



## EQUIPMENT CAPITALIZATION

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Inventory records shall be maintained on capitalized equipment under the control of the District. Such records shall be updated annually. Each principal and department administrator shall assume responsibility for all capitalized equipment on their premises. This responsibility includes maintaining inventory records, reporting losses, and marking such items.

Equipment is defined as non-expendable, tangible items of personal property having a useful life of more than one year. Examples include machinery, tools, vehicles, furniture, and furnishings.

Capitalized equipment is defined as:

- (1) Items having a unit value of \$5,000 or more, or
- (2) Attractive items having a value of \$500 or more. These items are portable, are in a classification of high incidence of losses and thefts, and would not be noticed if missing. Examples include, but are not limited to, computer equipment and peripherals, audio visual equipment, science equipment and tools.

Capitalized equipment will be marked in a manner which readily identifies the item as school district property. Markings may include stencils, engraving, and labels.

Expenditures for only capitalized equipment will be recorded to object 9 in the accounting system.

**Legal Reference:**

RCW 28A.335.090  
Accounting Manual for Public School Districts  
in the State of Washington

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**(formerly MSD Policy 7530)**

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