

Missoula County Public Schools
Financial Management 7510
Capitalization Policy for Fixed Assets

A fixed asset is a property that meets all of the following requirements:

- Must be tangible in nature.
- Must have a useful life of longer than the current fiscal year.
- Must be of significant value.

Fixed assets may be acquired through donation, purchase, or may be self-constructed.

The asset value of donations is the fair market value at the time of the donation. The asset value, when purchased, is the initial cost plus the trade-in value of any old asset given up, plus all costs related to placing the asset into operation. The cost of self-constructed assets includes materials used and labor involved in the construction of the asset.

The District will capitalize all assets with a value over \$5,000.

Cross Reference: #7500

Policy History:

Adopted on: April 14, 1998

Revision presented to Board of Trustees for First Reading, August 9, 1999

Adopted on: September 14, 1999