

PROCEDURES FOR ACCOUNTING OF FIXED ASSETS FOR TITLE PROGRAMS

The School Business Official shall be responsible for accounting for general fixed assets according to the procedures outlines by the Uniform System of Accounts for School Districts. These accounts will serve to:

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

All fixed assets carrying a minimum value of \$500 that have a useful life of one (1) year or more and physical characteristics which are 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.

Assets shall be recorded at initial cost or, if not available, at estimated initial costs; 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) Responsible official;
- f) Estimated useful life;
- g) Date and method of disposition; and
- h) Funding source.

The School Business Official shall maintain a perpetual inventory and arrange for an independent contracted firm to conduct an onsite inventory and appraisal of School District property, equipment and material at least once every twenty-four months. Any discrepancies between an inventory and the District's property records on file should be traced and explained.

Steps to Maintain a Perpetual Inventory

At time Purchase Order is processed:

- a) Budget code checked to ensure asset criteria. Fund and grant title must be noted on the Purchase Order;
- b) Purchasing Department will record the asset. Copy to requisitioner will include funding source and note the need for asset identification.

At time of receipt of asset:

- a) Receipt copy with packing slip(s) and receipt signature returned to the Consolidated Applications Coordinator/Title Grant contact person;
- b) Receipt materials forwarded to Purchasing Department; and
- c) Purchasing Department to forward an asset tag specific to the funding source to Consolidated Applications Coordinator/Title Grant contact person to be adhered to the item (buildings and land excluded).