

Depreciation of Capital Assets

FIN-ACC-I-180



About This Policy
Effective Date: 07-01-1992
Last Updated: 01-01-1996
Responsible University Office: The Office of the Treasurer/Capital Assets
Responsible University Administrator: Vice President and Chief Financial Officer
Policy Contact: Jennifer George Director of Auxiliary Accounting, Capital Asset Management, Non-Student Accounts Receivable, and Student Loan Administration jmabry@iu.edu
Related Information
<ul style="list-style-type: none">* I-150, Capitalization of Movable Equipment* I-160, Capitalization of Software* I-170, Capital Movable Asset Physical Inventories, Tagging and Location Changes* I-190, Capitalization of Building* I-200, Capitalization of Land* I-210, Capitalization of Infrastructures* I-215, Capitalization of Land Improvements* I-220, Capitalization of Capital Lease* I-230, Capitalization of Library Acquisitions* I-240, Capitalization of Art and Museum Objects* I-261, Capitalization of Intangible Assets* I-270, Ownership of University Capital Assets*

- Scope
- Policy Statement
- Reason For Policy
- Procedure
- Definitions
- History

Back to top ↗

Scope

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Back to top ↗

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.

[Back to top ↗](#)

Reason For Policy

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

[Back to top ↗](#)

Procedure

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

[Back to top ↗](#)

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.

[Back to top ↗](#)

History

The source to this policy is:

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