

MENTAL HEALTH & RECOVERY SERVICES BOARD OF LUCAS COUNTY

Fixed Assets

COQ: VII-A.7
Effective: 1/1/14
Supersedes: 9/10

POLICY

The Mental Health and Recovery Services Board (MHR SB) of Lucas County will maintain a subsidiary ledger of fixed assets that complies with the capitalization policy of Lucas County.

ACCOUNTABILITY

Finance Manager, Director of Operations and Information Technology

PROCEDURES

- A. Purchases of furniture, fixtures or equipment with a cost of \$5,000 or more will be recorded as a fixed asset in the appropriate account. Assets must have an individual cost of \$5,000. Components that add to \$5,000 will not be recorded as a fixed asset.
- B. Fixed asset acquisitions will follow the approval and competitive bidding process as outlined in the Purchasing Policy.
- C. A subsidiary ledger of all fixed assets will be maintained by the Finance Department that includes acquisition date, original cost, serial number, model number and the fixed asset identification tag number that is assigned to the asset along with an adequate description of the asset.
- D. In the event that the MHRS Board of Trustees approves the purchase of a capital asset for use by a contracted agency, the recording of the asset will be handled in the normal manner with the physical location of the asset clearly indicated in the subsidiary ledger.
- E. Disposal of fixed assets must be approved by the Executive Director. The reason for the disposal is to be documented in the subsidiary ledger where the asset will be moved from an active to inactive list and disposed of.
- F. Fixed Asset, useful life, and depreciation expense will be recorded in accordance to Lucas County policy.

**MENTAL HEALTH & RECOVERY
SERVICES BOARD OF LUCAS COUNTY**

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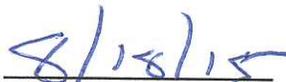
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- G. A separate log will be maintained for items that do not meet the criteria for capitalization as a fixed asset, but are valuable and portable. Information will be maintained by Director of Operations and Information Technology. The procedures for the disposal of these items will be the same as those employed for fixed assets.
- H. Fixed Asset records will be reconciled to the records maintained by the Lucas County at December 31 of each year.

Approved:



Scott A. Sylak, Executive Director



Review Date