

CAPITAL ASSETS / THEFT-SENSITIVE ASSETS

The district shall maintain a comprehensive capital assets record-keeping system. The goal of the capital assets program is to protect the district against losses that would significantly affect the district's students, staff, property, budget or the ability of the district to continue to fulfill its stewardship responsibilities.

For purpose of this policy, "capital assets" shall mean land, improvements to land, casements, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure and all other tangible and intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period which:

- Retains its shape and appearance with use;
- Is nonexpendable, meaning if the item is damaged or some of its parts are lost or worn out, it may be more feasible to repair it than to replace it with an entirely new item;
- It does not lose its identity when incorporated into a more complex unit;
- Is valued above \$5,000 unless a lesser amount is set by the district; and
- Has a life expectancy of at least one year.

Federal law requires a physical inventory of federally-funded assets at least once every two years. Reconciled inventory reports shall be provided to the board. Such report shall identify lost, damaged or stolen capital assets. Missing capital assets will be removed from district property records by a vote of the board.

No equipment shall be removed for personal or non-school use.

THEFT-SENSITIVE ASSETS

For purposes of this policy, "theft sensitive" are those items identified by the district as most subject to loss (e.g., audio-visual equipment, laptop computers, digital cameras). The district should establish procedures for internal controls and conduct an annual inventory of theft-sensitive assets.

The board will be provided a report identifying equipment not accounted for in the annual inventory. This equipment will be removed from the district property records annually through school board action.

The Superintendent shall develop procedures to implement this policy, including maintenance requirements and sales procedures to ensure the highest possible return.

Cross References:	Board Policy 6570	Property, Data and Records Management
Legal References:	RCW 28A.335.090	Conveyance and acquisition of property — Management — Appraisal
	34 CFR § 80.32	Uniform Administrative requirements for grants and cooperative agreements to state and local governments – Equipment
	7CFR § 3015, 3016	Agriculture
	45 CFR § 92.32	Health and Human Services
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Capital Assets/Theft-Sensitive Assets

A. Individual Responsible:

The district's Director of Business and Support Services is responsible for inventories of district property. The individual conducting the inventory shall have no direct responsibility for assets subject to the inventory count.

B. Frequency of Inventory:

Inventory shall be conducted at least once every other fiscal year for all capital assets, except land; infrastructure; buildings; and improvements other than buildings and leasehold improvements. A theft-sensitive assets inventory shall be conducted annually.

C. How to record items:

District assets will be marked with a unique identification number (e.g. bar code, property tag) and identified as district property. All capital assets and theft-sensitive assets will be identified and marked upon purchase or receipt.

D. What information to record:

When placing a capital asset on the inventory, the Director of Business and Support Services or his/her designee will record:

- Description of the item;
- Serial number or other identification number (bar code, tag number, etc.);
- Source of the property;
- Who holds title;
- Acquisition date;
- Cost of the property;
- Percentage of federal participation in the cost of the property and the federal program charged;
- Location of the asset;
- Use and condition of the property; and
- Ultimate disposition data including the date of disposal and sale price, if applicable. Federally purchased items with a per unit fair market value over \$5,000 must reimburse the federal program proportionately. Disposed items with a per unit fair market value of less than \$5,000 may be retained, sold or otherwise disposed of with no further obligation to the awarding agency.

When placing a theft-sensitive asset on the inventory the district shall record the information needed by the district. This should include, at a minimum, a description of the item and identification number, location and federal participation, if any.

E. What to do when questions arise:

When questions arise during the process of the inventory, the business office or building administrator will be contacted.

F. Procedures to follow when the inventory is completed:

At the conclusion of the physical inventory, the building principals and department administrators will be provided with a written copy of the inventory that lists all the assets that have been assigned to that site, and which clearly identifies all assigned items that were not found during the physical inventory.

G. What procedures to follow when equipment is located, but not listed:

Principals and department administrators are required to attempt to locate items that have been listed as missing. Within 25 working days, the principals and department administrators are expected to return a copy of the inventory report to the purchasing department showing which items have been located and which are still missing.

The missing items will be consolidated on a report of potential write-offs. The Director of Business and Support Services will review the report and approve the total amount of assets to be written off. Only write-off items will be removed from the capital assets inventory system.

H. Attestation to Accuracy

The staff person conducting the inventory shall sign the bottom of each inventory page.

I. How to record assets not being used or in an obviously unserviceable condition:

Items not being used or in an obviously unserviceable condition shall be identified during the inventory and the maintenance department will be contacted to pick up for auction or disposal.