POLICY: FIXED ASSETS
APPROVAL DATE: 6/16/2014
REVISION DATE: 07/21/2020

RELATED POLICIES
Collection Development
Procurement
Gifts


Purpose
To provide criteria for the identification, inventory, safeguarding and disposition of the District’s fixed and controlled assets.

Fixed Assets
Fixed assets (or capital assets) are defined as all real property or personal property used for operations with an individual, per-unit cost of $5,000 or more (including installation, accessories, sales tax, and shipping), with an estimated useful life of one (1) year or longer. Fixed assets may be purchased by the District or received as a gift.

Controlled Assets
Controlled assets are individual assets that do not meet the fixed assets threshold, but are considered particularly vulnerable to loss. Controlled assets have an estimated useful life of one (1) year or longer, and have a per-unit cost of:

- Between $300 and $5,000 for computer laptops, notebooks, and mobile devices.
- Between $1,000 and $5,000 for all other controlled assets.

Examples of controlled assets include, but are not limited to, desktop computers, printers, laptops, monitors, televisions, photography equipment, mobile devices, and server room equipment (servers, switches, routers and uninterruptable power supplies).

Assets acquired by grant funds from other governmental agencies will be identified based on the requirements of the grantor. The Finance Office is responsible for meeting all requirements of grantors and bond covenants in regard to the purchase, use and disposition of assets purchased with these funding sources.

Library Collections
Physical materials such as books, DVDs, CDs and other library collection materials intended for customer use are not considered fixed or controlled assets for the purposes of this policy.
Inventory
All fixed and controlled assets will be assigned a District property tag upon acquisition and listed in the District fixed and controlled assets inventory. A physical inventory of all fixed and controlled assets will be conducted by the Finance Office a minimum of once per year.

Protection, Safeguarding and Maintenance
The District is responsible for the safeguarding, custody, insurance, and maintenance of fixed and controlled assets. Responsibility for safeguarding and maintenance are assigned as follows:

- The manager of the location in which fixed assets and/or controlled assets reside is responsible for the maintenance and security of those assets.
- Information Technology (IT) is responsible for the protection, maintenance and security of controlled assets such as computers, monitors, laptops and all server room equipment.

Disposition
When it is determined that a fixed, controlled or other asset is no longer needed for purposes of the District, the District will declare those assets to be surplus. The Board of Trustees (Board) must approve the disposition of all fixed assets prior to the asset being removed from inventory as follows:

- Fixed assets with a value exceeding $50,000 may only be declared surplus by resolution, following a public hearing in accordance with RCW 39.33.020.
- Fixed assets with a value between $5,000 and $50,000 may only be removed from the inventory by a motion of the Board.

Disposition of controlled and other assets with a value less than $5,000 do not need formal approval by the Board, and they may be declared surplus and disposed of by the responsible manager.

Once an asset has been declared surplus, the District can remove the asset from inventory and may then sell, donate or dispose of the asset in the most efficient, cost-effective, and commercially reasonable manner.

Only assets having more than a nominal monetary value will be formally declared surplus. Other assets that are obsolete, broken, or of nominal or no value for other reasons may be disposed of in the most efficient and cost-effective manner upon approval of the responsible manager. Prior to disposal, items listed on the District assets inventory shall be removed from inventory and property tags shall be removed.

Board members and District employees are prohibited from purchasing or otherwise receiving any fixed or controlled assets in the disposition of surplus property.

Disposition of Library Materials
Surplus library materials with an estimated value in excess of $1,000 shall be disposed of at a public auction in accordance with RCW 39.33.070(1). Surplus library materials with an estimated value of $1,000 or less shall be sold in accordance with RCW 39.33.070(2).

Surplus library materials determined to have no value will be recycled, if possible, or otherwise destroyed.
The Executive Director is responsible for establishing administrative procedures necessary to carry out this policy and will respond to appeals of District staff action and/or decision in the application of this policy and any related procedures. Any appeal of Executive Director action and/or decision may be made in writing to the Board of Trustees.

The District will make a good faith effort to implement this policy in a fair and consistent manner.