

Springfield School District 19

Code: **DID**
Adopted: 5/08/00
Readopted: 1/22/07; 9/26/11
Orig. Code(s): DID

Property Inventories

The district will maintain a complete property inventory that lists all school sites, buildings and equipment with a value greater than \$5,000. This inventory will be updated annually. The Board may authorize the employment of an appraisal company to assist with the inventory procedure. To update the inventory, the district will keep current records of equipment disposed of and purchased.

The superintendent or designee, will develop and implement procedures for schools and departments to maintain inventories of equipment valued less than \$5,000 per item. Equipment of lesser value than \$5,000 shall not be listed on the district asset inventory. Other district supplies will be included as part of the district's annual inventory. Current records shall be maintained for the receipt, distribution/disposal and inventory of commodity foods as required by federal law. Additionally, there shall be a report to the Board of substantial loss of equipment and supplies not consumed in the process of use.

For insurance purposes only, a count of non-consumable, theft-sensitive supplies with a value less than \$5,000 shall be kept by classification/description by school site and submitted to the district's business office with property inventory records.

Tangible Assets

Criteria for capitalizing land, new construction, extraordinary building repairs, betterments, improvements and replacements.

1. Capitalize all land acquisitions, regardless of cost. All ancillary costs, such as legal and title fees, surveying fees, appraisal and negotiation fees, site preparation costs and costs related to the demolition of unwanted structures should be included. Depreciation is not calculated for land.
2. Capitalize all costs of new construction, including professional fees of architects, attorneys or appraisers, as well as any other costs necessary to place a building into its intended state of operation. Depreciation is not calculated for construction in progress.
3. Capitalize costs of repairs or improvements that increase future benefits from an existing fixed asset beyond its previously assessed standard of performance.

Criteria for capitalizing vehicles, furniture and equipment.

1. All computers, with a historical cost greater than or equal to \$5,000, shall be included in the fixed asset inventory. Computers costing under \$5,000 shall be inventoried for tracking and insurance purposes, but will not be capitalized and depreciated.
2. All vehicles, furniture and equipment with an individual value of \$5,000 or more should be capitalized. In addition to the costs of the item itself, the capitalized cost should include any other normal or necessary costs required to place the asset in its intended state of operation, such as transportation charges, installation costs and any extended maintenance or warranty contracts purchased at the same time as the fixed asset.

Depreciation on all capitalized assets is calculated using the district defined useful life. The straight-line method of depreciation will be used to calculate depreciation expense.

Intangible Assets

As part of ongoing operations, the district may acquire intangible assets. Examples of intangible assets are easements, water rights, patents, trademarks and computer software.

All intangible assets should be classified as capital asset and be reported on the government-wide statement of net assets only if they are identifiable. An intangible asset is identifiable when it is either separate (capable of be separable from the government) or arises from contractual or legal rights.

1. Assets developed/acquired before July 1, 2009 should be reported based on the previous capitalization threshold of \$5,000. These assets will continue to be reported and amortized for the remainder of their useful life
2. Assets developed/acquired after July 1, 2009 are subject to the revised capitalization threshold of \$25,000.

END OF POLICY

Legal Reference(s):

[ORS 332.155](#)

OR. DEP'T OF EDUC, PROGRAM BUDGET AND ACCOUNTING MANUAL.

Cross Reference(s):

DN - Disposal of District Property