Policy Type: Financial Policy

Title: Small and Valuable Assets Policy

Effective: July 22nd, 2026

Purpose

The purpose of this Small and Valuable Assets Policy is to establish a practical system for identifying, recording, safeguarding, depreciating, returning, and disposing of tangible Custom Class Charter School ("Custom Class") property with an acquisition cost below the school's $5,000 capitalization threshold.

1. General Policy Statement

Custom Class shall maintain reasonable accountability for small and valuable assets without imposing controls that cost more than the assets or materially burden the school's flexible instructional model. Administration may use asset tags, checkout records, receipts, reimbursement records, attestations, photographs, electronic inventories, or other reasonable methods.

For purposes of this policy, acquisition cost includes the purchase price and other costs reasonably necessary to place the asset into service. Similar items may be tracked individually rather than grouped unless applicable accounting guidance requires otherwise.

2. Student-Home Assets Under $1,000

A school asset with an acquisition cost of less than $1,000 that is placed in a student's home is assigned a useful life of one year beginning when the asset is purchased, reimbursed, or first placed in service, as determined by administration.

After the one-year useful life, the asset may remain available to the student and family for continued educational use. Custom Class may remove the item from detailed tracking or treat it as fully depreciated while retaining ownership until the school authorizes transfer or disposal. Administration may require return when the item contains protected data, is needed for another student, remains subject to a grant or contract restriction, or presents a safety or security concern.

3. Assets from $1,000 through $4,999

A small and valuable asset with an acquisition cost of at least $1,000 but less than the $5,000 capitalization threshold shall be assigned an appropriate useful life when purchased, reimbursed, or placed in service. Administration may consider the asset type, expected intensity of use, manufacturer guidance, technology cycle, warranty, obsolescence, condition, funding restrictions, and experience with comparable items.

Unless administration documents another reasonable method, depreciation for purposes of this policy will be calculated on a straight-line basis over the assigned useful life, with a residual value of zero. Depreciation may be measured monthly or annually and may be adjusted for material improvements, impairment, or unusual condition.

4. Withdrawal, Return, or Family Purchase

When a student withdraws or an asset is no longer authorized for use in the home, the family may return the asset to Custom Class in its then-current condition or, with administrative approval, purchase it for its depreciated value. The depreciated value shall not be less than zero and may be reduced when the asset is damaged, obsolete, incomplete, or uneconomical to recover.

Administration may waive return of a fully depreciated asset or authorize a nominal-value transfer when collection or recovery is not cost-effective and the transfer is lawful, properly documented, and free of a grant, lease, data-security, or contractual restriction. A purchase or transfer does not include licensed software, school accounts, protected data, or other rights that Custom Class is not authorized to convey.

5. Inventory, Loss, and Disposal

Administration shall maintain records appropriate to risk and value and may prioritize portable technology, equipment containing data, and items susceptible to loss. A periodic confirmation by the student, parent, employee, or custodian may satisfy the physical-inventory requirement when an in-person inspection is impracticable.

Normal wear is expected. Loss, theft, or damage shall be reported promptly and addressed reasonably under applicable school policy. Property that is returned, obsolete, unsafe, or no longer useful may be reassigned, recycled, donated, sold, or otherwise disposed of in accordance with law, funding restrictions, and Board-approved procedures.

Administration and Review

School administration may maintain procedures, forms, training materials, agreements, inventories, and internal guidance necessary to implement this policy. The Governing Board may review and revise this policy periodically to reflect legal updates, Utah State Board of Education guidance, operational needs, or Board direction.

Nothing in this policy creates a private right of action, contract right, or entitlement beyond that required by applicable law. If any provision conflicts with controlling law, the law shall govern and the remaining provisions shall continue in effect.

Certification

The undersigned officers and/or Board of Directors of Custom Class Charter School certify that this policy was duly adopted as of the date below.

Matthew J. Middione - Board Chair

Douglas Reed - Board Vice Chair

Effective Date: July 22nd, 2026
Revised Date:

References

Utah Administrative Code R277-551
Utah Administrative Code R277-553
Utah State Procurement Code, Title 63G, Chapter 6a