

## INVENTORIES/GENERAL FIXED ASSETS

The Todd County School District shall annually cause an inventory of personal property to be made and placed on file with the business manager by July 10. Personal property with an original value greater than \$300.00 will be included in the inventory.

General fixed assets are divided into five main classes: land, buildings, improvements other than buildings, equipment, and construction work in progress. Fixed assets may be marked by a permanent method of identification. Periodic inventories should be taken by personnel, designated by the superintendent/chief executive officer (CEO). Generally accepted accounting principles require that each school adopt a dollar value indicating which fixed assets should be capitalized.

As required with the implementation of GASB 34, capitalization thresholds will be set as follows: Land: \$100; Buildings: \$25,000; Improvements: \$15,000; Machinery and Equipment: \$5,000. Capitalization thresholds for the food service proprietary fund will be set the same as above with the exception of Machinery and Equipment: \$1,000.

In the acquisition of or additions to real property, plant, or equipment, any expenditure of one thousand dollars or more shall be paid from capital outlay fund as required by SDCL 13-16-6. The one thousand dollar limitation shall apply to the total of each asset type on an invoice. Equipment purchases per invoice of less than \$1,000.00 may be acquired from either the general or capital outlay fund.

LEGAL REF: SDCL 5-24-1, 5-24-3, 13-16-6. ARSD 10:02:01:01

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