

PUTNAM COUNTY PUBLIC LIBRARY CAPITAL ASSET POLICY

General Information

This Capital Asset Policy is effective May 1, 2006. This policy will be used to provide accountability and to safeguard capital assets as defined herein.

Definitions of Capital Assets

Capital assets include such items as: land easements, right of ways, land improvements, buildings, building improvements, construction in progress, machinery and equipment, vehicles, infrastructure, books, works of art and monuments.

Capital assets with an estimated useful life of more than one year and an original cost of \$5000 or more will be accounted for as capital assets. In addition, the aggregate of all books and similar materials with a useful life of more than one year, regardless of the original cost, will be considered capital assets. For accountability and safeguarding of assets an inventory will be kept on all computers and on all items costing less than the thresholds noted above, but more than \$1,000, which will be classified as non-capitalized assets.

Valuation of Capital Assets

Capital assets should be recorded at actual cost. Normally the cost recorded is the purchase price or construction costs of the asset, but also included is any other reasonable and necessary costs incurred to place the asset in its intended location and intended use, that can be directly related to the asset. Donated or contributed assets should be recorded at their fair market value on the date donated or acquired.

Asset Definitions by Major Category

Each asset category is defined below:

Land, Easements and Right of Ways:

Specified land, easements, right of ways, lots, parcels or acreage owned by the library or its various departments, regardless of the method or date of acquisition.

Improvements Other Than Buildings:

Examples of unit assets in this category are bookcases, shelving, walks, parking areas and drives, fencing, retaining walls, pools, fountains, planters, underground sprinkler systems, and other similar items.

Buildings:

All structures designed and erected to house equipment, services, or functions are included. This includes systems, services, and fixtures within the buildings, and attachments such as porches, stairs, fire escapes, canopies, areaways, lighting fixtures, flagpoles, and all other such units that serve the building.

Plumbing systems, lighting systems, heating, cooling, ventilating and air handling systems, sprinkler systems, alarms systems, sound systems, and surveillance systems, passenger and freight elevators, escalators, build-in casework, walk-in coolers and freezers, fixed shelving, and other fixed equipment are included with the building, if owned. Communications antennas and/or towers are not included as buildings. These are parts of the equipment units that they serve.

Equipment:

Equipment includes all other types of physical property within the scope of the Capital Asset Policy not previously classified. Included within this category are office mechanical equipment, office furniture, appliances, furnishings, machinery items, maintenance equipment, communication equipment, books and similar items, laboratory equipment, vehicles, data processing equipment, and similar items. All supplies are excluded.

Periodic Inventories

A physical inventory of capital assets will be conducted by each department at least every other year, as near as practical to year-end. Additions, omissions, and changes in condition will be noted on the inventory list. The library director will make necessary adjustments to the capital assets ledger.

Adopted by the Putnam County Public Library Board of Trustees
April 26, 2006