



Fixed Asset Policy

Fixed Assets to be capitalized are defined as:

1. All furniture and computer purchases.
2. Equipment with a cost in excess of \$2,500 and a minimum of 3-year service life.
3. Major building improvements, purchases, and construction.
4. Major site improvements and purchases.

Policies and Principles

1. All assets owned by the Organization should be appropriately safeguarded.
2. Inventories should be maintained of all fixed assets.
3. The existence, condition, and the continued use of assets should be verified by the Executive Coordinator.
4. Inventories should contain a detailed description of the item.
5. The Organization capitalization threshold for which items are classified as fixed assets and recorded in the balance sheet is \$2,500 or above. Items of lower individual value may be grouped as it is appropriate for them to appear on the balance sheet.

Acquisitions

1. All categories of fixed assets, of any value, must be approved for purchase by the Executive Coordinator.
2. It is the responsibility of the bookkeeper to record the Asset.
3. Capital purchases will be recorded at cost.
4. Donated assets will be set up at the estimated fair market value. Tax receipts may be issued by the Organization in the amount of the estimated fair market value.

Disposal or Loss of Organization-owned property

If an asset has outlived its useful life and is no longer required:

1. The disposal date will be noted in the Inventory.
2. Bookkeeper will be notified.

If an asset is no longer required and can be sold:

1. Asset will be sold at fair market value or largest reasonable offer.
2. Bookkeeper will be notified.

If an asset is missing by suspected theft or otherwise:

1. Executive Coordinator will be notified immediately.
2. President and Treasurer will be notified immediately.
3. Bookkeeper will be notified so that asset may be written off and removed from the Fixed Assets Record.