

MEDFIELD HOUSING AUTHORITY

INVENTORY/CAPITALIZATION POLICY

PURPOSE:

The purpose of the Inventory/Capitalization Policy is to establish a dollar value at which all purchased equipment with a life of at least one year will be accounted for as a capital asset in the Inventory of Equipment account and subsequently accounted for in the annual inventory of equipment.

CONTORL ACCOUNTS:

A. Authority project-based inventory should be divided into individual categories. For example:

ITEM

Dwelling Equipment – Non-expendable
Office Furniture and Equipment
Maintenance Equipment
Community Space Equipment
Automotive Equipment

B. Criteria for Capitalizing Non-Expendable Equipment

1. All purchases of equipment which has an expected life of more than one year, and cost \$1000.00 or more per unit, must be capitalized. Ranges and refrigerators must be capitalized in all cases.
2. The content and type of equipment to be charged to the above accounts is explained in Section C.
3. Complete property records are to be maintained on these accounts.

C. Contents and Types of Equipment to be charged to Non-Expendable Equipment

1. Ranges and Refrigerators – Dwelling Equipment
 - a. Refrigerators
 - b. Ranges
 - c. Items exceeding \$1000.00 with useful life of more than one year
2. Office Furniture and Equipment
 - a. Data Processing Equipment
 - b. Accounting Machines

- c. Calculators
- d. Adding Machines
- e. Desks, Tables, and Chairs
- f. Duplicating Equipment
- g. Computers
- h. File Cabinets and Safekeeping Equipment
- i. Photographic Equipment
- j. Air Conditioners

3. Maintenance Equipment

- a. Tools and Machinery
- b. Tractors
- c. Snow Removal Equipment
- d. Lawn Care Equipment
- e. Fire Control Equipment
- f. Cleaning Equipment
- g. Painting Equipment
- h. Portable Heaters
- i. Pumps
- j. Storage Equipment
- k. Floor Sanders
- l. Moving Equipment

4. Community Space Equipment

- a. Sofas
- b. Chairs
- c. Tables
- d. Entertainment Equipment
- e. Water Coolers
- f. Stair Runners
- g. Washers and Dryers

5. Congregate Furnishings

6. Automotive Equipment

- a. Automobiles
- b. Trucks
- c. Utility Trailers