

Policy Title	Fixed Assets		
Approval Date	April 21, 2026	Revision Date	
Related Policies	Collection Development Procurement Gifts		
Statutory Reference	RCW 27.12.210 RCW 39.33.020 RCW 39.33.070 RCW 43.09.185 2 CFR Part 200		
Purpose	To provide criteria for the identification, verification, protection, and disposition of Lopez Island Library District’s (“LILD” or “Library”) Capital Assets and Small Attractive Assets.		

In the event of the amendment of any law, regulation, or ordinance incorporated into this policy or upon which this policy relies, the policy shall be deemed amended in conformance with those changes.

In cases where this policy conflicts with any local ordinance, state or federal law, the terms of that law, and its underlying rules or regulations shall prevail. In all other cases, Lopez Island Library District (“LILD” “Library”) policies and practices prevail.

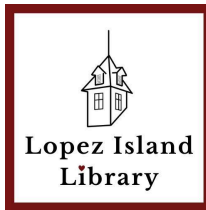
The Board reserves the right to change and/or modify this policy at any time, as circumstances dictate and in accordance with applicable law.

Policy:

Scope:

Real and tangible personal property acquired by the Library through purchase, trade, gift, or fabrication which satisfies the definition of a Capital Asset or Small Attractive Asset is subject to this policy. A fair market value will be applied to assets donated to the LILD to determine if the definitional criteria are satisfied to classify the donation as a Capital Asset or Small Attractive Asset under this policy.

Capital Assets and Small Attractive Assets acquired by grant funds from other governmental agencies will be identified based on the requirements of the grantor. The LILD is responsible for meeting all requirements of grantors and bond covenants in regard to the



purchase, use, and disposition of assets purchased with these funding sources.

Definitions:

Capital Assets – Capital Assets are all real property or tangible personal property used in operations with an individual, per-unit cost of \$1,000 or more (including installation, accessories, sales tax, and shipping), with an estimated useful life of one (1) year or longer. Capital Assets include, but are not limited to: land and land rights; buildings, their furnishings, fixtures, and furniture; infrastructure assets, intangible assets equipment, machinery, vehicles, and tools.

Small Attractive Assets – Small Attractive Assets are individual assets that do not meet the definition of a Capital Assets threshold but may be susceptible to theft or misuse. Small Attractive Assets have an estimated useful life of one (1) year or longer, and have a per-unit cost less than \$1,000.

Inventoriable Assets – Capital Assets and Small Attractive Assets that are easily moved or replaced are inventoriable. Capital Assets that are stationary, such as land, buildings, furniture, and fixtures, including mechanical and electrical infrastructure, are not inventoriable assets.

Library Reading Materials – Physical materials such as books, DVDs, CDs and other library materials intended for customer use are not considered Capital Assets or Small Attractive Assets for the purposes of this policy.

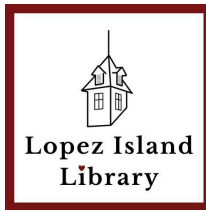
Implementation:

Depreciation– In accordance with the Washington State Budgetary, Accounting and Reporting System (BARS) Manual, all Capital Assets will be expensed in the year of acquisition. There is no calculation or application of depreciation over the useful life of the asset.

Risk Assessment– An annual risk assessment will be completed to determine which assets or asset categories are Small Attractive Assets. A list of Small Attractive Assets will be maintained.

Inventory– The Library will maintain a Capital Asset Inventory system(s) that includes records for all inventoriable assets. A physical inventory of all Capital Assets and Small Attractive Assets will be conducted at least every two years.

Protection– The Library will establish asset management practices and procedures that



protect capital investments, minimize future maintenance and replacement costs, provide reasonable assurance of effective and efficient operations, and facilitate reliable tracking and reporting of assets in compliance with applicable laws and regulations.

Disposition– When it is determined that a Capital Asset or Small Attractive Asset is no longer needed for the purposes of the Library, the Library will declare that asset to be surplus.

1. The BoT must approve the disposition of Capital Assets with a value exceeding \$5,000, by resolution following a public hearing in accordance with RCW 39.33.020. Disposition of Capital Assets with a value of less than \$5,000 do not need formal approval by the Board, and they may be declared surplus and disposed of by the responsible manager.
2. Disposition of Small Attractive Assets do not need formal approval by the BoT, and they may be declared surplus and disposed of by the responsible manager.

Once an asset has been declared surplus, the Library can remove the asset from inventory and may then sell or dispose of the asset in the most efficient, cost-effective, and commercially reasonable manner.

The Library shall immediately notify the State Auditor’s Office of any known or suspected loss of assets due to illegal activity in accordance with RCW 43.09.185.

Board members and Library employees are prohibited from purchasing or otherwise receiving any Capital Asset or Small Attractive Assets in the disposition of surplus property.

Disposition of Library Reading Materials– Surplus Library Reading Materials with an estimated value in excess of \$1,000 shall be disposed of at a public auction in accordance with RCW 39.33.070(1). Surplus Library Reading Materials with an estimated value of \$1,000 or less shall be sold in accordance with RCW 39.33.070(2).

Surplus Library Reading Materials determined by the LILD to have no value will be disposed of in the most efficient, cost-effective, and commercially reasonable manner (RCW 39.33.070(3)).

LILD will make a good faith effort to implement this policy in a fair and consistent manner. The Director will establish administrative procedures necessary to implement this policy.