I. Policy

This policy sets forth the guidelines for capitalizing assets and the related depreciation schedules for those assets.

II. Scope

This policy applies to all purchases of equipment, vehicles and capital projects costing $5,000 or greater.

III. Procedures and Guidelines

A. Capitalization Policy – Equipment costing $5,000 or greater with a useful life greater than one year will be capitalized. See below for further guidelines:
   - Multiple equipment purchases where the total invoice is greater than $5,000 but the individual items cost less than $5,000 will not be capitalized.
   - An identifiable project costing $5,000 or greater will be capitalized as a project even though individual component purchases may be less than $5,000.
   - Regular repairs and maintenance on a capitalized asset to keep it functioning for its original purpose will be expensed.
   - Costs for a major remodeling/renovation project that updates a building (or a significant portion thereof) or that significantly changes how the space functions will be capitalized.

B. Depreciation Policy – Non-consumable items, which cost $5,000 or more, are depreciated on a straight-line basis per the following schedule:
   - Computers 4 years
   - Vehicles 4 years
   - Equipment 10 years
   - Capital Improvements 15 years
   - Buildings 30 years

IV. Confidentiality and Record

Financial Services maintains all records related to capitalized equipment and depreciation.