

704 DEVELOPMENT AND MAINTENANCE OF AN INVENTORY OF FIXED ASSETS AND A FIXED ASSET ACCOUNTING SYSTEM

I. PURPOSE:

The purpose of this policy is to provide for the development and maintenance of an inventory of the fixed assets of the school district and the establishment and maintenance of a fixed asset accounting system.

II. GENERAL STATEMENT OF POLICY:

The policy of the school district is that a fixed asset accounting system and an inventory of fixed assets be developed and maintained.

III. DEVELOPMENT OF INVENTORY AND ACCOUNTING SYSTEM:

The superintendent or such other school official as designated by the superintendent or the school board shall be responsible for the development and maintenance of an inventory of the fixed assets of the school district and for the establishment and maintenance of a formal fixed asset accounting system. The accounting system shall be operated in compliance with the applicable provisions of the Uniform Financial Accounting and Reporting Standards for Minnesota School Districts (UFARS).

CAPITALIZATION:

Assets purchased in excess of \$5,000 shall become fixed assets and be subject to this policy.

IV. REPORT:

The administration shall annually update the property records of the school district and maintain an inventory of the fixed assets of the school district for periodic review by school board. The fixed asset inventory, additions, deletions, and depreciation are included with the annual financial report that is provided to the board. It is also included in the annual report to the Commissioner required by Minn. Stat. 123B.14, Subd 7.

Legal References: Minn. Stat. 123B.02 (School District Powers)
Minn. Stat. 123B.09 (School Board Powers)
Minn. Stat. 123B.51 (Schoolhouse and Sites; Access for Noncurricular Purposes)

Cross References: MSBA/MASA Model Policy 702 (Accounting) MSBA Service Manual, Chapter 7, Education Funding