

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. 7

Approach to Special Collections

This addendum provides further clarification to items previously discussed in Issues Resolution Memo (IRM) No. 7.

Capitalizing Extremely Significant Special Collections of Known and Material Value

IRM No. 7 directs campuses to capitalize (as of June 30, 2000) extremely significant art, museum, and scientific items or collections that were expensed in prior years. These items should be booked at their historical cost or, in the case of gifts, at their fair market value at the time of donation. The intent of the IRM is for campuses to book known special collections of material value. Campuses are not expected to systematically review and reclassify all departmental collections.

If there are questions regarding the treatment of collections, campuses should contact the Vice President for Financial Management to discuss the appropriate treatment.

Tracking Special Collections

While the issue of inventory control is not directly related to depreciation, campuses are expected to track assets and protect them against loss. Therefore, the value of special collections should be recorded in the local equipment inventory system either as individual items, groupings of items, or as collections in total. Special collections should be reported to the Office of the President on the EFA100 file, classified as H5000. If a campus chooses to record a special collection in groupings of items or in total, it/they must be documented by a subsidiary ledger.