

University of Connecticut

Accounting Office

Inventory Control / Capitalization

Capitalization Thresholds

Type of Purchase	Capitalization Threshold	Object Codes*
Equipment	\$5,000	8202, 8205, 8210, 8215, 8217, 8220, 8222, 8293
Equipment under capital lease	\$5,000	8280
Motor Vehicles	\$5,000	8230, 8235, 8240
Artwork and Collections	\$5,000	8260
Computer Software License (useful life of 3 or more years)	\$5,000	8245, 8248, 8250
Software Internally Generated (Major Software Projects)	\$5,000	8255
Long-Term Software Commitments (Total payments in contract are over \$500K)	\$500,000	8247
Other Intangible Assets	\$5,000	8257
Land	No minimum	8400
Attached Equipment, Buildings	\$100,000	8270, 8271, 8272, 8273
Attached Equipment, Nonstructural**	\$100,000	8275, 8276, 8277, 8278
New construction, renovations, improvements to buildings/nonstructural assets	\$100,000	Same as Attached Equipment if not in a Construction Project Account; Capital Project object codes if within a Construction Project Account

*See [KFS Expense Object Code Descriptions](#) for details

**Nonstructural assets are infrastructure and land improvements. Examples include roads, parking lots, sidewalks, underground utilities, outdoor electrical installations, outdoor athletic fields, landscaping, fences, etc.