

CARROLL ISD FIXED ASSET PROCEDURE

Goal: An up-to-date inventory of all equipment, vehicles, and buildings with a unit value greater than \$5,000 shall be maintained for audit purposes. Inventory of other small equipment shall be tracked by the respective campus or department. (i.e. Technology).

Fixed Asset Functions:

- ❑ The District Accountant shall maintain an up-to-date database of all fixed assets and inventory items.
- ❑ The database shall include the following information, at a minimum:
 - ❑ A description of the equipment
 - ❑ Serial number or other ID
 - ❑ Funding source
 - ❑ Who holds title
 - ❑ Original acquisition date
 - ❑ Original cost
 - ❑ Percent of federal participation
 - ❑ Location
 - ❑ Use and condition
 - ❑ Disposition date
- ❑ The District Accountant shall post any change to the database for audit purposes.
 - ❑ A list of all salvage items shall be submitted to the Superintendent for approval prior to a public sale or auction. The signed list shall be maintained for audit purposes.
 - ❑ All items sold via a public sale, auction, or disposal shall be removed from the fixed assets database.

Annual Reconciliation:

- ❑ Fixed (Capital) Assets (C) shall be defined as: All equipment with a unit cost over \$5000 (account codes 663X) should be tagged, posted in the Fixed Asset System and posted to the general ledger. These items are defined as fixed assets for audit purposes. These assets are tracked in Skyward for the purpose of calculating the annual depreciation expense.
- ❑ Other small equipment shall be defined as: All equipment defined as “personal use items” such as laptops, I-Pad, digital cameras, calculators, etc. with a unit cost between \$500 and \$1,000 shall be tracked by the respective campus or department.
 - ❑ The campuses and media center have opted to use the Library Automation software to track and issue the small equipment to students and/or staff.
 - ❑ The technology, department has opted to use a spreadsheet to track small equipment such as small technology items such as laptops, projectors or iPads.
- ❑ A capital outlay report shall be generated annually by the Assistant Executive Director of Finance for reconciliation.
- ❑ All items on the capital outlay report shall be reconciled with the new inventory and fixed asset items tagged during the year. Any expenditures over \$5,000 should be evaluated to see if it qualifies as a fixed asset; then added to the fixed asset system.
 - ❑ The total 66XX expenditures should be added to the fixed asset system and general ledger.
- ❑ The Director of Transportation shall prepare all Application for Vehicle, Title, and License Plate forms for all new vehicles purchased by the Transportation Department. The forms shall be submitted to the Assistant Superintendent for Financial Services for approval and signature of all

forms. [The Application for Vehicle Registration, Titles, and License Plate procedures shall be followed in securing the documents.]

- ❑ The Director of Transportation shall submit the forms to the Tarrant County Tax Office for processing.
- ❑ The Director of Transportation shall notify the auto insurance carrier of the new vehicles.
- ❑ The Director of Maintenance & Operations shall prepare all Application for Vehicle, Title, and License Plate forms for all new vehicles purchased by the Maintenance and Operations Department. The forms shall be submitted to the Assistant Superintendent for Financial Services for approval and signature of all forms. [The Application for Vehicle Registration, Titles, and License Plate procedures shall be followed in securing the documents.]
 - ❑ The Director of Maintenance & Operations shall submit the forms to the Tarrant County Tax Office for processing.
 - ❑ The Director of Maintenance & Operations shall notify the auto insurance carrier of the new vehicles.
- ❑ All capital project expenditures should be recorded on a spreadsheet by project.
- ❑ The total 66XX expenditures should be added to the fixed asset system and general ledger.
- ❑ All inventory or fixed asset items purchased with federal grants should be tagged and the appropriate federal grant indicated on the item.
- ❑ The disposal of assets via surplus sales, stolen, or lost assets shall be recorded in the fixed asset system.
- ❑ The inventory and fixed asset schedules maintained in the fixed asset system should be used to purchase property and casualty insurance.
- ❑ A list of all fixed assets (over \$5,000 each unit cost) should be prepared by October 31st for audit purposes.
- ❑ A list of all construction assets should be prepared by October 31st for audit purposes. The list should include all “construction in-progress” through August 31st, including accounts payables and retainage.
- ❑ The lists should be reconciled with the general ledger and submitted to the Executive Director of Finance.
- ❑ The fixed asset depreciation schedules and spreadsheet should be prepared by October 31st and submitted to the Executive Director of Finance for audit purposes.

Fixed Asset Disposal:

- ❑ All efforts will be made to obtain the best return value to Carroll ISD and consideration will be made to responsible protection of our environment.
- ❑ Carroll ISD identification will be removed from items as part of the sales process. Any items that might contain data or any association with Carroll ISD will be cleared or disposed of in a manner that ensures the data is destroyed (example: hard drives will not be sold, but would be destroyed to prevent any possible data recovery).
- ❑ The follow 3 steps would be the method of disposal. [Exception for federally funded assets below]
 - ❑ Sealed Bid proposals
 - ❑ Recycling. Items that are not sold during the garage sale will be disposed through recycling if possible.
 - ❑ Trash – Items that are not disposed of through recycling will be considered trash and disposed of as trash.

- ❑ All surplus sales/bids shall be advertised via the district website and the Fort Worth Star Telegram, as appropriate.
- ❑ All items disposed of shall be removed from the Skyward system by the District Accountant.
- ❑ The District Accountant shall reconcile and deposit all monies collected at the surplus sale.
- ❑ All surplus revenue shall be deposited to a sale of property revenue account in the General Fund (199).

Use of Federally Funded Assets:

- ❑ All federally funded equipment shall be used, as long as needed, for the original grant project, whether or not the project continues to be federally funded.
- ❑ Assets shall be made available for other projects as long as the use does not interfere with the project under which it was originally acquired (it may be appropriate to split or share the costs of the equipment with other fund sources so that each program bears its fair share).
- ❑ When no longer needed for the original grant project, equipment may be used in other federally supported activities (if purchased with state funds, would be used in another state program).

Disposal of Federally Funded Assets:

- ❑ When equipment is no longer needed for the original project or another federally funded project, Carroll ISD shall dispose of the equipment in the following manner:
 - Equipment with current fair market value of *less than \$5,000* may be retained, sold, or otherwise disposed of with no further obligations to TEA.
 - Equipment with current fair market value of *\$5,000 or more* may be retained or sold but TEA shall have right to the proceeds.
- ❑ TEA reserves the right to transfer title to another grantee for noncompliance or as needed after the project ends (regardless of how equipment is classified).
- ❑ At the conclusion of a local grant project, TEA may request a list of equipment purchased with grant funds. The grantee must request disposition instructions from TEA. For most TEA discretionary grants, if a local project is ending and the grantee no longer needs equipment purchased with grant funds, and if the equipment is relatively up-to-date and in good working order, TEA, at its discretion, may instruct the grantee to transfer the equipment to another viable grantee.
- ❑ Disposal of all federally funded assets shall be tracked in the fixed assets database, including a disposition date and method for audit purposes.