

Revised: _____

704 DEVELOPMENT AND MAINTENANCE OF AN INVENTORY OF FIXED ASSETS AND A FIXED ASSET ACCOUNTING SYSTEM

I. PURPOSE

The purpose of this policy is to provide for the development and maintenance of an inventory of the fixed assets of the charter school and the establishment and maintenance of a fixed asset accounting system.

II. GENERAL STATEMENT OF POLICY

The policy of Minnesota Transitions Charter School is that a fixed asset accounting system and an inventory of fixed assets be developed and maintained.

III. DEVELOPMENT OF INVENTORY AND ACCOUNTING SYSTEM

The superintendent or such other school official as designated by the superintendent or the school board shall be responsible for the development and maintenance of an inventory of the fixed assets of the Minnesota Transitions Charter School and for the establishment and maintenance of a formal fixed asset accounting system. The accounting system shall be operated in compliance with the applicable provisions of the Uniform Financial Accounting and Reporting Standards for Minnesota schools (UFARS). In addition, the inventory shall specify the location of all continued abstracts showing the conveyance of the property to Minnesota Transitions Charter School; certificates of title showing title to the property of Minnesota Transitions Charter School; title insurance policies; surveys; and other property records relating to the real property of Minnesota Transitions Charter School.

IV. CAPITAL ASSET THRESHOLD

It is the policy of Minnesota Transitions Charter School that an item being considered for capitalization must have a cost of \$10,000 or greater to meet the District Capitalization threshold. Minnesota Transitions Charter School will maintain a listing of technology equipment, costing less than \$10,000 for insurance and tracking purposes, however, these items will not be capitalized. For those capital assets less than \$10,000 per single item, but more than \$50,000 in the aggregate and having a useful life of more than one year, shall also be capitalized.

IV. REPORT

The administration shall annually update the property records of Minnesota Transitions Charter School and provide an inventory of the fixed assets of Minnesota Transitions Charter School to the school board.

Legal References: Minn. Stat. § 123B.51 (Schoolhouse and Sites; Access for Noncurricular Purposes)
Minn. Stat. § 124E.03 (Applicable Law)
Minn. Stat. § 124E.07 (Board of Directors)

Cross References: MSBA/MASA Model Policy 702 (Accounting)