

Gila County Policy Capitalization of Fixed Assets	Policy Number: BOS-FIN-005	Page
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	Revised: 00-00-0000	

I. **PURPOSE:**

To establish Gila County policy for capitalization of real property, infrastructure, equipment, works of art and historical treasures, intangible assets, donated assets and leased property.

II. **POLICY:**

This policy addresses the elements of financial reporting introduced by GASB Statement No. 34 and ensures that capital asset transactions are accounted for consistently and in accordance with generally accepted accounting principles.

It is the policy of the Gila County Board of Supervisors that:

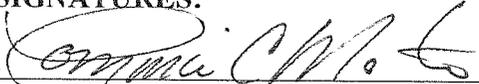
A. Responsibility

1. The Finance Department is responsible for the overall management and accuracy of the Asset management system.
2. Divisions / Departments and Elected Offices are responsible for the safeguarding and accounting for property in accordance with County policy and County administrative procedures.

B. Assets

1. Capital asset transactions addressed in this policy include all equipment, land, buildings, infrastructure, works of art and historical treasures, intangible assets and leasing transactions of the County's government-wide activities and proprietary funds.
2. The capitalization thresholds for the various assets classifications are as follows:
 - a. Land, land improvement and right of ways (easements): Capitalize regardless of cost.
 - b. Buildings: Capitalize if valued at \$5,000 and above.
 - c. Infrastructure, Works of Art and Historical Treasures and Intangible Assets: Capitalize if valued at \$5,000 and above.
 - d. Equipment: Capitalize if valued at \$5,000 and above with useful life of greater than one year.
3. Departments will maintain inventory records for all equipment costing \$500 to \$4,999. These are more commonly referred to as Controlled Assets.

SIGNATURES:


 CHAIRMAN, BOARD OF SUPERVISORS

8/20/12
 DATE