

LIVINGSTON COUNTY

FIXED ASSET POLICY

RESOLUTION #2013-09-277

LIVINGSTON COUNTY, MICHIGAN

APPROVED: 09.16.13

RESOLUTION #1201-428

APPROVED: 12.3.01

PURPOSE AND SCOPE

This policy shall govern the recording and tracking of County owned fixed assets. The intent of the Board of Commissioners is to insure a proper accounting of fixed assets in accordance with generally accepted accounting principles. An accounting component records the value of each fixed asset acquired and maintains records for financial reporting. A property management component maintains information regarding the custody, condition, and location of each item.

GENERAL POLICY

Fixed assets shall include "assets of long-term character that are intended to continue to be held or used, costing \$25,000 or more with a three year minimum useful life":

- Land
- Buildings & Building Improvements
- Improvements other than buildings (parking lots)
- Machinery & Equipment (including vehicles)
- Construction in progress
- An exception is the purchase of fixed assets with federal and state grants. A grant subsystem within the fixed assets management system will be established to track grant purchases costing \$5,000 or more.

Small and attractive assets costing less than \$25,000 will be expensed from the appropriate account in the purchase year. An inventory will be maintained for computer equipment, copy machines, furniture and small/attractive assets-department specific. Please reference the attached definition for small and attractive assets.

RESPONSIBILITIES OF COUNTY PERSONNEL

- A. The County Administrator shall be responsible for the financial reporting and property management of all fixed assets, excluding statutory requirements. The following information will be kept in inventory records for all fixed assets:
- Tracking number
 - Description
 - Item's location and use
 - Item's asset class (i.e., vehicle, property)
 - Item's status (active or inactive)

- Model & serial number
- Item's value
- Date acquired
- Useful life and expected replacement year
- Salvage and fair market value
- Date and method of disposal
- Last inventory date
- Grant purchase, if applicable

The County Administrator shall develop administrative procedures to ensure proper purchase, transfer, and disposal of fixed assets as defined in this policy.

B. Elected Officials and Department Directors shall be responsible for all fixed assets and small/attractive assets within their department.

Small and Attractive Assets are identified as assets that fall below the County's capitalization policy and are at risk or vulnerable to loss. The following list is provided by way of example; however, it isn't intended to be all inclusive. Each department shall perform a risk assessment to determine those assets that are at risk or vulnerable to loss and maintain records indicating pertinent acquisition and disposal information.

- Communication Equipment: Cellular phones, pagers, etc.;
- Weapons, Firearms and Accessories;
- Microcomputers Systems, Laptop and Notebook Computers;
- Other IT Accessory Equipment (i.e., palm pilots, scanners, etc.);
- Cameras;
- Small Office Equipment;
- Audio Video Equipment.

RESOLUTION #2013-09-277	APPROVED: SEPTEMBER 16, 2013
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RESOLUTION ATTACHED

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