



**MEMORANDUM**

**TO: Board of Trustees, Southwest Texas College**

**FROM: Administration**

**DATE: February 19, 2026**

**SUBJECT: Capitalization Threshold for Assets - Policy CDB(Local)**

Administration recommends increasing the capitalization threshold for individual capital assets from \$5,000 to \$10,000 to match the State of Texas threshold. If approved, the new threshold will be retroactive back to purchases on or after September 1, 2025.

**Capitalization  
Threshold**

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

The College President or designee 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.