



**SCHOOL DISTRICT OF OKALOOSA COUNTY
TECHNICAL ASSISTANCE MEMORANDUM
FINANCE**

FINANCE TAM: 2005-002
CONTACT: Patt Hagan
TELEPHONE: 833-7688

TO: All Principals/Department Heads/Bookkeepers
FROM: Rita R. Scallan, Director – Finance
DATE: August 9, 2004
SUBJECT: Increase Property Threshold

On July 12, 2004, the School Board approved increasing the capitalization threshold value for capital assets from \$750 to \$1,000 per individual capitalized asset, for which the District must maintain fixed asset records and conduct an annual inventory. Please note the threshold applies to individual items. For example, if you order eleven (11) software licenses at \$900 each for a total cost of \$9,900, the purchase order would be coded as 0692 (software-non-capitalized) because each license is valued at \$900 which is less than the \$1,000 threshold. Assets valued at less than \$1,000 should be coded to 0622, 0642, 0644, and 0692 object codes (*see attachment*) and assets valued at a \$1,000 or more should be coded to 0621, 0641, 0643, and 0691 (*see attachment*). The District will correct the object codes for any purchase orders currently in the AS400 system.

Each school and department will receive two copies of the items valued between \$750.00 and \$999.99 that are being dropped from the property records at their center. One copy will be for your information and the second copy must be returned to the Property Department with the property tags which you will remove from the items listed on the report.

Should you have any questions or need additional information regarding the coding of property or the removal of property tags, please call Patt Hagan at 833-7688.

Attachment

C: Superintendent
Cabinet
Purchasing Department

**SCHOOL DISTRICT OF OKALOOSA COUNTY
NON-CAPITALIZED AND CAPITALIZED OBJECT CODES
FISCAL YEAR 2004-2005
August 9, 2004**

1. Non-Capitalized Assets (value less than \$1,000) should be coded to one of the following codes:

Object Code	Description	Value
0622	Noncapitalized Audio Visual Materials (not equipment)	Less than \$1,000 per individual item
0642	Noncapitalized Furniture, Fixture and Equipment	Less than \$1,000 per individual item
0644	Noncapitalized Computer Hardware	Less than \$1,000 per individual item
0692	Noncapitalized Computer Software	Less than \$1,000 per individual item

2. Capitalized Assets (value \$1,000 or more) should be coded to one of the following object codes:

Object Code	Description	Value
0621	Capitalized Audio Visual Materials (not equipment)	\$1,000 and more per individual item
0641	Capitalized Furniture, Fixture, and Equipment	\$1,000 and more per individual item
0643	Capitalized Computer Hardware	\$1,000 and more per individual item
0691	Capitalized Software	\$1,000 and more per individual item