Capitalization Policy

# Purpose: The intent of the following policy is to define equipment, the life of useful items and establish pricing parameters for purchases related to capitalization.

**Policy:** CDS will capitalize all nonexpendable, tangible property with an anticipated useful life of over one year and which exceeds a purchase price of $2,500.00 per item including the costs of modifications, attachments, accessories or auxiliary apparatus necessary to make it usable for the purpose for which it is being acquired. In addition, as applicable, installation costs and shipping charges will be capitalized.

 The CDS Board of Directors or applicable Contract Manager gives approval for capital asset purchases. The Comptroller and other designated personnel ensure asset transactions, asset custody, and recordkeeping are properly maintained.

**Procedure and/or Process:**

The Chief Executive Officer or Chief Operations Officer and the Comptroller must approve all purchases exceeding $500.

Once approved, items will be acquired in accordance to CDS purchasing policies.