

DANIEL BOONE REGIONAL LIBRARY

SUBJECT: Capital Outlays

ADMIN 2-702

BOARD

SECTION: 700 – Fiscal Management

Approved: 01/15/98
Revised: 10/14/04
Revised: 05/12/05
Revised: 05/12/11
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POLICY

Capital Outlay is defined as purchases of individual items that cost in excess of \$500 per item and have a useful life of three (3) years or more but excludes chairs, desks, tables and technology equipment that will be capitalized no matter the cost per item. The Executive Director or Executive Director's designee shall annually compile a list of Capital Outlay and perform an inventory. A list of other items not meeting the capitalization threshold will also be maintained and included in the inventory. These lists shall describe the assets, dates of acquisition, original costs and locations.

Library collection assets are typically purchased in groups and are capitalized on that basis. Library collection assets include books, CDs, DVDs, videos, Playaways, devices and other items catalogued for circulation.

All items capitalized will be depreciated using the straight-line depreciation method over an estimated useful life. The useful life of each capitalized item will be determined using the table below:

<u>Asset Type</u>	<u>Estimated Useful Life (Years)</u>
Buildings and Improvements	10-50
Equipment, Furniture, and Fixtures	5-20
Technology Equipment	3-10
Library Vehicles	7-15
Library Collection	7

PROCEDURES

This policy shall apply to the following specific item categories:

- Furniture
- Equipment
- Buildings and improvements
- Fixtures
- Software licenses in excess of \$5,000 per license
- Other items as appropriate