

## **MATH AND SCIENCE ACADEMY**

*Adopted: May 21, 2024*

### **704.1 CAPITAL ASSETS POLICY**

#### **I. PURPOSE**

The purpose of this policy is to ensure proper financial reporting for capital assets. This policy outlines the steps involved in the process in determining which expenditures would be a capital expenditure that would be considered a capital asset.

#### **II. GENERAL REQUIREMENTS**

Math and Science Academy considers any expenditure, which are capital in nature, with a grouped initial cost of more than \$5,000, and an estimated useful life in excess of one year, to be a capitalized asset. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

Where applicable, assets purchased together and for a common purpose should be grouped and capitalized as one asset. Donated capital assets are recorded at estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are depreciated using the straight-line method over its estimated useful life.