

**TENNESSEE BOARD OF REGENTS
ASSET CLASSIFICATION**

Asset Class	Useful Life	REAL PROPERTY
	N/A	Land Nondepreciable Asset with costs that directly relate to land's unlimited life. Examples include the purchase price, cost incurred in closing such as title to the land, attorney's fees and recording fees, costs incurred in getting the land in condition for its intended use, such as excavation, grading, filling, draining, and clearing, assumption of any liens, mortgages or encumbrances on the property, and any additional land improvements that have an indefinite life.
	20	Land Improvements Functional and Cosmetic improvements that ready land for its intended use Examples include but are not limited to site improvements such as landscaping (including shrubbery flowers, trees); retaining walls; parking lots; fencing; sidewalks; sculptures; and art work.
	40	Buildings Relatively permanent structure Includes but not limited to academic buildings, dormitories, apartments, and barns.
	The lesser of useful asset life or lease	Leasehold Improvements (Operational Leases) Examples include but are not limited to the construction of new buildings, reconstruction and improvement of existing buildings. (If option to renew lease for additional years and the likelihood of renewal is too uncertain the leasehold improvements are generally written off over the original term of the lease assuming useful life of the asset is longer than the lease.)
	20	Infrastructure Improvements related to the skeleton structure and function of the campus Examples include but not limited to roads, steam lines, chiller systems, storm sewers, tennis courts, sewer lines, severe weather systems, lighting, radio or television towers, water lines, signage, all weather track, telecommunications and computing wiring, and energy management systems.
Asset Class	Useful Life	PERSONAL PROPERTY
	20	Furniture Movable furniture that is not a structural component of buildings. Examples include but not limited to desk, tables, file cabinets, safes.
	10	Office and operational equipment Office and operational equipment other than computers and peripherals. Examples include but are not limited to copiers, sorters, folders filing systems, printing press, shop equipment, athletic equipment, kitchen equipment, generators, and yard equipment.
	5	Computers and peripheral equipment
	10	Educational and scientific equipment Classroom or laboratory equipment used to conduct the normal program of educational and research activity Audio visual, classroom demonstration models, electronic instruments, lab equipment, surveying equipment, radio equipment, pianos, and other musical instruments.
	5	Motorized Vehicles Examples include cars, mini vans, vans, boats, light general purpose trucks.
	10	Heavy Equipment Examples include but are not limited to buses, heavy general purpose trucks, forklifts, snowplows, athletic scoreboards, turfs, and agriculture equipment.
	10	Library Holdings Library, music, artistic or reference material Examples include books, periodicals, microfilm, microfiche, government documents, films, videocassettes, audiocassettes, phonorecord compact disc - audio, slide set, filmstrip, transparency, maps, multimedia kit, three-dimensional models, uncatalogued pamphlets, computer software manuscripts and archivals, photograph, and compact disc.
	10	Computer Software > \$100,000
	N/A	Electronic databases and ebooks - will be expensed
	N/A	Livestock - expensed unless cost >\$5,000, then educational equipment