

Webster County Board of Education implemented effective July 1, 2021, GASB 87 leases and intangible right to use assets.

Webster County Board of Education implemented effective July 1, 2022, GASB 96 subscriptions and intangible right to use assets.

**Intangible Right-To-Use Assets**

Web Based Subscription/Software is a hypermedia instructional or service program which utilizes the attributes and resources of the World Wide Web to create a meaningful learning environment. This fosters learning and provides further service support including to the operational areas.

Leases and web based subscription/software, as a lessee and user, are included as intangible right-to-use assets and lease obligations on the Statement of Net Position. An intangible right-to-use asset represents the School District's right to use an underlying asset for the lease term including web based subscription/software. Lease obligations represent the School District's liability to make lease payments arising from the lease agreement. Web based subscriptions/software agreements should not exceed 12 months without the approval of the superintendent. Intangible right-to-use assets and lease obligations including subscriptions/software are recognized based on the present value of lease and agreed upon payments over the lease term, where the initial term exceeds 12 months. Residual value guarantees and the value of an option to extend or terminate a lease, subscriptions or software are reflected to the extent it is reasonably certain to be paid or exercised. Variable payments based on future performance or usage is not included in the measurement of the lease liability. Intangible right-to-use assets are amortized using a straight-line basis over the shorter of the lease term or useful life of the underlying asset.

Capitalization thresholds of intangible right-to-use assets reported in the government-wide statements are as follows:

	Capitalization Policy
Land	\$10,000
Land Improvements	\$10,000
Buildings	\$10,000
Building Improvements	\$10,000
Equipment	\$10,000
Leases	\$20,000 or more
Subscriptions/Software	\$50,000 or more

Capital assets may be acquired through donation, purchase or may be self-constructed. The asset value for donations will be the fair market value at the time of the donation. The asset value, when purchased,

will be the initial cost plus the trade-in value of any old asset given up, plus all costs related to placing the asset into operation. The cost of self-constructed assets will include all cost of construction.

#### Land

- Land acquired by purchase is recorded at cost to include the amount paid for the land itself and all incidental costs.
- Land acquired by gift or bequest is recorded at the fair market value at the date of the acquisition.
- When land is acquired with buildings erected thereon, total cost is allocated between the two in reasonable proportion at the date of acquisition. If the transfer document does not show the allocation, other sources of the information may be used such as an expert appraisal or the real estate tax assessment
- Land is not depreciable.

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**Webster County School District**

**ADOPTED: October 10, 2023**

**REVISION: February 13, 2024**

**REVISED: February 10, 2026**

**UPDATED: June 11, 2026**