

## CAPITAL ASSET ACCOUNTING

### Purpose

The purpose of capital asset accounting is to establish proper control procedures for monitoring and safeguarding capital assets and to maintain accurate reporting of asset values as required by New York State. The Board of Education acknowledge the importance of complying with the accounting requirements of the state.

### Definitions

“Capital assets” are those assets that have a useful life of more than one year and include land, buildings and building improvements, furnishings, vehicles and electronic equipment such as computers.

“Property Manager” is defined as the person responsible for tracking capital assets and monitoring adherence to control procedures designed to protect the district’s capital assets.

### Valuation

All assets are recorded at cost based on the invoice price and shall include all necessary costs incurred to place the asset in service. Incidental costs may include, but are not limited to shipping, handling, freight, duties, registration fees, installation costs, or insurance during transit. All gifts of capital assets will be recorded at fair value at the time they are received.

### Inventory Records

The following information must be maintained on the capital asset inventory:

- Room number/location
- Responsible individual
- CCRS Identification number
- Serial number
- Description of the capital asset
- Model number
- Manufacturer
- Cost of asset or fair market value
- Quantity
- Acquisition date
- Estimated useful life

### Capitalization

Assets with a use life of more than one year and a cost greater than \$500 will be capitalized. These items will also be reported in the district's financial statements as capital assets. Items which do not meet these criteria will be included in the inventory for insurance.

Depreciation will be calculated on assets meeting the above capitalization criteria using the straight line method over the assets estimated useful life. The district will follow New York State Association of School Business Officials' suggested life guidelines except in circumstances where they would not be appropriate.

### Property Manager Duties

The Board of Education directs the Business Manager ("Property Manager") to maintain a continuous and accurate capital asset inventory in accordance with the Uniform System of Accounts for School Districts. The inventory shall be maintained by the Business Office with the cooperation of each teacher, department supervisor, and building administrator.

The Property Manager will tag the capital asset with a CCRS identification number and record the acquisition of the asset in a timely manner upon receipt.

Twice a year, the Property Manager will distribute the inventory records to teachers, department supervisors, and building administrators at the beginning of the school year, in September, and again in June. The individual must check every item listed, is there and report if anything is missing or unrecorded immediately. Teachers, department supervisors, and building administrators are responsible for the capital assets listed in their room(s) or location(s). Any discrepancies between the inventory and the district's records must be traced and explained.

The Property Manger will perform a periodic inventory of a sample of rooms, each year, matching inventory records to the room/location contents. Any discrepancies between the inventory and the district's records must be traced and explained. Teachers, department supervisors, and building administrators must label their own personal equipment. The equipment owned by the school must be tagged upon receipt, and the tag number noted on the inventory records.

The Technology Coordinator must notify the Property Manager, immediately upon receipt of computers or computer equipment, as to the location of each item, by serial number for proper tagging and recording. Any laptops signed out for use must include the tag number, serial number, description, date borrowed, expected date of return, and signature of the borrower and Technology Coordinator.

Transfer, Relocation and Disposition

All transfers, relocation, and disposition of capital assets must be accompanied by a form (see attached) approved by the Superintendent or Property Manager prior to the occurrence. **There are no exceptions to this procedure.**

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