

**STATE OF VERMONT
CAPITAL ASSET IMPAIRMENT FORM
JUNE 30, 2023**

Capital Asset Impairment Form – ACFR-3

Any department that owns, leases or subscribe to a **capital asset valued at greater than \$100,000** that has undergone impairment must submit a completed Capital Asset Impairment Form. An asset impairment is a significant, unexpected decline in the service utility of a capital asset that will continue to be used in operations. Changes or events that would give rise to an impairment include: fire or flood, unanticipated technological obsolescence, enactment of new regulatory laws causing the asset to lose useful value, or construction stoppage on a capital improvement project due to some unexpected occurrence. SBITA underlying IT assets may result in a change in the manner or duration of use of the subscription asset. Such a change in the manner or duration of use of the subscription asset may mean the service utility of the subscription asset is impaired.

Capital Assets reportable include:

- 1) tangible assets such as buildings and equipment, or
- 2) intangible assets such as Right-to-use Leases and Software-based Information Technology Arrangements used in operations.

Stoppage of construction (CIP), stoppage of development for internally generated intangible assets (both owned, leased, SBITA) are reportable.

Be sure to complete Business Unit Number and Department Name in top right corner

1. Please complete the schedule on Sheet 1 for **all impaired capital assets**.
2. Do NOT fill in the gray shaded areas – these cells contain formulas and are protected.
3. All forms must be approved by an authorized person.
4. Complete the Certification Sheet. By completing this sheet and submitting it electronically from your state email account, it is considered electronically signed and approved by the authorized individual.

Columns on ACFR-3 include:

- Description – include the name of the project or a description of the asset.
- Fund – separate projects with multiple funding sources onto separate lines.
- DeptID – separate projects with multiple DeptID's onto separate lines.
- Historical Cost – this is the original cost of the asset as reported in asset management.
- Accumulated Depreciation – this is the amount of accumulated depreciation as of the date of the impairment.
- Restoration Cost – this is the amount it would cost to restore the asset to its previous condition. Do not include costs related to demolition, clean up, additions, and improvements.
- Replacement Cost – this is the amount it would cost to replace the asset.
- Impairment Loss – this is a calculated balance, showing the amount of the impairment loss.
- Asset ID – this is the AM asset ID associated with the impaired asset.

If there are any questions, please e-mail VISION.ACFR
The completed form should be e-mailed to VISION.ACFR