

Manual of Policy and Procedures

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| Title ASSET CAPITALIZATION & DEPRECIATION | Number 415 | Page 1 of 2 |
| | Date 5/26/16 | |

PURPOSE

- 7) Leasehold Improvements – Improvements to leased items which items if purchased would be considered a depreciable items under items 1-6 will be capitalized and depreciated using the straight-line method. The depreciation period will be the shorter of the useful life for the category or the term of the lease. If a lease contains a renewal clause this clause may be used in the calculation of the depreciable period of there is management certainty that the renewal will be executed.

Also included in the appropriate category above should be assets