

## CAPITAL ASSET INVENTORY RECORDS POLICY

**Purpose:** The purpose of the fixed assets policy is to provide control and accountability over Columbia County Rural Library District's assets and to gather and maintain the information needed for the preparation of financial statements.

The Policies and Procedures described below meet the State of Washington, Office of Financial Management minimum standards as described in Chapter 30 of the State Administrative & Accounting Manual. In addition to the minimum standards, the Library Director or designee will review and update annually this policy and procedure to determine if changes in technology or theft experience warrant inclusion of any additional items in the asset inventory.

### **Definitions:**

**Administrator** -- the person(s) authorized to approve purchases on behalf of the Columbia County Rural Library District and has the authority to redistribute or surplus assets.

**Asset Value** – The acquisition cost of an asset calculated 1) without regard for trade in allowance; 2) including taxes, installation and/or calibration charges; 3) freight and 4) educational and other discounts are taken into consideration.

**Capital Asset** – item or equipment with 1) asset value over five thousand dollars (\$5,000); 2) a useful life of one or more years, and 3) legally considered either real or personal property. Such items must be purchased, transferred, coded, recorded, tagged and inventoried within the fixed assets system as described in these procedures.

Office of Financial Management (OFM) – the Washington State Agency responsible for the oversight of state assets.

**Small and Attractive assets** – item or equipment with: 1) asset value cost between three hundred dollars (\$300) and five thousand dollars (\$5,000); 2) a useful life of one or more years and 3) considered sensitive and requiring property control. Such items must be purchased, transferred, coded, recorded, tagged, and inventoried within the fixed assets system as described in these procedures.

Small and attractive assets per OFM include:

- Weapons, firearms and all items in OFM commodity class 10XX.
- Items or equipment with a unit cost of \$3,000 or greater.
- Portable computing devices
- Portable video projectors
- Digital video cameras
- Additional small and attractive assets per GRCC, Less than \$300.00
- External Zip Drives
- External CD Burners/Writers
- External Laser Disc (storage devices)
- Cellular Phones
- Fax Machines

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- Palm Pilots (smart pad)
- Scanners
- Printers
- Flat Screen Monitors and Specialty Monitors
- Cameras
- Video Cameras
- Optical devices (binoculars, telescopes)
- Radios used by repeater
- Office equipment
- Record players, radios, television sets, tape recorders, VCR/DVD machines
- Tools and equipment including, but not limited to: generators, small motors, pressure washers, mowers, snow blowers, vacuums, chainsaws, air compressors

Library Collections – Print materials, DVDs, CDs, video cassettes, audio cassettes and other similar library collection material intended for patrons' use are not required to be inventoried.

Vehicles and trailers – Vehicles and trailers for which a license is required are required to be inventoried.

Non-inventoried assets – item or equipment with: 1) asset value between three hundred dollars (\$300) and three thousand dollars (\$3,000); 2) a useful life of more than one year; 3) does not meet the definition of a capital or small and attractive asset. Such items must be purchased, transferred, coded, recorded, and inventoried according to the internal procedures of each department.

Fixed assets system – FAE – Fixed Assets Equipment will be used to record and account for all capital and small and attractive assets.

Accessories or attachments to assets – unit or equipment with: 1) asset value over five thousand dollars (\$5,000); 2) adds useful life to an existing capital asset and 3) does not replace the original asset. Such items must be purchased, transferred, coded, recorded, tagged and inventoried within the fixed assets system as described in these procedures.

Fabricated asset – Item or equipment constructed by a college, high school, state penitentiary, or local craftsman in a shop or lab. Such items should be coded as equipment with an asset value of three thousand or more dollars and has a useful life of one or more years when the fabrication charges are made and treated as a capital, small, and attractive or non-inventoried asset as described above. All labor, supplies, and materials used in the construction should be considered the asset value. The fabricated asset must be transferred, coded, recorded, tagged and inventoried as soon as the item is completed.

Transferred asset – item or equipment received from another government (federal, state or local) agency (often with freight the only cash expenditure) shall be treated as a

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capital, small and attractive or non-inventoried asset as described above. The cost shown on the transfer document shall be considered the asset value.

Gift – a capital, small and attractive or non-inventoried asset received without any library district expense incurred. The donation will include a description of the item, value of gift, donor's name and date received. The asset shall be treated as a capital, small and attractive or non-inventoried asset as described above. The value of the gift shall be considered the asset value.

Property – any asset, material, equipment or supply belonging to Columbia County Rural Library District.

Surplus property – any unserviceable, obsolete or excess library district asset, materials, equipment or supplies, tagged and untagged regardless of whether or not the item is part of the library district's fixed assets system.

### **Policy**

Columbia County Rural Library District is to be in compliance with all RCW's and WAC's governing inventory and surplus of county library district assets as outlined in the OFM Manual with the following procedures.

### **Procedure:**

Responsibilities: The director is responsible for developing and administering property management processes and the data integrity of the fixed assets system. The director, branch manager, or designee is responsible for maintaining physical control and maintenance over all assets (inventoried and non-inventoried) purchased and assigned to the library district. The director will develop internal procedures to control the use and distribution of all assets assigned to the library district.

Inventory staff (director, branch manager, or designee) is responsible for:

- maintaining records
- tagging assets
- preparing asset inventory reports
- coordinating the annual physical inventory
- reconciling property inventory and fiscal records
- making financial reports of fixed assets contained on a yearly basis

**Receiving, Tagging and Delivery of Property:** The Columbia County Rural Library District becomes responsible for all property upon delivery. All capital and small and attractive assets are to be tagged before being used within the CCRLD library. The inventory staff is responsible for assigning and permanently affixing library district inventory number, label and other identification markings on these assets as appropriate. The following information must be recorded in the fixed assets system:

- inventory tag number
- manufacturer, including where purchased
- model, serial number
- date of purchase

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- purchase price (including tax and shipping costs)
- purchased under competitive bid
- source of funds (federal, state, private grant, grant name or source)

**Disposal, Transfers, Trades and Trade-Ins of Surplus Property:** Director must be notified that a disposal, transfer, trade or trade-in of surplus property is being planned. A written notice or email must include:

- description of asset
- inventory tag number
- serial and model number
- condition
- location of asset
- disposal date,
- salvage value – the estimated portion of a capital asset’s cost that is recovered at the end of its service life less any disposal costs. (This element is not applicable to all ‘small and attractive’ assets)
- useful life – estimated useful life of the capital asset in years. (This element is not applicable to all ‘small and attractive’ assets)
- any other pertinent information

The affected staff responsible for the area must receive a copy of the written or email notice. If the Director disapproves of the surplus, he/she must respond to the written or email notice as soon as possible. Surplus of any asset including IT equipment must be routed to the Director for final approval, redistributed if appropriate, or deemed ready to be surplus. Upon approval for the disposal of a library asset, the adopted Surplus Policy will be followed. See Surplus Policy and/or Surplus Procedure for further directive.

**Lost or Stolen Property:** If property is missing, the Director must be notified indicating the item missing and the circumstances under which the item was lost or stolen. A search will be conducted for the missing property. The Director will take further action, calling local sheriff’s office if warranted, to investigate the lost or stolen item. If it appears the item has just been misplaced, the item will remain on the inventory list until the next full physical inventory. If it is not found in the next inventory, the Director or designee will initiate the process for stolen property. If the property is not located, the individual deemed to be primarily responsible for the asset, as well as that individual’s supervisor, shall complete a Fixed Asset Form, Dispose Section, stating details surrounding the missing item. The Fixed Asset Form must then be forwarded to the Director. The District’s inventory record will note the item as being disposed noting that the asset was lost or missing.

**Physical Inventory:** Branch manager or designee is required to maintain a physical inventory of all non-inventoried and tagged assets. Each inventory staff will work with other staff to reconcile the inventory once per year. Results of physical inventory will be filed with the Director at the end of each annual physical inventory. Email is acceptable unless noted otherwise. The District inventory shall be submitted to the Library Board by the first regular Library Board meeting in April.

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**Sub-Inventories – Asset Accountability:** Employees are responsible for the use or misuse of equipment assigned to or used by them in the performance of their duties.

Replacement of expendable equipment or lost or damaged equipment, is the responsibility of the employee to which it is assigned. Employees should notify their supervisor of items necessary to replace.

Accountability for District equipment is the responsibility of the Branch Manager to which the asset is assigned. Sub-inventories will be established where necessary with a listing of equipment by proper asset inventory tags.

A Fixed Asset Form will be completed immediately when there is to be a change in property assignment so that inventories can be changed accordingly.

Certification by Branch Manager on sub-inventories will be considered as verification that actual physical inventories have been made, that additions and changes have been noted, and that all property has been accounted for.

Losing, damaging, or wasting District property or equipment through negligence, carelessness, unauthorized or improper use will be grounds for disciplinary action. The employees responsible for such loss, damage, or waste may be personally charged for the current value of the property in question.

Employees will immediately report to their supervisor any damage to the District property or equipment assigned to them. In addition, employees are required to routinely inspect the property and/or equipment assigned to them and will report to their Manager any inoperative, defective, or hazardous equipment which comes to their attention. Managers will immediately report to the Director any damage to the property or equipment assigned to them.

Employees will turn in all District owned property assigned to them as directed. Upon termination of employment, all District owned property in an employee's possession will be promptly returned.

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Adopted  
August 28, 2008