



Forest Ranch Charter School

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Board Policy – Capital Expenditures

1. Purpose

- a. The Forest Ranch Charter School Governing Board recognizes their responsibility for ensuring the most effective use of the funds available to support the mission of the school and to ensure that funds are budgeted, accounted for, expended, and maintained appropriately.

2. Definitions

- a. Capital – The term *capital* shall mean equipment with a useful life of more than one year and valued at five thousand dollars (\$5,000) or more, including actual or estimated tax, shipping and handling, and land, buildings, and improvements. All items over five thousand dollars (\$5,000) with a useful life of more than one year shall be capitalized and depreciated.
- b. Equipment Classified as Capital – In addition, in order to maintain property control, the following are recorded and tracked the same as capital even though they may cost less than five thousand dollars (\$5,000), or have a useful life of less than one year:
 - i. Equipment purchased with grant funds or required by the terms of a grant to be tracked as capital;
 - ii. New furnishings;
 - iii. Musical instruments; and
 - iv. Television sets, cameras, digital projectors, and computers.
- c. The purchase of capital equipment, except as already included in the approved budget, must first be specifically approved by the Governing Board.

3. Responsibilities

- a. The Executive Director shall ensure that all Capital Expenditures are approved by the Governing Board and purchasing adheres to BP7010 Fiscal Control Policy.
- b. The Executive Director shall ensure that all Capital Equipment is properly tracked and accounted for at least annually.

4. Adoption

- a. This board policy was recently reviewed by the Forest Ranch Charter School governing board on March 27, 2018.
- b. The next annual review will occur on or before March 27, 2019.