

**OLYMPIC ESD 114 BOARD POLICY**  
**CAPITAL ASSETS/THEFT-SENSITIVE ASSETS**

**POLICY 6801**

**Capital Assets**

The goal of the Olympic Educational Service District 114 (OESD) capital assets program is to protect OESD against losses that would significantly affect OESD's staff, property, budget or the ability of the OESD to continue to fulfill its stewardship responsibilities.

OESD shall maintain procedures and a records-keeping system for capitalizing fixed assets and facilitating the identification, reporting and safeguarding of assets in compliance with generally accepted accounting principles and the Accounting Manual for Educational Service Districts.

For purpose of this policy and Governmental Accounting Standards Board (GASB) Statement No. 34 (GASB 34), "fixed assets" are defined as tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. Capital assets include land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures and infrastructure. and all other tangible and intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period which:

- A. Retains its shape and appearance with use;
- B. Is nonexpendable, meaning if the item is damaged or some of its parts are lost or worn out, it may be more feasible to repair it than to replace it with an entirely new item;
- C. It does not lose its identity when incorporated into a more complex unit;
- D. Is valued no less than \$5,000 unless a lesser amount is set by the district; and
- E. Has a life expectancy of at least one year.

In compliance with Federal law a physical inventory of federally funded assets shall be conducted at least once every two years.

Equipment shall not be removed from OESD premises for personal or non-OESD use.

**Theft-Sensitive Assets**

For purposes of this policy, "theft-sensitive" are those items identified by OESD as most subject to loss. An inventory of theft-sensitive assets shall be maintained by the OESD. The OESD should establish procedures for internal controls and conduct an annual inventory of theft-sensitive assets.

**Depreciation**

The Superintendent or designee(s) shall depreciate fixed assets in accordance with the Washington State Administrative & Accounting Manual and when GASB 34 applies and in compliance with the Accounting Manual for Educational Service Districts.

**Leases**

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 87 (GASB 87), the district's capitalization policy is as follows:

- Lease assets with total payments over the lease term of \$10,000 or greater will be accounted for per GASB 87 rules.

The Superintendent will develop procedures to implement this policy.

**Legal Reference:**

RCW 28A.335.090 Conveyance and acquisition of property

– Management – Appraisal

7 CFR 3015, 3016 Agriculture

34 CFR 80.32 Uniform Administrative requirements for grants and cooperative agreements to state and local governments – Equipment

45 CFR 92.32 Health and Human Services

Governmental Accounting Standards Board (GASB)  
Statement 34

Office of Management and Budget (OMB) Circular A-87,  
Cost Principles for State, Local, and Indian Tribal Governments, Attachment B(19)

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