

**UNIVERSITY OF HOUSTON SYSTEM
BOARD OF REGENTS AGENDA**

COMMITTEE: Finance and Administration

ITEM: FY 2008 Reductions in Net Capital Assets

SUMMARY: Approval is requested to write off obsolete equipment and library book inventories with a total residual value of \$301,666 for FY2008 for the Universities of Houston, Clear Lake, Downtown, Victoria and System Administration. The residual value of \$301,666 pertains to \$33.6 million in original book value less \$33.3 million in accumulated depreciation. For FY 2007, the comparable reduction of inventory had residual value of \$429,592 with a book value of \$8.2 million and accumulated depreciation of \$7.7 million.


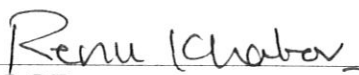
In the disposal of obsolete inventory, the University follows state guidelines for the disposal of fixed assets, which includes sales by public auction, trade-in for purchases, transfers to assistance organizations such as school districts, and, for the library, the removal of books and periodicals from circulation.

	<u>FY 2008</u>	<u>FY 2007</u>
University of Houston	\$ 217,394	\$ 423,409
UH System Administration	190	0
UH - Clear Lake	0	0
UH - Downtown	84,082	6,183
UH - Victoria	<u>0</u>	<u>0</u>
	<u>\$ 301,666</u>	<u>\$ 429,592</u>

SUPPORTING DOCUMENTATION: Schedule of Reduction in Capital Assets for the FY 2008. Detailed schedules are on file in the UH Division of Finance Offices.

ACTION REQUESTED: Approval

COMPONENT: University of Houston System

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PRESIDENT		DATE
		<i>1/30/09</i>
EXECUTIVE VICE CHANCELLOR	Carl Carlucci	DATE
		<i>1/29/09</i>
CHANCELLOR	Renu Khator	DATE