

Fixed Asset Capitalization Policy

1. **Policy Accountable Owner:** FIN Finance
2. **Policy Name:** Fixed Asset Capitalization Policy
3. **Purpose of Policy:** To clarify when a fixed asset of the Foundation should be capitalized.

Policy Procedures:

A Foundation Fixed Asset should be capitalized when:

- a. The cost of a capital asset is equal to or greater than \$5,000 AND
- b. The lifespan of the asset is three years or more AND
- c. The asset meets the definition of a Capital Asset Expenditure including:
 - i. A totally new replacement of an existing asset AND/OR
 - ii. An improvement to existing assets as long as they meet the above requirements
AND/OR
 - iii. A new, previously non-existent asset/item.

APPROVED BY: Board of Directors
SUPERCEDES: All Prior Dates
REVIEW DATE: 2024 (3 years – Or sooner if required by Audit)
EFFECTIVE DATE: February 25, 2021