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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 education district and the establishment and maintenance of a fixed asset accounting system.

II. GENERAL STATEMENT OF POLICY

The policy of the education district 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 executive director or such other school official as designated by the executive director or the education district board shall be responsible for the development and maintenance of an inventory of the fixed assets of the education district 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 School Districts (UFARS) with a capitalization level that equals or exceeds \$5,000. Group purchases for technology, furniture, or other equipment that is purchased as a per quantity that otherwise may be below the individual item threshold, the total threshold is \$25,000. The inventory shall specify the location of all continued abstracts showing the conveyance of the property to the education district; certificates of title showing title to the property in the education district; title insurance policies; surveys; and other property records relating to the real property of the education district.

IV. REPORT

The administration shall annually update the property records of the education district and provide an inventory of the fixed assets of the education district to the education district board.

Legal References: Minn. Stat. § 123B.02 (General Powers of Independent School Districts)
Minn. Stat. § 123B.09 (Boards of Independent School Districts)
Minn. Stat. § 123B.51 (Schoolhouse and Sites; Uses for School and Nonschool Purposes; Closings)
GASB Implementation Guide 2021-1

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