

**STEUBEN COUNTY INDUSTRIAL DEVELOPMENT AGENCY**  
**Capital Purchases & Capitalization Threshold Policy**

**Definition and Threshold:**

Capital purchases comprise furniture, fixtures, equipment, software, leasehold improvements, etc. that meet two criteria:

- (1) A useful life of more than one year, and
- (2) Cost more than a certain amount.

The Agency Board of Directors has established \$1,000 as the threshold amount for capitalization.

**Procurement:**

All Agency purchases will follow the agency approved procurement policy.

**Approval:**

The Agency Capital Budget is updated each year and should include proposed capital purchases that are anticipated to take place during the year. Those purchases itemized within the approved capital budget are considered approved.

The Agency's Capital Budget includes a discretionary funding that can be assessed by the Executive Director without prior approval, provided resources are available, and with the stipulation that such spending follows the agency approved travel and discretionary spending policy.

Capital purchases not within the approved capital budget, or beyond the scope of the discretionary fund, must be specifically approved by the finance committee. To seek such approval the Executive Director must provide the price and rationale for the purchase and assurance of availability of financial resources to support the purchase.

**Record keeping**

The Agency shall maintain a list of fixed assets showing the date of acquisition and its cost. This listing will be reviewed annually prior to the financial statement audit process for necessary additions and disposals. The Agency shall keep on file documentation for each purchase.

For each purchase, the Executive Director shall evaluate whether the acquisition will have an impact on insurance coverage, determine if present coverage valuations are adequate, and obtain additional coverage if necessary.

Approved and adopted this 23rd day of February, 2023.