

CAPITAL ASSETS/THEFT-SENSITIVE ASSETS

Capital 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, easements, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure and all other tangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period which:

- A. Retains its shape and appearance with use;
- B. 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.
- C. It does not lose its identity when incorporated into a more complex unit;
- D. Is valued no less than \$5,000 unless a lesser amount is set by the district; and
- E. 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 the purposes of this policy, "theft-sensitive" are those items with a value of \$300 or more identified by the district as highly attractive and most susceptible to loss. A list of theft-sensitive assets shall be maintained by the district. The district should establish procedures for internal controls and conduct an annual inventory of theft-sensitive assets.

The following groups are usually classified as attractive:

- A. Computer equipment and peripherals
- B. Audiovisual equipment
- C. Science equipment
- D. Tools

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

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 34 CFR § 80.32 7CFR § 3015.3016 45 CFR § 92.32 Office of Management and Budget (OMB) Circular A-87, Cost Principles for State, Local, And Indian Tribal Governments, Attachment B(19)	Conveyance and acquisition of property — Management — Appraisal Uniform Administrative requirements for grants and cooperative agreements to state and local governments – Equipment Agriculture Health and Human Services
Management Resources:	<i>Policy News, April 2006</i> <i>Policy News, June 2008</i> <i>Policy News, June 2012</i>	Fixed Assets Capital Assets/Theft-Sensitive Assets Auditors Raises Concerns Regarding Theft-Sensitive Assets.

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