

Asset Type	Threshold for Capitalization	Capitalization Guidelines	Useful Life
Land	All acquired land regardless of cost	All lands acquired which are intended to be used for University operations are fixed assets and will be capitalized, regardless of cost.	
Land improvements	\$25,000 (in total project costs)	Excavation, driveways, sidewalks, parking lots, retaining walls, fencing, outdoor lighting and other non-building improvements intended to <i>make the land ready for its intended purpose</i> . <i>Extends the useful life or capacity of the asset and meets capitalization threshold</i> ; Capitalized as a separate asset or component and depreciated over its estimated useful life.	20
Infrastructure	\$25,000 (in total project costs)	long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems and dams.	20
Buildings	All buildings and structures are considered fixed assets.		
Building Shell	\$100,000 (in total project costs)	All identifiable costs including net interest expense and purchased equipment will be capitalized during the construction period of a new building; The cost of clearing, excavating, demolishing preciously utilized buildings (net of any salvage value received), filling and grading attributable to the construction are considered part of the cost of the new asset.	40
Building Interiors	New Buildings or existing building improvements capitalized costs may be classified into building components such as building interiors and/or building service systems	General interior renovations/improvements	20
Building Service Systems	New Buildings or existing building improvements capitalized costs may be classified into building components such as building interiors and/or building service systems	Service systems such as plumbing, heating, ventilation, air conditioning, electrical, fire protection and safety, and elevators	25
Building improvements	\$25,000 (in total project costs)	Change the useful life of a building by modifying its structure (ceiling, walls, floors, roof, or shell). Alterations or structural changes that increase the useful life of the existing buildings	At Building component Useful Life
Leasehold improvements	\$25,000 (in total project costs)	improvements made to leased premises are capitalized if they meet these criteria and qualify as alterations, renovations, betterments, renewals or replacements.	15
Equipment	INSTITUTIONAL PERSONAL PROPERTY		
Movable equipment	\$100,000 (installation, shipping costs)	An article of non-expendable, tangible, personal property which stands alone, is complete in itself, does not lose its identity, has a useful life of more than one year, and has a value of \$100,000 or more	5
Fixed Equipment	\$25,000 (in total project costs)	<i>Permanently</i> attached fixtures, machinery, and other appurtenances that cannot be removed without cutting into walls, ceilings, or floors or otherwise damaging the building	15
Research Vessels	INSTITUTIONAL PERSONAL PROPERTY		
Research Vessels	\$100,000 (in total project costs)	Costs such as <i>design, transportation charges to point of initial use, fixed equipment and related installation costs, integral built-in electronic systems</i> are included in the unit cost. Studies that become part of the project will be capitalized. Software developed by the project that is integral to the research vessel and is not considered to be “stand alone software” is included in the unit cost.	30
Software	INSTITUTIONAL PERSONAL PROPERTY		
Software Systems	\$100,000 (Total project costs)	Appropriate implementation costs such as the installation of computer hardware, testing, training, employee and consultant travel expense, consultant fees, and movable equipment will be included in the capitalized software value.	7