

This document reflects the result of analyses, discussions and review by UCOP staff and PricewaterhouseCoopers (PwC) to date. The document is subject to change pending additional discussions with PwC; however, it represents the best information available to date.

University of California GASB 35 Depreciation Reporting

Addendum A to Issues Resolution Memo No. 10

Establishing Capitalization Thresholds for Additions and Modifications to Buildings & Structures, General Improvements and Infrastructure Assets

This addendum modifies the recommended capitalization threshold policy previously discussed in Issues Resolution Memo (IRM) No. 10.

Capitalization Threshold

The capitalization threshold policy is modified as follows:

- The University will establish the following thresholds for capitalizing improvements, renovations and modifications to buildings, infrastructure assets, and general improvements.
 - Campus \$100,000
 - Medical Centers \$35,000
- Medical center assets will be reported on the medical center financial statements and on the University's consolidated financial statements using the \$35,000 threshold.