

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. 6

Approach to Library Materials

This addendum provides further clarification to items previously discussed in Issues Resolution Memo (IRM) No. 6.

Treatment of Rare Library Books and Materials

- Rare or museum-type books and other library materials will be capitalized, but not depreciated.
- Where possible, the costs of current rare library books and materials should be segregated and reclassified to a separate Plant Asset account group (102052). The reclassified costs should reflect the historical costs of the material or the fair market value at the time of the donation.
- Beginning July 1, 2000, rare library books and materials acquired with current funds must be recorded with the new object code 9210.

Treatment of Library Materials in F&A Proposals

In accordance with OMB Circular A-21, library collections will continue to be expensed in campus' Facilities and Administrative (F&A) Cost Rate Proposals.

Next Steps

- Campuses should review current library collections and, where possible, reclassify rare library books and materials as of June 30, 2000.
- Beginning July 1, 2000, campuses should capitalize rare library books and materials in the account for rare library materials (account group 102052).
- Beginning July 1, 2000, campuses should use object code 9210 to record expenditures for rare library books and materials.