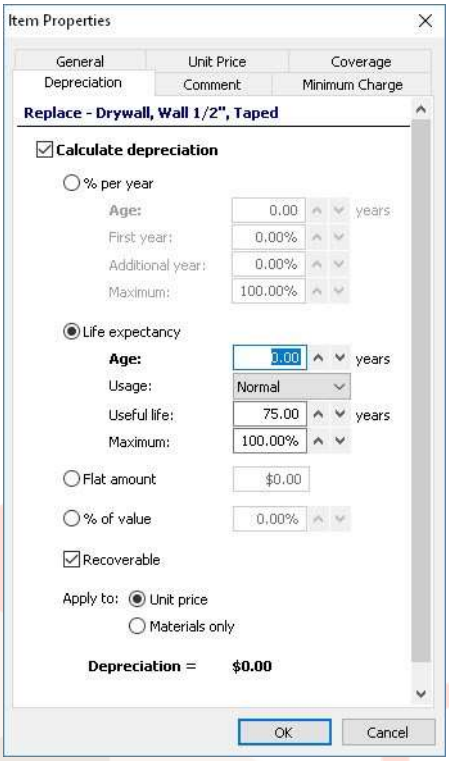
DEPRECIATION

There are several different methods of depreciation, below is an overview of the various methods.



% Per Year

Age	The age of the line item
First year	The percentage you want to depreciate the first of the line item
Additional year	The percentage you want to depreciate all years after the first year
Maximum	The maximum percentage of depreciation per your company standards

Life Expectancy

Age The age of the line item

The drop-down menu allows you to specify the Usage level:

New = The line item is brand new

Usage Light = Infrequent use of the line item Normal = Steady use of the line item Heavy = Frequent and hard use

Useful Life	The system will automatically enter the typical lifespan of the line item
Maximum	The maximum percentage of depreciation per your company standards

Flat Amount

Selecting the Flat amount option will allow you to enter the dollar value of the line item

DEPRECIATION

% of Value

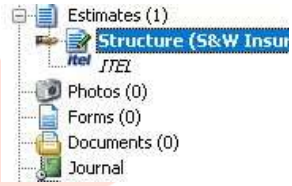
Selecting the % of Value option will allow you to enter the percentage of the total value of the line item
Recoverable

Selecting Recoverable indicates that the amount depreciated will be recovered upon completion of the repair.
Apply to

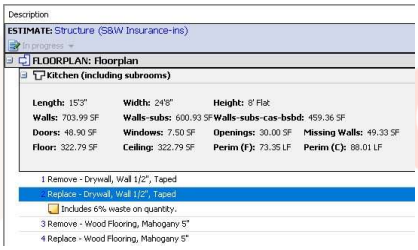
Selecting Unit price will apply depreciation the unit price, including labor and material. Selecting Material only will apply depreciation to materials only and does not include labor.

How to Depreciate a line item
The option to depreciate a line item is found on the Estimate page of the claim file. Follow the steps below to view your estimate and depreciate a single line item.

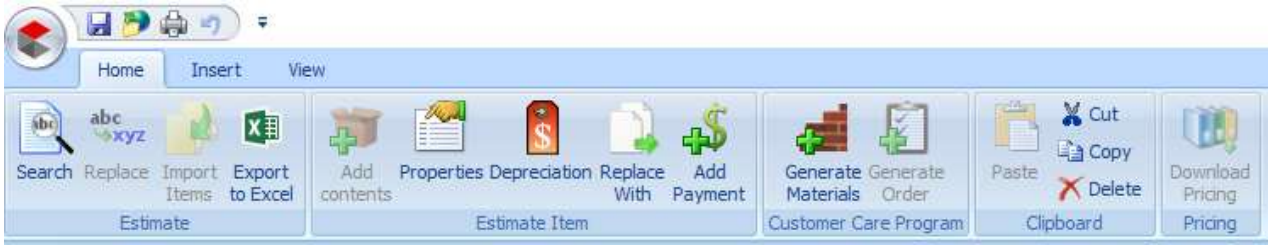
1. In the Claim Explorer, select your estimate. In this example, the estimate is named 'Structure'.



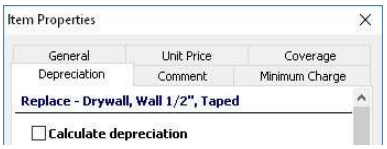
2. From the estimate, select a line item.



3. Click on 'Depreciation' in the Home tab in the ribbon across the top of the screen.

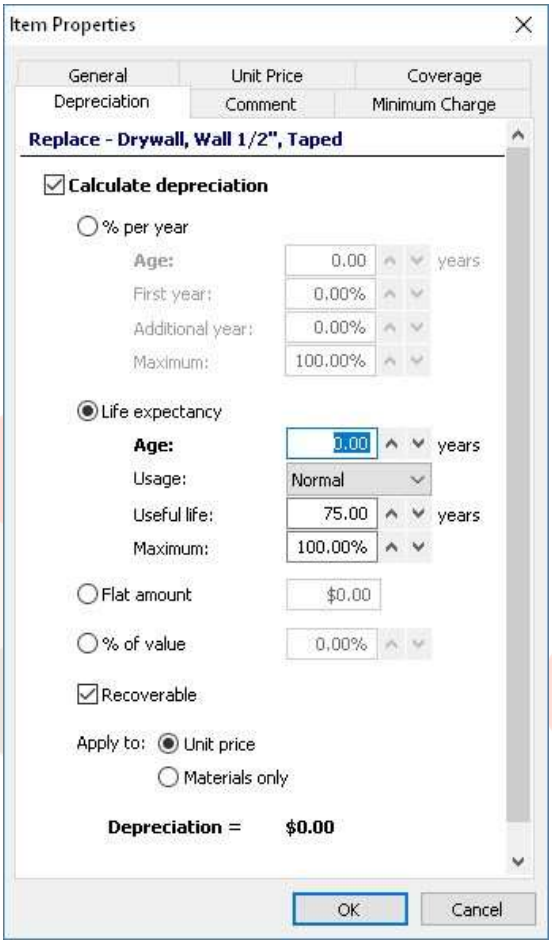


4. The 'Item Properties' window opens and the 'Depreciation' tab is selected. Select the check-box for 'Calculate depreciation'.



Note: There are several different ways to access the 'Item properties' window. As seen in step 3. clicking on 'Depreciation' in the home ribbon is one way, additionally you can right-click or double click on a line item. When the 'Item Properties' window opens, click on the 'Depreciation' tab, then continue with step. 5.

5. Now that 'Calculate depreciation' is selected, all the various methods of depreciation are active options. You may select whichever method your company uses to depreciate. In this example, 'Life expectancy' has been selected.



6. Select 'OK' to apply depreciation.

Global Depreciation

To depreciate globally you need to first select the multiple line items you wish to depreciate. There are two different approaches to selecting multiple line items.

Selecting Multiple Lie Items Using CTRL

Holding down the CTRL key on your keyboard while clicking online items allows you to select multiple line items at random throughout your estimate.

Notice the selected line items above: 2, 4, and 6 are not consecutive. Using the CTRL key allows you to pick and choose a few line items to select, they do not have to be consecutive.
Selecting Multiple Line Items Using Shift

Holding down the Shift key on your keyboard while clicking online items allows to select a start point and an end point to select all the item in between.

Notice that line items 1 through 6 have all been selected. In this example, line item 1. was selected, then the Shift key on the keyboard was held down and line item 6. was selected. Using the shift key is a more efficient approach to selecting multiple line item if you want to select a group of items that are displayed consecutively. You could achieve the same outcome by using the CTRL key, however it would take you longer

How to Display and Print Depreciation on an Estimate
Once you have applied depreciation to your necessary line items who can have it displayed on your estimate.

1. Click on the 'View' tab in the ribbon across the top of your screen

2. Select ACV

3. Now you'll see columns representing ACV, Depreciation, and RC

The blue check marks displayed in the Depreciation column are representing Recoverable Depreciation.

Show Deprecation Applies to
The 'Show depreciation Applies to' feature allows you to indicate on the estimate if the depreciation is applied to Unit price or Materials only. Follow the steps below to turn on the 'Show Depreciation Applies to' feature.

1. Click on the 'View' tab in the ribbon across the top of your screen

2. Click on 'Options' and select 'Show Depreciation Applies to'

3. Now that the 'Show Depreciation Applies to' feature is turned on, in the depreciation column on your estimate, you will see a 'U' to indicate depreciation has been applied to the unit price including material and labor or an 'M' indicating depreciation has been applied to the materials only.