

PUBLIC PURCHASING AND FIXED ASSETS

Public Purchasing Procedures

Unless otherwise stated in the statute, every purchase of goods or supplies by a public agency must comply with the competitive bidding provisions of Indiana's Public Purchasing Act ("PPA"). See F275-R Public Purchasing Procedures for procedures to be followed by school administrators for the purchase of any goods or supplies.

Fixed Assets

Fixed Assets include such items as land, buildings, equipment, and fixtures that are tangible in nature with a useful life of greater than three (3) years and satisfy the threshold test. The School distinguishes between inventory assets such as furniture and equipment and capitalized assets such as infrastructure and improvements to the facilities that are not mobile. The threshold for inventory assets is \$5,000. If an inventory asset consists of several components, the whose combined cost is at or above \$5,000, and then it will be regarded and recorded as a single item. The threshold for capitalized improvements (including labor, equipment, and materials) is \$10,000.

All acquired fixed assets will be assigned and labeled with an asset number and recorded on a ledger with the purchase date, the total cost (including shipping, taxes and other related costs), vendor, useful life, brand/model, quantity (if the assets consist of several items), source of funding, and the location of the item.

Straight-line depreciation will be used in depreciation of the fixed assets. If an asset is placed in service on or before the 15th of the month, that month is included in the depreciation calculation.

The following useful life criteria will be used in depreciation:

Buildings	40 years
Improvements	5 to 10 years
Heavy Duty Office or Classroom Furniture	5 to 10 years
Computers and Other Electronic Equipment	3 to 5 years
Vehicles	3 to 10 years

A fixed asset can be discarded upon completing its useful lifetime, theft, or damage. Fixed assets must be disposed of in accordance with the statutory procedures in IC 5-22-22 et seq. A report will be filed if an asset is discarded because of theft or damage. In addition, a disposal report will be filed for the disposal of fully depreciated assets. All property transfers will be conducted in compliance of IC 36-1-11 et seq. All real property will be sold or transferred pursuant to IC 36-1-11-4.

I.C. 5-22-22 et seq.

I.C. 36-1-11 et seq.

Western Wayne Schools, Wayne County, Indiana

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