

**PANORAMA COMMUNITY SCHOOL DISTRICT
INTANGIBLE ASSETS POLICY**

Effective for the fiscal year beginning on July 1, 2009, and each fiscal year thereafter, the Panorama Community School District will conform to GASB Statement 51, Accounting and Financial Reporting for Intangible Assets. The following criteria shall be used to identify and report intangible assets on the District's Statement of Net Assets.

Identification

An intangible asset will be recognized in the Statement of Net Assets only if it is identifiable using the following tests:

- Separable (it can be separated/divided from the government and sold, transferred, licensed, rented or exchanged **or**
- Arose from the contractual or other legal rights, regardless of whether those rights are transferable or separable.

Threshold for Capitalization

The Panorama Community School District will not capitalize any intangible asset with a value of less than \$25,000.

Measurement/Recognition

Effective July 1, 2009, intangible assets exceeding the District's threshold will be recorded at actual historical cost.

Amortization

The straight-line method of depreciation will be used to amortize intangible assets meeting District criteria. It is noted that the useful life on an intangible asset that arises from contractual or other legal rights should not exceed the period to which the service capacity of the asset is limited by those contractual or legal provisions.

Miscellaneous

This policy must be applied to all intangible assets. If an intangible asset meets the threshold criteria and is fully amortized, the asset must be reported at historical cost and the applicable accumulated depreciation must be reported as well.

Legal Reference:

Cross Reference:

Approved: 07/12/2010

Reviewed: 2011

Revised: