

DISTRICT INVENTORIES

Inventories

For the purposes of accountability of school-owned property, the Assistant Superintendent for Business and Finance shall develop an inventory record system. Annually, all inventory records shall be updated showing deletions and additions of District owned property, the estimated value, estimated original cost, date of purchase, serial numbers (where available) and location of each piece of property.

Fixed Asset Accounting System

The administration shall maintain a fixed asset accounting system in accordance with law, governmental regulations and District needs. The fixed asset accounting system shall maintain sufficient information to permit the following:

1. The preparation of year-end financial statements in accordance with law, governmental rules and generally accepted accounting principles;
2. Adequate insurance coverage; and
3. Control and accountability.

The Assistant Superintendent for Business and Finance shall be responsible for the development and maintenance of the fixed asset accounting system. He/she shall develop procedures to ensure compliance with all fixed asset accounting policies, law or governmental regulation. Each building principal/department head shall be assigned fixed asset responsibilities.

“Fixed Assets” are defined as those tangible assets equal to or exceeding the bid limit as set by Section 1267 and 1274 of the Revised School Code. In making this determination, the Assistant Superintendent for Business and Finance generally will use the recognized and accepted “standard useful life table” as published by the Association of School Business Officials International Accounting, Auditing and Budgeting Committee, Subcommittee on GASB Statement No. 34 Implementation. Additionally, the services of a professional property appraisal firm may be used to perform the asset inventory, to provide estimated historical cost information and to give an objective estimate of the asset’s useful life that will generally be acceptable to auditors.

In determining what assets are to be accounted for in District inventories, the Assistant Superintendent for Business and Finance will consider the following information sources:

- Original purchase records.
- Bond documents.
- Professional appraisal or other services, such as insurance appraisals.
- The total amount of original debt issuance, where appropriate, to help determine some assets’ historical cost.

Annually, the Assistant Superintendent for Business and Finance will review the estimated remaining life of specific fixed assets or groups of assets and adjust the remaining depreciable life accordingly.

Some items may be identified by the Assistant Superintendent for Business and Finance as “controlled” assets that, although they do not meet all fixed asset criteria, will be recorded on the fixed asset system to maintain control.

Facility Insurance Inventory

The Assistant Superintendent for Business and Finance has the responsibility to develop a process that will update the annual inventory of District owned property in all buildings. A copy of the annual inventory shall be kept at each building, and one copy shall be filed in the central office.

Additional administrative regulations may be developed at the departmental level by the Assistant Superintendent for Business and Finance as required to implement policy 6310 fully. Upon request, any such rules, regulations, procedures or forms will be shared with the Board for their information.

LEGAL REF: Government Accounting Standards Board, Statement No. 34

Adopted December 1, 2008