


Category:	Financial	INCA Community Services Financial Policy 
Sub Category:		
Reviewed Date:	3/22, 3/23, 3/24, 3/25, 3/26	
Revised Date:		
Forms:		
Responsible: Financial Director, Bookkeeper, Executive Director		

Fixed Assets Policy

Introduction/Purpose

Fixed assets will be defined as all items with a unit cost and a useful life based upon each individual funding source's requirement. Non-federal or state purchases will be classified as a fixed asset if they have a unit cost of \$2,500 or more and have a useful life of greater than one year.

Accounting Department Responsibilities

The Accounting Department will prepare a property record for all fixed assets and properly mark all new fixed assets with the AGENCY name and an identifying number. The Executive Director will ensure that the next fixed asset was purchased in compliance with the procurement procedures and proper purchasing requirements of the Agency and the funding source of the program the fixed asset will be charged to.

All fixed assets will be recorded in an inventory ledger by the Accounting Department identifying the program funds that were used. An entry must be made whenever property is disposed of or acquired.

The Accounting Department, with the assistance of the Program Directors and Coordinators, will conduct a physical inventory of all fixed assets once a year indicating on the listing the condition and location of the fixed asset, and to ensure that all fixed assets are properly marked and accounted for.

Head Start

The Head Start program will conduct a physical inventory of all Head Start equipment at least once every two years. The Accounting Department will reconcile the physical inventory with the property records and the prior and the prior year's inventory. All discrepancies must be properly explained and changes made to the records. The accounting Department will be immediately notified of all cases of loss, damage, or destruction of fixed assets, and will make a report to the Executive Director and adjust the inventory records accordingly.

Dissemination of Policy

The policy will be made available to all employees through the agency's website. The agency will educate and train employees and supervisors regarding the policy and any conduct that could constitute a violation of the policy.