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2 **St. Regis School District**

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4 **FINANCIAL MANAGEMENT**

7510

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6 Capitalization Policy for Fixed Assets

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8 A fixed asset is a property that meets all the following requirements:

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10 1. Must be tangible in nature;
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12 2. Must have a useful life of longer than the current fiscal year; and
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14 3. Must be of significant value.

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16 Fixed assets may be acquired through donation, purchase, or may be self-constructed. The asset
17 value for a donation will be the fair market value at the time of donation. The asset value for
18 purchases will be the initial cost plus the trade-in value of any old asset given up, plus all costs
19 related to placing the asset into operation. The cost of self-constructed assets will include both
20 the cost of materials used and the cost of labor involved in construction of the asset.

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22 The following significant values will be used for different classes of assets:

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<u>Class of Fixed Asset</u>	<u>Significant Value</u>
Equipment and machinery	\$5000.00 or more
Buildings - Improvements	\$5000.00 or more
Improvements other than to buildings	\$5000.00 or more
Land	Any amount

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36 Cross Reference: 7500 Property Records

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38 Policy History:

39 Adopted on: March 8, 2006

40 Revised on: