



Policy #6801

Capital Assets/Theft-Sensitive Assets

Capital Assets

The School will maintain a comprehensive capital assets record-keeping system. The goal of the capital assets program is to protect the School against losses that would significantly affect the Schools's students, staff, property, budget or the ability of the district to continue to fulfill its stewardship responsibilities.

For purpose of this policy, "capital assets" will mean land, improvements to land, easements, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure and all other tangible and intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period which:

- A. Retains its shape and appearance with use;
- B. Is nonexpendable, meaning if the item is damaged or some of its parts are lost or worn out, it may be more feasible to repair it than to replace it with an entirely new item.
- C. It does not lose its identity when incorporated into a more complex unit;
- D. Is valued no less than \$5,000 unless a lesser amount is set by the district; and
- E. Has a life expectancy of at least one year.

Assets that are purchased and installed as a group, will be measured individually against the value limit of \$5,000 if they are removable and are able to be utilized on an individual basis.

Federal law requires a physical inventory of federally-funded assets at least once every two years. Reconciled inventory reports will be provided to the executive director. Such report will identify lost, damaged or stolen capital assets. Missing capital assets will be removed from school property records by authorization by the executive director.

No equipment will be removed for personal or non-school use.

Depreciation

Any asset that qualified as a Capital Assets will be depreciated for GASB-compliant financial statements. Depreciation will be based on its useful life with a straight-line depreciation method. Depreciation will be subject to a monthly proration in the years in which the asset is purchased, removed from service or becomes fully depreciated. A gain or loss on disposition will be calculated and recorded as appropriate.

Theft-Sensitive Assets

Adopted: 09/19/24



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For purposes of this policy, “theft-sensitive” are those items identified by the School as most subject to loss. A list of theft-sensitive assets shall be maintained by the School. The School should establish procedures for internal controls and conduct an annual inventory of theft-sensitive assets.

The executive director will be provided a report identifying assets not accounted for in the annual inventory. These assets will be removed from the School property records by authorization by the executive director.

The executive director will develop procedures to implement this policy, including maintenance requirements and sales procedures to ensure the highest possible return.

Legal References:

RCW 28A.335.090 Conveyance and acquisition of property — Management — Appraisal

7 CFR § 3015, 3016 Agriculture

34 CFR § 80.32 Uniform Administrative requirements for grants and cooperative agreements to state and local governments – Equipment

45 CFR § 92.32 Health and Human Services

Office of Management and Budget (OMB) Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, Attachment B(19)