

**Regulation 5510R**

**Non-Instructional/Business Operations**

**ACCOUNTING OF FUNDS**

**Capital Assets Accounting**

The Business Official shall be the official responsible for oversight of the accounting for capital assets according to the procedures documented in this policy.

*Valuation*

All assets will be recorded at cost based on invoice price and include all necessary costs incurred to place the asset in service. Incidental costs may include, but are not limited to, shipping, handling, freight, duties, registration fees, installation costs or insurance during transit. All gifts of capital assets will be recorded at fair value at the time received.

**Capitalization (\$ Threshold)**

Assets with a useful life of greater than three years will be considered for capitalization. The threshold to be used for the following purposes and/or categories of assets is as follows:

	Physical and Insurance Purposes	Financial Reporting (GASB #34)
Land Improvements	\$10,000	\$25,000
Buildings and Improvements	\$10,000	\$50,000
Furniture and equipment	\$1,000	\$5,000

**Depreciation Method and Useful Lives**

All assets will be depreciated using the straight-line method and useful lives will be estimated in the year of purchase. Depreciation expense will be calculated beginning in the year after acquisition.

Established: 08-20-18