THE UNIVERSITY OF TENNESSEE CAPITALIZATION POLICY

MOVEABLE EQUIPMENT: The University generally defines movable equipment as those items acquired by purchase, gift, or assembly which have the following characteristics:

Appearance and Life. Equipment has a useful life of one or more years while retaining its general appearance and shape.

Repairable. Equipment is non-expendable. If the item is damaged or parts are worn out, it is usually more feasible to repair the equipment than to replace it.

Maintenance of Identity. Equipment does not lose its identity when it is incorporated into a different or more complex unit.

Movable. Normally not attached to or made a part of a building. Able to be moved without significant disruption to ongoing operations.

Movable equipment is further categorized and defined below as either Capital Equipment or Sensitive Minor Equipment.

CAPITAL EQUIPMENT: items which have a unit cost or fair value of $5,000 or more. The $5,000 threshold includes freight and the costs to put the equipment in service.

SENSITIVE MINOR EQUIPMENT: items which are both vulnerable to theft and have a unit cost or fair value between $1,500 and $4,999.99.

The following specific items are defined as sensitive minor equipment:

- boat motors, boat trailers, boats, cameras, camera lenses, canoes, computers, fax machines, forklifts, ham radios and receivers, LCD/multimedia projectors, marine band transmitters and receivers, microscopes, motorized vehicles, musical instruments, oscilloscopes, printers, riding lawn mowers, radio scanners, spectrum analyzers, switches/routers/hubs, televisions, tractors, two-way radio transmitters and receivers, vector scopes, video cameras, video recorders and players, waveform monitors, and firearms*.

*All firearms must be recorded regardless of price.

These items will be included on the annual departmental inventory and must be tagged.