

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 B 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 Addendum A.

Capitalization Threshold

Based on the responses received from the campuses regarding the proposed capitalization policy, the University will establish a \$35,000 threshold for capitalizing improvements, renovations and modifications for the following class of assets:

- Buildings and Structures
- Infrastructure Assets
- General Improvements
- Leasehold Improvements

The \$35,000 capitalization threshold applies to campuses and medical centers.