

Anderson Public Library

Capital Asset Policy

General Information

This policy will be used to provide accountability and to safeguard capital assets as defined herein.

Definitions of Capital Assets

Capital assets include such items as land, easements, rights of way, land improvements, buildings, building improvements, construction in progress, machinery and equipment, vehicles, infrastructure, books, works of art, and monuments. Capital assets with an estimated useful life of more than one year and an original cost of \$10,000 or more will be accounted for as capital assets. In addition, the aggregate of all books and similar library materials with a useful life of more than one year, regardless of the original cost, will be considered capital assets.

Valuation of Capital Assets

Capital assets should be recorded at actual cost. Normally the cost recorded is the purchase price or construction cost of the asset, but also included are any other reasonable and necessary costs incurred to place the asset in its intended location and intended use that can be directly related to the asset. Donated or contributed assets should be recorded at their fair market value on the date donated or acquired.

Asset Definitions by Major Category

It is important to the maintenance of accurate records that each asset category be precisely defined and that all persons handling records maintenance are fully aware of the categorization system. This section further clarifies the asset definitions by major category.

Land, Easements, and Rights of Way

Specified land, easements, rights of way, lots, parcels or acreage owned by the library or its various departments, regardless of the method or date of acquisition.

Improvement Other than Buildings

Examples of unit assets in this category are walks, parking areas and drives, fencing, retaining walls, pools, fountains, planters, underground sprinkler systems, and other similar items.

Buildings

All structures designed and erected to house equipment, services, or functions of the library are included. This includes systems, services, and fixtures within the buildings, and attachments such as porches, stairs, fire escapes, canopies, areaways, lighting fixtures, flagpoles, and all other such units that serve the building. Plumbing systems, lighting systems, heating systems, cooling systems, ventilating and air handling systems, sprinkler systems, alarm systems, sound systems, and surveillance systems, passenger and freight elevators, built-in casework, fixed shelving, and other fixed equipment are included with the building, if owned. Communications antennas and/or towers are



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not included as buildings. These are parts of the equipment units that they serve.

Equipment

Equipment includes all other types of physical property within the scope of the Capital Asset Policy not previously classified. Included within this category are bookshelves, office mechanical equipment, office furniture, appliances, furnishings, machinery items, maintenance equipment, communication equipment, books and similar items, laboratory equipment, vehicles, data processing equipment, and similar items. All supplies are excluded.

Non-Capital Assets

For accountability and safeguarding of assets, an inventory will be kept of all items of furniture and equipment costing less than the thresholds noted above, but more than \$250, which will be classified as non-capitalized assets.

Asset Transfers and Dispositions

Assets should not be transferred, turned in for auction, or disposed of without prior approval of the Library Director. The Equipment Transfer/Withdrawal Form should be sent to the Business Office. Deletions for any reason must be reported to the Library Director or his/her designee. Transfers are defined as any movement of an asset by virtue of change in building. If an asset is stolen, the Library Director should ensure that a police report is promptly filed.

Periodic Inventories

A physical inventory of capital assets will be conducted annually.

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