



Sample Forms for Capital Asset Accounting Systems

Dear Reader:

The following document was created from the MTAS website ([mtas.tennessee.edu](https://www.mtas.tennessee.edu)). This website is maintained daily by MTAS staff and seeks to represent the most current information regarding issues relative to Tennessee municipal 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 municipal 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 MTAS website material.

Sincerely,

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Sample Forms for Capital Asset Accounting Systems

Reference Number: MTAS-647

Sample forms below.

Form - Capital Asset Accounting Record (Ledger Card)

Reference Number: MTAS-649

Appendix A. CAPITAL ASSET ACCOUNTING RECORD (Ledger Card)

City of: _____

Assigned Property #: _____

Description: _____

Department: _____

Manufacturer's Serial #: _____

Location: _____

Tax Map Reference: _____ Book #: _____ Map #: _____

Kind of Deed: _____

Title Abstract: _____

Source of Funds: _____

Manufacturer: _____

Make and Model: _____

Color: _____

Purchase Order or Check #: _____

How and From Whom Acquired: _____

Date of Purchase: _____

Date Placed in Service: _____

Date of Last Improvement: _____

Invoice Price: \$ _____

List Other Costs: \$ _____

Installation Costs: \$ _____

Estimated Salvage: \$ _____

Improvements or Betterments: \$ _____

Accumulated Capital Asset Amount: \$ _____

Depreciation Basis: \$ _____

Estimated Useful Life: _____

Depreciation Method: _____

Annual Depreciation: \$ _____

Method of Price Evaluation: _____

Authority and Date: _____

The following explanations are offered to assist with completing ledger cards.

Accumulated Capital Asset Amount: Include in this amount the initial cost plus betterments to arrive at total investment cost.

Authority: Name of the person, board or council authorizing disposal of the asset.

How and From Whom Acquired: The "how" should indicate whether the asset was acquired through condemnation, as a gift, etc.

Method of Price Evaluation: Indicate how the price of the asset was determined. If other than cost, the name of the person making the evaluation should appear on the next line.

Other Comments: Should be used to report anything unusual or unique about this asset.

Property Number: This refers to the CAAS number assigned to this particular capital asset. It should be noted if this number has not been affixed to the asset.

Reference: This space should be used to indicate the source of the authority, such as minute book number and page number.

Source of Funds: This refers to the fund financing the asset, as well as whether by rental, purchase, etc.

Tax Map Reference: For counties in which the reappraisal program has been completed, this information can be obtained from the tax assessor.

Form - Capital Asset Disposal Record

Reference Number: MTAS-644

Appendix B: CAPITAL ASSET DISPOSAL RECORD

City of: _____

Assigned Property #: _____

Authority: _____

Reference: _____

Reason: _____

Date of Disposition: _____

Item Description: _____

Removed from Department: _____

METHOD OF DISPOSAL

Trade-in (list new items acquired) _____

How Sold (advertised, sealed bids, etc.) _____

Transfer (list department receiving) _____

Junked and/or salvaged for parts _____

Other (explanation) _____

Location at Time of Final Disposal: _____

Amount Received: \$ _____

Sold to Whom: _____

Other Comments: _____

Condition of Property: _____

Signature of Authority: _____

Sample Resolution to Set Threshold for Capitalization

Reference Number: MTAS-651

Appendix D: SAMPLE RESOLUTION TO SET THRESHOLD FOR CAPITALIZATION

SAMPLE RESOLUTION TO SET THRESHOLD FOR CAPITALIZATION

WHEREAS this Resolution establishes a threshold that dictates when expenditures may be capitalized in accordance with generally accepted accounting principles.

WHEREAS the City needs to establish a different threshold for each asset class in order to maintain effective managerial control.

THEREFORE the City resolves that these dollar levels set the thresholds that apply to these asset classes:

Land.....	\$ 500
Buildings	\$10,000
Improvements Other than Buildings	\$ 5,000
Equipment.....	\$ 2,500
Infrastructure	\$10,000
Construction in Process.....	Tied to asset class

This resolution will take effect immediately upon passage.

1st Reading _____

Mayor

City Recorder

DISCLAIMER: The letters and publications written by the MTAS consultants were written based upon the law at the time and/or a specific sets of facts. The laws referenced in the letters and publications may have changed and/or the technical advice provided may not be applicable to your city or circumstances. Always consult with your city attorney or an MTAS consultant before taking any action based on information contained in this website.

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