



Title	Capital Assets
Policy No.	B.1.11
Approval Body	President and Chief Executive Officer
Policy Sponsor	Executive Director, Finance & Chief Financial Officer
Last Revised/Replaces	
Effective Date	February 13, 2020

CONTEXT AND PURPOSE

Vancouver Community College (VCC; the College) is responsible for taking appropriate and reasonable measures to account for all capital assets.

The purpose of this policy is to develop clear standards for the administration, maintenance, control, safeguarding, acquisition, and disposal of capital assets at VCC.

SCOPE AND LIMITS

This policy applies to all employees of VCC and to all VCC funded capital assets. It does not apply to Ministry of Advanced Education, Skills and Training (AEST) funded capital requests, per AEST guidelines.

STATEMENT OF POLICY PRINCIPLES

1. VCC will account for all capital assets in accordance with Public Sector Accounting Board (PSAB) standards.
2. The Finance department is responsible for overseeing the acquisition and accounting of all capital assets.
3. All VCC employees are responsible for the use, care and safeguarding of capital assets.

DEFINITIONS

Amortization: An expense that reflects the consumption of an asset over its useful life, allocated over a designated period of time for accounting purposes.

Budget Officer: An individual responsible for managing the budget within their area of responsibility.

Building Improvements and Betterments: The cost incurred to enhance the service potential of a capital asset as per PSAB guidelines.

Capital Assets: Significant pieces of property owned by the College that are:

- a. Equal to or greater than \$5,000 in value;
- b. Held for use to provide economic benefit beyond the current fiscal year; and
- c. Not intended for sale in the regular course of operations.

Capital Lease: An agreement in which the lessee acquires property or equipment with a useful life extending beyond a fiscal year, and is held under lease by the entity for use in the production or supply of goods and services, as per PSAB guidelines.

Cost: The cash amount or equivalent given up to acquire, construct, develop or better an asset including installing the asset at the location and in the condition necessary for its intended use.

Employee: An individual who is currently employed by VCC on a full-time, part-time, permanent, temporary, term, casual or contract basis.

Leasehold Improvement: Betterment made to leased property as outlined in PSAB guidelines.

Net Book Value: The value of an asset, factoring in diminutions, amortizations, and other accounting charges, as recorded in an organization's or individual's accounts.

Non-capital asset: Operating expenses and other short-term costs incurred through normal operations throughout the course of a fiscal year, such as supplies and services.

Operating Lease: An agreement in which the lessee acquires the property for only a small portion of its useful life, commonly used to acquire equipment on a short-term basis.

Repairs and Maintenance: Operating expenses that maintain the functionality of a capital asset but do not extend the life of that capital asset; including but not limited to repairs to roofs, and the repainting of buildings or interior offices.

Useful Life: The estimated period of time over which a capital asset is expected to be used by the College.

RELATED LEGISLATION & POLICIES

Legislation

College and Institute Act

CPA Handbook

PS3210 – Assets

PS3150 – Tangible Capital Assets

PSG-2 – Leased Tangible Capital Assets

Policies

B.3.9 Use of College Supplies, Products, Services, Facilities

B.4.1 Purchasing

RELATED PROCEDURES

Refer to B.1.11 Capital Assets Procedures.