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Procedures to Maintain Capital Assets Records on a Current Basis

Dear Reader:

The following document was created from the CTAS electronic library known as e-Li. This online library is maintained daily by CTAS staff and seeks to represent the most current information regarding issues relative to Tennessee county government.

We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with county government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other e-Li material.

Sincerely,

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Procedures to Maintain Capital Assets Records on a Current Basis

Reference Number: CTAS-1982

Complying with GASB Statement 34 is not a “one time affair.” Because counties are continuously acquiring and disposing of assets, a county must keep capital asset records updated after the initial capitalization of all county assets and infrastructure. It is highly recommended that a capital asset manager position be created for tracking assets for the county. In a mid-to-large size county, this position would be a full-time job. In smaller counties, this task could be accomplished on a part-time basis. While the assistance of all county officials and department heads is necessary to ensure that county assets are inventoried and tracked, numerous Tennessee counties have arrived at the conclusion that the best way to ensure that a county’s GASB 34 compliance (in relation to capital asset management) is maintained is to have one individual who is responsible for maintaining the capital asset database and ensuring that the asset management system is complying with the county’s adopted policies.

Regardless of how this procedure is addressed, counties should have a system in place to: (1) identify and capitalize all new assets over the threshold limits, (2) identify and remove from capital asset records all assets declared surplus, destroyed, stolen, and missing, (3) record any gain or loss on the disposal of individual assets, (4) perform a county-wide inventory of capitalized assets at least once a year, and (5) have all capital asset reports that are required by the county’s auditors prepared and available on a timely basis. [Sample job description for a capital asset manager.](#)

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