

CAPITAL ASSETS

A. Capital Assets Management System

The Superintendent, and/or other designated staff, shall:

1. Conduct the capital assets physical count;
2. Develop the capital assets listing;
3. Tag capital assets included in the capital assets management system with a bar code identification number;
4. Make a recommendation of a computer software program for managing the capital assets management system;
5. Enter the necessary data into the capital assets management.
6. Develop forms and procedures for maintaining the integrity of the capital assets management system; and,
7. Maintain responsibility for an accurate capital assets management system.

B. Determining Historical cost.

1. The historical cost of a capital asset is based on the actual costs expended in making the capital asset serviceable.
2. Gifts of capital assets are valued at the estimated fair market value on the addition/acquisition date.
3. Capital assets purchased under a capital lease are valued at historical cost of their net present value of the minimum lease payments on the addition/acquisition date.
4. The historical cost of capital assets must include capitalized interest.

C. Annual Capital Assets Listing Reconciliation.

1. The superintendent, and/or other designated staff, in conjunction with the capital assets management team, will conduct an annual capital assets physical count to develop the annual capital assets listing in a manner similar to the initial capital assets listing process in B above. At least every three years, someone other than the person in custody of the capital assets in the building/department/room will perform the capital assets physical count for the building/department/room.
2. Upon completion of the annual capital assets listing, the capital assets listing is reconciled to the capital assets management system database.
3. Capital assets found to have been excluded from the database will be added to the capital assets management system. The capital assets management system process will be reviewed to prevent future incidents of excluding a capital asset.

CAPITAL ASSETS MANAGEMENT SYSTEM

4. Capital assets unaccounted for will be reported to the superintendent who contacts the supervisor of the individual in charge/control/custody of the capital asset. The individual in charge/control/custody of the capital asset has thirty days to account for the capital asset.
5. Capital assets unaccounted for after thirty days are reported to the superintendent for appropriate action and documentation. "Appropriate action" may include discipline, up to and including discharge, and may require the employee/person in charge/control/custody of the capital asset to replace the capital asset.
6. The superintendent is responsible for documenting the reasons each capital asset was not reconciled to the capital assets management system.

D. Addition/Acquisition of Capital Assets.

1. The District's purchasing policy and administrative regulations must be followed to acquire capital assets. The school district's policy and administrative regulations must be followed for receiving gifts of capital assets.
2. The capital assets addition/acquisition documentation must be completed for each additional capital asset with an addition/acquisition cost equal to or greater than \$5000. The following information must be collected, if applicable:
 - a. Name of location-building/department/room ~~and code~~;
 - b. Location-building/department/room code;
 - c. Balance sheet accounting/class code;
 - d. Government or BTA program;
 - e. Addition/acquisition date;
 - f. Check/purchase order number or gift;
 - g. Bar code identification number assigned to and placed on the capital asset;
 - h. Serial/model number;
 - i. Cost—historical;
 - j. Fair market value on acquisition date (donated items only);
 - k. Estimated useful life;
 - l. Vendor;
 - m. Purchasing fund and function;
 - n. Description of capital assets;
 - o. Department/person charged with custody;
 - p. Method of addition/acquisition-purchase, trade, gift, etc;
 - q. Quantity;
 - r. Replacement cost;
 - s. Addition/acquisition authorization; and
 - t. Function for depreciation.
3. Capital assets must be entered into the capital assets management system in the same month as acquired.
4. The actual costs of construction in progress, other than infrastructure, is entered into the capital assets management system in the month in which costs are incurred until the total

CAPITAL ASSETS MANAGEMENT SYSTEM

cost of addition/acquisition is entered. Upon completion of construction, the total costs accumulated over the period of construction will be reclassified to buildings.

E. Relocation/Transfer of Capital Assets.

1. A capital assets relocation/transfer documentation must be completed prior to removing machinery and equipment capital assets from their current location. The following information must be collected:
 - a. Relocation/transfer date;
 - b. Quantity;
 - c. Bar code identification number;
 - d. Current location name and code;
 - e. New location name and code;
 - f. Date placed at new location;
 - g. Department/person charged with custody; and
 - h. Relocation/transfer authorization.
2. Capital assets relocated/transferred must be entered into the capital assets management system in the same month.

F. Disposal of Capital Assets.

1. Capital assets disposal documentation must be completed prior to disposing of real property. The following information must be collected:
 - a. Disposal date;
 - b. Quantity;
 - c. Bar code tag identification number;
 - d. Legal description;
 - e. Location/address;
 - f. Purchaser;
 - g. Disposal method;
 - h. Disposal authorization.
2. Capital assets disposed of must be entered into the capital assets management system in the same month.
3. When assets are sold or disposed of, it is necessary to calculate and report a gain or loss in the statement of activities. The gain/loss is calculated by subtracting the net book value (historical cost less any accumulated amortization) from the net amount realized on the sale or disposal.

G. Lost, Damaged, or Stolen Capital Assets.

1. Lost, damaged or stolen capital assets documentation must be completed when a capital asset has been lost, damaged or stolen. The following information must be collected:
 - a. Date of loss, damage or theft;
 - b. Employee/person discovering;
 - c. Quantity;

CAPITAL ASSETS MANAGEMENT SYSTEM

- d. Description of capital asset;
 - e. Bar code tag identification number;
 - f. Location—name and code;
 - g. Description of loss, damage, etc;
 - h. Whether a police report was filed;
 - i. Whether an insurance report was filed;
 - j. Whether the capital asset was sent for repair;
 - k. Date repairs completed and returned to use;
 - l. Department/person charged with custody; and
 - m. Authorization for actions.
2. Capital assets lost, damaged, or stolen must be entered into the capital assets management system in the same month.

H. Capital Assets Reports.

- 1. The annual reports for June 30:
 - a. Location/building;
 - b. Department/person charged with custody; and
 - c. Replacement cost.
 - d. The capital assets listing shall include:
 - 1. Balance sheet accounting/class code;
 - 2. Purchasing fund, function, and depreciation function;
 - 3. Description of the capital asset;
 - 4. Bar code tag identification number;
 - 5. Historical cost;
 - 6. Location by name and code;
 - 7. Current year depreciation/expense; and
 - 8. Accumulated depreciation/amortization.

Approved September 15, 2014

Reviewed _____

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OGDEN COMMUNITY SCHOOL DISTRICT BOARD OF DIRECTORS