

**AUBURN SCHOOL DISTRICT  
CAPITAL (FIXED) ASSETS**

The Auburn School District has invested in a broad range of capital assets that are used in the school system's operations. The Superintendent will designate the person responsible for managing the District's capital assets and maintaining the fixed assets inventory. In accounting for capital assets, the District will implement the standards required by Statement 34 of the Government Accounting Standards Board.

Capital assets are real or personal property that have a value equal to or greater than the capitalization threshold of the particular classification of asset.

Capital assets include:

- Land
- Land Improvements (not depreciable)
- Land Improvements (depreciable)
- Infrastructure
- Construction in Progress
- Vehicles
- Furniture, Equipment and Machinery

All assets, or at least a representative sampling, including those that are reported on a composite basis, must be evaluated once annually to reflect either an increase or decrease in total value.

**CAPITALIZATION THRESHOLD**

For financial reporting purposes, capitalization threshold is set at \$5,000 per item.

**ACQUISITION OF ASSETS**

Capital assets may be acquired through donation, purchase, or may be constructed. The asset value for donations will be the fair market value at the time of the donation. The asset value, when purchased, will be the initial cost of the item/items. The asset value of constructed assets include all costs of construction.

**DEPRECIATION OF ASSETS**

For all assets that qualify as a depreciable asset, the straight-line, full-year depreciation method should be utilized to depreciate the capital asset, over the estimated useful life of the related asset.

## DISPOSITION OF ASSETS

When capital assets are sold or otherwise disposed of, the inventory of capital assets should be relieved of the cost of the asset and the associated accumulated depreciation. Assets will be removed on an annual basis in conjunction with the annual update. The appropriate depreciation will be taken for the year of disposal.

Adopted: December 19, 2001  
Revised: October 6, 2008  
Revised: June 11, 2013  
Revised: December 12, 2017