

**CAPITALIZATION POLICY**

Policy to establish what is a Fixed Asset and to set up a minimum value for the Fixed Asset Inventory and Capitalization.

"Fixed Assets to be inventoried or capitalized shall be those items that:

1. Are tangible in nature
2. Have a life longer than one year, and
3. Have a significant value, which is defined as a cost or appraised value for donated assets as described below:

	<u>Tracking and Inventory</u>	<u>Capitalize and Depreciate</u>
<u>Land</u>	<u>\$1</u>	<u>Capitalize Only</u>
<u>Land Improvements</u>	<u>\$1</u>	<u>\$25,000</u>
<u>Buildings</u>	<u>\$1</u>	<u>\$50,000</u>
<u>Building Improvements</u>	<u>\$1</u>	<u>\$50,000</u>
<u>Construction in Progress</u>	<u>\$1</u>	<u>Capitalize Only</u>
<u>Machinery and Equipment</u>	<u>\$1,000 *</u>	<u>\$5,000</u>
<u>Vehicles</u>	<u>\$1,000</u>	<u>\$5,000</u>
<u>Infrastructure</u>	<u>\$50,000</u>	<u>\$250,000</u>

**Note \* - Or lower as deemed necessary due to the nature of the asset**

Adopted 05/02/82  
 Revised 04/14/99 4/15/02 5/12/03

Effective July 1, 2002

Reference:

Wyoming School Budgeting, Accounting, and Reporting Manual, issued by the Wyoming Department of Education, Finance Division

Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments