

ADMINISTRATIVE PROCEDURE
SAN DIEGO UNIFIED SCHOOL DISTRICT

NO: 2360

PAGE: 1 OF 2

CATEGORY: **Fiscal Management, Accounting**

EFFECTIVE: **1-29-62**

SUBJECT: **Inventory of Student Body Merchandise**

REVISED: **10-21-2002**

A. PURPOSE AND SCOPE

1. To outline administrative procedures for conducting and recording inventories of salable student body merchandise in secondary schools.
2. **Related Procedure:**
End-of-year audits of ASB and district funds 2375

B. LEGAL AND POLICY BASIS

1. **Reference:** Board Policy D-5000.

C. GENERAL

1. **Originating Office.** Suggestions or questions concerning this procedure should be directed to the Accounting Department, Finance Division, Business Operations Branch.
2. **Regulations**
 - a. At close of every school year, each student body activity shall take an inventory of all merchandise on hand *which was purchased for resale*, including shop materials.
 - b. Actual invoice cost (including tax and shipping) of these inventories is recorded on student body books before closing entries for the fiscal year.
 - c. All merchandise belonging to the general student body may be listed on one inventory.
3. **Responsibility.** Sponsor or financial clerk is responsible for supervising annual inventory count. Inventory should be taken by students, preferably those not working in the student store.

D. IMPLEMENTATION

1. **Student or Sponsor**
 - a. Takes annual inventory, showing quantity, unit invoice cost (including tax and shipping), extended cost, and total cost. **Note:** Use invoice cost (including tax and shipping), not retail price.
 - b. Prepares two copies of inventory form (E.1.), forwards one copy to the school's financial clerk, and retains one copy in school file.

2. **Financial Clerk**

- a. Takes inventory of all other merchandise on hand that was purchased for resale and has not been included in inventories done by other school staff or student.
- b. Prepares two copies of inventory form (E.1.), forwards one copy of all inventory forms to the Accounting Department, and retains one copy in school file.
- c. Prepares “Student Body Accounts Journal Voucher” form at close of school year, adjusting inventory accounts to the actual year-end inventories.

(1) **If inventory is less than previous year, entry is:**

Dr.	Reserve for Inventory	x x x	
	Cr. Inventory (specific account)		x x x

(2) **If inventory is more than previous year, entry is:**

Dr.	Inventory (specific account)	x x x	
	Cr. Reserve for Inventory		x x x

- 3. **Operations auditors** are available to assist with any problems or answer questions; call (619) 725-5694 or (619) 725-5695.

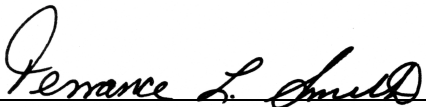
E. FORMS AND AUXILIARY REFERENCES

- 1. Student Body Inventory of Salable Merchandise, Stock Item 22-S-7845
- 2. Student Body Accounts Journal Voucher, Stock Item 22-S-7775

F. REPORTS AND RECORDS

- 1. Student Body Inventory of Salable Merchandise, to the Accounting Department at close of each school year.

G. APPROVED BY



Chief of Staff, Terrance L. Smith
For the Superintendent of Public Education