

FIXED ASSETS MANAGEMENT SYSTEM REGULATION

A. Fixed assets management team.

1. The superintendent will appoint a fixed assets management team. Members of the fixed assets management team will include:
 - a. Superintendent, chair;
 - b. fixed assets manager;
 - c. Building principals;
 - d. Transportation director;
 - e. One or more facility maintenance personnel;
 - f. One or more technology personnel; and
 - g. Others deemed necessary by the superintendent.
2. The superintendent in conjunction with the fixed assets management team, shall:
 - a. Conduct the fixed assets physical count;
 - b. Develop the fixed assets listing;
 - c. Tag fixed assets included in the fixed assets management system with a bar code identification number;
 - d. Make a recommendation of a computer software program for managing the fixed assets management system;
 - e. Enter the necessary data into the fixed assets management system and compile the appropriate reports;
 - f. Develop forms and procedures for maintaining the integrity of the fixed assets management system; and
 - g. Maintain responsibility for an accurate fixed assets management system.

B. Determining historical cost.

1. The historical cost of a fixed assets is based on the actual costs expended in making the fixed assets serviceable. For the initial fixed assets listing of currently owned fixed assets, records indicating the actual costs expended in making the fixed assets serviceable may be available in the central administrative office.
2. Gifts of fixed assets are given an "historical cost" of the estimated fair market value on the addition/acquisition date.
3. Fixed assets purchased under a capital lease are given an historical cost of their net present value of the minimum lease payments on the addition/acquisition date.
4. The historical cost of fixed assets in the proprietary funds must include capitalized interest and infrastructure.
5. Fixed assets for which the historical cost cannot be determined.
 - a. Search board minutes to determine the approximate acquisition date, contract approval date or project approval date.
 - b. Search central administrative office records at the time of the presumed addition/acquisition date, including those in storage, on microfiche or archives, to determine the actual costs expended in making the fixed assets serviceable.

- c.If no records can be found to determine the actual costs expended in making the fixed assets serviceable the school district may estimate the historical cost using back trending/standard costing after consulting with the school auditor.

C.Annual fixed assets listing reconciliation.

1. The superintendent, in conjunction with the fixed assets management team, will conduct an annual fixed assets physical count to develop the annual fixed assets listing in a manner similar to the initial fixed assets listing process in B above. At least every three years, someone other than the person in custody of the fixed assets in the building/department/room will perform the fixed assets physical count for the building/department/room.
2. Upon completion of the annual fixed assets listing, the fixed assets listing is reconciled to the fixed assets management system data base.
3. Fixed assets found to have been excluded from the data base are added to the fixed assets management system. The fixed assets management system process is reviewed to prevent future incidents of excluding a fixed asset.
4. Fixed assets unaccounted for are reported to the superintendent who contacts the supervisor of and the employee/person in charge/control/custody of the fixed asset. The employee/person in charge/control/custody of the fixed asset has thirty days to account for the fixed asset.
5. Fixed assets unaccounted for after thirty days are reported to the superintendent for appropriate action and documentation. "Appropriate action" may include discipline, up to and including discharge, and may require the employee/person in charge/ control/custody of the fixed asset to replace the fixed asset.
6. The superintendent is responsible for documenting the reasons each fixed asset was not reconciled to the fixed assets management system.

D.Addition/acquisition of machinery and equipment fixed assets.

1. The school district's required purchasing administrative regulations and procedures must be followed to acquire machinery and equipment fixed assets. The school district's required administrative regulations and procedures must be followed for receiving a gift of machinery and equipment fixed assets.
2. The Machinery and Equipment fixed assets Addition/Acquisition Form must be completed for each additional machinery and equipment fixed assets with an addition/acquisition cost of equal to or greater than \$1,000.00. The following information must be collected
 - a.Name of location-building/department/room;
 - b.Location-building/department/room code;
 - c.Balance sheet accounting/class code;
 - d.General fixed assets account group or proprietary fund asset (name proprietary fund);
 - e.Addition/acquisition date;
 - f.Check/purchase order number or gift;

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- g. Bar code identification number assigned to and placed on the fixed asset;
 - h. Serial/model number;
 - i. Cost-historical;
 - j. Fair market value on acquisition date (donated fixed assets only);
 - k. Estimated useful life (for proprietary funds only);
 - l. Vendor;
 - m. Purchasing fund;
 - n. Description of fixed asset;
 - o. Department/person charged with custody,
 - p. Method of addition/acquisition-purchase, trade, gift etc.,
 - q. Quantity;
 - r. Replacement cost; and
 - s. Addition/acquisition authorization.
3. Machinery and equipment fixed assets acquired in a month must be entered into the fixed assets management system in the same month.

E.Addition/acquisition of real property fixed assets.

1. The school district's required purchasing administrative regulations and procedures must be followed to acquire a real property fixed asset. The school district's required administrative regulations and procedures must be followed for receiving a gift of a real property fixed asset.
2. The Real Property Fixed Assets Addition/Acquisition Form must be completed for each additional real property fixed asset. The following information must be collected
 - a. Addition/acquisition date;
 - b. Seller;
 - c. Cost-historical/addition/acquisition, cost including legal, architect, surveying and related fees;
 - d. Balance sheet accounting/class code;
 - e. Fair market value on a requisition date (donated fixed assets only);
 - f. Estimated useful life of buildings (for proprietary funds only);
 - g. Legal description,
 - h. Location/address; and
 - i. Addition/acquisition authorization.
3. For real property fixed assets in the general fixed assets account group, the actual costs of construction in progress, other than infrastructure, is entered into the fixed assets management system in the month in which costs are incurred until the total cost of addition/acquisition is entered. Upon completion of construction, the total costs accumulated over the period of construction are reclassified to buildings.
4. For real property fixed assets in the proprietary funds, the actual costs of construction in progress, including infrastructure construction, is entered into the fixed assets management system in the month in which costs are incurred until the total cost of addition/acquisition is entered. Upon completion of construction, the total costs accumulated over the period of construction are reclassified to buildings.

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5. Real property fixed assets acquired in a month must be entered into the fixed assets management system in the same month.

F.Relocation/transfer of machinery and equipment fixed assets.

1. A fixed assets Relocation/Transfer Form must be completed prior to removing machinery and equipment fixed assets from their current location. The following information must be collected:
 - a. Relocation/transfer date;
 - b. Quantity;
 - c. Bar code identification number;
 - d. Current location-building/department/room code;
 - e. Name of current location-building/department/room;
 - f. New location-building/department/room code;
 - g. Name of new location-building/department/room;
 - h. Date placed at new location-building/department/room;
 - i. Department/person charged with custody; and
 - j. Relocation/transfer authorization.
2. Machinery and equipment fixed assets relocated/transferred in a month must be entered into the fixed assets management system in the same month.

G.Disposal of machinery and equipment and real property fixed assets.

1. A Machinery and Equipment fixed assets Disposal Form must be completed prior to disposing of machinery and equipment fixed assets. The following information must be collected:
 - a. Disposal date;
 - b. Quantity;
 - c. Bar code tag identification number;
 - d. Disposal method-junk, trade, sale, trade-in, etc.; and
 - e. Disposal authorization.
2. A Real Property fixed assets Disposal Form must be completed prior to disposing of real property fixed assets. The following information must be collected:
 - a. Disposal date;
 - b. Legal description,
 - c. Location/Address;
 - d. Purchaser;
 - e. Disposal method-trade, sale, stolen, etc.; and
 - f. Disposal authorization.
3. Machinery and equipment/real property fixed assets disposed of in a month must be entered into the fixed assets management system in the same month.

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H. Lost, damaged or stolen machinery and equipment fixed assets.

1. A Lost, Damaged or Stolen fixed assets Report must be completed when a fixed assets has been lost, damaged or stolen. The following information must be collected:
 - a. Date of loss, damage or theft;
 - b. Employee/person discovering;
 - c. Quantity;
 - d. Description of fixed asset;
 - e. Bar code tag identification number;
 - f. Location-building/department/room;
 - g. Description of loss, damage, etc.;
 - h. Filing of police report-yes or no;
 - i. Filing of insurance report-yes or no;
 - j. Sent for repair-yes or no;
 - k. Date returned from repair;
 - l. Date returned to location-building/department/room;
 - m. Department/person charged with custody; and
 - n. Authorization.
2. Fixed assets damaged, lost or stolen in a month must be entered into the fixed assets management system in the same month.

I. Fixed assets reports.

1. Annual reports for June 30 each year.
 - a. fixed assets listing including the following items for the school auditor:
 - (1) Balance sheet accounting/class code;
 - (2) Purchasing fund;
 - (3) Bar code tag identification number;
 - (4) Description of the fixed asset;
 - (5) Historical cost; and
 - (6) Location.
 - b. fixed assets listing by location/building;
 - c. fixed assets listing by department/employee/person charged with custody; and
 - d. fixed assets listing by replacement cost.

Legal Reference: Iowa Code §§ 257.31(4); 279.8; 297.22-.25; 298A (2007).

Cross Reference: 709 Insurance Program
701.3 Financial Records