



Capitalization of Assets

Policy Statement

The University follows University System of Georgia capitalization policy as outlined in the Business Procedures Manual. A link to the capitalization section of the USG Procedures Manual can be found under Related Information. This policy details various items related to capitalization, including:

Asset Category Definitions

Capitalization Thresholds

Depreciation Methodologies

Examples of Expenditures for Each Class of Asset

Guidelines for Leasehold Improvements, Impaired Assets, Intangible Assets and Construction in Progress

Reason for policy

The University is required to comply with reporting requirements under Governmental Accounting Standards Board (GASB) Statements No. 34 and No. 35, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments and Public Colleges and Universities.

Procedures

Forms/Instructions

NONE

Additional Contacts

[University of Georgia Asset Management Office](#)

Definitions

Capital Assets—Real or personal property that has a value equal to or greater than the capitalization threshold for the particular classification of the assets and has an estimated life of greater than one year.

Responsibilities

Responsible University Senior Administrator: Vice President for Finance & Administration

Responsible University Administrator: Associate Vice President – Finance Division

Policy Owner: Controller

Phone Number: 706-542-1197

Record Retention

Appendices

FAQs

Related information

[USG Business Procedures Manual Section 7: Capitalization](#)

[UGA Asset Management Office website](#)

Policy Dates

Effective Date: 02/17/2017

Date of Last Review/Update: 02/13/2023

Previous Version of Policy: Contact Policy Owner for previous versions of this policy.