

**RED WING PUBLIC SCHOOLS
BOARD OF EDUCATION POLICY**

704 DEVELOPMENT AND MAINTENANCE OF AN INVENTORY OF FIXED ASSETS AND A FIXED ASSET ACCOUNTING SYSTEM

Adopted: July 18, 2005
Last Revised: February 5, 2024

I. PURPOSE

The purpose of this policy is to provide for the development and maintenance of an inventory of the fixed assets of the school district and the establishment and maintenance of a fixed asset accounting system.

II. GENERAL STATEMENT OF POLICY

The policy of the school district is that a fixed asset accounting system and an inventory of fixed assets be developed and maintained.

III. DEVELOPMENT OF INVENTORY AND ACCOUNTING SYSTEM

The superintendent or such other school official as designated by the superintendent or the school board shall be responsible for the development and maintenance of an inventory of the fixed assets of the school district and for the establishment and maintenance of a formal fixed asset accounting system. The accounting system shall be operated in compliance with the applicable provisions of the Uniform Financial Accounting and Reporting Standards for Minnesota School Districts (UFARS). Capital assets are defined as those with an initial individual cost of \$5,000 or more which benefit more than one fiscal year. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. In addition, the inventory shall specify the location of all continued abstracts showing the conveyance of the property to the school district; certificates of title showing title to the property in the school district; title insurance policies; surveys; and other property records relating to the real property of the school district.

IV. REPORT

The administration shall annually update the property records of the school district and provide an inventory of the fixed assets of the school district to the school board.

Legal References:

Minn. Stat. § 123B.02 (General Powers of Independent School Districts)

Minn. Stat. § 123B.09 (Boards of Independent School Districts)

Minn. Stat. § 123B.51 (Schoolhouse and Sites; Uses for School and Non-school Purposes; Closings)

Cross References:

MSBA/MASA Model Policy 702 (Accounting)