SYSTEM OF ACCOUNTING: CAPITAL ASSETS

A. The superintendent is responsible for accounting of all capital assets to protect the financial investments of the district from catastrophic loss, maintain proper insurance on all assets and comply with all laws, guidelines and general accepted accounting practices (GAAP). The superintendent or his/her designee is responsible for:

1. Developing, incorporating and overseeing a capitalization process for all district assets.

2. Developing, incorporating and overseeing methods for calculating annual and accumulated depreciation expenses for assets including estimates for asset lives, residual asset values and depreciation methodology.

3. Developing, incorporating and overseeing procedures for recording gain or loss on sales of capital assets and proceeds from such sales.

B. All assets costing $5,000 or greater per item shall be capitalized for financial statement reporting purposes.

C. Any asset purchases from $1,000 to $5,000 will continue to be asset tagged and maintained on the fixed asset system.

D. Any asset purchased under $1,000 will no longer need to be asset tagged.

E. The useful life of an asset shall be determined using the recommendation provided in the implementation guide of the Governmental Accounting Standards Board (GASB #34).

LEGAL CITATION: Governmental Accounting Standards Board (GASB #34), General Accepted Accounting Principals (GAAP)

ADMINISTRATIVE REGULATION

Approved: July 16, 2002