

FIXED ASSET POLICY

The Harpursville Central School recognizes the need to implement the required account and financial reporting standards promulgated by the Governmental Accounting Standards Board (GASB). GASB Statement 34 was issued to provide new and additional information to the diverse uses of the District's financial statements.

A fixed asset or capital asset is defined as a physical commodity owned by the District (i.e. land, buildings, machinery, vehicles, equipment, and furnishings) having an estimated period of usefulness in excess of one year and an estimated value of at least \$5000.00.

The Harpursville Central School is committed to fostering proper management of the District's assets.

Guidelines

1. The disposal of all fixed assets shall be recorded and approved for disposition by the Board.
2. Obsolete or surplus items shall be kept to the lowest levels.
3. The Board shall designate a person who will be responsible for safeguarding all fixed assets and who will ensure that none is removed from school property unless authorized by the Board.
4. Employees are not permitted to use the District's assets for personal activities.
5. Generally, capital assets should be considered for disposal when they can be identified with one or more of the following:
 - a. **Obsolete:** An asset which is no longer suitable for its original purpose and which is incapable of being modified to achieve an acceptable level of operation, with little or no resale value.
 - b. **Not Repairable:** An asset which cannot be repaired or restored to an acceptable level of operation, or where the cost of repair in relation to replacement cost is not economically justifiable.
 - c. **Surplus:** An asset may become surplus if it is in excess of estimated requirements or if the purpose for which it was originally acquired no longer exists.

d. Recording of Fixed Assets

All assets will be recorded on an ongoing basis in a Fixed Asset Register. The Register will record an identifying number, a description of the asset, the location of the asset, and the original cost of the asset.

All items that are listed as fixed assets shall be tagged and identified in the District's Register of Assets. All other assets shall be tagged if such assets may be conducive to theft and have a value of at least \$1,000 and shall be included in the Register.

Physical Inventory of Fixed Assets

Inventories are physical reviews and confirmations of the District's assets. A periodic evaluation of the inventory will ensure the integrity of the amounts in the District's financial statements, maintain current insurance valuations, and assist in loss detection.

Inventories shall be conducted as follows:

Land and Buildings	Every 5 years
Machinery, equipment, vehicles	Every 2 years
Furnishings	Every 8 years
All other	Annually

Any assets not accounted for must be immediately brought to the attention of the Board.

Transfer of Fixed Assets

The transfer of an asset from its original location must be specified in the Register by date, the new location, the purpose of the transfer, and the person(s) responsible for the transfer.

First reading: April 24, 1995

Second reading and adoption: May 8, 1995

Amendment-First Reading: October 22, 2007

Second Reading & Adoption: November 26, 2007