

### ACCOUNTING OF FIXED ASSETS

The School Business Official shall be responsible for the oversight of the accounting for fixed assets according to the procedures outlined by the Uniform Systems of Accounts for School Districts and the Government Accounting Standards Board (GASB) Statement 34 Regulations as documented in this policy.

These accounts will serve to:

1. maintain a physical inventory of assets;
2. establish accountability;
3. determine depreciation costs for items over \$5,000; and
4. provide appropriate insurance coverage.

#### Valuation

All fixed assets will be recorded at cost based on invoice price and 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 fixed assets will be recorded at fair value at the time received. A property record will be maintained for each asset and will contain, where possible, the following information:

1. date of acquisition;
2. depreciation;
3. cost of value;
4. location;
5. asset type;
6. estimated useful life;
7. replacement cost;
8. current value;
9. salvage value;
10. date and method of disposition; and
11. responsible official

#### Fixed Assets (\$Threshold)

Fixed assets with a useful life of greater than three years will be considered depreciable assets and shall be inventoried for the purpose 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 IRS. The threshold to be used for the fixed assets is as follows:

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| <u>Category</u>               | <u>Physical and<br/>Insurance Purposes</u> | <u>Financial<br/>Reporting</u> |
|-------------------------------|--|--------------------------------|
| Land Improvements             | \$10,000                                   | \$25,000                       |
| Buildings and<br>Improvements | \$10,000                                   | \$50,000                       |
| Furniture and<br>Equipment    | \$ 1,000                                   | \$ 5,000                       |

Depreciation Method and Useful Lives

All assets will be depreciated using the straight-line method and useful lives will be estimated in the year of purchase. Depreciation expense will be calculated beginning in the year after acquisition.

Inventory

The District's School Business Official shall arrange for an annual inventory of mobile assets such as laptops, iPads, and other computer equipment. All other assets will be inventoried at least every three years, or more frequently as needed.

Adopted: June 21, 2006

Reaffirmed: November 5, 2014

Revised: March 2, 2016