



## Capital Assets

See also "Purchasing & Contracts" Policy

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Capital Assets are individual items with an initial cost of \$1,000 or greater which have an estimated useful life greater than two years. Capital Assets must be purchased with a capital budget account. Capital Assets costing less than \$5,000 may be purchased on the open market. Capital Assets costing \$5,000 or more should be purchased through a semi-formal or formal process as described in the county's Purchasing & Contracts Policy.

If a capital purchase includes multiple parts costing small amounts (such as a computer, monitor, keyboard, cables, etc.), the entire package price should be paid out of a capital budget account. However, the subsequent replacement of any small parts should *not* be paid out of a capital budget account.

The purchase of any Capital Asset requires prior approval by the Board, unless the item: (1) Costs *less* than \$5,000; AND (2) Is specifically itemized within the current budget; AND (3) The total cost of the item does not exceed the budgeted amount. The purchase of any Capital Asset with a value of \$5,000 or more requires specific approval by the Board, after completion of the appropriate bid process, even if the item is itemized within the current budget. *This policy does not apply to routine repair and maintenance of vehicles, equipment or building facilities.*

Resolution 111003, adopted by the Teton County Commissioners November 10, 2003, establishes Teton County's "fixed asset threshold" at \$5,000 for financial statement purposes.

**Inventory.** The county maintains an inventory of Capital Assets costing \$5,000 or more which should be reviewed annually for accuracy. The inventory is used to update the County's insurance policy each year.

ADDITIONS. New Capital Assets costing \$5,000 or more shall be reported to the County Clerk by including a completed a "County Inventory" form (Attachment A) with the Claim submitted to pay for the new asset.

DELETIONS. Assets included on the County Inventory can only be disposed of by the Board after following the requirements contained in Idaho Code 31-808, which requires a public auction to be held, or Idaho Code 31-829, which allows the Board to determine that the asset has greatest value as a trade-in. A notice of auction must be published at least 10 days prior to the date of any auction. The disposal of a Capital Asset shall be reported to the County Clerk within 30 days of disposal by completing a "County Inventory" form (Attachment A).

**Lease or Purchase.** All requests for capital acquisitions shall be incorporated into a departmental budget request as a purchase. During the budget process, the Board will consult with the County Clerk, County Treasurer and responsible official in order to decide whether the asset should be leased or purchased.

## County Inventory

*Please complete and return to the County Clerk when a new Capital Asset is purchased,  
or within 30 days of disposal of a Capital Asset.*

Department: \_\_\_\_\_

Person Completing Form: \_\_\_\_\_

The County Risk Manager has been notified of this change to the county's Capital Assets:  YES  NO

### Add the following item to the County Inventory

Description of Item: \_\_\_\_\_

Identifying Number(s): \_\_\_\_\_

Make & Model: \_\_\_\_\_

Purchase Price: \_\_\_\_\_

Date Purchased: \_\_\_\_\_

### Remove the following item from the County Inventory

Description of Item: \_\_\_\_\_

Identifying Number(s): \_\_\_\_\_

Make & Model: \_\_\_\_\_

Date of Auction\* or Trade: \_\_\_\_\_

To Whom: \_\_\_\_\_

Sales Price/Trade-In Value: \_\_\_\_\_

*\*Please attach a copy of the required published legal notice.*

Signed: \_\_\_\_\_ Date: \_\_\_\_\_