

Business Procedures  
Series 800

Policy Title: Capital Asset Inventory Records Code No. 815

**Policy Statement**

The chief financial officer or designee maintains a perpetual inventory of Heartland AEA fixed assets.

**Scope of Policy**

All capital assets, both tangible and intangible, will be accounted for at cost, or if cost is not determinable, at estimated cost. Donated assets will be recorded at estimated fair market value at the time received.

Tangible assets are defined as land, buildings, equipment, artwork, library collections, furniture, fixtures, and other assets intended to be used over a period of more than one year and costing \$500 or more. Tangible assets with an initial cost of \$3,000 or more will be considered capital assets for financial reporting purposes and depreciated using the straight-line method.

Intangible assets will be defined as assets that are identifiable, lack physical substance, have an initial useful life extending beyond a single reporting period, and cost \$250,000 or more. Examples include easements, patents, trademarks, copyrights, and computer software that is purchased, licensed, or internally generated. If the asset is generated internally, cost includes efforts of staff members or independent contractors to plan, develop, and implement the asset. Intangible assets will be considered capital assets for financial reporting purposes and depreciated using the straight-line method.

For purposes of depreciation, the chief financial officer will establish an estimated useful life for each asset or grouping or collection of assets.

**Accountability**

- The chief administrator and chief financial officer will ensure that asset inventory records are administered according to policy and appropriately classified in the annual audit report.
- The chief administrator or designee may retain a private appraisal to validate the Agency's capital asset inventory.

Date of Adoption:

12/8/92

Reviewed: 9/98,

Amended: 7/02, 4/03, 8/05, 6/10/14, 3/14/17, 4/13/21