



ASSET MANAGEMENT POLICY

Adopted 04/15/2020; Amended 12/13/2023

The purpose of this policy is to establish criteria for the identification, depreciation, inventory, protection, and disposition of Jefferson County Library District assets and to comply with the *Washington State Office of Financial Management's Financial and Administrative Policies, Regulations, Procedures and Guidelines*. The Library District shall have procedures and guidelines identifying the processes used to safeguard, control, and account for inventories of supplies and fixed assets; and an asset management program to protect capital investments. The Director or designee is responsible for managing the Library District's fixed assets.

Capitalization

The Library Board of Trustees authorizes the purchase of all assets, whether capitalized or not, with the approval of the Library District's annual budget per RCW 27.12.210. All assets purchased by or donated to the Library District valuing \$5,000 or more per single item (including sales tax, accessories, and shipping) and an estimated life of one (1) year or more shall be considered a Capital Asset. This threshold is applied to individual assets rather than to an aggregation of assets.

Small Attractive Assets

Although Small Attractive Assets (individual assets costing less than \$5,000 but more than \$300) do not meet the Library District's capitalization threshold, they are considered assets for purposes of marking and identification, records keeping, and tracking. These assets, such as electronic devices (e.g., computers, tablets, printers, cell phones, etc.) and equipment, are particularly vulnerable to loss.

Inventoriable Assets

Capital Assets that are stationary, such as land and buildings, including mechanical and electrical infrastructure, are not inventoriable assets. Capital Assets and Small Attractive Assets that are easily moved or replaced are inventoriable.

Library Collections

Physical materials (print, DVD/CD, etc.) and other library collection material intended for patrons' use are not considered Capital Assets or Small Attractive Assets for the purposes of this policy.

IMPLEMENTATION

Depreciation

In accordance with the *Budgetary, Accounting and Reporting System (BARS) for Library Districts*, Capital Assets are expensed during the year of acquisition. There is no calculation or application of depreciation over the useful life of the asset. All Capital Assets will be expensed when purchased.

Protection

The Library District will establish asset management practices and procedures that protect capital investments, minimize future maintenance and replacement costs, provide reasonable assurance of effective and efficient operations, and facilitate reliable tracking and reporting of assets in compliance with applicable laws and regulations.

Disposition

Disposal of capital assets is addressed in the *Disposal of Surplus Property Policy*.

Disposal of library materials is addressed in the *Materials Selection and Management Policy*.

Inventory

The Library District shall adequately maintain its Capital and Small Attractive Assets to protect its investment and to minimize future maintenance and replacement costs. All Capital and Small and Attractive Assets shall have a numbered identifying tag attached when purchased. A record of these assets and related tag number shall be maintained. A physical inventory of all Capital and Small and Attractive Assets will be conducted at least every two years.

The Director is responsible for the administration of this policy and for establishing administrative procedures for its implementation.