

**FISCAL MANAGEMENT**

**CODE: DIC**  
**POLICY**

**Capitalization of Fixed Assets**

The following guidelines shall provide direction in developing the General Fixed Assets Account Group.

All fixed assets are valued at historical cost or estimated cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated.

Depreciation is the procedure of recording as an expense the cost of an asset over its estimated life. The recording of depreciation shall be required for all buildings and equipment including food service equipment. The straight-line method of computing depreciation shall be used.

The estimated useful life of fixed assets is as follows with revision to salvage value at the end of the useful life:

Buildings.....	75 years
Improvements.....	20 years
Equipment.....	3 to 15 years
School Buses.....	8 years

The lower dollar limit for the entry threshold to the general fixed asset account group shall be \$2,000.00 per item. The exception shall be bulk purchases of furnishings purchases at original construction, remodeling, or major upgrading of physical facilities.

**LEGAL REFERENCE: W.S. 16-4-100 THRU 16-4-124**

**REVISED POLICY**  
**REVISION DATE: MARCH 9, 2005**  
**REVIEW DATE: JUNE 8, 2016**

