

ACCOUNTING OF FIXED ASSETS

The School Business Official shall be responsible for accounting for general fixed assets according to the procedures outlined by the Uniform System of Accounts for School Districts and GASB Statement 34 Regulations.

These accounts will serve to:

- a) Maintain a physical inventory of assets;
- b) Establish accountability;
- c) Determine replacement costs; and
- d) Provide appropriate insurance coverage.

Fixed assets with a minimum value of \$1,000 and that have a useful life of five (5) years or more and continuous and accurate physical characteristics not appreciably affected by use or consumption shall be adjusted and recorded on an annual basis. Fixed assets and equipment shall include land, buildings, equipment and materials.

Fixed assets acquired having a value equal to or greater than the established threshold are considered depreciable assets and shall be inventoried for the purposes of GASB 34 accounting practices and placed on a depreciation schedule according to its asset class and estimated useful life as stipulated by the NY State Comptroller's Office or the IRS.

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. A property record will be maintained for each asset and will contain, where possible, the following information:

- a) Date of acquisition;
- b) Description;
- c) Cost or value;
- d) Location;
- e) Asset type;
- f) Estimated useful life;
- g) Replacement cost;
- h) Current value;
- i) Salvage value;
- j) Date and method of disposition; and

k) Responsible official.

For insurance purposes the School Business Official shall arrange for an annual updated appraisal of School District property, equipment and material. Any discrepancies between an updated appraisal and the District's property records on file should be traced and explained. For insurance purposes all items with a value of \$500.00 or greater, or a life-expectancy of five years, must be included on the District's inventory.

Revised and Adopted
May 2, 2007
Revised, renumbered and Adopted: August 5, 2009