

7 **A fixed asset is a property that meets all of the following requirements:**

8 1. Must be tangible in nature.

9 2. Must have a useful life of longer than the current fiscal year.

10 3. Must be of significant value.

11 Fixed assets may be acquired through donation, purchase or may be self-constructed. The asset
12 value for donations will be the fair market value at the time of the donation. The asset value, when
13 purchased, will be the initial cost plus the trade-in value of any old asset given up, plus all costs
14 related to placing the asset into operation. The cost of self-constructed assets will include both the
15 materials used and the cost of labor involved in the construction of the asset.

17 **The following significant values will be used for different classes of assets:**

18 • Class of Fixed Asset Significant Value

19 • Equipment and machinery \$5000 or more

20 • Buildings - Improvements \$5000 or more

21 • Improvements other than buildings \$5000 or more

22 • Land Any amount

24 Cross Reference:

25 7500 Property Records

27 Policy History:

28 Adopted on: July 1, 2000

29 Reviewed on: November 20, 2018