

Depreciation of Capital Assets

FIN-ACC-180

About This Policy

Effective Dates:

07-01-1992

Last Updated:

01-01-1996

Responsible University Administrator:

Vice President and Chief Financial Officer

Policy Contact:

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Scope

All Indiana University units and employees.

Policy Statement

Effective July 1, 1990, Indiana University will depreciate the capital asset categories of moveable equipment, buildings, infrastructures, leasehold equities, library books and equipment start up costs.

Reason For Policy

To convey the application of the accounting concept of depreciation for the university.

Procedure

The calculating and applying of the value decreases are the responsibility of Financial Management Services.

Definitions

Depreciation: A financial recognition of the diminishing service capacity or utility; the lost usefulness; the wasting away of a tangible asset during the periods of service life.

History

The source to this policy is:

Financial Accounting Standard Board (FASB)Statement 96, Governmental Accounting Standards Board (GASB) Statement 8

Related Information

[Capitalization of Movable Equipment, FIN-ACC-150](#)

[Capital Movable Asset Physical Inventories, Tagging and Location Changes, FIN-ACC-170](#)

[Capitalization of Building, FIN-ACC-190](#)

[Capitalization of Land, FIN-ACC-200](#)

[Capitalization of Infrastructures, FIN-ACC-210](#)

Capitalization of Land Improvements, FIN-ACC-215
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Capitalization of Library Acquisitions, FIN-ACC-230
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Capitalization of Intangible Assets, FIN-ACC-261
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Capital Asset Standard Operating Procedures