

CHAPTER 8

CAPITAL ASSET ACCOUNTING

SCOPE

This chapter addresses the accountability for capital assets purchased by the State of Indiana – how capital asset records are maintained, how such assets are reported for financial reporting purposes, and the responsibility of agency personnel regarding such assets. Also included is general guidance for capital asset accounting in the PeopleSoft financial system, rules on the disposition of surplus property, and federal requirements for capital assets purchased with federal funds.

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8.1 STATUTORY AUTHORITY

IC 4-13-1-20(b), regarding the Department of Administration (IDOA), states in part: “The department shall do both of the following: (1) Provide for the periodic inspection, appraisal, and inventory of all of the state's property. (2) Require reports from each state agency concerning the property in the custody of each state agency.”

IC 4-20.5-6-3, regarding real property, states: “The department shall provide for the periodic inspection, appraisal, and inventory of all of the state's property, and shall require reports from agencies concerning the property in their custody.”

With the implementation of the PeopleSoft Asset Management module, the office of the Comptroller, as the owner of the PeopleSoft financial system, monitors tracking of capital assets. Capital asset inventories are monitored to ensure compliance and accountability through cooperation of the agencies, the IDOA, the Comptroller, and the State Board of Accounts. Agency officials are ultimately responsible for the accountability and security of all assets.

8.2 ACCOUNTING THEORY

8.2.1 Financial Reports – State of Indiana ACFR

The State Annual Comprehensive Financial Report (ACFR) is compiled by the Comptroller and audited by the Board of Accounts at the end of each state fiscal year. This report is vital to the State's bond rating and must be prepared in accordance with generally accepted accounting principles (GAAP), which requires capital assets to be included at cost (or estimated cost) and depreciated over the useful life of the asset. In order to obtain this financial information, each agency must accurately maintain certain required information in the asset management module of PeopleSoft. The State of Indiana requires that assets costing \$500 and over are included in the PeopleSoft financial system, thus available for inclusion in the financial statements.

8.2.1.1 What Are Capital Assets?

As defined in the Governmental Accounting Standards Board Statement 34 (GASB 34), capital assets include all of the following, assuming a useful life of greater than one year:

- Land (including right of way, easements)
- Improvements to Land
- Infrastructure (roadways, bridges, etc.)
- Buildings
- Improvements Other than Buildings
- Transportation Equipment (vehicles)

- Machinery and Other Equipment
- Construction or Work in Progress
- Works of Art and Historical Treasures
- All Other Tangible or Intangible Assets Used in Operations with Useful Lives Extending Beyond a Single Reporting Period

8.2.1.2 Asset Depreciation – Capital Asset vs. Maintenance

Except for land and inexhaustible collections, certain infrastructure reported under the modified approach (see GASB 34), and construction in progress (which will be moved to an asset category when completed), capital assets are required to be depreciated over the useful life of the asset. Only the Department of Transportation (INDOT) is currently utilizing the modified approach.

Improvements and repairs which allow an asset to continue to be used during its originally established useful life are expensed as a maintenance expense rather than capitalized (added on to the asset value). Improvements and repairs which extend the useful life of an asset are called preservation costs and should be capitalized for all capital assets, with the exception of infrastructure reported under the modified approach. Additions and improvements which increase the capacity or efficiency of the asset should be capitalized for all assets, including all infrastructure.

When a capital asset is traded in for another asset, after the transaction is complete, the cost of the new asset should be adjusted to FMV (fair market value) in order that future depreciation might be applied accurately (See 8.4.3).

8.2.1.3 Capital Asset Policy

The capital asset policy for Indiana State Government, which includes details of capitalization and depreciation, is maintained by the Comptroller and can be found on the Comptroller website at <https://www.in.gov/comptroller/>.

8.3 INTERNAL CONTROL

Agency personnel are responsible for accountability for all assets under their control, including capital assets. Adequate asset management staff should be assigned to recording and maintaining, on the PeopleSoft financial system, all capital assets with a cost of \$500 or more. Assets are automatically capitalized upon approval by either the Business Unit approver or Comptroller approver. Controls should be in effect to assure that additions, disposals, and transfers to other departments or agencies are recorded timely. Inventories of these assets should be performed each year in each department and compared to the PeopleSoft listing. Results of inventories should be retained for audit purposes.

Capital assets with a cost of less than \$500 may be included in PeopleSoft Asset Management at the agency's option. All assets in the system should be capitalized.

8.4 BUSINESS PROCESSES

8.4.1 Acquisition of Capital Assets

The preferred process for acquisition of capital assets is through ePro purchasing. If the correct accounts are used for asset purchases (55xxxx) and an asset profile is noted, the asset will automatically be converted from an expense (55xxxx) to an asset (15xxxx) and loaded into the asset management database. See the PeopleSoft Asset Management manual at [PeopleSoft Training Documents - Asset Management](#) for more detail.

8.4.1.1 Donated Assets

Donated assets should be entered directly into Asset Management at acquisition value, per GASB Statement No. 72, plus any ancillary charges, at the date of acquisition.

Acquisition Value is defined as the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date, or the amount at which a liability could be liquidated with the counterparty at the acquisition date. Acquisition value may be calculated from manufacturer's catalogs or price quotes in periodicals, recent sales of comparable assets, or other reliable information. Professional assistance may be helpful but is not required.

8.4.1.2 Required Chartfields

For all assets with cost (if donated asset, acquisition value) above \$500, Tag Number, Custodian and Location are required asset fields in order to load an asset to Asset Management (AM). These fields must be completed when the asset is delivered to and accepted by the agency receiver; or, if the actual receiver is offline, the entry person recording from the receiver must enter this information. Agency management should assess, and in some cases change, their business processes in order to provide this information to the person receiving the asset into PeopleSoft. In the case of a trade-in of an asset on another asset, the cost of the new asset should be adjusted to equal fair market value.

If an asset is processed into AM at a cost of less than \$500, these fields (Tag number, Custodian and Location) are still required. Note that this is a change from prior capital asset policy.

Other information which must be maintained includes the Asset Category, Asset Type, Acquisition Date, Asset Description, Asset Acquisition Cost, Purchasing Fund, Serial Number (if applicable), VIN Number (vehicles) and, if purchased with federal funds or a capital project, the project number involved.

Asset Tag and Property Labels may be purchased through the [State Printing Services QPA](#). Asset Tags should be attached to the asset so that the asset can be easily traced to the corresponding Asset Management record. When an asset tag cannot reasonably be attached to the asset, there should be another method to associate the physical asset with a corresponding asset management record, i.e. a serial or VIN number that is visible on both the physical asset and in the Asset Management record.

8.4.1.3 Asset Profile ID

In the process of purchasing an asset, an asset profile ID must be selected; this asset profile ID will assure that the correct useful life and depreciation is applied in Asset Management. When creating a requisition, in the Accounting Defaults section, Asset Information tab, all available profiles are accessible using the 'lookup' function. The main categories (first three digits of profile) are listed in the [Comptroller Capital Asset Policy](#).

8.4.2 Transfer/Disposal of Capital Assets

All transfers, sales, retirements and other disposals of capital assets must be processed through and approved by State Surplus Property division of IDOA by submitting Form 13812, Notification of Surplus State-Owned Property. See www.in.gov/idoa/2365.htm.

8.4.2.1

Transfer of Capital Assets to another State Agency

If an asset is being transferred from one agency to another agency, or if an asset is being transferred from one business unit to another business unit within an agency, the “donator” agency or business unit will generate the Transfer process in PeopleSoft Asset Management. The “receiving” agency or business unit must manually assign a new asset tag number to the asset. The acquisition date and original cost for the asset do not change. The fund number for the asset must be changed to a “receiving” agency fund number. When the transfer is made, the asset cost and accumulated depreciation will be automatically transferred as well.

8.4.2.2

Transfer by Sale of Capital Asset to Other State Agency

A sale of an asset to another state agency must also be approved by IDOA State Surplus or, in the case of motor vehicles, trailers, and INDOT road equipment, IDOA Fleet Management. State Surplus or Fleet Management will work with the agency to determine the type of sale, location, etc. Net proceeds, after selling costs of Surplus or Motor Pool, are subsequently credited to the selling agency.

8.4.3

Retirement of Capital Assets

The Department of Administration establishes guidelines and requirements relating to the retirement of agency assets. All retirements, whether or not IDOA State Surplus is involved, must be recorded in the PeopleSoft Asset Management system, including accounting for any money received. Documentation of the asset retirement should also be retained.

Generally, surplus property may be considered “retired” if disposed of in any of the following ways:

- Sent to State Surplus property division. Most assets should be retired by this method. (AM Retirement Code - State Surplus)
- Software License Retirement. Retirement in the PeopleSoft Asset Management system due to expired software licensing. State Form 13812 required to be completed and should be kept for audit purposes. (AM Retirement Code – Software License Retirement)
- Trade-in for another asset from an outside party; since a purchase is involved here, IDOA Procurement and Surplus property must be involved; requisitions for the new items must include the price without trade-in, the trade-in value, and the price with trade-in. (AM Retirement Code – Traded in for Another Asset)

Note: As only the net cost will be pulled to AM from the PO, it will be necessary for the agency asset staff to make a Cost Adjustment to the asset in AM in order to bring the value to FMV for correct valuation and depreciation. Failure to complete this could result in significant underreporting of the State’s assets on the Annual Comprehensive Financial Report.

- Scrap when the only reasonable disposition of the asset is to discard or recycle the asset. This should only be done when the asset has no other economical use to other agencies, or auction value;

contact the Recycling Program Manager in the Operations Division of the Department of Administration prior to disposal. (AM Retirement Code – Scrapped Asset)

- Sell at public auction or by sealed bid; Surplus Property will determine method of sale. Net proceeds, after costs of Surplus or Motor Pool, are credited to the selling agency. (AM Retirement Code – Retirement by Sale)
- Sell to local unit of government by sealed bid; Surplus Property will assist. Net proceeds, after costs of Surplus or Motor Pool, are credited to the selling agency. (AM Retirement Code – Retirement by Sale)
- Stolen (or suspected stolen) assets should be reported to the Capital Police and the Office of the Inspector General prior to processing retirement. (AM Retirement Code – Disposal Due to Theft)
- Assets destroyed by flood, fire, etc. Document the event resulting in the loss. (AM Retirement Code - Casualty Loss)
- Retirement in system due to duplicate entry. Used when an asset has for some reason been entered into the system twice or more. (AM Retirement Code – Duplicate)
- Missing asset. This should be a temporary status, to be reversed when the asset or asset disposal documentation is found, or only used if the agency is sure that the asset has not been stolen, but are still unable to locate the asset or disposal information. A comment should be added in the Location/Comments/Attributes tab of the Basic Add screen explaining the reason for the missing status. (AM Retirement Code – Missing Asset)
- If a damaged or defective asset has been replaced under warranty, the original asset may be retired, and the new asset will be entered into AM under a new asset ID and tag. (AM Retirement Code - Replaced Under Warranty)
- If an item does not meet the requirements to be a capital asset but has been coded into AM in error, it should be retired from the system. Documentation (paper or electronic) should be retained explaining the nature of the error and reason for retirement. (AM Retirement Code – Coded as Asset in Error)
- If the agency keeps an asset at the end of a lease, the Comptroller will retire the asset as an “Expired Lease”. The agency will need to re-enter the asset in the system. See 8.4.4. (AM Retirement Code – Expired Lease)

**Must have prior permission of State Surplus Property Division or, in the case of vehicles, Fleet Management*

8.4.4 Leased Assets

If a capital asset is acquired through a lease contract, this must be indicated in the checkbox when the purchase order is created. Purchase order staff should take care to NOT enter an asset profile or flag as an asset. The accounting department of the Comptroller will review all lease contracts and enter applicable information into the Asset Management system, thus determining whether a “capital” or “operating” lease. If a “capital” lease, financial information, including depreciation, for the asset will be maintained the same as for a purchased asset. A Lease Guide for ePro Users is available on the IDOA website ([IDOA Purchase Order Documents](#)); procedures therein must be followed and required documents sent to the Comptroller staff.

If the agency keeps the asset at the end of the lease, the Comptroller will retire the asset using the retirement code "Expired Lease". When you receive notification of this retirement, you will need to re-enter the asset in the system following the guidelines provided.

8.4.5 *Assets Purchased with Federal Funds or through Capital Projects*

If assets are purchased with federal funds and/or through a capital construction project, this information will be maintained in Project Costing. When completed, the asset should be added to AM as a Basic Add in Asset Management.

Assets Purchased with Federal Funds

The title of equipment purchased by an agency with federal funds, in whole or in part, vests with the State. The agency is to use, manage, and dispose of the asset in accordance with State laws, rules, and procedures. The asset shall be used by the agency in the program or project for which it was acquired for as long as needed, whether or not the project or program continues to be supported by federal funds.

Property records must be kept in compliance with state rules. In addition, the records must include the percentage of federal participation in the cost of the asset, the location, use and condition of the asset, and ultimate disposition data including the date of disposal and any sales price. Agencies should maintain this information on the PeopleSoft financial system. Records showing proper disposition of the asset should be maintained at least three years from date of disposition.

Any purchase, use, or disposal of assets purchased with federal funds must be in accordance with guidelines established in Office of Management and Budget Code of Federal Regulations [Title 2 Part 200](#).

8.4.6 *Physical Inventories*

Each year a physical inventory is to be taken and compared to the master listing from the PeopleSoft Asset Management system. This helps to ensure the asset inventory is accurate and that assets have not left the agency without authorization. Physical inventories aid in ensuring that all capital assets purchased or acquired by the agency have been added to Asset Management, and assets disposed of have been removed from Asset Management. It also aids in identifying unused or obsolete assets, and missing or stolen assets. Evidence of the physical inventory must be maintained in the agency's records:

The office of the Comptroller has created public query SOIAM025_PLUS_AUTHORIZED to aid in this process. Begin by running the query to get a list of all assets currently recorded as In Service for the agency, then:

- *Verify that each asset on the list is still in possession of the agency.*
- *If asset cannot be located, verify if the asset has been disposed of but not retired from the system, has been stolen, or is otherwise missing.*
- *Review purchases made since the previous inventory to ensure all eligible asset purchases or acquisitions have been added to AM per the requirements of the State Capital Asset Policy.*
- *Add or retire assets from AM as needed.*
- *Certify performance of the inventory as described below.*

To certify the inventory has been performed, the following information will be included in Asset Management utilizing the Location/Comments/Attributes and Manufacture/License/Custodian tabs and the Authorization section of the Location and Custodian tabs:

- Update the current location of the asset. Add the date of the inventory certification as the Location Effective Date and Authorization Date. Authorizer is certifying that the asset has been accounted for by the agency.

Note: The location should be where the asset is physically located. If the asset is not stationary, the location should be the facility or building that “owns” the asset or has been delegated responsibility for the asset. Staff of the location entered should be able to reasonably and timely provide assurance that the asset can be accounted for and located.

- Update the current custodian (last name, first name) of the asset. Add the date of the inventory as the Effective Date and Authorization Date. Authorizer is certifying that the asset has been accounted for by the agency.

Note: The custodian of an asset should be the person in physical possession of the asset, or a person who can reasonably and timely provide assurance and/or evidence that an asset can be accounted for and located (i.e. a warehouse manager, branch manager, office supervisor, etc.).

Please contact the Comptroller Accounting Department for technical assistance or questions about mass changes for capital assets.

8.5 APPENDICES

8.5.1 Capital Asset Policy

The official capital asset policy of the State of Indiana, as established by the Comptroller and approved by the Indiana Department of Administration, is located on the Comptroller’s website.

8.5.2 Capital Asset Reports/Queries

Several custom reports and queries have been designed to provide agencies (and auditors) with lists of capital assets and all pertinent information. Listed below are public queries which will give you necessary information for maintaining accurate asset records. We recommend that the AM Staff use a schedule to monitor asset activity using these queries.

- **SOIAM025_PLUS_AUTHORIZED** – This query is modeled after the Asset Master report. The results include all successfully capitalized, in service, non-leased asset for the requested BU. The fields returned include acquisition date, asset descr, tag number, capitalized cost and serial number, as well as the custodian and location and their most current effective date. Also shows authorizations for the custodian and location.

- **SOIPO_ASSET_FLAGGED_POS** – At this time, new assets purchased by the State should be interfacing from ePro and AP into AM. This query will allow AM team members to monitor the activity in ePro prior to the interfacing process. This is more than just an error report. AM team members should work with the ePro staff to make sure that the correct PO lines are identified as assets, that non-assets aren't incorrectly flagged as assets, and that the correct profile ids have been selected. Reviewing this report will greatly reduce the number of asset related errors that need to be resolved in AM. The report should be run as often as necessary to ensure accurate results.

8.5.3 Capital Asset Categories and Expense Accounts

Note: Due to periodic additions in asset profiles to provide additional detail, profiles are no longer included in this chart. Profile details can be accessed on the PeopleSoft system (see 8.4.1.3). When searching for a profile, enter the Category digits from this table:

CATEGORY	DESCRIPTION/COMMENT	ACCT #
101 LAND USEFUL LIFE – DOES NOT APPLY	Non depreciable land purchases, including easements with indefinite useful lives	551101
110 ASSOCIATED LAND COSTS USEFUL LIFE – DOES NOT APPLY	Non depreciable; becomes part of land cost	551110
120 TEMPORARY LAND RIGHTS USEFUL LIFE – TERM OF CONTRACT/AGREEMENT	Amortizable; for land rights with noted beginning and end date; New category; created especially for amortization of land as required by GASB 51	551120
130 SITE IMPROVEMENTS USEFUL LIFE – 240-720 MONTHS BY PROFILE	Depreciable types of infrastructure; formerly in 151, but need to be depreciated	551130
150 LAND DAMAGE IMPROVEMENTS USEFUL LIFE – DOES NOT APPLY	Non depreciable; becomes part of land cost	551150
151 IMPROVEMENTS TO LAND USEFUL LIFE – DOES NOT APPLY	Non depreciable; becomes part of land cost; an improvement to land that would increase the value of the land	551151
160 HWY RELOCATION REIMBURSEMENT USEFUL LIFE – DOES NOT APPLY	Non depreciable; becomes part of land cost	551160
161 ANTIQUES & INEXHAUSTIBLE COLLECTIONS USEFUL LIFE – DOES NOT APPLY	Non depreciable; collections to be retained indefinitely or, if sold, replaced with a similar collection	551161

CATEGORY	DESCRIPTION/COMMENT	ACCT #
170 LAND ACQUISITION PROF SERVICE USEFUL LIFE – DOES NOT APPLY	Non depreciable; becomes part of land cost	551170
301 BUILDINGS USEFUL LIFE – 480 MONTHS	Depreciable; profiles self-explanatory	555301
351 IMPROVEMENTS TO BUILDINGS USEFUL LIFE – 480 MONTHS	Depreciable; should include cost of subsequent additions or improvements that increase functionality (effectiveness or efficiency) or extend useful life of building, but exclude cost of repairs, which should be expensed.	555351
401 STRUCTURES OTHER THAN BUILDINGS USEFUL LIFE – 240 MONTHS	Depreciable; other structures not considered as infrastructure	555401
402 DOCKS – PORTS OF INDIANA USEFUL LIFE – 240 MONTHS	Depreciable; should include cost of subsequent additions or improvements that increase functionality (effectiveness or efficiency) or extend useful life of dock, but exclude cost of repairs, which should be expensed	555402
403 HARBORS – PORTS OF INDIANA USEFUL LIFE – 480 MONTHS	Depreciable; should include cost of subsequent additions or improvements that increase functionality (effectiveness or efficiency) or extend useful life of dock, but exclude cost of repairs, which should be expensed	555403
404 HARBOR IMPROVEMENTS – PORTS OF INDIANA USEFUL LIFE – 300 MONTHS	Depreciable; should include cost of subsequent additions or improvements that increase functionality (effectiveness or efficiency) or extend useful life of dock, but exclude cost of repairs, which should be expensed	555404
405 – MOORING CELLS/STRUCTURES-CELLS USEFUL LIFE – 240 MONTHS	Depreciable; should include cost of subsequent additions or improvements that increase functionality (effectiveness or efficiency) or extend useful life of dock, but exclude cost of repairs, which should be expensed	555405
406 – MOORING CELLS/ STRUCTURES-IMPROVEMENT USEFUL LIFE – 240 MONTHS	Depreciable; should include cost of subsequent additions or improvements that increase functionality (effectiveness or efficiency) or extend useful life of dock, but exclude cost of repairs, which should be expensed	555406

CATEGORY	DESCRIPTION/COMMENT	ACCT #
451 IMPROVEMENTS TO STRUCTURES OTHER THAN BUILDINGS USEFUL LIFE – 240 MONTHS	Depreciable; should include cost of subsequent additions or improvements that increase functionality (effectiveness or efficiency) or extend useful life of building. but exclude cost of repairs, which should be expensed	555451
501 OFFICE EQUIPMENT USEFUL LIFE – 60 MONTHS	Depreciable; not to include maintenance contract costs, which should be expensed	555501
502 HOUSEHOLD, KITCHEN,LAUNDRY USEFUL LIFE – 60 MONTHS	Depreciable; profiles self-explanatory	555502
503 OFFICE FURNITURE USEFUL LIFE – 84 MONTHS	Depreciable; profiles self-explanatory	555503
505 AUTOMOBILES USEFUL LIFE – 96 MONTHS	Depreciable; profiles self-explanatory	555505
506 STA WAGON, VAN,SUV USEFUL LIFE – 120 MONTHS	Depreciable; profiles self-explanatory	555506
507 PICK UP TRUCKS USEFUL LIFE – 108 MONTHS	Depreciable; profiles self-explanatory	555507
508 MED/HVY TRUCKS USEFUL LIFE – 168 MONTHS	Depreciable; profiles self-explanatory	555508
509 GRADERS USEFUL LIFE – 120 MONTHS	Depreciable; graders for construction sites	555509
510 MOWERS USEFUL LIFE – 60 MONTHS	Depreciable; profiles self-explanatory	555510
511 TRANSPORTATION EQUIPMENT USEFUL LIFE – 60 MONTHS	Depreciable; profiles self-explanatory	555511
512 SNOW PLOWS/SNOW EQUIP USEFUL LIFE – 60 MONTHS	Depreciable; profiles self-explanatory	555512
513 CONSTRUCTION AND ENGINEERING EQUIPMENT USEFUL LIFE – 60 MONTHS	Depreciable; profiles self-explanatory	555513
514 BUILDING & PLANT EQUIPMENT USEFUL LIFE – 120 MONTHS	Depreciable; profiles self-explanatory	555514

CATEGORY	DESCRIPTION/COMMENT	ACCT #
515 MANUFACTURING EQUIPMENT USEFUL LIFE – 84 MONTHS	Depreciable; profiles self-explanatory	555515
516 DESIGN & LOCATION ENGINEERING EQ. USEFUL LIFE – 60 MONTHS	Depreciable; profiles self-explanatory	555516
517 ENGINEERING/TESTING/SAFETY EQUIPMENT USEFUL LIFE – 60 MONTHS	Depreciable; profiles self-explanatory	555517
518 PAVING/MAINTENANCE EQUIPMENT USEFUL LIFE – 84 MONTHS	Depreciable; profiles self-explanatory	555518
520 TRAFFIC REGULATORY EQUIPMENT USEFUL LIFE – 60 MONTHS	Depreciable; profiles self-explanatory	555520
521 MEDICAL AND LABORATORY EQUIPMENT USEFUL LIFE – 60 MONTHS	Depreciable; profiles self-explanatory	555521
522 EDUCATIONAL EQUIPMENT USEFUL LIFE – 60 MONTHS	Depreciable; profiles self-explanatory	555522
523 RECREATIONAL EQUIPMENT USEFUL LIFE – 60 MONTHS	Depreciable; profiles self-explanatory	555523
526 TRACTORS USEFUL LIFE – 120 MONTHS	Depreciable; profiles self-explanatory	555526
527 REST AREA EQUIPMENT USEFUL LIFE – 60 MONTHS	Depreciable; profiles self-explanatory	555527
528 AIRCRAFT USEFUL LIFE – 120 MONTHS	Depreciable; profiles self-explanatory	555528
529 SPREADER USEFUL LIFE – 60 MONTHS	Depreciable; profiles self-explanatory	555529
530 RADIO/TELEPHONE EQUIPMENT USEFUL LIFE – 60 MONTHS	Depreciable; profiles self-explanatory	555530

CATEGORY	DESCRIPTION/COMMENT	ACCT #
531 WINDOW AIR CONDITIONER USEFUL LIFE – 60 MONTHS	Depreciable; profiles self-explanatory	555531
532 FIELD CROP AGRICULTURAL EQUIPMENT USEFUL LIFE – 84 MONTHS	Depreciable; profiles self-explanatory	555532
533 OTHER FARM/AGRI EQUIPMENT USEFUL LIFE – 84 MONTHS	Depreciable; profiles self-explanatory	555533
534 BOATS, MOTORS & OTHER MARINE EQUIPMENT USEFUL LIFE – 84 MONTHS	Depreciable; profiles self-explanatory	555534
536 WEAPONS & RELATED RIOT CONTROL EQUIPMENT USEFUL LIFE – 60 MONTHS	Depreciable; profiles self-explanatory	555536
537 WEIGH STATION EQUIPMENT USEFUL LIFE – 60 MONTHS	Depreciable; profiles self-explanatory	555537
538 LANDSCAPING EQUIPMENT USEFUL LIFE – 60 MONTHS	Depreciable; profiles self-explanatory	555538
539 SHOP EQUIPMENT USEFUL LIFE – 60 MONTHS	Depreciable; profiles self-explanatory	555539
540 MAINFRAME COMPUTERS & PERIPHERAL DEVICES USEFUL LIFE – 36 MONTHS	Depreciable; not to include costs of maintenance contracts, which should be expensed	555540
541 CAMERA EQUIPMENT USEFUL LIFE – 60 MONTHS	Depreciable; profiles self-explanatory	555541
542 FIRE FIGHTING EQUIPMENT USEFUL LIFE – 60 MONTHS	Depreciable; profiles self-explanatory	555542
543 TRASH DUMPSTER USEFUL LIFE – 60 MONTHS	Depreciable; profiles self-explanatory	555543
544 MICROFORM, READER & REPRODUCING EQUIPMENT USEFUL LIFE – 60 MONTHS	Depreciable; profiles self-explanatory	555544

CATEGORY	DESCRIPTION/COMMENT	ACCT #
553 COMPUTER SOFTWARE USEFUL LIFE – 36 MONTHS	Amortizable; includes software for mainframe, midrange and PCs; Category extended to include PC software and amortize as required by GASB 51	555553
554 COMPUTERS AND ACCESSORIES USEFUL LIFE – 36 MONTHS	Depreciable; profiles self-explanatory; not to include costs of maintenance contracts, which should be expensed	555554
556 COMPUTER DATA FILE USEFUL LIFE – 60 MONTHS	Depreciable; profiles self-explanatory	555556
600 ANIMALS USEFUL LIFE – 72 MONTHS	Depreciable; includes all service animals such as police dogs	552601
601 INTERSTATE ROADS USEFUL LIFE – DOES NOT APPLY	Non-depreciable; INDOT modified approach	555600
602 NHS ROADS USEFUL LIFE – DOES NOT APPLY	Non-depreciable; INDOT modified approach	552602
603 NON NHS ROADS USEFUL LIFE – DOES NOT APPLY	Non-depreciable; INDOT modified approach	552603
604 INTERSTATE BRIDGES USEFUL LIFE – DOES NOT APPLY	Non-depreciable; INDOT modified approach	552604
605 NHS BRIDGES NON INTERSTATE USEFUL LIFE – DOES NOT APPLY	Non-depreciable; INDOT modified approach	552605
606 NON NHS BRIDGES USEFUL LIFE – DOES NOT APPLY	Non-depreciable; INDOT modified approach	552606
607 STATE INSTITUTION & PROPERTY ROADS USEFUL LIFE – DOES NOT APPLY	Non-depreciable; INDOT modified approach	552607
608 STATE INSTITUTION & PROPERTY BRIGDES USEFUL LIFE – DOES NOT APPLY	Non-depreciable; INDOT modified approach	552608
614 DNR INFRASTRUCTURE USEFUL LIFE – 240 MONTHS	Depreciable	552614
615 RAILROAD – PORTS OF INDIANA USEFUL LIFE – 600 MONTHS		552615

<i>CATEGORY</i>	<i>DESCRIPTION/COMMENT</i>	<i>ACCT #</i>
616 RAILROAD REHABILITATION USEFUL LIFE – 300 MONTHS		552616
617 STREETS – PORTS OF INDIANA USEFUL LIFE – 360 MONTHS		552617

THE FOLLOWING CATEGORIES ARE RESERVED FOR OPERATING AND CAPITAL LEASES; ONLY THE COMPTROLLER STAFF ARE AUTHORIZED TO APPLY THESE CATEGORIES/PROFILES AFTER DETERMINATION IS MADE WHETHER THE LEASE IS CAPITAL OR OPERATING.

CATEGORY	DESCRIPTION/COMMENT	ACCT #
"OPERATING" LEASES ARE NON-FINANCIAL ASSETS, NOT TO BE CAPITALIZED OR DEPRECIATED		
8101 OP LSE LAND		590111
8301 OP LSE BUILDINGS		590110
8501 OP LSE OFFICE EQUIPMENT		591010
8502 OP LSE HOUSE, KITCHEN, LAUNDRY		591026
8505 OP LSE AUTOMOBILES		591024
8506 OP LSE STA WAG, SUV, ETC.		591024
8507 OP LSE PICK UP TRUCKS		591024
8508 OP LSE MED/HVY TRUCKS		591025
8511 OP LSE TRANSPORTATION EQUIPMENT		591023
8513 OP LSE CONSTRUCTION AND ENGINEERING EQUIPMENT		591028
8515 OP LSE MANUFACTURING EQUIPMENT		591013
8516 OP LSE DESIGN & LOCATION ENGINEERING EQUIP		591037
8518 OP LSE PAVING MAINTENANCE EQUIPMENT		591011
8521 OP LSE MEDICAL AND LABORATORY EQUIPMENT		591033
8522 OP LSE EDUCATIONAL EQUIPMENT		591034

CATEGORY	DESCRIPTION/COMMENT	ACCT #
8523 OP LSE RECREATIONAL EQUIPMENT		591035
8526 OP LSE TRACTORS		591027
8528 OP LSE AIRCRAFT		591016
8530 OP LSE RADIO/ TELEPHONE EQUIPMENT		591019
8533 OP LSE OTHER FARM/AGRI EQUIPMENT		591027
8534 OP LSE BOATS, MOTORS & OTHER MARINE EQUIPMENT		591029
8539 OP LSE SHOP EQUIPMENT		591011
8540 OP LSE MAINFRAME COMPUTERS & PERIPHERAL DEVICES		591018
8544 OP LSE MICROFORM, READER & REPRODUCING EQUIPMENT		591031
8554 OP LSE COMPUTERS AND ACCESSORIES		591018
8556 OP LSE COMPUTER DATA FILE		591036
CAPITAL LEASES ARE CAPITALIZED AND ACCOUNTED FOR AS OTHER CAPITAL ASSETS		
9101 CAP LSE LAND USEFUL LIFE – DOES NOT APPLY	Non depreciable	590111
9301 CAP LSE BUILDINGS USEFUL LIFE – 480 MONTHS	Depreciable	590110
9501 CAP LSE OFFICE EQUIPMENT USEFUL LIFE – 60 MONTHS	Depreciable	591010
9502 CAP LSE HOUSE, KITCHEN, LAUNDRY USEFUL LIFE – 60 MONTHS	Depreciable	591026

CATEGORY	DESCRIPTION/COMMENT	ACCT #
9505 CAP LSE AUTOMOBILES USEFUL LIFE – 96 MONTHS	Depreciable	591024
9506 CAP LSE STA WAG, SUV, ETC. USEFUL LIFE – 120 MONTHS	Depreciable	591024
9507 CAP LSE PICK UP TRUCKS USEFUL LIFE – 108 MONTHS	Depreciable	591024
9508 CAP LSE MED/HVY TRUCKS USEFUL LIFE – 168 MONTHS	Depreciable	591025
9511 CAP LSE TRANSPORTATION EQUIPMENT USEFUL LIFE – 60 MONTHS	Depreciable	591023
9513 CAP LSE CONSTRUCTION AND ENGINEERING EQUIPMENT USEFUL LIFE – 60 MONTHS	Depreciable	591028
9515 CAP LSE MANUFACTURING EQUIPMENT USEFUL LIFE – 84 MONTHS	Depreciable	591013
9516 CAP LSE DESIGN & LOCATION ENGINEERING EQUIP USEFUL LIFE – 60 MONTHS	Depreciable	591037
9518 CAP LSE PAVING MAINTENANCE EQUIPMENT USEFUL LIFE – 84 MONTHS	Depreciable	591011
9521 CAP LSE MEDICAL AND LABORATORY EQUIPMENT USEFUL LIFE – 60 MONTHS	Depreciable	591033
9522 CAP LSE EDUCATIONAL EQUIPMENT USEFUL LIFE – 60 MONTHS	Depreciable	591034
9523 CAP LSE RECREATIONAL EQUIPMENT USEFUL LIFE – 60 MONTHS	Depreciable	591035
9526 CAP LSE TRACTORS	Depreciable	591027

CATEGORY	DESCRIPTION/COMMENT	ACCT #
<i>USEFUL LIFE – 120 MONTHS</i>		
9528 CAP LSE AIRCRAFT <i>USEFUL LIFE – 120 MONTHS</i>	<i>Depreciable</i>	591016
9530 CAP LSE RADIO/ TELEPHONE EQUIPMENT <i>USEFUL LIFE – 60 MONTHS</i>	<i>Depreciable</i>	591019
9533 CAP LSE OTHER FARM/AGRI EQUIPMENT <i>USEFUL LIFE – 84 MONTHS</i>	<i>Depreciable</i>	591027
9534 CAP LSE BOATS, MOTORS & OTHER MARINE EQUIPMENT <i>USEFUL LIFE – 84 MONTHS</i>	<i>Depreciable</i>	591029
9539 CAP LSE SHOP EQUIPMENT <i>USEFUL LIFE – 60 MONTHS</i>	<i>Depreciable</i>	591011
9540 CAP LSE MAINFRAME COMPUTERS & PERIPHERAL DEVICES <i>USEFUL LIFE – 36 MONTHS</i>	<i>Depreciable</i>	591018
9544 CAP LSE MICROFORM, READER & REPRODUCING EQUIPMENT <i>USEFUL LIFE – 60 MONTHS</i>	<i>Depreciable</i>	591031
9553 CAP LSE MAINFRAME SOFTWARE – 36 MONTHS	<i>Amortizable</i>	
9554 CAP LSE COMPUTERS AND ACCESSORIES <i>USEFUL LIFE – 36 MONTHS</i>	<i>Depreciable</i>	591018
9556 CAP LSE COMPUTER DATA FILE <i>USEFUL LIFE – 60 MONTHS</i>	<i>Depreciable</i>	591036