

**PROPERTY, PLANT AND EQUIPMENT CAPITALIZATION GRID**

Activity	Land (all amounts)	Plant projects (per bldg >=\$50K)	Capitalizable Equipment (unit >=\$5K)	Not Capitalizable
Access controls		x		
Accounting fees for land/building purchase	x	x		
Advertising				x
Appraisals that result in purchase	x	x		
Architectural services for projects that result in construction		x		
Audio visual equipment		x <sup>(1)</sup>	x <sup>(2)</sup>	
Broker's fees for land/building purchase	x	x		
Built-in furnishings		x		
Closing costs on USNH purchases	x <sup>(3)</sup>	x <sup>(3)</sup>		
Demolition/removal of old buildings/other structures				x
Design costs for projects that result in construction		x		
Easements or rights-of-way access		x		
Employee labor related to equipment				x
Employee labor related to plant projects		x		
Engineering fees		x		
Equipment attached to ground or building		x		
Fences		x		
Flooring replacement				x <sup>(4)</sup>
Furniture		x <sup>(1)</sup>	x	
HVAC		x		
Landscaping (only initial, not routine maintenance)		x		
Maintenance and repairs				x
Materials related directly to construction		x		
Moving Costs related to a capitalizable project				x
Network equipment (controllers/network switches/servers, etc)			x	
Network wiring/wireless access points		x		
Pavement (new or ground to surface replacement)		x		
Pavement resurfacing				x
Pollution remediation (asbestos, lead, etc)				x
Predesign and Feasibility studies				x
Professional fees directly related to construction		x		
Project opening/completion ceremonies				x
Purchase price	x	x		
Real estate taxes				x
Recording fees for land/building purchases	x	x		
Repainting				x <sup>(4)</sup>
Roofing (new or replacement)		x		
Sidewalks (new or replacement)		x		
Signage		x		
Software			x <sup>(5)</sup>	x <sup>(5)</sup>
Sprinklers		x		
Surveys		x		
Swing space		x <sup>(6)</sup>		x <sup>(6)</sup>
Title insurance or title searches re: land/building purchases	x	x		
Travel costs				x
Windows		x		

**Note that all PP&E assets except land are depreciated over their estimated useful life as shown below:**

Componentized Buildings (specific research facilities at UNH)	10-50 years
Newly Acquired or Constructed Buildings	30-40 years
Leasehold Improvements	related lease term
Infrastructure/Building Improvements	25 years
Built In Equipment/Furniture <sup>(1)</sup>	10 years
Network Wiring/Wireless Access Points	4 years
Capital Equipment	4-30 years

<sup>(1)</sup> Furniture and equipment where individual items costing less than \$5,000 are purchased as part of a major capital project (defined as an approved budget of total capital investment exceeding \$2,000,000) may be capitalizable if the value of the related assets is \$50,000 or more. Refer to Policy 11-002 Property and Plant Assets Capitalization Section A.3.d.vi

<sup>(2)</sup>A/V equipment is capitalizable if the purchase costs \$5,000 or more for an individual room. As such, these type of purchases may contain both capitalizable and non-capitalizable components.

<sup>(3)</sup>Real estate taxes are never capitalizable.

<sup>(4)</sup> If separately identifiable (e.g., its own project or separately broken out as part of larger project), charge to expense. If not separately identifiable, expense or capitalize according to overall project capitalization rules.

<sup>(5)</sup> Purchased or developed software that meet the requirements of GASB 51, *Accounting and Financial Reporting for Intangible Assets*, may be capitalized if acquisition cost is \$50,000 or more. Software purchased as part of a system may be capitalized provided the total cost of the equipment including the software is \$5,000 or greater. Please contact USNH Accounting Services for an evaluation.

<sup>(6)</sup> In rare circumstances, swing space fitup costs may be capitalizable. Please contact USNH Accounting Services for an evaluation.