

CAPITAL ASSETS ACCOUNTING POLICY

To provide direction regarding the control of district property, the Board directs the District to account for capital expenditures and maintain inventory records in accordance with the guidelines below.

- Capital assets shall have an acquisition cost of \$5,000 or greater (per item). Capital assets will be depreciated over the useful life of the asset.
 - Useful life shall be based on asset's condition and general guidelines from professional organizations.
 - The District shall use a straight-line method of depreciation starting in the beginning of the (fiscal) year the asset is placed in service.

Non-capital assets shall have an acquisition cost less than \$5,000 (per item) and will be expensed in the current period.

- All assets (capital and non-capital) with an acquisition cost of \$1,000 or greater (per unit cost, inclusive of high-risk items shall be inventoried).
- Inventoried assets shall require the following information:
 - Site and Building Number
 - Room Number
 - Asset Identification Tag Number
 - Purchase Order Number
 - Vendor
 - Detailed Description of Equipment/Item
 - Manufacturer and Manufacturer Number
 - Serial Number and/or Service Tag Number
 - Acquisition Date
 - Original Cost
 - Name of titleholder (if different from district, i.e. BOCES)
 - Disposition data including method and price
 - For assets acquired with Federal funds:
 - Funding source
 - Use and condition of property
 - Percentage of Federal participation in the cost
 - Separate identifiable inventory tags
 - Deposition instructions from Federal awarding agency
- A physical inventory with results reconciled to property records shall be conducted annually, and no less than every two years.
- Donated items will be capitalized at fair-market value on the date of the donation.

Ref: Federal Uniform Grant Guidance §200.12; §200.33§200.313; §200.313(a);§200.313(d); §200.3313 (c)

Policy Adopted: February 10, 2020

CAPITAL ASSETS ACCOUNTING POLICY

Definition:

The School District defines an asset as a non-consumable item, such as equipment, with a normal useful life of more than one year, following the date of acquisition.

Equipment:

Is tangible personal property having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the District for financial statement purposes. Assets with a per unit cost of \$1,000 or greater and any high-risk assets should also be safeguarded and tracked along with an inventory done every year.

High Risk Assets:

Are those items identified by the District as easily portable, desirable for personal use or easily marketable. Currently computers, iPad, multi-media and audio assisted equipment, and other portable technology are considered theft-sensitive and high-risk.

Asset Policy:

- Each Administrator shall be responsible for perpetual and accurate inventory of assets in their department, owned by the School District.
- The Administrator is responsible for safeguarding assets that are susceptible to theft.
- Administrator will ensure that only authorized employees and/or students are permitted to use District Assets and that such usage shall be solely for District purposes.
- Therefore, it is critical that the Administrator maintain accurate inventory records and utilize a log out/in procedure for assets that are loaned to students and staff.
- Fixed assets shall be recorded at initial cost, or if not available, at estimated initial cost. Gifts of fixed assets shall be recorded at estimated fair value at the time of the gift.

Assets Over: \$5,000	Charged to “200 equipment appropriation code and bar-coded
Assets over \$1,000 per item or greater	Charged to “450” supply appropriation code and bar-coded
High Risk Assets	Charged to “450” supply appropriation code and bar-coded

Regulation /Process for receiving and tracking assets

- Administrator is responsible for the management of all assets.
- Once a purchase order is processed, the Administrator will receive the PO, Asset Information Form and Log out/in form.
- When the asset is delivered. The Administrator/Designee must check items to the purchase order.
- The Administrator/Designee shall affix the identification tag to the asset where it can BE SEEN easily even after installed.
- Asset Identification Form must be completed with all required information:
 - Tag#
 - Asset description
 - Cost
 - PO#
 - Serial#
 - Location of asset
 - Delivery Date
 - Funding Source
- Completed Asset Identification Form is sent back to Facilities Office within 5 days of receipt of asset. A copy of the form is maintained by the Administrator.
- The Facilities Office/Designee then enters the applicable information into its official books and records (nVision or inventory database) where property records are maintained.

Ordering/Receiving Technology Assets

- Technology orders consist of laptops, desktop computers, smartboards, iPads, etc.
- All Technology orders over \$500.00 must be approved by the Director of Technology
- Once a purchase order is processed, the Technology department will receive the PO, Asset Information Form and Log out/in form.
- All technology deliveries will be sent to the Technology Department (central receiving) where the order will be verified, and each asset tagged according to procedures.
- The Technology Department will then coordinate with the Facilities Department to deliver the order(s) to the individual Administrator assigned the asset.
- A copy of the asset identification form will be sent for the administrator to update their inventory records.

Monitoring and Reporting Assets

- Inventory of assets
 - Head Custodian will be supplied a current inventory of assets for their area/building.
 - Assets received during the year will be recorded by the Head Custodian on this report.
 - Head Custodian will be responsible for submitting this report quarterly to the Facilities Office for review.
- Transfer of assets
 - Head Custodians will also be responsible for tracking permanent transfers to other locations (within building or other buildings).
 - Transfers need to be updated on the Asset ID Transfer Form.
 - Form should be submitted to the Facilities Office upon completion.
 - Head Custodian updates inventory records and sends asset information to applicable administrator, if necessary.
- Assets loaned to staff and students.
 - Administrator must maintain control at all times. The District Owned Equipment Sign Out/In Log should be utilized.
 - The log must be signed when asset leaves its designated location and upon its return.

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- On a periodic basis Administrator is required to verify location of asset.
- Facilities Office to determine which assets are to be monitored and will provide forms.
- Disposing of an Asset (BOE 6900)
 - Assets cannot be thrown out. In order for any asset/item to be disposed of a Disposal of an Asset Identification form must be completed and sent to the Facilities Office.
 - The Assistant Superintendent for Business will authorize the disposal of the obsolete or surplus equipment as follows:
 1. reassign the items to other locations within the school district
 2. centralize the storage of items of potential usefulness
 3. discard or sell as surplus those items determined to be of no further use or worthless
 - The Superintendent of Schools will approve the sale of all assets. Assets will be sold in the following manner:
 1. offer to sell the items to local municipalities or local non-profit organizations;
 2. sell items at public sale or to a Board-approved public online auction site. In the event of a public sale, notice of availability of such equipment, supplies and materials and requests for bids shall be disseminated through White Plains City School District announcements in local newspapers and such other appropriate means. The general public, as well as staff members who are not Board members, officers, or involved in the purchasing function, shall be eligible to bid on the equipment, supplies and /or materials; and
 3. sell remaining items as scrap for the best obtainable amount or discard in the safest, least expensive manner.

Disposal of a Federal Asset:

All School property and equipment purchased with federal funds and deemed surplus shall be disposed of at the discretion of the Superintendent of Schools. A complete Disposal of an Asset ID Form must be sent to the Facilities and Operations Office to have the asset taken out of the current years inventory and disposed of. Assets will be disposed of according to policy and in accordance with Uniform Grant Guidance.

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When original or replacement equipment acquired under a Federal award is no longer needed for the original project or program or for other activities currently or previously supported by a Federal awarding agency, except as otherwise provided in Federal statutes, regulations, or Federal awarding agency disposition instructions, the School District must request disposition instructions from the Federal awarding agency, if required by the terms and conditions of the Federal award. Disposition of the asset/equipment will be made as follows and in accordance with policy and the Federal awarding agency disposition instructions:

1. Items of equipment with a current per unit fair market value of \$5,000 or less may be retained, sold or otherwise disposed of with no further obligation to the Federal awarding agency.
2. If the Federal awarding agency fails to provide requested disposition instructions within 120 days items of equipment with a current per unit fair market value in excess of \$5,000 may be retained by the School District or sold. The Federal awarding agency is entitled to an amount calculated by multiplying the current market value or proceeds from sale by the Federal awarding agency's percentage of participation in the cost of the original purchase. If the equipment is sold, the Federal awarding agency may permit the School District to deduct and retain from the Federal share \$500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.
3. The District may transfer title to the property to the Federal Government or an eligible third party.