



Policy #5620

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Non-Instructional/Business Operations

SUBJECT: INVENTORIES AND ACCOUNTING OF FIXED ASSETS

The Superintendent or his/her designee shall be responsible for maintaining a continuous and accurate inventory of equipment owned by the District in accordance with "The Uniform System of Accounts for School Districts."

The District will utilize the services of a third party Property Appraisal Program. The program will include a physical appraisal of the districts buildings and contents, and be valued in accordance with GASB-34 accounting regulations. An inventory shall be taken as of the end of each school year for each building and designated departments. Designated departments shall include the office of instructional technology, facilities, transportation, school lunch, and interscholastic athletics.

The third party program administrator will conduct a complete physical inventory every five (5) years and a limited on-site update service in the subsequent years. The complete physical inventory will include scanning of existing capital asset tags, applying tags and recording untagged assets (additions), and providing a listing of capital assets not located during the inspection (potential disposals). The limited on-site update service will include an on-site review of current capital projects and an on-site review of current year additions and disposals. A copy of the inventory shall be submitted to the superintendent or his/her designee (Assistant Superintendent for Business & Finance) no later than June 30.

Uniform System of Accounts for School Districts (Fiscal Section)

The Assistant Superintendent for Business and Finance 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 established by the Board that have a useful life of one (1) year or more and physical characteristics not appreciably affected by use or consumption shall be inventoried and recorded on an annual basis. Fixed assets shall include land, buildings, equipment and materials.



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SUBJECT: INVENTORIES AND ACCOUNTING OF FIXED ASSETS (Cont'd.)

The Board establishes a dollar threshold as a basis for considering which fixed assets are to be depreciated to be \$2,000. Such threshold shall ensure that at least eighty percent (80%) of the value of all assets is reported.. A standardized depreciation method and averaging convention shall also be established for depreciation calculations.

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 New York State Comptroller's Office or the Internal Revenue Service (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.



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Non-Instructional/Business Operations

SUBJECT: INVENTORIES AND ACCOUNTING OF FIXED ASSETS (Cont'd.)

The Assistant Superintendent for Business and Finance shall arrange for the annual inventory and appraisal of School District property, equipment and material. Any discrepancies between an inventory and the District's property records on file should be traced and explained.

Adopted: July 5, 2022