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## Capital and Theft-Sensitive Assets

### Purpose

This policy describes capital and theft-sensitive assets and the district's responsibility for the management and protection of such assets.

### Scope

This policy applies to the Board of Directors, Superintendent, and district staff responsible for managing and tracking district assets.

### Policy

#### **1. CAPITAL ASSETS**

- 1.1. For purposes of this policy, "capital assets" means 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.
  - (e) Has a life expectancy of at least one year.
- 1.2. The district will maintain a comprehensive capital assets record-keeping system. The goal of the capital assets program is to protect the district against losses that would significantly affect the district's students, staff, property, budget or the ability of the district to continue to fulfill its stewardship responsibilities.
- 1.3. Federal law requires a physical inventory of federally-funded assets at least once every two years. Reconciled inventory reports will be provided to the Board. The report will identify lost, damaged or stolen capital assets. Missing capital assets will be removed from district property records by a vote of the Board.
- 1.4. No equipment will be removed from the district's possession for personal or non-school use.

#### **2. THEFT-SENSITIVE ASSETS**

- 2.1. For purposes of this policy, "theft-sensitive" assets are those items with a value of \$300.00 to \$4,999.99 and are identified by the district as most subject to loss. The following types of items are generally classified as theft-sensitive:

- (a) Audio-visual equipment
  - (b) Computer equipment and peripherals
  - (c) Science equipment
  - (d) Musical instruments and equipment
  - (e) Tools and related equipment
- 2.2. A list of theft-sensitive assets will be maintained by the district. The district should establish procedures for internal controls and conduct an annual inventory of theft-sensitive assets.
- 2.3. The Board will be provided a report identifying assets not accounted for in the annual inventory. These assets will be removed from the district property records through Board action annually.
- 2.4. The Superintendent will develop procedures to implement this policy, including maintenance requirements and sales procedures to ensure the highest possible return.

**Related Procedures**

6106P1-Allowable Costs for Federal Programs

6801P1-Capital and Theft-Sensitive Assets

**Policy Cross References**

6106-Allowable Costs for Federal Programs

**Policy 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)

**Management Resources**

*Policy News*, June 2012 – Auditor’s Raises Concerns Regarding Theft-Sensitive Assets

*Policy News*, June 2008 – Capital Assets/Theft-Sensitive Assets

*Policy News*, April 2006 – Fixed Assets

**Policy History**

<b>Action:</b>	<b>Date:</b>
Approved by the Board	February 18, 2015
Revised	

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