P3355 FIXED ASSET ACCOUNTING SYSTEM

BOARD POLICY:

The Division Director of Operations, or designee, shall administer the records of all land, buildings, property improvements (including special assessments valued at $100,000 or more), equipment, furniture, vehicles, intangibles, and machinery valued at $10,000 or more ($5,000 if funded by federal funds), and intangibles valued at $1,000,000 or more ($5,000 for software funded by federal funds) or as dictated by Governmental Accounting Standards Board (GASB) guidelines or other regulations. All fixed assets are included in the accounting system.

Administrative Implemental Procedures

1. The terms used in this policy are defined as follows:
   a. A “fixed asset” is defined as a financial or non-financial resource meeting all of the following criteria:
      1. Is “Tangible” or “Intangible” in nature.
      2. Has an extended useful life of a minimum of two years.
      3. Can have an initial useful life extending beyond a single reporting period.
      4. Is not a repair part or consumable item.
      5. Has a purchase price of $10,000 or more ($5,000 if funded by federal funds) or an intangible asset valued at $1,000,000 or more ($5,000 for purchase of software funded by federal funds) or the cost of special assessments valued at $100,000 or more. A donated asset with an acquisition value equal to or greater than the corresponding amount stated in this subsection shall be entered in the fixed asset system at the acquisition value. Acquisition value is defined as the price that would be paid to acquire the asset with equivalent service potential.
   b. “Land” includes all holding of land properties owned by USD 259. Values of land are based on county tax assessment records, or actual purchase cost if documented.
   c. “Buildings” include all costs related to the acquisition or construction of a building including: purchase price, direct materials, direct labor and overhead costs incurred during construction, building permits and fees (such as attorneys, architects, etc.). Included are attachments to buildings such as electrical fixtures, plumbing, heating systems, air conditioning, etc. that provide the required basic services. Also included are permanent attachments to buildings that will last a minimum of two years.
   d. “Improvements” include new components affixed to buildings or property such as special assessments, parking lots, playground equipment, lighting systems, etc.
   e. “Equipment, furniture, vehicles, and machinery” include items that are constructed from various materials to perform specific useful functions. Such items have suitable size, shape, and usage to make individual identification feasible.
   f. “Intangible asset” include items such as any easements on properties, software (e.g., educational, operational, financial, administrative, etc.) purchases and related implementation costs.
2. The fixed asset accounting records shall be audited as a part of the annual financial audit of the district.

3. The fixed asset items will be verified at least annually.

4. Use and disposal of fixed assets purchased with federal funds must follow the federal grant guidance.

5. Fixed asset procedures shall be correlated with business/finance, purchasing, receiving, distribution, disposal, risk management, and facilities design and construction procedures.

6. The building principal/manager shall be responsible for updating and maintaining the status of all assets included on the equipment, furniture, vehicles, and machinery fixed asset inventory report for their assigned building in the designated database.

7. Machinery, furniture, and equipment fixed assets shall be tagged with a Board of Education identification number and recorded and maintained in the fixed asset system at their acquired value. Disposal of fixed assets shall be the responsibility of the Division Director of Operations or designee.

Administrative Responsibility: Operations Division - Supply
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