




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

FINANCE TAM: 2023-005
CONTACT: Melissa Cordell
Accounting & Financial Reporting
TELEPHONE: 833-5835

TO: All Principals and Department Heads
FROM:  Melissa O'Malley, Director of Accounting & Financial Reporting
DATE: September 13, 2022
SUBJECT: Change to Fixed Asset Recording Threshold Effective 7/01/2022

In accordance with Florida Statute 274 and Florida Administrative Code 69I-73, the District has increased the threshold which all property is recorded in the fixed asset system for inventory purposes to \$5,000.00 beginning July 1, 2022. This TAM provides guidance for administrators, bookkeepers (budget and internal) and property managers on the impact of this change.

Inventory

All non-land assets with an original value in the fixed asset system less than \$5,000.00 as of June 30, 2022, will be dropped from the fixed asset system effective July 1, 2022. An updated inventory list of assets purchased through June 2022 will be sent to principals and department heads in September. All assets purchased beginning July 2022 will be entered into the new Focus software system.

Current Open Purchase Orders

No action will be required by schools or departments for current open purchase orders. All fixed asset purchases are reviewed by Accounting & Financial Reporting after the purchase orders are paid. Any necessary object code corrections will be made by Accounting & Financial Reporting.

Commonly Used Object Codes Impacted

Object Code 0634 - Capitalized Portable/Prefabricated Buildings

Expenditures for purchases of portable or otherwise prefabricated buildings valued at \$5,000.00 or more.

Object Code 0635 - Non-Capitalized Portable/Prefabricated Buildings

Expenditures for purchases of portable or otherwise prefabricated buildings valued less than \$5,000.00.

Object Code 0641 - Capitalized Furniture, Fixtures, and Equipment

Furniture, fixtures and equipment valued at \$5,000.00 or more. Included in this are items of equipment such as: furniture, furnishings, trailer, machinery and portable bleachers (not permanently attached).

Object Code 0642 - Non-Capitalized Furniture, Fixtures, and Equipment

Furniture, fixtures and equipment with value less than \$5,000.00 are included here.

Object Code 0643 - Capitalized Computer Hardware/ Technical Infrastructure

Computers and peripheral equipment such as printers, scanners, or other attached equipment valued individually at \$5,000.00 or more should be purchased under object code 0643. If a computer is purchased with installed software, the computer and its software are capitalized as one unit valued at the combined cost.

Object Code 0644 - Non-Capitalized Computer Hardware

Computers and peripheral equipment valued individually less than \$5,000.00. If items valued at less than \$5,000.00 such as video cards, memory CD ROM, cords or other items are purchased to upgrade the computer, object code 0644 should be used. If a new internal item is purchased to repair rather than upgrade the existing computer, use object code 0355. For example, if memory is purchased at the same level to repair a computer, object code 0355 would be used; however, if increased memory is purchased, object code 0644 would be used.

Object Code 0648 - Capitalized Technology-Related Fixtures and Equipment

Expenditures for initial or additional items of equipment that are technology related valued at \$5,000.00 or more.

Object Code 0649 - Non-Capitalized Technology-Related Furniture, Fixtures and Equipment

Expenditures for initial or additional items of equipment that are technology related with value less than \$5,000.00.

Object Code 0691 - Capitalized Software

Purchases of software valued at more than \$5,000.00.

Object Code 0692 – Non-Capitalized Software

If there is more than one disk to the set, divide the number of disks into the price of the set to determine the value of each disk. If less than \$5,000.00, object code 0692 would be used.

Should you have any questions or require further information, please contact Melissa Cordell in Accounting & Financial Reporting at 833-5835.

cc: Senior Staff
Bookkeepers – Internal and Budget
Property Managers