



BELLOWS FREE ACADEMY/NCTC
FAIRFIELD CENTER SCHOOL
ST. ALBANS CITY SCHOOL
ST. ALBANS TOWN EDUCATIONAL CENTER



POLICY: CAPITALIZATION OF ASSETS

CODE: F23
(RECOMMENDED)

1 **Policy**

2 In order to provide for the proper control and conservation of Maple Run Unified School District
3 property as well as proper accounting for financial reporting purposes, the Superintendent or
4 designee shall maintain a schedule of capitalized assets reported in conjunction with Maple Run
5 Unified School District annual audits.

6 **Implementation**

7 Capitalization of assets, inclusive of computing devices, equipment, general purpose
8 equipment, information technology systems, special purpose equipment and supplies, occurs
9 when all of the following criteria are met:

- 10 1. The asset is tangible and complete. Construction in progress is capitalized but not
11 depreciated until construction is completed;
- 12 2. The asset is used in the operation of the district's activities;
- 13 3. The asset has a value and useful life at the date of acquisition that meets or exceeds the
14 following:
- 15 • Five-thousand dollars (\$5,000) individual component value and more than one
16 year of useful life
 - 17 • All buildings and land must be reported regardless of value and useful life at date
18 of acquisition.

19 Assets acquired through donation will be recorded at their estimated fair market value on the
20 date of donation and capitalized according to the criteria above.

21 Annual depreciation will be charged in equal amounts over the estimated useful lives of all
22 capital assets. The assets' estimated useful life will be assigned by management in accordance
23 with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting
24 Standards Board (GASB) rulings.

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27 **MRUSD Board**

28 Date Adopted: 5/3/2017

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MRUSD Board Revised

1st Reading: 1/18/2023

2nd Reading: 2/1/2023

Date Warned: 1/20/2023

Date Adopted: 2/1/2023

34 Legal Reference(s): 2 C.F.R. 200.1

35 Adoption of this policy is recommended by a joint VASBO/Agency of Education working group on federal grant
36 compliance.

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