

Leasehold Improvements

The cost of improvements to leased land, buildings, structures, and utilities occupied by the DON. When leasehold Improvements meet or exceed the DoD capitalization criteria, such improvements shall be capitalized and amortized.

Beginning Balance

The beginning balance is automatically populated from the ending balance reported in the prior fiscal year (no deduction for depreciation or amortization). If the beginning balance is incorrect, adjustments should be reported in the "prior period adjustment" column.

Acquisitions

The dollar value of purchases made and received to date for the current fiscal year. Sources for entries include journal vouchers and documents transferring completed construction projects to this account.

Transfers In

The dollar value of transfers in (without reimbursement) to date for the current fiscal year. Transfers within the DON should be eliminated for DCI reporting purposes.

Sales

The dollar value of sales to date for the current fiscal year.

Disposals

The dollar value of disposals to date for the current fiscal year.

Transfers Out

The dollar value of transfers out (without reimbursement) to date for the current fiscal year. Transfers within the DON should be eliminated for DCI reporting purposes.

PP&E Revaluation

The dollar value of changes due to revaluation to date for the current fiscal year.

Prior Period Adjustments

The dollar value of changes in Leasehold Improvement to correct valuation error(s) in prior period reporting or to reflect changes in accounting policy. If data is entered in this field, an explanation in the narrative section is required.

Ending Balance

The Leasehold Improvement balance at the end of the current reporting period. This value will be calculated based on the other data entered in the form. To perform the calculation, enter your data, then click on the save button at the bottom of the page. When you re-enter the form, the ending balance field will be populated.

% Change

The variation between the beginning balance and ending balance for the current reporting period. This field is automatically calculated after the form is saved.

Valuation Method

Valuation Methods:

LAC = Latest Acquisition Cost

SP = Standard Price

AC = Actual Cost

NRV = Net Realizable Value

O = Other

Form B. Major Asset Classes - Depreciation**Depreciation Beginning Balance**

The beginning balance is automatically populated from the ending balance reported in the prior fiscal year. If the beginning balance is incorrect, adjustments should be reported under the "prior period adjustment" column.

Current Period Depreciation Expense

The depreciation expense for Leasehold Improvement to date for the current fiscal year. If a leasehold improvement that meets the DoD capitalization threshold has been made to a capital lease, the improvement shall be amortized over the term of the lease. If a leasehold improvement that meets the DoD capitalization threshold has been made to an asset that has been procured by an operating lease, the leasehold improvement shall be amortized over 20 years or the expected duration of the lease, whichever is less.

Reductions to Accumulated Depreciation

The amount of accumulated depreciation to date for Leasehold Improvement items removed due to sales, disposals and transfers out for the current fiscal year.

Revaluation

The dollar value of adjustments to Leasehold Improvement depreciation to date due to revaluation and depreciation policy changes in the current fiscal year.

Prior Period Adjustments

The dollar value of changes in Depreciation to correct valuation error(s) in prior period reporting or to reflect accounting policy changes. If data is entered in this field, an explanation in the narrative section is required.

Depreciation Ending Balance

The Depreciation balance at the end of the current reporting period. This value will be calculated based on the other data entered in the form. To perform the calculation, enter your data, then click on the save button at the bottom of the page. When you re-enter the form, the ending balance field will be populated.

Depreciation (Amortization) Method

Enter the method of depreciation used:

SL= Straight-line

O= Other

Service Life

The number of years over which Leasehold Improvement is typically amortized or depreciated. If a leasehold improvement has been made to a capital lease, the improvement shall be amortized over the term of the lease. If a leasehold improvement has been made to an asset that has been procured by an operating lease, the improvement shall be amortized over 20 years or the expected duration of the lease, whichever is less.