

Milton Town School District

Policy

E102: INVENTORY FIXED ASSETS

Policy

To serve the function of conservation and control, a general fixed capital asset inventory will be maintained and reported in conjunction with the District's annual audit on all of the following:

1. Land
2. Land Improvements
3. Buildings
4. Equipment in excess of a unit cost of \$5,000
 - a. buildings and grounds equipment
 - b. furniture
 - c. administrative equipment
 - d. educational equipment
 - e. vehicles
 - f. computers, computer peripherals, software

The basis for acquisitions purchased shall be the cost of acquisition. All capitalized assets must have a useful life of one (1) year or greater.

Administrative Procedures

Land

1. The value of the land shall be determined by the listers of taxable property in the town of Milton.
2. Subsequent values will be determined by amending the values based on subsequent property reappraisals conducting for taxing purposes.

Land Improvements

1. The value of land improvements shall be initially based on the replacement value assigned by the most recent appraisal.
2. The value of land improvements for the current year shall be determined by adding to the previous year's values expenditures coded for land improvements in the current year's budget. Expenditures include but are not limited to fences, sidewalks, pavement, gutters and bridges.

Buildings

1. The value of buildings shall be initially based on the replacement value assigned and reported through the most recent audited financial statements.
2. The value of buildings for the year shall be determined by adding to the previous year's values expenditures coded for building improvements in the current year's budget.

Equipment

1. The value of equipment shall be initially determined by the values assigned and reported through the most recent audited financial statements.
2. The value of equipment for the current year shall be determined by:
 - a. adding to the previous years value expenditures for equipment, which exceed \$5,000 per unit. (Cost for shipping and installation shall be included).
 - b. adding the value of any item obtained through a binding lease-purchase agreement, if in excess of \$5,000 per unit.
 - c. deleting the value obtained by selling any item previously included, or by deleting the listed value of any item discarded or traded.

Equipment Purchased with Federal Funding

Please note that the required categories that must be maintained for equipment purchased in whole or in part with federal funds must contain the following records:

- Description of property
- Serial # or other identification number
- Source of funding
- FAIN (Federal Award Identification Number)
- Who holds title
- Acquisition date
- Cost
- % of Federal Participation
- Location
- Use and Condition
- Ultimate Disposition – including date of disposal and sale price

Lost, Damaged or Missing Equipment Purchased with Federal Funding

Equipment will be maintained properly at all times. In the event equipment is found to be lost, damaged or missing (theft) an investigation will immediately commence through the department responsible for the equipment. Once cause has been established further action would result as necessary.

Disposition of Equipment Purchased with Federal Funding

When original or replacement equipment acquired under a Federal award is no longer needed for the original project or program or for other activities currently or previously supported by a Federal awarding agency, except as otherwise provided in Federal statutes, regulations, or Federal awarding agency disposition instructions, the Milton Town School District must request disposition instructions from the Federal awarding agency if required by the terms and

conditions of the Federal award. Disposition of the equipment will be made as follows, in accordance with Federal awarding agency disposition instructions §200.313:

§200.313 (e) Disposition

(1) Items of equipment with a current per unit fair market value of \$5,000 or less may be retained, sold or otherwise disposed of with no further obligation to the Federal awarding agency.

(2) Except as provided in §200.312 Federally-owned and exempt property, paragraph (b), or if the Federal awarding agency fails to provide requested disposition instructions within 120 days, items of equipment with a current per-unit fair-market value in excess of \$5,000 may be retained by the Milton Town School District or sold. The Federal awarding agency is entitled to an amount calculated by multiplying the current market value or proceeds from sale by the Federal awarding agency's percentage of participation in the cost of the original purchase. If the equipment is sold, the Federal awarding agency may permit the Milton Town School District to deduct and retain from the Federal share \$500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.

(3) The Milton Town School District may transfer title to the property to the Federal Government or to an eligible third party provided that, in such cases, the Milton Town School District must be entitled to compensation for its attributable percentage of the current fair market value of the property.

(4) In cases where the Milton Town School District fails to take appropriate disposition actions, the Federal awarding agency may direct the Milton Town School District to take disposition actions.

Date Warned: 09/13/18
Date Adopted: 10/08/2018
Legal Reference(s):