1. Although an item may be used in conjunction with the asset, it will not be coded as an asset unless it meets the threshold on its own standing.

Unless the item is affixed to the fixed asset, it will NOT be "attached" to the asset and/or coded to the asset account.

i.e. Computer cases, flash drives, etc. would be coded to expense account such as classroom supplies.

Please note that attached cases should be considered as part of the item. For example, attached cases for I Pads / tablets should be considered to be part of the cost of that item for determining thresholds.

Keep in mind, if the items cannot function on their own standing, and are necessary in total to be operational, all the items are combined to determine the threshold. i.e. computer needs the monitor and keyboard to be functional.

2. Costs incurred in order to put the fixed asset in place or operation is included in the cost of the asset/asset account. Ancillary items necessary to place the asset in its intended location and condition for use should be coded to the asset.

i.e. Freight, installation, labor

NOTE: For consistency, when assets (777xxx and 787xxx) are on a requisition with supplies/expense items, and if freight is involved, split the freight in half and allocate the freight to both the asset account and supply account.

3. Incidental charges that are not elemental to the purchase of the asset such as EXTENDED WARRANTIES, insurance, maintenance agreements, additional parts, or consumable items are NOT to be included in the cost of an asset. These are considered to be OPTIONAL and are expenses which are considered incidental and should not be included in the cost of the asset.

A NO OPTION warranty should be considered to be part of the asset.

PLEASE refer to the State Guidelines at the link below:
https://fmx.cpa.state.tx.us/fmx/notices/fm03/fm03-77.php

4. Repair or replacement purchases MUST meet the CAPITAL threshold within the fiscal year to be added to the value of an existing asset. If the repair/replacement does not meet the capitalization threshold ($5,000), then the value will not be added to the cost of the existing asset.

5. All firearms and cash registers should be inventoried and tracked, regardless of the threshold.

$0 - $4,999 should be coded to 787xxx

$5,000 or greater should be coded to 777xxx

***Questions on specifics please contact:
Natalie Pegram: npagram@collin.edu
Brian Maxwell: bmaxwell@collin.edu
Douglas Dodd, Jr.: ddodd@collin.edu