

## **CAPITAL ASSET POLICY**

### **Capital Assets**

Property records and inventory records shall be maintained on all land, land improvements, buildings, vehicles and equipment under the control of the Saranac Business Office.

For purpose of this policy, “Capital Assets” shall mean a unit of furniture, fixture, instrument, machine, vehicle, instructional technology equipment and an apparatus which retains its shape and appearance with use, is nonexpendable, and does not lose its identity when incorporated into a more complex unit, is valued at \$5,000 or greater is defined as theft-sensitive. For purposes of this policy, “theft-sensitive” are those items identified by the Saranac Central School District Business Office which have a value of \$5,000 or greater per unit and groups of similar items totaling \$5,000 or greater. All costs incurred to place the asset in service shall also be capitalized. Property records of facilities shall be maintained on an ongoing basis. Items shall be depreciated in the fixed asset system on a straight-line method based on the date placed in service and shall be the responsibility of the Saranac Business Office. Capital assets purchased by federal grants will be separately identified in the capital asset program. No capital asset shall be removed for personal or non-school use.

The Technology department shall keep their own set of inventory records in addition to records kept in the capital asset software system. Capital assets that meet the \$5,000 or greater threshold or a group of like assets that are \$5,000 or greater shall have asset tags issued by the Business Office to the Technology Office and shall be affixed by the technology staff. These assets shall be depreciated.

### **Inventory Control**

At the discretion of the District, additional items with a value of less than \$5,000 may be inventoried for property control purposes.

### **Capital Asset Tags**

For capital asset purchases, asset ID tags shall be sent by the business office to the requestor of the capital asset i.e.: administrator, supervisor or department head once placed in service and it shall be their responsibility to affix the asset tag to the asset. Asset tagging is used in the aiding of taking physical inventory and controls the location of the physical asset. Tags should be easily seen and identified to assist in taking physical inventory. Capital assets shall be shipped directly to the individual location that orders the asset.

### **Periods of Useful Life**

Under GASB 34 the District will align useful lives of its assets as close as possible to the probable useful life table recommended by the Association of School Business Officials International. Additionally, the District will also have the opportunity to choose the “useful life” of its assets based on the entities own experience and plans for the asset..

### **Disposals**

The school board will be provided an annual report identifying equipment for disposal. This will be the responsibility of the Business Office. These items will be removed from district property records through school board action annually.

The Business Office will follow current policy which shall conform to law; and require retention of all fiscal records required for audits.

Disposals must be approved by the Board of Education or (his/her) designee and can only be disposed of in one of four (4) ways:

- (1) Sell the item via competitive bid
- (2) Sell the item via public auction
- (3) Donations to other public non-profit agencies
- (4) Discard - The District will discard the asset in the most environmentally appropriate manner

### **Transfer of Equipment**

Equipment, to include furniture, fixtures, vehicles, machinery and instructional technology equipment tagged as a capital asset with a value of \$5,000 or greater moved on a permanent basis from one building location to another building location shall be transferred in the capital asset software. It shall be the responsibility of the building principal, administrator, supervisor or department head to notify the Saranac Business Office of the transfer so the asset records can be updated.

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