

Regulation 802.04-R(1): Capital Assets - Regulation**Status: ADOPTED****Original Adopted Date: 12/11/2025 | Last Reviewed Date: 12/11/2025****A. Capital Assets Management System**

The superintendent, and/or other designated staff, shall:

1. Conduct the capital assets physical count;
2. Develop the capital assets listing;
3. Tag capital assets included in the capital assets management system with a bar code identification number;
4. Make a recommendation of a computer software program for managing the capital assets management system;
5. Enter the necessary data into the capital assets management system and compile the appropriate reports;
6. Develop forms and procedures for maintaining the integrity of the capital assets management system; and,
7. Maintain responsibility for an accurate capital assets management system.

B. Determining historical cost

1. The historical cost of a capital asset is based on the actual costs expended in making the capital assets serviceable.
2. Gifts of capital assets are valued at the estimated fair market value at the addition/acquisition date.
3. Capital assets purchased under a capital lease are valued at historical cost of their net present value of the minimum lease payments on the addition/acquisition date.
4. The historical cost of capital assets must include capitalized interest.

C. Annual capital assets listing reconciliation

1. The superintendent, and/or other designated staff, in conjunction with the capital assets management team, will conduct an annual capital assets physical count to develop the annual capital assets listing in a manner similar to the initial capital assets listing process in B above. At least every three years, someone other than the person in custody of the capital assets in the building/department/room will perform the capital assets physical count for the building/department/room.
2. Upon completion of the annual capital assets listing, the capital assets listing is reconciled to the capital assets management system data base.
3. Capital assets found to have been excluded from the data base are added to the capital assets management system. The capital assets management system process should be reviewed to prevent future incidents of excluding a capital asset.
4. Capital assets unaccounted for are reported to the superintendent who contacts the supervisor of and the individual in charge/control/custody of the capital asset. The individual in charge/control/custody of the capital asset has thirty days to account

for the capital asset.

5. Capital assets unaccounted for after thirty days are reported to the superintendent for appropriate action and documentation. "Appropriate action" may include discipline, up to and including discharge, and may require the employee/person in charge/control/custody of the capital asset to replace the asset.
6. The superintendent is responsible for documenting the reasons each asset was not reconciled to the capital assets management system.

D. Addition/acquisition of capital assets.

1. The school district's purchasing policy and administrative regulations must be followed when acquiring capital assets. The school district's policy and administrative regulations must be followed for receiving a gift of capital assets.
2. The capital assets addition/acquisition documentation must be completed for each additional capital assets with an addition/acquisition cost of equal to or greater than \$500. The following information should be collected, if applicable:
 - a. Name of location-building/department/room;
 - b. Location-building/department/room code;
 - c. Balance sheet accounting/class code;
 - d. Government or BTA program;
 - e. Addition/acquisition date;
 - f. Check/purchase order number or gift;
 - g. Bar code identification number assigned to and placed on the capital asset;
 - h. Serial/model number;
 - i. Cost-historical;
 - j. Fair market value on acquisition date (donated assets only);
 - k. Estimated useful life;
 - l. Vendor;
 - m. Purchasing fund and function;
 - n. Description of capital asset;
 - o. Department/person charged with custody,
 - p. Method of addition/acquisition-purchase, trade, gift etc.,
 - q. Quantity;
 - r. Replacement cost;
 - s. Addition/acquisition authorization; and,
 - t. Function for depreciation.
3. Capital assets acquired in a month must be entered into the capital assets management system in the same month.
4. The actual costs of construction in progress, other than infrastructure, is entered into the capital assets management system in the month in which costs are incurred until the total cost of addition/acquisition is entered. Upon completion of construction, the total costs accumulated over the period of construction are reclassified to buildings.
5. Capital assets acquired in a month must be entered into the capital assets management system in the same month.

E. Relocation/transfer of machinery and equipment capital assets.

1. A capital assets relocation/transfer documentation must be completed prior to removing machinery and equipment capital assets from their current location. The following information must be collected:
 - a. Relocation/transfer date;
 - b. Quantity;
 - c. Bar code identification number;
 - d. Current location-building/department/room code;
 - e. Name of current location-building/department/room;
 - f. New location-building/department/room code;
 - g. Name of new location-building/department/room;
 - h. Date placed at new location-building/department/room;
 - i. Department/person charged with custody; and
 - j. Relocation/transfer authorization.
2. Capital assets relocated/transferred in a month must be entered into the capital assets management system in the same month.

F. Disposal of capital assets

1. A Capital Assets disposal documentation must be completed prior to disposing of real property. The following information must be collected:
 - a. Disposal date;
 - b. Quantity;
 - c. Bar code tag identification number;
 - d. Legal description,
 - e. Location/Address;
 - f. Purchaser;
 - g. Disposal methods for real property trade, sale, stolen, etc.; and,
 - h. Disposal authorization.
2. Capital assets disposed of in a month must be entered into the capital assets management system in the same month.
3. When assets are sold or disposed of, it is necessary to calculate and report a gain or loss in the statement of activities. The gain/loss is calculated by subtracting the net book value (historical cost less any accumulated amortization) from the net amount realized on the sale or disposal.

G. Lost, damaged or stolen capital assets.

1. A Lost, Damaged or Stolen Capital Assets Report must be completed when a capital asset has been lost, damaged or stolen. The following information must be collected:
 - a. Date of loss, damage or theft;
 - b. Employee/person discovering;
 - c. Quantity;
 - d. Description of capital asset;
 - e. Bar code tag identification number;
 - f. Location-building/department/room;
 - g. Description of loss, damage, etc.;
 - h. Filing of police report-yes or no;
 - i. Filing of insurance report-yes or no;
 - j. Sent for repair-yes or no;
 - k. Date returned from repair;
 - l. Date returned to location-building/department/room;
 - m. Department/person charged with custody; and,

n. Authorization.

2. Capital assets damaged, lost or stolen in a month must be entered into the capital assets management system in the same month.

H. Capital assets reports

1. Annual reports for June 30 each year.
 - a. Capital assets listing including the following items:
 1. Balance sheet accounting/class code;
 2. Purchasing fund, function and depreciation function;
 3. Bar code tag identification number;
 4. Description of the capital asset;
 5. Historical cost or other;
 6. Location;
 7. Current year depreciation/expense; and,
 8. Accumulated depreciation/amortization.
 - b. Capital assets listing by location/building;
 - c. Capital assets listing by department/employee/person charged with custody; and,
 - d. Capital assets listing by replacement cost.

I.C. Iowa Code

Iowa Code § 257.31

Description

[Finance Program - Committee](#)

Iowa Code § 279.8

[Directors - General Rules - Bonds of Employees](#)

Iowa Code § 297

[School Houses/Sites](#)

Iowa Code § 298A

[School District Fund Structure](#)

Cross References

Code

701.03

Description

[Financial Records](#)

709

[Insurance Program](#)