

LNRA BOARD POLICY
307 - FIXED ASSETS

307.10 PURPOSE

The purpose of this policy is to provide guidance to the LNRA Board of Directors and employees addressing matters relating to LNRA's fixed assets.

307.20 DEFINITION

- Fixed Assets - Includes such items as land, land improvements, buildings, fixtures, equipment, vehicles and items under construction.

307.30 POLICY

307.301 GUIDELINES

- Fixed Assets shall be recorded at cost including related professional costs, and any direct charges.
- Fixed Assets with a useful life of greater than one year and a cost greater than \$1,000 shall be capitalized and included in a Fixed Assets ledger, except for software, computers, and other computer related items.
- The Fixed Assets ledger shall be reconciled to the General ledger and a complete inventory of Fixed Assets will be taken at least one time per year.
- An inventory of software, computers and other computer related items will be maintained.
- The Fixed Assets ledger shall include the date of purchase, the total cost, the identifying number, the estimated useful life, and the type of Fixed Asset. The Fixed Asset ledger shall be grouped by Fixed Asset type.
- When a Fixed Asset is traded-in for a new Fixed Asset, the net book value of the old Fixed Asset should be included with the cash difference paid or given to determine the value of the new Fixed Asset. The value of the traded Fixed Asset shall be removed from the Fixed Asset ledger.
- For a disposed, irreparable, or misplaced Fixed Asset, the Fixed Asset shall be removed from the Fixed Asset ledger after LNRA Board approval and treated in accordance with applicable accounting principals.

- The purchase of Fixed Assets shall be in accordance with the Board Policy 304 - Procurement.

307.40 RESPONSIBILITIES

307.401 GENERAL MANAGER

The General Manager shall be responsible for the administration and coordination of this policy.

Effective: April 21, 2004