Forms & Policies

Depreciation Policy

Effective Date:
2/28/95, Revised 7/1/02, Revised 5/29/03, Revised 10/2007, Revised 03/1907, Revised 07/0103

Policy:
The straight-line and units of output methods of depreciation, with an assumed salvage value of zero, are the recommended methods of depreciation. It is also recommended that depreciation for partial periods be computed using either the half-year convention or the basis of the nearest full month. Straight-line is a time-based method used when the service life of the asset is affected primarily by the passage of time. Units of output should be used when the service life of the asset is affected primarily by the amount the asset is used. See table below for depreciation method guidelines.

Useful Life Ranges: