

# Asset Management Policy

## Purpose

The purpose of this policy is to establish criteria for the identification, inventory, protection, and disposition of Capital Assets, Small Tools and Minor Equipment and Small and Attractive Assets to make certain that public property is adequately protected and that its use is properly managed to protect public safety and avoid potential liability.

## Scope

This policy establishes a system for monitoring and safeguarding TRL's assets.

## Policy

TRL will establish and maintain an internal control structure for all assets with a value greater than five hundred dollars (\$500) (including sales tax, accessories and shipping). These items will have a numbered identifying tag attached upon inspection and receipt of the item. Inventory lists will be maintained and managed by the Finance Office and by Information Technology if related to a purchase of technology.

Department and Library Managers hold the custodial responsibilities for assigned assets. Responsibilities include, but are not limited to, the proper care and locating, safekeeping, and the protecting of the asset.

A physical inventory of documented assets will be conducted by the Finance Office in conjunction with Department and Library Managers at least once (1) per calendar year. Department and Library Managers will attest to the existence of the assets for which they have custodial responsibilities and provide a risk assessment per Timberland Regional Library (TRL) procedures.

Certain Capital Assets, such as land, infrastructure, buildings, and improvements other than buildings, do not require an annual physical inventory due to their stationary nature.

If loss or theft of an asset occurs, or is perceived to have occurred, Department and Library Managers will immediately notify the Finance Office. TRL Administration will review the circumstances and contact authorities when necessary.

When it is determined that TRL no longer needs an asset, it will declare that asset to be surplus:

- Upon assessing the value of the asset, the following guidelines apply for approving it to be declared:
  - The Board of Trustees will approve the disposition of all Capital Assets and all Small Tools and Minor Equipment with a value in excess of two thousand five hundred dollars (\$2,500) prior to the asset being removed from the inventory
  - TRL Administration will approve the disposition of Small Tools and Minor Equipment with a value that is less than two thousand five hundred dollars

(\$2,500) and all Small and Attractive Assets prior to the asset being removed from the inventory.

- Following approval, TRL will use the surplus program operated under the authority of RCW 43.19.1919 to transfer property with a fair market value of less than five hundred dollars (\$500) to another local government or dispose of the asset per TRL procedures.
- Prior to disposition, all tags and other identifying information will be removed.
- Data on computers declared surplus will be removed; retained for six (6) years for all nonfinancial records relating to the process disposing of all non-real Capital Assets.

## **Definitions**

**Capital Assets:** Items purchased by TRL that have an actual per-unit cost of five thousand dollars (\$5,000) or more (including sales tax, accessories, and shipping) and an estimated useful life of two (2) years or more will be considered a Capital Asset. Any item that is donated with a current market value of five thousand dollars (\$5,000) or more, and an estimated useful life of more than one (1) year will be considered a Capital Asset. This threshold is applied to individual assets rather than to an aggregation of assets. Capital Assets may include but not be limited to land and land rights; buildings, their furnishings, fixtures, and furniture; equipment, computers, machinery, vehicles, and tools.

**Small Tools and Minor Equipment:** Items purchased by TRL that have an actual per unit cost of five hundred to four thousand, nine hundred and ninety-nine dollars (\$500-4,999) (including sales tax, accessories, and shipping). Any items that are donated with a current market value of five hundred to four thousand, nine hundred and ninety-nine dollars (\$500-4,999) will be considered Small Tools and Minor Equipment. Small Tools and Minor Equipment may include but not be limited to furniture, equipment, and tools.

**Small and Attractive Assets:** Items costing less than five hundred dollars (\$500) that are particularly vulnerable to loss will be considered a Small and Attractive Asset. An item that is donated with a current market value of less than five hundred dollars (\$500) and that is particularly vulnerable to loss will be considered a Small and Attractive Asset. Small and Attractive Assets may include, but not be limited to, computer peripherals, printers, cell phones, digital cameras, iPads, e-readers, tablets, laptops, and equipment such as interactive play panels.

**Library Collection:** TRL collects materials in all formats, including, but not limited to books, periodicals, downloadable videos, DVDs, compact discs, electronic databases, eBooks, eAudio, and other forms of content. Library collections intended for patron use are not considered Capital Assets or Small and Attractive Assets for the purposes of this policy, except that the e-readers are considered Small and Attractive Assets.

**Physical Inventory:** A procedure through which the existence of assets on the inventory list is confirmed by physically observing the assets at their location in the field.

**Risk Assessment:** Identification of those Capital Assets that are particularly at risk or vulnerable to loss and adequately protected from loss, waste, or misuse.

## **Background**

TRL will maintain accountability over all tangible items so that public property is adequately protected and that its use is properly managed.

## **References**

Washington State Auditors Offices Budgeting and Reporting System (BARS) Volume 1, Part 3, Chapter 8.

The Government Finance Officers Association's recommended practices - "Capitalization Thresholds for Tangible Capital Assets," and "Inventories of Tangible Capital Assets"  
Municipal Research and Services Center of Washington (MRSC) - "Surplus Property for Special Purpose Districts"

## **Citations**

RCW 43.19.1919.

Effective 8/28/2024

Review Date 8/1/2027

**Policy Number: 051**

By the enactment of this policy the Board of Trustees of Timberland Regional Library is concurrently rescinding any prior policy or procedure within TRL that is either in conflict with or expansive of the matters addressed in this policy.