



ASSET MANAGEMENT POLICY

Adopted 04/15/2020

The purpose of this policy is to establish criteria for the identification, depreciation, inventory, protection, and disposition of Library assets and to comply with the *Washington State Office of Financial Management's Financial and Administrative Policies, Regulations, Procedures and Guidelines*. The Library shall have procedures and guidelines identifying the processes used to safeguard, control, and account for inventories of supplies and fixed assets; and a capital maintenance and replacement schedule. The Director or designee is responsible for managing the Library'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's annual budget per RCW 27.12.210. All assets purchased by or donated to the Library 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 and Attractive Assets

Although Small and Attractive Assets (individual assets costing less than \$5,000) do not meet the Library'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. A list of Small and Attractive assets shall be maintained.

Library Collections

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

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.

Maintenance and Replacement Schedules

A maintenance schedule shall be established for all capitalized assets. This may include maintenance contracts and regularly scheduled vehicle maintenance.

A general facility maintenance program shall be established.

A replacement schedule shall be identified for all capitalized assets and other significant equipment.

Disposition

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

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

Implementation

Inventory

The Library shall adequately maintain its Capital and Small and 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 annually. Certain Capital Assets, such as land, infrastructure, buildings, and improvements other than buildings, do not require a physical inventory due to their stationary nature.

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