

5 PHYSICAL INVENTORY OF EQUIPMENT/FIXED ASSETS

6 **POLICY**

7 In alignment with [Minnesota State Board Policy 7.3.6 – Capital Assets](#), Ridgewater College acknowledges and adheres
8 to the definitions and directions within this policy and the related procedure documents. It is the policy of Ridgewater
9 College to conduct a physical inventory of all equipment/fixed assets on a three-year cycle, inventorying one-third of the
10 college each year of a three-year cycle. Assets with a value of \$10,000 or more will be inventoried yearly.

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12 Ridgewater College will inventory equipment with a unit value of \$500.00 to \$10,000. These units must have an
13 expected life of two or more years and does not lose its identity when removed from its location and is not changed
14 materially or expended in use.

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16 **Definitions:**

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18 **Capital Assets**

19 **Purchased** - Purchased capital assets will be reported in the statement of net position based on their original historical
20 cost (including capitalized interest costs, if applicable) plus ancillary expenses such as transportation, installation, and
21 site preparation costs.

22 **Donated**- Donated capital assets will be reported in the statement of net position based on estimated fair market value
23 (FMV) at the date of receipt plus any ancillary expenses incurred to place the asset into service. Capital assets donated
24 to a college or university must comply with Board Policy 7.7 Gift and Grants Acceptance.

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26 **Equipment** - Tangible property, complete in itself, that is used in the operation of the college, with a value of \$10,000 or
27 more. Equipment is property that does not lose its identity when removed from its location and is not changed materially
28 or expended in use. In addition to equipment with a value greater than \$10,000, all sensitive items, including weapons,
29 must be recorded in the Equipment Module regardless of price and or age.

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31 **Sensitive Items** - All sensitive items will be entered on the Equipment Module. Examples of sensitive items are weapons
32 (firearms, swords, crossbows, etc.), electronic equipment (computers, projectors, etc.), or other items that could lead to a
33 material loss or liability.

34 All capital assets purchased with federal funds with a cost of \$5,000 or more will be entered on the Equipment Module,
35 and inventoried, yearly.

36 Please contact the Buyer/Purchaser with asset questions.

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40 *History:*

41 *05.14.01 Adopted*

42 *04.18.23 Proposed, Reviewed for Equity Compliance*

43 *09.20.23 Revised*