

**Administrative Procedures for Policy #5425 (Business)
Regarding Procedures for Property Accounting**

I. Definitions

- A. Fixed Assets – A financial resource that meets all of the following criteria:
1. Tangible in nature.
 2. Has an extended useful life, at least one year.
 3. Is not a repair part or supply item.
 4. Has a value of \$5,000 or more.
 - a. Items meeting the fixed asset criteria are classified by major categories, such as:
 - 1) Land
 - 2) Buildings
 - 3) Improvements to sites and facilities
 - 4) Furniture and fixtures
 - 5) Machinery and equipment
 - 6) Food Service Equipment
 - 7) Vehicles
- B. Fixed Asset Management System – A system for recording and reporting monetary amounts associated with capital fixed asset transactions; maintaining control and accountability on the acquisition, use, control, protection, insurable values, accounting for depreciation, maintenance, and disposal of assets.

II. Guidelines

- A. The Calvert County Public School System (CCPS) will use a Fixed Asset Management System to maintain control and ensure accountability of fixed assets.
- B. The Department of Finance has the overall responsibility for the maintenance of the Fixed Asset Management System and for compliance with the regulations and procedures of this policy.
- C. The Department of Finance will periodically initiate the physical inventory of fixed assets by producing and distributing a current asset inventory report to each department and school.
- D. The director, principal or their designee at each CCPS location is responsible for:
 1. Completing the Fixed Asset Management Inventory when it is received.

2. Notifying the Department of Finance and other appropriate school system staff of any items that are either missing, transferred to another site, disposed of, or otherwise not included in the Fixed Asset Management System Inventory for their location.
 3. Implementing an inventory management and tracking process for the use of fixed assets (e.g., laptop computers) by staff and students outside of the building or program as appropriate.
- E. Principals, department heads, or designees will provide information so the Fixed Asset Management System can track and monitor the movement of all capital fixed assets from one location to another.
 - F. All fixed assets will be disposed of in accordance with Policy 1730 - Disposition of School Property.
- III. Asset Acquisitions
- A. The Department of Finance is responsible for the physical accounting and recording of all additions to the Fixed Asset Management System.
 - B. The Department of Finance will assign a fixed asset number to all fixed assets. Numbers will also be assigned to land, buildings, and improvements other than buildings.
 - C. The Department of Finance will provide the following information for each addition to the Fixed Asset Management System:
 1. The year of acquisition.
 2. The cost of the acquisition.
 3. A description of the item including make, model, and serial number if applicable.
 4. Assigned location.
 - D. The Department of Finance will record the appropriate information in the Fixed Asset Management System.
- IV. Transfer of Assets
- A. The appropriate Director or principal or their designee is responsible for the physical accounting and reporting of the transfer of all fixed assets.
 - B. When a fixed asset is transferred from one location to another, a Pick-up/Delivery Request Form will be completed and will include a description of the item, including make, model, and serial number as applicable.
 - C. A copy of the Pick-up/Delivery Request Form will be sent to the Department of Finance.
 - D. The Department of Finance will record the appropriate information in the Fixed Asset Management System.
- V. Disposal of Assets
- A. The appropriate Director or principal or their designee is responsible for the physical accounting and recording of the disposal of all fixed assets.

- B. In order to delete a fixed asset from the Fixed Asset Management System, the appropriate department or school will provide to the Department of Finance the following information:
 - 1. A description of the item, including make, model, and serial number, if applicable.
 - 2. Assigned location of the asset.
 - C. The Department of Finance will calculate the appropriate depreciation for the item and record the information in the Fixed Asset Management system.
- VI. Reporting of Fixed Assets
- A. The Department of Finance will coordinate the reporting of the physical inventory of fixed assets.
 - B. Information on the fixed assets of the school system will be incorporated into the annual financial audit. A subsequent report and findings will be provided to the Superintendent and Board of Education.