

GAAP Fixed Asset Procedures

Fixed Asset Initial Inventory/Personnel:

The initial Fixed Asset Inventory will be done by an outside firm. The update of the Fixed Asset inventory will be maintained through the School Asset Accounting System Equipment Inventory Subsystem (EIS). The Assistant Treasurer will be responsible for maintenance of said system.

Permanent Transfers:

The permanent transfer of Fixed Assets between the departments/rooms will require the proper written approval (permanent transfer forms must be completed at time of permanent transfer between rooms/departments) by the Superintendent/Designee as follows:

1. Permanent Transfer Forms must be completed by the principal or department head and forwarded to Director of Business Affairs for Approval.
2. After approval by Director of Business Affairs, completed form is forwarded to Treasurer.
3. Treasurer is responsible for making necessary changes through the School Asset Accounting System Equipment Inventory Subsystem.

Purchasing Fixed Assets:

Fixed Assets purchased will require approval from the Director of Business Affairs/Designee. All Fixed Asset requisitions are to designate room, department location and subject area. The person initiating the requisition is responsible for this information. The same information will be on the purchase order issued for purchase of Fixed Asset. The treasurer's office will attach the Inventory Addition Form and a tag to the pink Purchase Order Receiving Report and send it to the person initiating the order.

After fixed asset has been received, inventory addition will be done as follows:

1. Inventory additions form will be completed, and tags applied, by the department personnel purchasing the item. Listing the item. Location by room and department, model number, serial number of item, and tag number (tag number will be assigned by treasurer's office personnel).
2. Completed form will be signed by the "tagger" and returned to the Accounts Payable Clerk.
3. Accounts Payable Clerk will be responsible for adding new items to inventory.

Disposal of Fixed Assets

Fixed asset disposal form must be picked up from the Assistant Treasurer.

Form is completed by Principal or Department Head.

Form is forwarded to Business Manager for approval.

Form is then forwarded to Assistant Treasurer and information is entered into computer.

Borrowing Fixed Assets:

When Fixed Assets are taken away from the building (borrowed by an employee or Civic Organization) the Fixed Asset Borrow Form must be completed and will require the proper written approval (Fixed asset borrow form) by the Assistant Treasurer/Designee. Fixed asset CANNOT be borrowed to be used for personal profit. Fixed asset borrow form must be completed as follows:

1. Form can be picked up from Principal or Department Head.
2. Completed form must be approved by Business Manger and returned to principal or department head.
3. After item is returned principal or department head files completed form with Assistant Treasurer.

Personal Fixed Assets:

Personal fixed assets of Employees/Students must be filed with the Assistant Treasurer. Personal fixed assets will not be a part of district fixed asset inventory.

Grouping of Fixed Assets:

Grouping of Fixed Assets (i.e., student desk or chairs all in the same room); use one tag number and enter the actual number of items in the group. The individual items in the group will not have physical tags attached.

Verification of Fixed Assets by Department/employees:

Fixed Asset print-out will be given to each principal or supervisor for their department or building for verification of Fixed Assets assigned too their department or building and returned to the principal or supervisor. The verified form is filed with the Assistant Treasurer for Audit purposes. Distribution of print-out will be done each fiscal year.

After audit is reviewed by the Treasurer, any material discrepancies of Fixed Assets found will be reported to the Business Manager. Reconciliation of differences that exist will be done by the principal or department head.

Lost or Stolen Fixed Assets:

When a fixed asset is found to be lost or stolen, an internal investigation will be done by the Business Manager and principal or department head. The insurance company and sheriff's department will be notified. The inventory will be adjusted after items remain "Lost or stolen" for a minimum of one year.

Capital Improvement/Ordinary Repairs

Capital improvement extends useful potential life of asset or increases future service potential.

Ordinary repair is that repair made to maintain asset in current operating condition.

If item is determined to be capitalized item, remove cost of previous amount; replace with new cost associated with it. Complete an "Addition" form.

The Treasurer will discuss with Business Manager and reach a final decision to determine if it is a Capital Improvement.

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