



**Official Policy
of
Ogden Preparatory Academy**

3. Fiscal Management

3.01.POL Capitalization & Expense Policy

Effective/Revision Date: 10/08/2008

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PURPOSE

The purpose of this policy is to allow for accounting to depreciate rather than expense qualified inventory items.

POLICY

Items/purchases which total over \$1,500.00 and which have a life of more than 3 years, shall be depreciated rather than expensed. The period of time items will be depreciated will be based on GAAP (General Accepted Accounting Practices). All items with a purchase value less than \$1,500.00 will be expensed. The following list is not meant to be exhaustive, but rather to show examples of depreciated and non-depreciated purchase.

Items that may be depreciated:

- Office equipment
- Office furniture
- Copy machines
- Computers & Printers
- Kitchen equipment

Items that may NOT be depreciated:

- Consumables
- Textbooks
- Workbooks and instructional aids
- Office supplies
- Replacement or repair parts

Document History

Approved: 10/08/2008

Legal References