

SUBJECT: FIXED ASSET INVENTORIES ~~AND~~, ACCOUNTING ~~OF FIXED ASSETS~~, ~~AND~~ TRACKING

The Superintendent or his/her designee ~~shall be responsible for maintaining~~ will maintain a continuous and accurate inventory of ~~equipment~~ fixed assets owned by the District in accordance with ~~"The Uniform System of Accounts for School Districts."~~ applicable rules, standards, procedures, and best practices. Fixed assets are, generally, long-term, tangible resources intended to be continuously held or used, and may include land, buildings, improvements, machinery, and equipment.

All ~~supplies and equipment~~ fixed assets purchased and received by the ~~School~~ District ~~shall~~ will be checked, logged, and stored through an established procedure.

The School Business Official ~~shall be responsible~~ will account for ~~accounting for general fixed~~ assets on an annual basis according to ~~the procedures outlined by the Uniform System of Accounts for School Districts and GASB Statement 34 Regulations.~~ applicable rules, standards, procedures, and best practices. These accounts will serve to:

- a) Maintain ~~a physical~~ an inventory of assets;
- b) Establish accountability;
- c) Determine replacement costs; and
- d) ~~Determine and p~~ Provide appropriate insurance coverage.

~~Fixed assets with a minimum value established by the Board that have a useful life of one (1) year or more and physical characteristics not appreciably affected by use or consumption shall be inventoried and recorded on an annual basis. Fixed assets shall include land, buildings, equipment and materials.~~

The Board ~~shall~~ will establish a dollar threshold as a basis for considering which fixed assets are to be depreciated. ~~Such~~ This threshold ~~shall~~ will ensure that at least ~~eighty percent (80%)~~ of the value of ~~all these~~ assets is reported. ~~However, it is recommended that such~~ The threshold ~~shall~~ will not be greater than ~~five thousand dollars (\$5,000). A standardized depreciation method.~~ Standard methods and averaging conventions ~~will be used in assessing, capitalizing, and depreciating fixed assets~~ ~~shall also be established for depreciation calculations.~~

~~Fixed assets acquired having a value equal to or greater than the established threshold are considered depreciable assets and shall be inventoried for the purposes of GASB 34 accounting practices and placed on a depreciation schedule according to its asset class and estimated useful life as stipulated by the New York State Comptroller's Office or the Internal Revenue Service (IRS).~~

Fixed ~~a~~ Assets ~~shall~~ will be recorded at initial cost or, if not available, at estimated initial cost; gifts of fixed assets ~~shall~~ will be recorded at estimated fair value at the time of the gift. A property record will be maintained for each ~~fixed~~ asset and will contain, where possible, the following information:

- a) Date of acquisition;
- b) Description;

- c) Serial or other identification number;
- d) Any funding source and percentage contributed by the source;
- e) Vendor;
- ef) Cost or value;
- dg) Location and use;

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(Cont'd.)**

- ~~eh~~) Asset type;
- ~~fi~~) Condition and ~~e~~Estimated useful life;
- ~~gj~~) Replacement cost;
- ~~hk~~) Current value;
- ~~il~~) Salvage value;
- ~~jm~~) Sale price and ~~d~~Date and method of disposition; and
- ~~kn~~) Responsible official.

~~The School Business Official shall arrange for the annual inventory and appraisal of School District property, equipment and materials. All fixed assets will be labeled. Any discrepancies between an inventory and the District's property records on file should be traced, and explained, and documented.~~

Equipment Management of Assets Acquired Under a Federal Government Grant or Subgrant

Inventories will be maintained for assets acquired with funds obtained through federal grant programs. A separate inventory will be maintained for each program. Each inventory will record assets in the same manner as the District's fixed asset inventory. Assets will be labeled to specify the source of funds used to purchase the item. All Title I assets will include "Title I" on the label. These inventories will track assets for at least five years from the date of receipt.

When original or replacement assets acquired under a federal grant or subgrant are no longer needed for the original project or for other activities currently or previously supported by a federal agency, the District will dispose of the assets as follows:

- a) Assets with a current per-unit fair market value of less than \$5,000 may be retained, sold, or otherwise disposed of with no further obligation to the awarding agency.
- b) Assets with a current per-unit fair market value of greater than \$5,000 may be retained or sold and the awarding agency will have a right to an amount calculated by multiplying the current market value or proceeds from sale by the awarding agency's share of the assets.
- c) No federal approval is necessary to dispose of an asset costing over \$5,000 but approval from the New York State Education Department (SED) is necessary. Once SED has determined that it has no other need for the use of the asset, the District may proceed with selling it.

(Continued)

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3 of

3

Instructional/Business

Non-

Operations

SUBJECT: FIXED ASSET INVENTORIES, ACCOUNTING, AND TRACKING (Cont'd.)

The School District ~~shall~~will comply with the U.S. Department of Education regulations governing the use, management ~~requirements~~, and disposition of ~~any and~~all equipment acquired through a federal government grant. ~~These federal Education Department General Administrative Regulations (collectively known or referred to as EDGAR) comprise parts 74 through 99 of Title 34 of the Code of Federal Regulations (CFR).~~

Equipment Purchased with Extraclassroom Funds

Title to all equipment acquired with extraclassroom activity funds ~~shall~~will reside with the District and be carried as an insurable asset on its list of insurable values. ~~Such~~This equipment ~~shall~~will be tagged as District property but is available for exclusive use by the extraclassroom activity club acquiring ~~the item~~it.

34 CFR ~~80.32~~Parts 74-99, 200

SED Finance Pamphlet ~~#2~~, The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds, ~~2008~~2015

Uniform System of Accounts for School Districts (Fiscal Section)

Adoption Date