SUBJECT: FIXED ASSET INVENTORIES, ACCOUNTING, AND TRACKING

The Superintendent or designee will maintain a continuous and accurate inventory of fixed assets owned by the District in accordance with 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 fixed assets purchased and received by the District will be checked, logged, and stored through an established procedure.

The Assistant Superintendent for Business will account for assets on an annual basis according to applicable rules, standards, procedures, and best practices. These accounts will serve to:

a) Maintain an inventory of assets;

b) Establish accountability;

c) Determine replacement costs; and

d) Determine and provide appropriate insurance coverage.

The Board will establish a dollar threshold of five thousand dollars ($5,000) as a basis for considering which fixed assets are to be depreciated. This threshold will ensure that at least 80% of the value of these assets is reported. Standard methods and averaging conventions will be used in assessing, capitalizing, and depreciating fixed assets.

All assets that meet the following criteria shall be coded to an appropriate account, tagged and added to the district inventory by LaFayette Central School District.

a) The asset has a useful life of more than one year, and

b) The asset has a historical cost or, if donated, a fair market value of greater than one thousand dollars ($1,000), or

c) The asset is considered an Exception

An Exception item is one that may have a historical cost or value below one thousand dollars ($1,000), but, due to the type and nature of the item, asset accountability is required. Exception assets include, but are not limited to, the following:

Cameras & Camera Equipment (greater than $250)
Two-Way Radio Equipment and Cell Phones
Televisions (greater than $250)
Lawn Maintenance Equipment
Computer & Computer Equipment (greater than $200)

Fixed assets will be recorded at initial cost or, if not available, at estimated initial cost; gifts of fixed assets 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:

(Continued)
Non-Instructional/Business Operations

a) Date of acquisition;
b) Description;
c) Serial or other identification number;
d) Any funding source and percentage contributed by the source;
e) Vendor;
f) Cost or value;
g) Location and use;
h) Asset type;
i) Condition and estimated useful life;
j) Replacement cost;
k) Current value;
l) Salvage value;
m) Sale price and date and method of disposition; and
n) Responsible official.

There should be a Centralized Inventory list that is maintained by the Asset Manager and is created from purchases. The District will conduct an unannounced inventory of one building per year. This is the list that should be used to conduct the unannounced annual building inventory and appraisal. The Asset manager should not be the Purchasing Agent and should not be relying on lists that are maintained by Department Heads for inventory inspections. All fixed assets will be labeled. Any discrepancies between an inventory and the District's property records should be traced, explained, and documented.

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 (5) 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:

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

a. Assets with a current per-unit fair market value of less than five thousand dollars ($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 five thousand dollars ($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 under five thousand dollars ($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.

The District will comply with the U.S. Department of Education regulations governing the use, management, and disposition of all equipment acquired through a federal government grant.

Equipment Purchased with Extraclassroom Funds

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

34 CFR Parts 74-99, 200
SED Finance Pamphlet, The Safeguarding, Accounting, and Auditing of Extraclassroom Activity Funds, 2015 Uniform System of Accounts for School Districts (Fiscal Section)

Adoption Date: 3/29/2018