



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING

RICK SNYDER
GOVERNOR

BRIAN J. WHISTON
STATE SUPERINTENDENT

MEMORANDUM

DATE: February 2, 2017

TO: Local and Intermediate School District Superintendents
Public School Academy Directors

FROM: Kyle L. Guerrant, Deputy Superintendent *KG*

SUBJECT: Tangible Personal Property

The purpose of the memorandum is to provide additional information to subrecipients regarding Tangible Personal Property purchased through Federal grants administered by the Michigan Department of Education (MDE). As a pass-through entity for Federal grants, MDE has a responsibility to administer and monitor all grants for which MDE serves as the State Education Agency (SEA). Non-Federal entities are required to comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), 2 CFR Part 200. This additional information relates to requirements to safeguard Tangible Personal Property items classified as Supplies and Materials under Section 200.453.

2 CFR 200 requires written policies and procedures to demonstrate internal controls which provides safeguards against loss or unauthorized use or disposition as outlined in Section 200.62. While Federal regulations do not specify tracking requirements, MDE expects there to be safeguarding procedures in place for purchases with Federal funds. Subrecipients are expected to track Tangible Personal Property purchased with Federal funds to demonstrate there has been an allocable benefit to each program.

Tangible Personal Property includes Computing Devices (Section 200.20), Supplies (Section 200.94), and Information Technology Systems (Section 200.58). At a minimum, an acceptable tracking mechanism includes:

- Item
- Serial Number (or other identification number)
- Funding Source
- Location
- Disposition

Each subrecipient is expected to develop a Tangible Personal Property policy, procedure, and acceptable tracking mechanism and update as necessary. Records must be readily available when requested by MDE. If you have specific questions regarding these purchases, please contact the appropriate administering MDE program office.

cc: Michigan Education Alliance

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