

WINOOSKI SCHOOL DISTRICT

POLICY ON CAPITALIZATION OF ASSETS

Policy:

In order to provide for the proper control and conservation of Winooski School District property as well as proper accounting for financial reporting purposes, the Superintendent or his or her designee shall maintain a schedule of capitalized assets reported in conjunction with Winooski School District 's annual audit.

Implementation:

Capitalization of assets, inclusive of computing devices, equipment, general purpose equipment, information technology systems, special purpose equipment and supplies, occurs when all of the following criteria are met:

1. The asset is tangible and complete. Construction in progress is capitalized but not depreciated until construction is completed;
2. The asset is used in the operation of the district's activities;
3. The asset has a value and useful life at the date of acquisition that meets or exceeds the following:
 - \$5000.00 (max 5,000) individual component value and one year of useful life
 - All buildings and land must be reported regardless of value and useful life at date of acquisition.

Assets acquired through donation will be recorded at their estimated fair market value on the date of donation and capitalized according to the criteria above.

Annual depreciation will be charged in equal amounts over the estimated useful lives of all capital assets. The assets' estimated useful life will be assigned by management in accordance with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) rulings.

PROCEDURES: (also referred to as rules or regulations) are the specific directions that indicate exactly how school personnel and others will carry out the policies adopted by the School Board. Procedures will be developed by the Superintendent in consultation with staff and are attached. Procedures may change more frequently than the underlying policy and do not require adoption by the Board.

Reviewed and Updated:

1st Reading: June 13, 2018

2nd Reading: August 22, 2018

Approved by Board of School Trustees: August 22, 2018

Legal Reference(s): 2 CFR 200.33

Adoption of this policy is recommended by a joint VASBO/Agency of Education working group on federal grant compliance.

Cross Reference(s):