

Houston County Public Library System

Financial Policies

Capital Asset and Surplus Equipment Policy

Approved by HOUPL Board of Trustees 2015 April 9

Capital Asset

The Library will record capital assets for those expenditures exceeding \$5,000 with a useful life of at least two years. Depreciation will be calculated annually using the straight line method. The useful lives of capital assets will be as follows –

- Vehicles – 7 years
- Buildings – 30 years
- Library's materials collection.

The aggregate of all books, CDs, DVDs and other materials with a useful life of more than one year-regardless of the original cost of individual items, will be considered a capital asset and will be capitalized as a unit for financial reporting purpose – 10 years useful life.

Library board approval must be obtained before disposal of capital assets with the exception of individual items from the materials collection. Disposal of individual items within the collection will fall under the *Material Selection, Donations, De-selection Policy* approved by HOUPL Board of Trustees 2014 Nov 13

Surplus Equipment

All non-capitalized assets to be considered for surplus will be itemized, removed from inventory and presented at a Library Board meeting and Library board approval must be obtained before disposal. Houston County Purchasing Department will take possession of said items for sale or disposal. The library assumes no sale proceeds from these assets.