

ACCOUNTING  
INVENTORIES

CDB  
(LOCAL)

CAPITALIZATION  
THRESHOLD

The capitalization threshold for fixed assets shall be \$5,000. Fixed assets shall be tracked for items equal to or greater than \$2,000, and items valued at less than \$5,000 shall be inventoried but not capitalized.

DEPRECIATION AND  
USEFUL LIVES

The College District shall use the straight-line method of depreciation. Assets shall be grouped into the categories listed below and depreciated as detailed in CDB(REGULATION):

1. Buildings;
2. Facilities and Other Improvements;
3. Furniture, Machinery, Vehicles, and Other Equipment;
4. Telecommunications and Peripheral Equipment; and
5. Library Books.

WORKS OF ART AND  
HISTORICAL  
TREASURES

Donations of works of art, historical treasures, and similar assets shall be recognized as revenues in accordance with GASB Statement 33.

Whether donated or purchased, collections of works of art, historical treasures, and all additions thereto shall also be capitalized if they meet all of the following conditions:

1. The collection is held for public exhibition, education, or research in furtherance of public service, rather than financial gain;
2. The collection is protected, kept unencumbered, cared for, and preserved; and
3. The collection is subject to an organizational policy that requires the proceeds from sales of collection items to be used to acquire other items for collection.

ADDITIONS,  
DISPOSALS, AND  
DELETIONS

The College District shall follow generally accepted accounting principles, including GASB statements, when accounting for additions, disposals, and deletions of fixed assets.