

VENTURA COUNTY BOARD OF EDUCATION

ADMINISTRATIVE

REGULATION NO. 3440

ADOPTED: 07/14/97

CLASSIFICATION: Business and Noninstructional Operations REVISED: 11/26/01

SUBJECT: Capital Property, Inventory, Depreciation and Disposal

ASSET CAPITALIZATION AND DEPRECIATION

Equipment is defined as tangible personal property having a useful life of more than one year. Assets to be capitalized shall be all equipment costing five thousand dollars (\$5,000) or more. All capitalized assets shall be included in the inventory records of the Ventura County Office of Education. The useful life of the equipment shall be established based on the type of equipment and its typical life expectancy, within the guidelines established by the Internal Revenue Service. The straight-line method of depreciation shall be used to determine the annual depreciation amount to be recorded in the annual financial records of the Ventura County Office of Education. While GASB Statement 34 requires equipment be capitalized and depreciated over its expected useful life, the actual useful life of the equipment may be more or less than expected and shall not be a determining factor in when equipment will be replaced or disposed of, if the item is no longer required or useful to the Ventura County Office of Education.

INVENTORY CONTROL

All equipment costing more than the threshold established in EC 35168 shall be labeled, numbered, and recorded by the Associate Superintendent, Administrative Services, through an authorized agent, in a permanent inventory file. The record shall include the original cost, date of acquisition, description and location of the item.

Furniture or equipment shall not be removed from its presently assigned location without approval of the Associate Superintendent, Administrative Services, or a designated representative, who is responsible for inventory control.

To effect removal of equipment from its present location, the department head or site administrator shall complete a Request for Change of Inventory Form and submit it to the inventory control clerk. Upon verification of the condition of the equipment, the inventory control clerk will authorize appropriate disposition of the equipment.

DISPOSAL

Regardless of value, all equipment scheduled for disposal will be listed and a quarterly report, including certification of the value of the equipment, will be submitted to the County Board of Education for its review.

Excess equipment or materials with a value of less than five hundred dollars (\$500) may be sold directly to an agency without advertising, with the approval of the Director of Internal Business Services.

Excess equipment or materials with a value in excess of five hundred dollars (\$500) shall be identified, a value established, and a recommendation sent to the Superintendent for approval of disposal by the appropriate method, based on value, specified in EC 39520 et seq. If the Superintendent approves the recommendation, the item(s) will be included in the quarterly report submitted to the County Board of Education for its review.

Equipment valued at over twenty five thousand dollars (\$25,000) shall follow the disposal procedure specified in EC 1279, added in 1999 by A.B. 857, Chapter 838.