

MICHAEL PARK SCHOOL AND KINDERGARTEN MANAGEMENT POLICY

FIXED ASSETS

Rationale

The objective of this policy is to ensure the value of fixed assets recorded in the School's Annual Financial Statements is materially correct and that the annual depreciation charge recorded by the school fairly represents the use of the assets over their lives.

Purpose

The Board accepts that it has a responsibility to protect the assets of the School. The Board has agreed on the fundamental principles of this policy, and has delegated responsibility for the implementation and monitoring of this policy to the Principal.

In the formulation and approval of this policy the Board has had due regard to the accepted standards of sound asset management and applied these to the School. The Board records that it sought the advice of a chartered accountant and consulted with the School's auditor in their role as agent of the Controller and Auditor General before approving this policy.

The Board requires the Principal, as the chief executive and the Board's most senior employee, to implement and manage this policy. The Principal may, from time to time, further delegate some of their responsibilities, and all such delegations must be attached as appendices to this policy.

This policy must be read in conjunction with other Board policies, and the exercising of all authority and responsibilities conferred under this policy must be in accordance with the Schedule of Delegations and may not exceed an individual's established level of delegated authority.

Guidelines

Acquisition of Assets

The Board agrees to review the asset management plan annually and agree a budget for annual asset acquisitions.

The Principal shall have delegated authority to purchase assets within the annual asset acquisition budget, following good procurement processes, provided that the value of any individual asset is under \$10,000 and is within budget.

The decision to purchase any asset with a cost of \$10,000 or more must be made by the Board, not the Principal alone.

With reference to MOE guidelines and best practice, the Board shall consider the most cost efficient method for acquisition of any such assets (i.e., whether to buy or lease, and whether to acquire by operating or finance lease) before making an acquisition decision. The Boards shall follow good procurement processes for the acquisition of assets over \$10,000. This may include placing a notice on the Government Electronic Tendering System (GETS) for acquiring assets with a combined value over \$100,000; obtaining several quotes to compare value for money; and managing any potential conflicts of interest appropriately.

Information Technology Assets

All information technology assets, such as computers and laptops and associated software, must be compatible with the standard operating platform used within the school.

The Board aims to provide and maintain a suite of ICT assets that provides the best possible learning tools for students, within budget constraints, including a replacement programme that matches the expected useful life of each asset.

Expected Useful Lives

The Board agrees on the expected useful lives of the following types of assets:

- Buildings - School 18-40 years
- Building Improvements - Crown 10-20 years
- Furniture & Equipment 10-15 years
- Information & Communication Technology 4 years
- Motor Vehicles 5 years
- Textbooks 3 years
- Leased Assets 4 years
- Library Resources 8 years

Maintenance of Assets

The Principal shall have delegated authority to maintain the school's assets in good working order, within the approved budget.

Asset Records

A fixed asset register for all assets with a cost of \$1,000 or more shall be recorded in the fixed asset register.

A review of assets against the fixed asset and valuable asset registers shall be undertaken at least once a year.

Other items with an individual value below \$1,000 are expensed with the exception of furniture and fittings that are purchased in quantity where the total value exceeds \$5000, such as classroom sets of desks and chairs. This is to reflect their significant total value as a percentage of the total assets held by the school.

Textbooks even when purchased in quantity, are recorded as a learning resource expense and not capitalised on purchase. This reflects the high usage and frequent curriculum changes that make textbooks obsolete.

Minor sports and teaching equipment even when purchased in quantity, are recorded as a learning resource expense and not capitalised on purchase. This reflects the need for regular replacement of these items and their overall low total value when compared to the total fixed asset holding.

Disposal of Assets

The Principal shall have delegated authority to dispose of any asset that has reached the end of its useful life (as recorded in the fixed asset or valuable asset registers), provided the original cost of that asset was less than \$10,000, The Principal shall report to the Board about reasons for disposal, disposal process and any net disposal proceeds.

The Board shall approve the disposal of any asset that had an original cost of \$10,000 or more, including the reasons for disposal, disposal process and use of any disposal proceeds.

Approval

As part of its approval the Board requires the Principal to make this policy available to all staff, and for a copy to be included in the School policy Manual, copies of which shall be available to all staff. The school policy manual shall also be made available to students and parents at their request. The Board requires that the Principal arrange for all new staff to be made familiar with this policy and other policies approved by the Board.

Policy type:	Management Policy	NZSTA Governance Framework:
Date reviewed:	20/11/2023	Signed for MPS Board: 