Fixed Assets Policy

POLICY: Fixed Assets			
POLICY NUMBER:	500.03.01	**CUSTODIAN:**	Director of Finance
APV'D DATE:	2-11-20		
EFFECTIVE DATE:	2-11-20	**REVIEW DATE:**	Feb 2020
REFERENCES: Purchasing Policy, Security Policy			

Part 1. Policy Background and Purpose.
Ensure a uniform understanding of the Capitalization Policy for WETCC's fixed assets. The College uses the straight-line method of depreciation.

Part 2. Definitions.
Fixed asset purchased for a single unit price of $1,000 or more and held by the College with a useful life of more than a year. Examples include: Land and buildings, plant and machinery, furniture, vehicles.

Straight-line method of depreciation is recognizing depreciation expense evenly over the estimated useful life of an asset.

Business office is any staff of the following: Bookstore Clerk, Finance Assistant, Finance Supervisor, and Director of Finance.

IT is any staff from the Information Technology Department.

Part 3. Responsibility.
Employee Purchasing/Requesting a Fixed Asset

Follow established procedures. After purchase has been made, the employee is responsible to care for the item and protect from breakage or theft to the best of their ability.

Business Office- Finance Assistant

Process according to established procedures. Fixed assets are to be tagged and tracked.

Part 4. Policy
When purchasing computers for a classroom, all equipment will be considered a fixed asset.

When purchasing software for the company, it will be considered a fixed asset if the cost is more than $1,000.

Fixed asset approval and purchasing follows the guidelines already outlined within the WETCC Purchasing Policy.

Lost or stolen equipment shall be reported to security immediately pursuant to the security policy. These items shall be entered “disposed” in the year discovered and removed from the fixed asset listing and removal of prior depreciation.

Periodically the Business Office will assess the fixed asset schedule to accommodate for items listed as lost or stolen items. If items become obsolete, Business Office will get approval from Department Director in charge of the item to remove from the fixed asset listing. **Prior to disposal of any asset, all departments shall be notified to first transfer the asset to another department for utilization.**

Disposal of fixed assets can be sold through sealed bids offered to the public when estimated value is over $1,000. Items estimated value under $1,000 can be offered to employees for a fair market price or advertised to the public at a set price. If more than one party is interested in the item, it will be disbursed through a lottery system. IT equipment disposal requires additional approval from the IT department. This equipment includes: printers, copiers, computers, tablets, smartboards, and other technology devices.