

CALIFORNIA STATE UNIVERSITY, FRESNO ASSOCIATION, INC.

Policy No. 201

Fixed Asset Policy

This policy is applicable to the following auxiliary corporations:

- Agricultural Foundation
- Association
- Associated Students, Inc.
- Foundation
- Programs for Children

REVISION RECORD

Date	Type	Approval Authority
10/10/07	New	Approved by Board of Directors
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10/10/23	Revision	Approved by Board of Directors

DOCUMENT CONTROL

Document Control Number:	Next Review Date:
Responsible Position(s):	
_____ Deborah S. Adishian-Astone Executive Director	_____ Nicole Lane Associate Executive Director

PURPOSE

To establish a system to maintain, control and protect the physical assets acquired through the Association. This policy seeks to record, control, and manage all existing Association assets and those assets acquired in the future. To accomplish this, the following procedures have been implemented.

STATEMENT OF POLICY

Capitalization and Depreciation Threshold: The limit for capitalizing a fixed asset is \$5,000. A fixed asset is any capital asset purchase with an effective usable life of more than one year and a cost of \$5,000 or more. Certain repairs of equipment may be capitalized if the repair prolongs the usable life of the capital asset to more than one year.

Computers and computer related equipment are generally depreciated over three years. Furniture and fixtures are generally depreciated over five years. Building improvements and leasehold improvements are depreciated over their estimated useful life or the term of the lease, whichever is shorter. All assets are depreciated using the straight-line method of depreciation. If an asset has an estimated life longer/shorter than the above recommendations, the Executive Director or designee can approve an alternative term.

Tracking of Assets: All Association assets which have a service life of one year or more remaining and an estimated current value of \$5,000 or more shall be assigned a tag id# by the Association's Accounting Office. A database including the tag id#, description of item, model/serial number, original purchase price, estimated useful life, and annual depreciation record will be maintained by the Association. When a new item is purchased, the Unit Director will be provided with the tag id # to place on the item once it is shipped and received.

Each Director shall be the authorized custodian for the assets located in his/her department.

Periodic Inspection: The Association's Accounting Office will update the equipment listing with new assets that have been purchased since the end of the prior fiscal year. However, Directors should report all physical movement of assets at the time it occurs. An updated equipment listing and depreciation schedule will be provided to each Unit Director for their use in developing the annual budget for the next fiscal year. It is each Director's fiduciary responsibility to visually identify every asset on the list, record any changes or corrections, note any assets that have been disposed of or may be missing, and identify any new assets that were not included in the database. Annually, a physical inventory will be conducted to verify the fixed asset records.

Transfer of Assets to the State: Assets transferred to the State/University require approval by the Board of Directors.

Disposal of Assets: Assets can be sold for cash or used for trade-in value upon written approval by the Executive Director or designee.