

CHIEF ADMINISTRATIVE OFFICE
CITY OF NEW ORLEANS

MITCHELL J. LANDRIEU
MAYOR

ANDREW D. KOPPLIN
FIRST DEPUTY MAYOR & CAO

POLICY MEMORANDUM NO. 48 (R)

December 27, 2013
(was February 13, 2004)

TO: All Departments, Boards, Agencies and Commissions

FROM: Andrew D. Kopplin, First Deputy Mayor and
Chief Administrative Officer 

SUBJECT: CHANGES TO CITY FIXED ASSET CAPITALIZATION POLICY

I. PURPOSE.

The purpose of this memorandum is to revise Policy Memorandum No. 48, regarding the dollar value required for the capitalization of fixed assets and fixed asset tracking.

II. DEFINITIONS.

- A. A fixed asset is any tangible property having a useful life of more than one year and a cost of \$5,000.00 or more for real property. For purposes of this memorandum, personal property is defined as a movable, and real property is defined as an immovable.
- B. Fixed assets generally may be categorized as movables (furniture, fixtures and equipment), and immovable (land, land improvements, buildings and extraordinary renovations). Fixed assets should be distinguished from operating supplies or other items which are intended to be consumed or expended in less than one year.

III. PROCEDURE.

A City policy is herein established that requires the capitalization and depreciation of all movable property having a cost of \$5,000 or more and a life of more than one year, and all immovable property having a cost of \$5,000 or more and a life of more than one year. A City Policy is herein established that requires the Department of Finance to oversee the tracking and tagging of all City assets if their acquisition cost is \$1,000 or more with a useful life of one year or more. Annually, department representatives will confirm capitalized property additions and disposals with the Department of Finance.

IV. INQUIRIES.

Any questions concerning this memorandum should be addressed to the Department of Finance - Bureau of Accounting - Fixed Assets accountant.

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