

BRECKSVILLE-BROADVIEW HEIGHTS CITY SCHOOL DISTRICT

District Policy Updates

2 policies

First Read ~ November 18, 2026

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po7450

PROPERTY INVENTORY

ADOPTED Jul 23, 2007 · REVISED Dec 18, 2024

7450 - **PROPERTY INVENTORY**

As steward of this District's property, the Board of Education recognizes that efficient management and full replacement upon loss requires accurate inventory and properly maintained property records.

The Board shall maintain a continuous inventory of all Board-owned equipment and supplies and the results reconciled with the property records at least once every two (2) years.

For purposes of this policy, equipment shall mean tangible personal property (including information technology systems), a unit of furniture or furnishings, an instrument, a machine, an apparatus, or a set of articles which retains its shape and appearance with use, is nonexpendable, having a useful life of more than one (1) year and a per-unit cost that equals or exceeds ~~$5,000~~ $10,000 to replace as a single unit and does not lose its identity when incorporated into a more complex unit. When defining supplies for inventory purposes, no items will be counted whose total value is less than ~~$5,000~~ $10,000.

It shall be the duty of the Operations Coordinator to ensure that inventories are recorded systematically and accurately and property records of equipment are updated and adjusted annually by reference to purchase orders and withdrawal reports.

Major items of equipment shall be subject to annual spot check inventory to determine loss, mislocation, or depreciation; any major loss shall be reported to the Board.

The Operations Coordinator shall maintain a system of property records which shall show, as appropriate to the item recorded, description and identification (serial number of other identification number).

The District is responsible for maintaining and updating property records when there is a change in the status of the property.

Equipment acquired in whole or in part under a Federal award will vest upon acquisition to the District, subject to the following conditions:

A. The equipment shall be used for the authorized purposes of the award project during the period of performance or until the equipment is no longer needed for the purposes of the project.

B. While the equipment is being used for the originally authorized purpose, the District (or subrecipient) must not dispose of or encumber its title or other interests without the approval of the Federal agency or pass-through entity.

C. The equipment may only be used and disposed of in accordance with the provisions of the Federal agency or the pass-through entity and Policy 7300 - Disposition of Real Property/Personal Property and Policy 7310 - Disposition of Surplus Property, and ~~AG 7300 and~~ AG 7310 - Disposal of Nonfixed-Asset Property.

D. The District must use equipment for the project or program for which it was acquired and for as long as needed, whether or not the project or program continues to be supported by the Federal award. The District must not encumber the equipment without prior approval of the Federal agency or pass-through entity.

E. When no longer needed for the original project or program, the equipment may be used in other activities in the following order of priority:

1. activities under other Federal awards from the Federal agency that funded the original program or project; then

2. activities under Federal awards from other Federal agencies. These activities include consolidated equipment for information technology systems.

F. During the time that equipment is used on the project or program for which it was acquired, the District must also make the equipment available for use on other programs or projects supported by the Federal Government, provided that such use will not interfere with the purpose for which it was originally acquired. First preference for other use of the equipment must be given to other programs or projects supported by the Federal agency that financed the equipment. Second preference must be given to programs or projects under Federal awards from other Federal agencies. Use for non-Federally funded projects is also permissible, provided such use will not interfere with the purpose for which it was originally acquired. The District should consider charging user fees as appropriate. If the District does use equipment to earn program income, it must not charge a fee that is less than a private company would charge for similar services unless specifically authorized by Federal statute.

G. When acquiring replacement equipment, the District may either trade-in or sell the equipment and use the proceeds to offset the cost of the replacement equipment.

H. Property records shall be maintained that include a description of the equipment, a serial number or other identification number, the source of funding for the equipment (including the Federal Award Identification Number ("FAIN")), title holder, acquisition date, cost of the property, percentage of Federal agency contribution towards the original purchase, the location, use, and condition of the property, and ultimate disposition data, including date of disposal and sale price of the property.

I. A physical inventory of the property must be conducted and the results reconciled with property records at least once every two (2) years.

J. A control system shall be in place to provide safeguards for preventing loss, damage, or theft of the property. Any such loss, damage, or theft of the property must be investigated. The District must notify the Federal agency or pass-through entity of any loss, damage, or theft of equipment that will have an impact on the program.

K. Regular maintenance procedures shall be implemented to keep the property in proper working condition.

L. Proper sales procedures shall be established to ensure the highest possible return in the event the District is authorized or required to sell the equipment/property.

M. When equipment acquired under a Federal award is no longer needed for the original project/program or for activities currently or previously supported by a Federal agency, the District shall request disposition instructions from the Federal agency or the pass-through entity if required by the terms and conditions of the Federal award. Disposition of the equipment shall be made in accordance with the provisions of C.F.R. 200.313.

Revised 6/27/16
Revised 5/26/21

[Cross Reference: 7310]

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Legal
2 C.F.R. 200.313, 200.439(b)(2)

DISTRICT POLICY UPDATES 2026-2027

po7455

ACCOUNTING SYSTEM FOR CAPITAL ASSETS

7455 - **ACCOUNTING SYSTEM FOR CAPITAL ASSETS**

The Board of Education shall maintain a capital-asset, accounting system. The capital-asset system shall maintain sufficient information to permit the following:

A. the preparation of year-end financial statements in accordance with generally-accepted, accounting principles

B. adequate insurance coverage

C. control and accountability

Capital assets are defined as those tangible assets of the District with 1.) a useful life in excess of one (1) year , ~~and~~ 2.) an initial cost equal to or exceeding the amount determined every ~~(2) two~~ two (2) years in the District's administrative guidelines , 3.) which are capitalized in accordance with GAAP , and 4.) which the District intends to hold or continue in use over ~~and~~ an extended period of time. If a single item does not meet the threshold amount, but is typically purchased in aggregate by the District, the ~~Business Manager~~ Treasurer shall verify which items shall be classified as capital assets and recorded at the time of purchase or acquisition. Further, some items may be identified as "controlled" assets that, although they do not meet all capital asset criteria, are to be recorded on the capital-asset system to maintain control.

Capital assets shall be classified as follows:

A. land, buildings (facilities), equipment, and intellectual property (including software) whether acquired by purchase, construction, manufacture, exchange, or through a lease accounted for as financed purchase under Government Accounting Standards Board (GASB) standards or a finance lease under Financial Accounting Standards Board (FASB) standards, ~~and~~

B. additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations or alterations to capital ~~fixed~~ assets that materially increase their value or useful life (not ordinary repairs and maintenance) , and

C. right-to-use assets from leases (GASB Statement No. 87) and subscription-based information technology arrangements (GASB Statement No. 96)

Leased capital assets and assets which are jointly-owned shall be identified and recorded on the capital-asset system.

Capital assets shall be recorded at actual, or if not determinable, estimated purchase price or fair market value at the time of acquisition. The method(s) to be used to estimate such price or market value shall be established by the ~~Business Manager~~ Treasurer .

The Superintendent shall develop administrative guidelines to address the proper purchase, transfer, and disposal of capital assets. Such assets shall be disposed of in such a manner as will be in the public interest and benefit the District (see Policy 7300 and Policy 7310).

The ~~Business Manager~~ Treasurer shall verify whether an expense should be recorded as an improvement to a capital asset or maintenance cost. An improvement of a capital asset significantly increases its value,

life or capacity to serve, and should be capitalized and depreciated over its life. Maintenance restores a capital asset to its original level of service and should not be capitalized.

Depreciation is the allocation of the cost of a capital asset over its estimated useful life. Depreciation shall be recorded for funded ~~fixed~~ capital assets using the method(s) agreed upon by the Superintendent and the Treasurer ~~/CFO~~.

The following information shall be maintained for all capital assets:

A. description (including whether the item was acquired in aggregate)

B. asset classification (land, building, equipment, etc.)

C. location

D. purchase price/cost, or if not determined:

1. estimated cost/purchase price

2. estimated fair market value

3. contract price (including all related charges to place the capital asset in condition or in its place for the intended use), or

4. appraised value at the time of acquisition (if obtained by gift/donated)

E. vendor

F. date purchased/acquired

G. voucher number

H. estimated useful life

I. estimated salvage value

J. replacement cost

K. accumulated depreciation

L. method of acquisition (purchase, trade-in, lease, donated etc.)

M. appropriation

N. manner of asset disposal

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