Long Prairie-Grey Eagle Business Office – November 2026

Annual Financial Audit Update Every November, Minnesota school districts are required by state law to submit their final audited financial data to the Department of Education. Long Prairie-Grey Eagle's (LPGE) annual audit is currently in the home stretch. Right now, our independent auditors at Creative Planning are completing their final review, double-checking their numbers against our internal accounting records to ensure everything matches up accurately.

How We Track Major District Property (Capital Assets) As part of wrapping up the audit, we are also finalizing our report on **capital assets**—the major, long-term property the district owns and uses to operate, rather than items meant for resale.

To be counted as a capital asset, an item must meet two rules:

1. **Longevity:** It must last longer than one school year.
2. **Value:** It must cost **$5,000 or more** (a threshold LPGE established years ago to focus on big-ticket items).

Once an item is logged into our system, we assign it an estimated **"useful life."** This helps us track **depreciation**—how much value an item loses each year as it ages and wears down.

Asset Category	Examples	Typical Useful Life
Land	School sites, athletic fields, undeveloped acreage	Indefinite (does not lose value)
Land Improvements	Parking lots, athletic tracks, fencing, playgrounds, sidewalks	15–20 years
Buildings & Improvements	Schools, offices, roof replacements, HVAC systems	20–50 years
Machinery & Equipment	Groundskeeping tractors, kitchen appliances, shop tools, generators	5–15 years
Vehicles	School buses, district vans, maintenance trucks	8–10 years

Asset Category	Examples	Typical Useful Life
Tech & Furniture	Classroom desks, servers, security cameras, SMART boards	3–7 years

Tagging Equipment and Holding Public Auctions To make sure every piece of equipment is accounted for, we use a barcode "tagging system" that assigns a unique ID number to items across the district. This lets us easily track how much an item has aged and see when it is ready to be retired.

This is where our recent surplus auction comes into play. Under Minnesota law, school districts must follow strict guidelines when declaring old items as surplus and selling them at a public auction or properly disposing of them. Accurate tagging ensures our public inventory stays completely up to date from the day we buy a piece of equipment to the day it leaves the district.

If you ever have any questions on what is on our system as an asset, please feel free to contact me at any time.

Sherri Evenson