

Proposed Revision of Board Policies

Board Policy Statement:

One of the highest functions of a school board is to set policy for the school district. The Iowa Association School Boards lists five duties and responsibilities of a school board. One of those is to “Set policy.”

Background:

School board policies sometimes need to be revised due to new legislation, changes in rules and regulations, legal rulings, and revisions in other policies. Consequently, policies need to be continuously monitored for outside factors affecting their influence.

For Capital Assets, the GASB 34 Committee recommended “districts and AEAs implement capitalization levels that would capture at least 80% of the value of assets. However, the threshold should not be greater than \$5,000.”

Belmond-Klemme CSD subscribes to a service provided by the Iowa Association of School Boards (IASB). IASB advises the following for policy 802.4:

“In determining the capital asset capitalization threshold, the size of the school district, the property insurance deductible and the time and effort necessary to account for and track capital assets with a lesser value should be considered. *It is strongly recommended the board consult with the school auditor prior to setting the capitalization threshold.*”

Auditor Rachele Thompson recommends that we revise our Capital Asset policy and raise our capital asset capitalization threshold from our current amount of \$2,500 to \$5,000.

Although we are unaware of any intangible assets we have (or any school could have), our current policy sets the threshold at \$2,500. IASB, however, recommends \$25,000 to \$50,000.

Recommended Action:

I recommend the board review the policy that appears on the following pages and approve the revisions.