CAPITALIZATION AND INVENTORIES

CAPITALIZATION

A capital asset is defined as tangible and intangible assets acquired for use in operations that will benefit more than a single fiscal period including equipment, fixtures, software, land, buildings, building improvements, site improvements, easements, water rights, and other district property that meet threshold levels for the purpose of capitalization according to the Governmental Accounting Standards Board (GASB) Statement 34 and 96. The capitalization limits and useful life of each category of asset shall be established according to the recommendations of the Wyoming Department of Education as stated in the Wyoming School Budgeting, Accounting, and Reporting Manual (WSBARM). Assets are capitalized at the following thresholds:

- Equipment, fixtures, district property $5,000 and greater
- Software: $25,000 and greater
- Land, buildings, building improvement, and site improvements $100,000 and greater

These assets will be capitalized in the fiscal year of purchase and depreciated annually using the straight-line method. The Superintendent or designee is responsible for developing procedures for maintaining capitalization and inventory records.

INVENTORY

A complete record of the following district assets shall be established and updated each fiscal year. Two categories of inventories will be maintained:

- CAPITAL ASSET INVENTORY: This inventory will be kept as part of the business office fixed asset inventory system. All capital assets will be valued at the original purchase price or estimated cost if the original purchase price is not available. Donated capital assets will be valued at their estimated fair market value on the date donated.
- NON-CAPITAL ASSET INVENTORY: The inventory limits of each category of asset shall be established according to the recommendations of the Wyoming Department of Education as stated in the WSBARM and will be tracked by the business office.

Subsidiary records on each inventoried asset should be set up with the information recommended by the WSBARM.

The date for the asset inventory will be each year on or before May 1st. Building administrators and directors will monitor the fixed asset inventories to ensure compliance by the established

due date. Building administrators and directors shall be accountable for the maintenance of proper inventories for their respective departments, sites, and/or programs.

The ultimate responsibility for all inventories shall rest with the Superintendent.

First Reading: 5-4-26
Second Reading: 6-8-26