




## RETIREMENT BOARD POLICY AND REFERENCE MANUAL

<b>SUBJECT:</b> <b>FIXED ASSET INVENTORY POLICY</b>	<b>Section:</b> 2-19 <b>Date Adopted/Revised:</b> 11/12/2008
<b>SYSTEM(S):</b> JOINT	<b>Approved:</b>  Retirement Administrator

### PURPOSE

To ensure that investments in fixed assets are properly managed, controlled and recorded, the Boards established this Policy.

### POLICY

A fixed asset is any item of equipment or furnishings purchased with a value of \$500 or greater and \$5,000 or greater for land, buildings and infrastructure and a useful life of more than two years.

#### A. CAPITALIZATION AND DEPRECIATION

##### 1. Capitalization

All equipment or furnishings purchased with a value of \$500 or greater and \$5,000 for land, buildings and infrastructure with a useful life of greater than two years shall be capitalized. Capital assets will be recorded at historical cost as of their acquisition date.

##### 2. Depreciation

Assets will be depreciated over their estimated useful life in compliance with generally excepted governmental accounting standards. If it is determined at the time of acquisition that an asset may have an estimated life longer or shorter than the stipulated policy, the Retirement Administrator may assign an estimated useful life for the purposes of recording depreciation.

All assets will be depreciated using the straight line method of depreciation and depreciation shall be calculated and recorded in the general ledger at the end of the fiscal year as a part of the financial statement preparation.

B. RESPONSIBILITY, IDENTIFICATION AND PERIODIC INSPECTIONS

1. Responsibility

Each Retirement Office staff member or Retirement Board member will act as the authorized custodian for any fixed assets located in his/her office or otherwise assigned to his/her custody.

2. Identification of Moveable Fixed Assets

All eligible and moveable fixed assets shall be identified with an inventory tag. The Retirement Office accountant/auditor will ensure that new items are tagged and placed on the Fixed Asset Inventory Record before they are assigned to a staff member or Board member.

3. Periodic Inspection of Fixed Assets

An annual physical inventory will be conducted by the Retirement Administrator and staff at the end of the fiscal year.

4. Annual Report to Administrative Committee

Results of the annual physical inventory will be reported to the Administrative Committee as soon as administratively possible.

C. DISPOSALS

1. Disposals of Fixed Assets

Disposal of any fixed asset with a depreciated cost basis in excess of \$ 500 shall be submitted, reviewed and approved by the Boards' Administrative Committee.

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1. *Adopted 02/11/2004*

2. *Annual Review, administrative changes, revised 11/12/2008.*