FIXED ASSET INVENTORY POLICY

Board approved February 18, 1997
Policy Change – Board approved August 11, 1998
Policy Revision – Board approved February 5, 2013

POLICY

It is the policy of Woodbury County to have a comprehensive fixed asset inventory system. The Woodbury County Auditor shall be responsible for developing, implementing, and maintaining the fixed asset inventory.

SCOPE

All property of Woodbury County, which is non-consumable, has a value exceeding the threshold per fixed asset classification defined below, and a life expectancy of more than one year, shall be included in the fixed asset inventory.

CLASSIFICATION/THRESHOLD

Fixed assets shall be classified in one of the five major groups of land, building, improvements other than buildings, machinery and equipment, and construction in progress. An asset will not be reported in the General Fixed Asset Account Group (GFAAG) unless the value of the asset is equal to or exceeds the following threshold by classification:

Classification	Threshold
Land	any land retained for County use
Buildings*	$ 5,000
Improvements other than buildings	$50,000
Machinery and Equipment	$ 5,000
Construction in progress	any construction amount incurred during a fiscal year meeting the above thresholds

*Improvements to buildings will only be capitalized if deemed a major improvement or addition.

REQUIRED DATA

At a minimum, the following data must be captured for each asset purchased from all funding sources; the department, location, serial number or other identification number, purchase date, manufacturer, date received, cost, funding source, vendor name the item was purchased from, date sold/traded, trade/savage amount.

VALUATION

Fixed assets purchased with governmental fund expenditures should be recorded at historical cost and reported in the GFAAG. The amount in GFAAG should equal the purchase price or construction costs plus other costs necessary to place the asset into intended use.

Trade-ins*	new asset is reported at its fair market value (cash plus trade-in allowance) per generally accepted accounting principles; the value reported in the governmental fund purchasing the asset will use the "net" method; in the "net method, value equals the cash paid.
Gifts	assets given to the County will be reported in GFAAG at fair market value (an amount determined mutually by the seller and purchaser).

*Invoices for trade-ins should indicate the purchase price and trade-in amount allowed.

PHYSICAL INVENTORY

Physical inventories will be taken at least, every two years of fixed assets purchased from all funding sources, and the results of the physical inventory reconciled to the County's fixed asset records reported in the financial statements. The Board of Supervisors shall be responsible for completing the physical inventory for the county.

PURPOSE

The purpose of this policy is:

A. To comply with Governmental Accounting, Auditing, and Financial Reporting (GAAFR).

B. To have an inventory of Woodbury County property for the purpose of better management of County assets.

C. To have inventory data available in the event of fire or other natural disaster.

Board Approved: 02/05/2013

Larry D. Clausen, Chairman

WOODBURY COUNTY BOARD OF SUPERVISORS

George Boykin, Supervisor

David Tripp, Supervisor

Mark Monson, Supervisor

Jaclyn Smith, Supervisor

Attest:

Patrick F. Gill, County Auditor