



Director Approval - Original Approval Date: _____
Update Approval Date: 6/30/2022
Signature: [Handwritten Signature]

PARKS & RECREATION

Date: 06/30/2017

Updated: 06/30/2022

Date To Be Reviewed: Five Years – 06/30/ 2027

Title of Document: 5.5.2 LOPR_Inventory and Fixed Asset Controls

Background:

Lake Oswego Parks & Recreation (LOPR) abides by a system of internal controls to safeguard assets against loss, maintain accurate information for accounting and depreciation data, ensuring operational efficiency, and promoting adherence to City and LOPR policies and practices.

The intent of this document is to provide information to staff about responsible stewardship of LOPR and City assets and resources. Responsibilities lie strictly within LOPR and under the direction of the Director, Deputy Directors, Managers and Supervisors, but also include joint ownership with other City Departments such as Finance (annual asset management and auditing, IT (computer and software inventory and integrity), and Motor Pool (fuel consumption and vehicle maintenance.)

City of Lake Oswego Asset Management Policies:

The capital assets of the City of Lake Oswego are property owned in common by the citizens of our community.

1. These community assets will not be degraded, given away, or allowed to deteriorate except by action of the Council.
2. Funding new long-term capital assets of the city will be the responsibility of the community as a whole and should be funded through general obligation bonds, SDCs, proportionate equity asset shares, grants and gifts, or volunteer contributions when appropriate.
3. New private development in the city that requires increased capacity or places increased demand on the community assets must purchase an equity asset share. This share is based on the development's proportionate share of the current replacement value of the existing assets required by the development, including capacity expansion required to serve the new development.
4. To the extent allowed by law, system development charges will be designed to recapture from new private development the full cost of community assets in place at the time of the development and the necessary expansion of those systems caused by increased demand on those assets.



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5. The capitalization threshold used in determining if a given asset qualifies for capitalization is \$10,000 per item.
6. The Finance Department shall organize a physical count/inspection of all capital assets as of each fiscal year end, June 30.
7. Adequate insurance shall be maintained on all capital assets consistent with the results of the annual physical count/inspection.
8. GASB 34: The Government Accounting Standards Board has required local governments to report infrastructure and depreciation on all capital assets. Prospective implementation of these requirements was completed with fiscal year ended June 30, 2003. Retroactive infrastructure reporting for major assets acquired after July 1, 1980 was also completed with fiscal year ended June 30, 2003.

In addition, LOPR internal controls are designed to address the following objectives:

Personnel: Personnel understand their assigned functions and the prescribed procedures. Personnel are informed about their responsibilities in asset management. LOPR leadership is responsible for oversight, monitoring, and verification of its assets and inventories.

Transactions: Purchasing or removing assets is properly authorized and recorded following the City's and LOPR's policies and procedures.

Safeguarding: Access to data, facilities, property is secured and limited as necessary to authorized personnel. Aligning personnel by function assists with controlling access to information, equipment and facilities.

Procedure:

The Finance Department maintains the property, facility and large asset listing. Once per year prior to the end of the fiscal year (typically May), the Finance Department distributes the previous year's asset inventory to each Department (including LOPR.) The respective Departments review and indicate the status of each of the assets listed, ensure new assets are on the list, remove assets no longer in use, and indicate transferred assets. The completed asset lists are returned to the Finance Department.

The Finance Department provides in the Private Pages online fillable FORMs for Capital Asset Disposal and Capital Asset Transfer. Copies of these FORMS are included in the PP&P and listed under **References:** The previous year's Capital Asset Listing is also available in the Finance Private Pages and included in the PP&P each year as 5.5.2.A LOPR_Capital Asset Listing. Past years reports are available in the K Drive, Finance, Asset Master Reports.



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References:

Online Capital Asset Management Policies:

[Capital Asset Management Policies | City of Lake Oswego](#)

5.5.2.A LOPR_Capital Asset Listing FORM (also found in Finance Private Pages)

5.5.2.B LOPR_Capital Asset Disposal FORM (fillable FORM in Finance Private Pages)

5.5.2.C LOPR_Capital Asset Transfer FORM (fillable FORM in Finance Private Pages)

7.7 LOPR_Agency-Owned Equipment, Materials, Tools, and Supplies Policies and Procedures

Responsibility/Contacts: Director, Deputy Directors