



**Meeting Date:** May 21, 2026

**Submitted By:** Amanda Martinez  
**Title:** Director of Finance

**Agenda Item:** Consider and take action regarding approving revision to CFB(LOCAL) Accounting: Inventories - Capitalization Threshold.

## CONSENT ITEM

### **RECOMMENDATION:**

It is recommended that the Board of Trustees approve the amendment to the district's local policy CFB to increase the district's capitalization threshold for the district's assets from \$5,000 to \$10,000.

### **IMPACT/RATIONALE:**

The proposed revision is aligned with updated Federal Uniform Guidance regulations under 2 CFR Part 200.1, which increased the federal capitalization threshold for capital assets from \$5,000 to \$10,000 effective October 1, 2024. The revision also supports compliance with generally accepted accounting principles (GAAP), Governmental Accounting Standards Board (GASB) standards, and Texas Education Agency financial reporting guidance.

### **BOARD ACTION REQUESTED:**

**Approval/Disapproval**

### PROPOSED REVISIONS

#### **Capitalization Threshold**

The capitalization threshold for purposes of classifying individual capital assets shall be \$~~5,000~~10,000.

The Superintendent shall determine the capitalization threshold for a group of assets, the individual cost of which does not exceed the capitalization threshold above but for which the cost in the aggregate is significant.