

# DEPRECIATION SCHEDULE FY22

23

## Child and Adult Care Food Program

Name of Sponsoring Organization: \_\_\_\_\_

Column A Beginning Mo/Yr	Column B Ending Mo/Yr	Column C Total Number of Months	Column D Item Description	Column E Total Acquisition Cost	Column F Net Acquisition Cost for CACFP (If different from column E)	Column G Dollar amt/mo to be reported as depreciation	Column H Amt of first month pmt

\_\_\_\_\_  
Signature of Sponsor's Authorized Representative Date

**(See other side for instructions)**

# INSTRUCTIONS FOR COMPLETING THE DEPRECIATION SCHEDULE

Equipment and/or furniture over \$5000.00 per item require Montana CACFP Specific Prior Written Approval, (SPWA) prior to purchase/lease. If depreciation is approved, the item must be depreciated, regardless of whether it was purchased new or used, according to the following schedule:

- office furniture depreciated over 7 years
- vehicles depreciated over 5 years
- office machines/equipment depreciated over 5 years
- all computer hardware/printers depreciated over 4 years to match the recommended replacement schedule.

Sponsoring Organizations must report the monthly depreciation with the claim for reimbursement. When depreciation occurs over a 5-year period, monthly depreciation is  $\frac{1}{60}$  (12 months x 5 years) or 1.667 percent of the acquisition cost.

If only a portion of the acquisition cost is supplied by federal funds, a net acquisition cost must be determined. Depreciation may be applied only to the net acquisition cost. The portion of the cost from federal dollars may not be depreciated.

If an item of equipment is acquired by trading in another item and paying an additional amount, "acquisition cost" becomes the net amount paid. The depreciation of idle or obsolete equipment, i.e., fully depreciating and then taking off the books, is unallowable.

Acquisition costs include, in addition to the net invoice price paid for an item, the cost of modification, attachments, or auxiliary apparatus necessary to make it useable for its' intended purpose. Acquisition costs also include any separate payments for delivery and installation of an equipment item.

The depreciation schedule must be completed immediately after purchase approval of the item by MONTANA CACFP.

- Column A: Enter the month and year in which you will first report depreciation on the CACFP Claim for Reimbursement.
- Column B: Enter last month and year in which you will report depreciation on the Expense Worksheet with the Claim for Reimbursement.
- Column C: Using the depreciation schedule above, enter the total number of months of depreciation.
- Column D: Enter the item and complete description including model and/or serial number, if applicable.
- Column E: Enter TOTAL price paid for the item.
- Column F: If some portion of the cost is attributable to another program, enter net acquisition to be charged to CACFP.
- Column G: Enter depreciation amount to be reported each month on the Expense Worksheet with the Claim for Reimbursement.
- Column H: If multiple payments are required in the first month, enter amount here and adjust column B.