Property and Equipment

**Purpose:** The intent of the following policy is intended to describe the manner in which property and equipment is managed and recorded through acquisition, depreciated life, and disposal.

**Policy:** The Comptroller capitalizes items with a value of $2,500.00 or more and a useful life of more than one year. Items valued at less than $2,500.00 are expensed.

The CDS Board of Directors or applicable Contract Manager gives approval for capital asset purchases. The Comptroller and other designated personnel ensure asset transactions, asset custody, and recordkeeping are properly maintained.

Write offs or other adjustments to property accounts that have been fully depreciated with an original value of more than $10,000 shall be approved by the Board of Directors. Items valued at less than $10,000 that have been fully depreciated are approved by the CEO/COO.

**Procedure and/or Process:**

The Comptroller/COO and Program managers share in the responsibility for assuring compliance with the terms and conditions of all grants, restricted contributions, and contracts.

The Comptroller establishes depreciable life via discussion with a Certified Public Accountant who advises the agency.

The Fiscal Department and Data Systems Department maintain detailed property and equipment and collection records that include location description, condition of each property, date purchased or received by donation, cost or fair value at donation, donor or funding source and any restrictions imposed by the funding source on use or disposition.

Periodic physical inventories must be taken and reconciled to the property records no less frequently than every other year.

The Comptroller is responsible for the reconciliation of detailed property and equipment to the General Ledger reconciled to the control account.

The Comptroller is responsible for review of depreciation detail and reconciliations between detailed property and equipment ledgers and the control account.

Fully depreciated assets are maintained in the accounting records to help provide control.

The COO and Insurance agent make annual reviews and appraisals relative to insurance considerations.

CDS maintains business relationships in the community to evaluate property and equipment for impairment as needed.

Access to computerized fixed asset records is limited to those with a logical need to know.