



County of El Dorado
OFFICE OF AUDITOR-CONTROLLER

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May 31, 2023

**Board of Supervisors
330 Fair Lane
Placerville, California 95667**

Subject: Capitalization Thresholds

Agenda Date: June 20, 2023

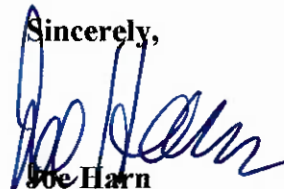
Dear Board Members:

Pursuant to Governmental Accounting Standards Board (GASB) Statement No. 87 (Leases) and Statement No. 96 (Subscription-Based Information Technology Arrangements), the County must capitalize certain leases and software subscriptions.

As the County's chief accounting officer, I have the authority to set the County's capitalization thresholds.

After reviewing the limits used by several other counties, I am setting the threshold for subscription-based information technology arrangements (software subscriptions) at \$100,000 and the threshold for leases at \$5,000.

Sincerely,


Joe Harn
Auditor-Controller