

CAPITALIZATION AND DEPRECIATION

This capitalization and depreciation policy is established to safeguard assets, enhance accountability and provide for more accurate and uniform financial reporting in compliance with accounting principles generally accepted in the United States of America (GAAP) and GASB 34.

1. All fixed asset purchases in excess of **\$10,000** for items that have a useful life of more than one year shall be capitalized.
2. Certain categories of assets costing less than **\$10,000** shall be inventoried and tracked, although not in the general ledger. These items will not be depreciated.
3. In accordance with GAAP, assets must be depreciated over their estimated useful lives.

a. Computer Equipment	3 years
b. Vehicles and Buses	5-8 years
c. Other Equipment	5-20 years
d. Site Improvements	10 years
e. Buildings	40-50 years
f. Subsequent Modernization of Buildings	20 years
4. For depreciation purposes only, the salvage value of assets is estimated to be immaterial. Therefore, assets will be depreciated at 100% of cost.
5. The “half-year” convention will be utilized whereby one-half of depreciation is recorded in the fiscal year of acquisition and the fiscal year of disposition.
6. Straight-line depreciation will be calculated for all depreciable property.

APPROVED: November 15, 2004
 July 15, 2013
 May 18, 2015
 March 19, 2018
 MAY 18, 2026