

**A. Capitalization Policy and Useful Life:** Making Community Connections records as capital assets those assets that are valued at \$2,500 or more and have an expected useful life of 3 years or more.

**B. Useful Lives of Capital Assets:** Expected useful lives of capitalized assets shall be determined either using the direct experience of the school administration, or industry norms in the absence of experience.

**C. Other considerations:**

- Group purchases of individual assets are not aggregated for capitalization purposes.
- The basis for capital assets shall be their total cost, including ancillary costs such as freight or site preparation which are directly associated with the acquisition of the asset and placing it into service.
- Donated capital assets are recorded at either the estimated fair market value or at the appraised value at the time they were donated.
- Only additions or betterments that significantly affect the asset's usefulness or useful life are to be capitalized.
- Salvage Value will not be attached to assets. Assets are generally kept in good working condition and remain useful throughout their depreciable lives.

**Revision History:**

Date Adopted: November 20, 2017

Revision Dates: May 20, 2019

Last Review Date: