

Agency Name
Transit Policies and Procedures

Subject	Capital Replacement
Section	Financial
Effective Date	
Approved By	
Approval Date	

Purpose

Develop a method to track capital costs and approve capital expenditures.

Definitions

Capital Costs: Fixed expenses for equipment and facilities that are needed to provide transit services.

Capital Expenditures: Money spent to acquire or maintain transit equipment and facilities.

Procedure

Establish a method to track capital costs. Require the Transit Director to keep a detailed log of all funds spent on equipment and facilities. Detailed receipts for each purchase should be included in the log.

Require that all capital expenditures receive prior approval from the Governing Board in accordance with the Procurement Policy. The Transit Director shall calculate past and expected capital costs annually and include a capital replacement surcharge in all negotiated contracts.

Responsibilities

The Transit Director is responsible for tracking capital costs, projecting capital expenditures, and negotiating a capital replacement surcharge in all negotiated contracts.