WARREN COUNTY PUBLIC SCHOOLS
WHERE CHILDREN PREPARE FOR SUCCESS

FIXED ASSET PROPERTY PROCEDURES

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I. WHO IS RESPONSIBLE?

A. Administrators and their designees (if applicable) are accountable for the assets/equipment within their immediate area of responsibility. This accountability is inherent to the position. Accountability includes inventory, control, and maintenance of all equipment in their immediate area of responsibility.

B. Responsibility lies with every individual utilizing District assets/equipment for the performance of their duties.

C. All personnel are responsible to adhere to the following procedures in the acquisition, movement and disposal of all District assets.

II. FIXED ASSETS

A. Definition: Fixed Assets are defined as all real or personal, stand-alone property with a useful life of greater than one year and an acquisition value that meets the minimum threshold limits adopted by the Board (see table below.) Additionally, any theft sensitive items that may be identified by the Superintendent/designee may be recorded as a fixed asset.

Minimum threshold limits adopted by the Board are:

Land $0
Land Improvements $20,000
Buildings $20,000
Portable Buildings $20,000
Building Improvements $20,000
Technology Equipment $5,000
School Buses $5,000
Other Vehicles $5,000
Rolling Stock $5,000
Food Service Equipment $5,000
Furniture and Fixtures $5,000
Audio-Visual Equipment $5,000
Other General Equipment $5,000
Musical Instruments $5,000
Software $5,000

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B. Acquisition of Fixed Assets

1. All fixed assets will be purchased using the purchase order system. Object codes relative to assets are **07XX series**. Assets will be shipped to and received at the appropriate location.

2. An exception to the above procedures is those fixed assets received by donation (gifts) from organizations, private individuals, or via crowdfunding sites through the internet. The school principal or department administrator will report these assets in writing, using the Fixed Asset Donation form, to the Fixed Asset Auditor. Upon receipt, the asset will be identified, tagged, and included on the appropriate inventory. If necessary, a fixed asset tag will be delivered to a location and affixed to the property. The correspondence will include item description, make, model, serial number and estimated cost. **(Use Form WCBE-FA3)**

All donations of equipment received, regardless of original purchaser's cost, shall be written up on Donation Form, by the employee in which took possession of the goods, immediately upon receipt of the asset(s) onto school property. The form should be submitted to the School Inventory Coordinator for the Principal's signature and to photocopy before forwarding on to the Fixed Asset Auditor for processing.

Non Technology Assets: Assets to document will include (but are not limited to) electronic equipment, audio equipment, athletic training equipment, other athletic equipment, field tractors, mowers, other field implements, bleachers, and construction of buildings (i.e., storage sheds and concession stands). Small items, such as balls, bats, helmets, uniforms, books, etc., do not need to be included on the donation forms. If you need assistance with completing the donation form, please contact the Fixed Asset Auditor at Central Office or your School Inventory Coordinator.

Technology Assets: If the asset being donated relates to technology in any way, approval must be obtained, in writing, by the Director of Technology first and then forwarded to the Fixed Asset Auditor for review. The decision of whether or not to add donated assets to the fixed asset listing will be made by the Fixed Asset Auditor upon receipt of a completed Donation Form.

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C. Receiving Fixed Assets

1. A copy of all purchase orders will be forwarded to the appropriate receiving location for action. When an asset arrives at the location the following steps will be accomplished:

a) Packing Slip will be matched to a copy of the corresponding purchase order.

b) Asset(s) will be opened and verified for quantity and condition.

c) Receiving copy of the purchase order will be signed, dated and forwarded to Accounts Payable for payment processing.

2. A copy of the purchase order and supporting invoice(s) will be provided to the Fixed Asset Auditor by Accounts Payable for all fixed assets The Fixed Asset Auditor, or their designee, will go to the receiving site/department, locate the asset, affix a bar code, and record bar code and serial number. Once completed the appropriate suspense record in fixed asset or inventory system will be updated through data entry and posted.

3. Schools wishing to pay for fixed assets through school activity funds shall follow the normal purchasing policies of the District and use a MUNIS purchase order. The District shall then pay for the items with District funds and request reimbursement from the school activity fund desiring to purchase the asset. Contact the District Finance Officer or designee for proper procedures to complete this transaction.

D. Asset Transactions: The Fixed Asset Auditor will not delete, add or adjust without written proof/explanation.

1. Transfer of all assets will be coordinated with the Fixed Asset Auditor. A transfer document **(WCBE-FA1)** will be provided authorizing the transfer of assets between locations. Examples of these transfers are:

a) Transfer of assets from one site to another.

b) Document stolen assets.

2. Transfer of assets from one room to another within the same location will be documented on a location room to room report provided by the Fixed Asset Auditor.

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3. Return of assets to vendors for exchange, repair or credit will be accomplished using Form **WCBE-FA2**. All returned assets **MUST** be reported to the Fixed Asset Auditor.

4. Disposal: Location personnel **WILL NOT** dispose of any Fixed Assets. All property will be returned/picked up by District warehouse personnel **ONLY** for proper disposal. All assets will be disposed of in one of the following manners through the Finance Department:

a) Conduct of a public auction.

b) Sold to another governmental entity.

c) Removal by a recycling vendor as approved by KDE.

d) Donated to another appropriate agency.

e) Returned to Grant Agency.

f) If an asset is determined to pose a safety hazard, then disposal by other procedures, as jointly approved by the CFO, Fixed Asset Auditor and Director of Maintenance may be permitted.

5. All assets being held for an auction will be documented on a Surplus Equipment Form **(WCBE F/NF-1)** and will be transferred to location code **997 (Auction)**. This location will contain all assets being held at a central District location. It will provide visibility of all assets available for auction/disposal. At such time as determined by the Finance Department and approved by the Board of Education a public auction of assets will be conducted. Upon completion of the auction a signed inventory list will be provided to the Fixed Asset Auditor for final retirement of asset records.

E. Movement, repair and disposal of technology assets will be coordinated by technology personnel only. All technology assets being held centrally for disposal will be documented on an Escrap Form **(WCBE–ES)** and will be transferred to location code **999** and maintained until final disposition.

F. When assets are returned for repair a **WCBE-FA2** is required. The receipt will provide visibility of assets in the hands of a repair shop.

G. Any assets that are disposed of without following proper procedures will be in direct violation of District Policy.

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III. INVENTORY PROCEDURES

A. An asset audit will be completed by the Fixed Asset Auditor or their designee, at a minimum, every three years. Results of these inventories will be reconciled, coordinated and reported as required by the Finance Department to the Superintendent and School Board.

B. Inventory validation reports will be distributed annually. Employees designated this task will have 30 days to complete their inventory validation. Upon completion of the validation the responsible individual will annotate changes, sign, date, and return one copy of their inventory to the Fixed Asset Auditor. A photo copy shall also be retained by the building principal or District director. No adjustments to asset records will be accomplished without supporting documentation.

C. Each responsible individual may conduct their actual reconciliation, as they deem appropriate with their personnel. Any questions and/or assistance required should be directed to the Fixed Asset Auditor.

D. Fixed and/or Non-Fixed Asset Audits may be completed with or without prior notice.

IV. FINANCIAL REPORTING GUIDELINES

A. Bulk Purchases

When a purchase is made of furniture/equipment items that individually do not meet the Fixed Asset definition in Section II (A), but in total are "material" in amount, then the total amount of the purchase shall be defined as a single fixed asset and depreciated appropriately.

B. Food Service Valuation

1. Building - Food Service valuation for building values shall be based on square footage of building used by Food Service **only,** compared to total building square footage.

2. Land - Food Service will have no land values.

3. Debt - Bond Debt will be reported for Food Service based upon percentage of building square footage used by Food Service **only**, compared to total building square footage.

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V. POINTS OF CONTACT

A. Fixed Asset Auditor - Kim Lawrence
B. Finance Office Representative – Chris McIntyre

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