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## **704 DEVELOPMENT AND MAINTENANCE OF AN INVENTORY OF FIXED ASSETS AND A FIXED ASSET ACCOUNTING SYSTEM**

### **I. PURPOSE**

The purpose of this policy is to provide for the development and maintenance of an inventory of the fixed assets of the school district and the establishment and maintenance of a fixed asset accounting system.

### **II. GENERAL STATEMENT OF POLICY**

The policy of this school district is that a fixed asset accounting system and an inventory of fixed assets be developed and maintained.

### **III. DEVELOPMENT OF INVENTORY AND ACCOUNTING SYSTEM**

The superintendent or such other school official as designated by the superintendent or the school board shall be responsible for the development and maintenance of an inventory of the fixed assets of the school district and for the establishment and maintenance of a formal fixed asset accounting system. The fixed asset threshold is \$5,000 per individual item. For group purchases for technology, furniture or other equipment that is purchased as a per quantity that otherwise may be below the individual item threshold, the total threshold is \$25,000. The accounting system shall be operated in compliance with the applicable provisions of the Uniform Financial Accounting and Reporting Standards for Minnesota School Districts (UFARS).

### **IV. REPORT**

The administration shall annually update the property records of the school district and provide an inventory of the fixed assets of the school district to the school board as part of the annual audit.