantee must submit a copy of the inventory control report to TEMA within 45 days of the grant contract end date.
5. When practicable, any equipment purchased with Department of Homeland Security grant funding must be prominently marked as follows: "Purchased with funds provided by the U.S. Department of Homeland Security".