

## FMS User Policy and Process Flow Guide

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When approval is made by the Superintendent or designee to sell an item at a certain price, no deviation will be made by the school.

Checks received from bidders should be made payable to the "Director of Finance, State of Hawaii". If checks are made payable to the school the following restrictive endorsement should be made:

FOR DEPOSIT ONLY WITH  
THE DIRECTOR OF FINANCE  
STATE OF HAWAII  
(Name of School)

(signed)  
Principal

Money deposited to the State Treasury is not made available to the schools for future use.

Others: Income derived from the sale of items purchased from federal funds should be returned to the same federal fund. Also proceeds of sale purchased from local school funds should be returned to the same school fund.

**8.9.8 Exception Handling of Classroom and Cafeteria Furniture** Disposal of classroom or cafeteria furniture which are part of a group under one property number should be made on Property File Adjustment Form (FMS-FA6), regardless of the cost. Items that are inventoried individually and costing \$250.00 or more should follow the normal disposal process.

Disposal of classroom furniture will be accomplished by arranging for a pick-up by the Department of Accounting and General Services (DAGS).

- Oahu Schools - Contact the School Furniture Section of Central Services Division, DAGS.
- Neighbor Island Schools - Contact the DAGS representative at the respective island.

**8.9.9 Disposal of Books** Books and periodicals should be disposed of by following the procedures listed below. Each procedure should be attempted in the order listed until the last procedure is reached.

- Exchange or transfer among DOE schools as needed.

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### **Chapter 8 - Property Inventory**

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- Sale - offers received only. State employees and members of their family are not eligible.
- Donate to a non profit organization, provided that it certifies that the books are sold at public sale.
- Send abroad to other countries desirous of such books, if need known.
- Destroy and discard.

Any book or set of books costing \$250.00 or more must have form FMS-FA3 approved before disposal.

**8.9.10 Cancellation of Approved (FMS-FA3), Request to Dispose** To cancel an item that has been approved for disposal by the Superintendent or designee, submit a written request to Inventory Control Unit stating the reason for the cancellation and include the following information:

- \* FMS-FA3 approval number
- \* Property number
- \* SubClass title
- \* Disposal approval number
- \* Disposal approval date

### **8.10 REIMBURSEMENT FOR LOSSES**

**8.10.1 Burglary Loss** To reimburse schools for losses and damages to equipment (\$250 and over) caused by burglary and vandalism, a Self-insurance fund was established. This self-insurance program was instituted because State law prohibits the payment of the premium cost for this type of insurance policy. However, all losses will not be reimbursed on a dollar for dollar basis each year, since reimbursements are limited to the amount available.

All schools and district offices are eligible to receive benefits under this self-insurance program.

Losses and damages to equipment by break-ins or by vandalism are covered by this program. Building repair costs are handled by DAGS.

All burglary incidents should be reported to the police department immediately after the incident is discovered. Delay or failure to report the incident may result in the rejection of the claim.