

**Capitalization**

The Bon Homme School District #04-2 establishes its thresholds for determining an item to be called a capital asset if it meets all three items as follows:

1. The purchase cost of the item must be at least:

Buildings	\$50,000
Improvements other than Buildings	\$10,000
Equipment	\$ 5,000
Food Service Equipment	\$ 1,000

2. The item must be tangible in nature defined as capable of being appraised at an actual or approximate value.
3. The item must have a life longer than the current fiscal year.

Legal Reference: GASB 34

Adopted: June 8, 2009