CARBON CAREER & TECHNICAL INSTITUTE

SECTION: FINANCES

TITLE: GASB STATEMENT 34

ADOPTED: September 21, 2006

REVISED: November 25, 2008

REVIEWED: November 20, 2025

622. GASB STATEMENT 34

1. Purpose
SC 613

Purpose
The Joint Operating Committee recognizes the need to implement the required accounting and financial reporting standards stipulated by the Pennsylvania Department of Education, specifically those of GASB Statement 34. The primary objective of implementation is to properly account for both the financial and economic resources of the school.

2. Authority
SC 218

Authority
Participation of the school in any such activity shall be in accordance with Joint Operating Committee policy.

3. Delegation of Responsibility

Delegation of Responsibility
The responsibility to compile and prepare of all information necessary to implement this policy is delegated to the Business Administrator.

The Business Administrator shall be responsible for implementing the necessary procedures to establish and maintain a fixed asset inventory, including depreciation schedules. Depreciation shall be computed on a straight-line basis over the useful lives of the assets, using an averaging convention. Normal maintenance and repairs shall be charged to expense as incurred; major renewals and betterments that materially extend the life or increase the value of the asset shall be capitalized. A schedule of accumulated depreciation shall be consistent from year to year. The basis for depreciation, including groups of assets and useful lives, shall be in writing and submitted for review to the Joint Operating Committee.

The Business Administrator shall prepare the required Management Discussion and Analysis (MD&A). The MD&A shall be in the form required by GASB Statement 34 and shall be submitted to the Joint Operating Committee for approval, prior to publication.

Prior to submission of the MD&A for Joint Operating Committee approval, the center's independent auditors shall review it, in accordance with SAS No. 52, "Required Supplementary Information."

4. Guidelines School Code 218, 613	**Guidelines** In order to associate debt with acquired assets and to avoid net asset deficits, any asset that has been acquired with debt proceeds shall be capitalized, regardless of the cost of the asset. The asset life of these assets shall be considered relative to the time of the respective debt amortizations. For all other assets not acquired by debt proceeds, the dollar value of any single item for inclusion in the fixed assets accounts shall be not less than $5,000. The capitalization threshold shall be set at a level that will capture at least 80% of all fixed assets. The assets listed below do not normally individually meet capitalization threshold criteria: 1. Library books. 2. Classroom texts. 3. Computer equipment. 4. Classroom furniture. These asset category costs shall be capitalized and depreciated as groups when that group's acquisition cost exceeds the capitalization threshold in any given fiscal year. For group asset depreciation purposes, the estimated useful life of the group may be based on the weighted average or simple average of the useful life of individual items, or on an assessment of the life of the group as a whole. Periodically, the center shall review the estimated life of groups of assets and adjust the remaining depreciation life of the group. Assets that fall below the capitalization threshold for GASB 34 reporting purposes may still be significant for insurance, warranty service, and obsolescence/ replacement policy tracking purposes. The center may record and maintain these non-GASB 34 asset inventories in subsidiary ledgers.