

# Welcome to the Brazos Center

- Network: Brazos Center
- Password: BCpatron





THE TEXAS A&M  
UNIVERSITY SYSTEM

# Capital Asset Best Practices Workshop

April 8, 2026

# Welcome, Overview, and AFR Changes

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Controller  
Texas A&M System Office



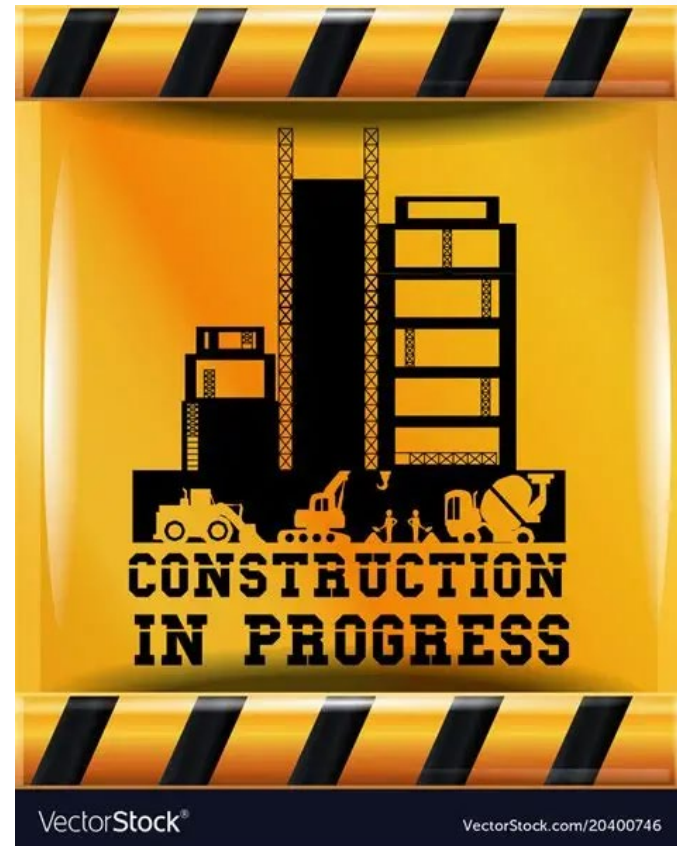
# Welcome



- Thank you for joining us today
  - Glad to see our work family plus new names and faces
  - How long have we known each other?
- Review Current and Future Changes
- Capital Asset inventory and reporting is important for management, operations and audit compliance

# Agenda

- Overview
- Business Objects/FAMIS Web
- Radiant Asset Tracking Implementation
- Construction In Progress
  - System
  - Member
- Year-end Reminders
- Q&A Panel



# How long have you been working with Capital Assets and Property Management?



- I'm a newbie 0-2 years
- I've been around for a little while 2-5 years
- I've pretty much got this down 6-10 years
- Working with Property 11-20 years
- Working with Property more than 20 years

# Overview

- Importance of Capital Asset Reporting
  - Overview of the Rules
  - 2026 Updates to the Manuals
- Threshold Changes: How is it impacting property managers?
- Upcoming GASB Standards related to Capital Assets
  - 2026...close, needs fine tuning
  - 2029...need a plan of action



# Importance of Capital Asset Reporting

- TAMUS reports under State Comptroller's Office rules
- Part of the statewide ACFR
- State Requirements defined in the [SPA Process User's Guide - FPP N.005](#)
  - Capital asset category definitions,
  - capitalization thresholds, and
  - depreciation methodologies



# Policy Levels

- State
  - Texas Government Code 403.271
  - State Property Accounting (SPA) Process User's Guide
- TAMUS
  - System Regulation 21.01.09
  - TAMUS Asset Mgmt Manual
- Member
  - Member Asset Guidelines



# System Office Requirements

- Use the System Office Manual in conjunction with the State SPA Requirements [Asset Management Manual](#)
  - The manual has been updated
  - Minimal 2026 changes
- FAMIS Setup, requires the use of specific General Ledger Values and Titles



# 2026 Updates to the System Office Asset Management Manual



- Members are under 2 equipment thresholds depending on the F&A proposal, updated the manual
- Equipment and Vehicle Threshold change from \$5,000 to \$10,000-only 2 categories impacted, **pages 4-5**
  - Category 4 Equipment
  - Category 5 Vehicles, Boats and Aircraft
- Controlled Asset increase from \$5,000 to \$10,000
- Clarification to define current processes, on **Page 8** updated the FAMIS Residual Value
  - Buildings are the only assets with a residual value of 5%
  - All other assets are depreciated to match the original book value

# 2026 Updates to the System Office Asset Management Manual

- Removed recommendations on non-required items
  - **Page 10** Although not required, the SPA form Notice of Agency Head and Designation of Property Manager can be completed and kept on file.
  - **Page 11** Designation of Property is required by updating the [Comptroller's Office Contact List Update Form](#)
  - **Page 12** The State Comptroller's Office requires most state agencies to submit a Certification of Physical Inventory form annually, within 20 day of the end of the fiscal year
    - Per Texas Government Code, Section 403.2715, universities (including all members of the A&M System) are exempt from submitting this form, but still must “account for all personal property as defined by the Comptroller under Section 403.272”
    - The A&M member must document their method to confirm personal property is accounted for and inventoried

# 2026 Updates to the System Office Asset Management Manual

- Page 32, FCOR has changed names to FAM [Facilities Analytics & Mapping | Facilities & Energy Services | Texas A&M](#)
  - For the College Station based members provide Space details to FAM
    - FAM is expected to match FFX data by building and room
    - This data will then be connected to the usage, research, instruction, then
    - The depreciation of the asset is allocated to the function



# TACUBO Meeting TVs vs. Monitors

**TV**



**VS**

**Monitor**



- Per TACUBO March Meeting...Property offices, IT and departments are struggling with how to differentiate between a TV and Monitor
- Departments asking why tracking TVs greater than \$500 and not tracking monitors which cost \$9,500
- TACUBO gathering approval to talk with CPA about removing TVs

# SPA's Controlled Asset List

- It has been mentioned in several meetings, this list is outdated
- Audience Question: **Do we want to ask the Comptroller's Office to review category 129 and 131?**
  - 129=Sound Systems and Other Audio Equipment
  - 131=TVs, Video Players/Recorders
    - Most TVs are mounted should they be included on this list?
- Any others a concern?



# Talked with CPA Controlled Assets

- They are working on converting SPA to new system
- Objective to keep the requirements the same for now

## Controlled

Class Code	Property Item	(FY 2024)	(FY 2025)
129	SOUND SYSTEMS AND OTHER AUDIO EQUIPMENT	500.00 to 4,999.99	500.00 to 9,999.99
130	CAMERA - PORTABLE - DIGITAL, SLR	500.00 to 4,999.99	500.00 to 9,999.99
131	TVs, VIDEO PLAYERS/RECORDERS	500.00 to 4,999.99	500.00 to 9,999.99
204	COMPUTER, DESKTOP	500.00 to 4,999.99	500.00 to 9,999.99
218	DATA PROJECTORS	500.00 to 4,999.99	500.00 to 9,999.99
219	SMARTPHONES, TABLETS & OTHER HANDHELD DEVICES	500.00 to 4,999.99	500.00 to 9,999.99
284	LAPTOP COMPUTERS	500.00 to 4,999.99	500.00 to 9,999.99
735	UNMANNED AERIAL VEHICLE (UAV) DRONES	500.00 to 4,999.99	500.00 to 9,999.99

# Equipment and Vehicle Threshold Change

- Impacting on property managers
- Any challenges receiving transfers from
  - A&M Members...HSC, TAMU, TTI, TEES, etc.
  - Non-A&M Members..TxDOT, Univ of Houston, Univ. HSC, North Texas HSC, UT MD Anderson, etc.
- Leaning towards moving all members from \$5,000 to \$10,000 in FY 2027



# Transfer In Challenge

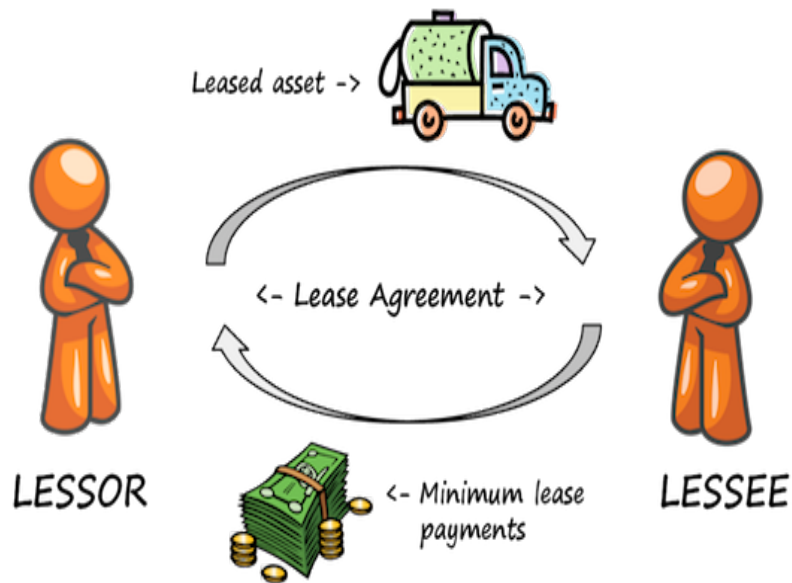
- There have been occasions where an external higher ed agency has transferred an asset between \$5-10k and it is being sent as a non-inventoried item since the other institution increased their threshold to \$10k
- Member can add the asset
  - Can be recorded in the Additions Column
    - Adjustment for current year
  - Will not be able to be reported as a Transfer
    - The opposing institution will not have a transfer out
    - So, we cannot report a transfer in





## Upcoming GASB Standards

# GASB 104 Disclosure of Certain Capital Assets-FY 2026



- Implementing in this fiscal year 2026
- **Leased Assets** must be reported by major class
  - Already following this guidance today
- Note 2 disclosure for Assets **Held for Sale** must include the
  - historical cost, plus
  - accumulated depreciation and
  - if the asset is pledged as collateral for debt, then the pledged amount should be disclosed

# GASB 104-Example

	Primary Government			Ending Balance
	Beginning Balance	Increases	Decreases	
Governmental activities:				
Capital assets not being depreciated:				
Land and improvements	\$ 29,484	\$ 2,020	\$ (4,358)	\$ 27,146
Construction in progress	2,915	13,220	(14,846)	1,289
Total capital assets not being depreciated	<u>32,399</u>	<u>15,240</u>	<u>(19,204)</u>	<u>28,435</u>
Capital assets being depreciated:				
Buildings and improvements	40,861	334	-	41,195
Equipment	32,110	1,544	(1,514)	32,140
Road network	72,885	10,219	-	83,104
Bridge network	18,775	4,627	-	23,402
Software	2,100	548	(650)	1,998
Lease assets:				
Buildings	25,821	209	-	26,030
Equipment	20,389	2,312	(2,456)	20,245
Subscription assets	5,490	687	(743)	5,434
Total capital assets being depreciated	<u>218,431</u>	<u>20,480</u>	<u>(5,363)</u>	<u>233,548</u>
Less accumulated depreciation for:				
Buildings and improvements	(10,358)	(691)	-	(11,049)
Equipment	(9,247)	(2,676)	1,040	(10,883)
Road network	(12,405)	(823)	-	(13,228)
Bridge network	(2,896)	(197)	-	(3,093)
Software	(543)	(110)	25	(628)
Lease assets:				
Buildings	(7,456)	(596)	-	(8,052)
Equipment	(5,864)	(1,782)	823	(6,823)
Subscription assets	(1,009)	(450)	209	(1,250)
Total accumulated depreciation	<u>(49,778)</u>	<u>(7,325)</u>	<u>2,097</u>	<u>(55,006)</u>
Governmental activities capital assets, net	<u>\$ 201,052</u>	<u>\$ 28,395</u>	<u>\$ (22,470)</u>	<u>\$ 206,977</u>

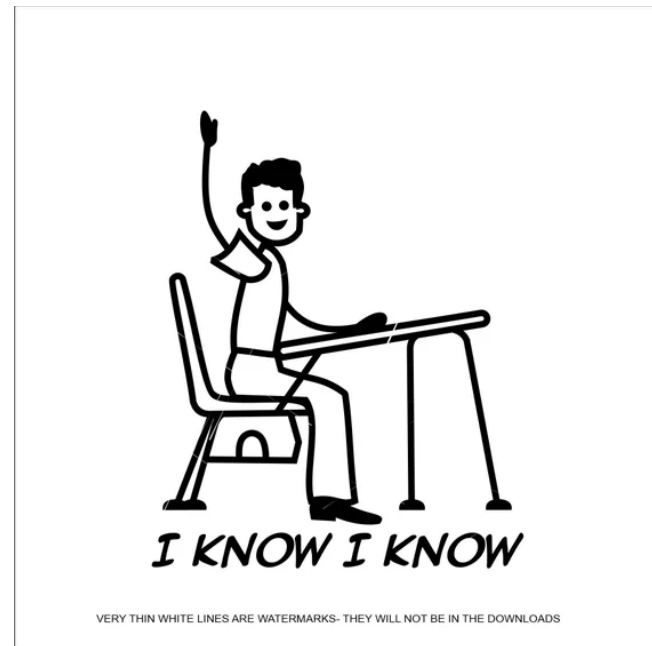
# In the AFR Notify Asset Held For Sale, Pledged for Collateral

- There will be new note disclosure for this year 2026
- Need a few more details
  - **GASB Example:** Included in capital assets is a building which is held for sale. The Texas Star Building has a total
    - Historical cost of \$8.0 million
    - Accumulated depreciation of \$5.0 million,
    - Carrying amount \$3.0 million and the
    - Building is **pledged as collateral** for debt with a balance of \$1.5 million



# How Would I Know?

- The challenge is how would we know?
  - Property Managers are all knowing?
  - If you aren't sure asking the accounting team?
- What are some sources?
  - Any ideas
- Ask the departments?





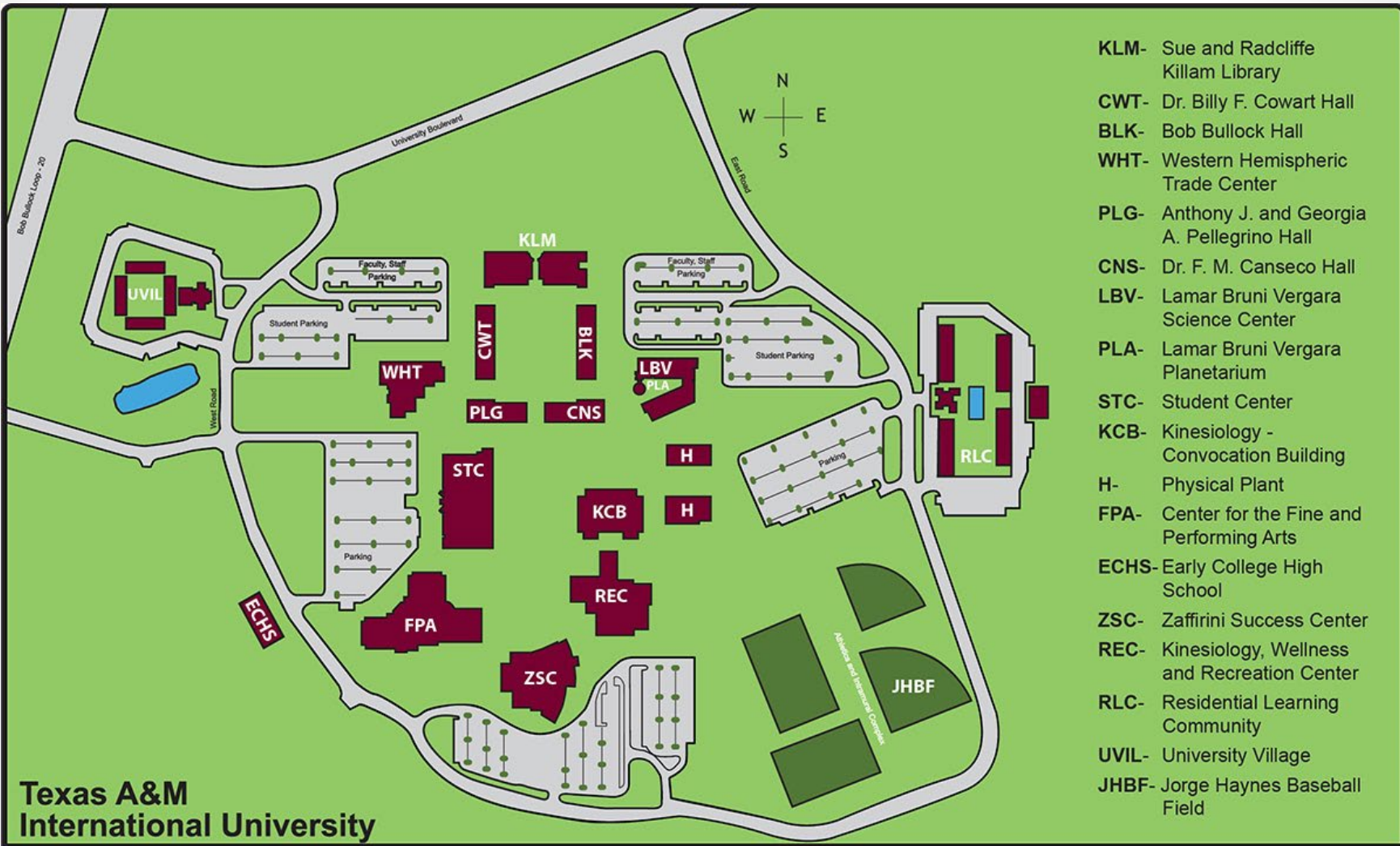
# Future GASB

Infrastructure

# Infrastructure-Current Requirements-Match with CPA's State Property Accounting

- Two types non-depreciable and depreciable
  - Non-Depreciable Threshold \$0.00...TAMUS has zero
    - Highways and Rest Area Infrastructure
  - Depreciable Threshold **\$500,000**...on 2025 AFR, TAMUS reported \$1.2 billion Asset Value and \$680 Accumulated Depreciation; 57%
    - **Roads, Streets, Tunnels**
    - **Power/Fiber Lines**
    - Sewer/Water Lines
    - Signage
    - Airport Runways, taxiways
- Historical Cost Value
- Depreciate over the current useful life
  - GASB believes these assets go beyond their defined useful lives
  - Concerns on how they are being maintained
- FAMIS salvage percentage (Defined on the 591 screen), depreciate 100% of the value
  - Buildings are the only assets, we have 5% residual value





- KLM-** Sue and Radcliffe Killam Library
- CWT-** Dr. Billy F. Cowart Hall
- BLK-** Bob Bullock Hall
- WHT-** Western Hemispheric Trade Center
- PLG-** Anthony J. and Georgia A. Pellegrino Hall
- CNS-** Dr. F. M. Canseco Hall
- LBV-** Lamar Bruni Vergara Science Center
- PLA-** Lamar Bruni Vergara Planetarium
- STC-** Student Center
- KCB-** Kinesiology - Convocation Building
- H-** Physical Plant
- FPA-** Center for the Fine and Performing Arts
- ECHS-** Early College High School
- ZSC-** Zaffirini Success Center
- REC-** Kinesiology, Wellness and Recreation Center
- RLC-** Residential Learning Community
- UVIL-** University Village
- JHBF-** Jorge Haynes Baseball Field

**Texas A&M International University**

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# Communication Networks



- **Infrastructure** assets would be defined as assets that may consist of
  - multiple components,
  - part of a network of long-lived capital assets ,
  - utilized to provide a particular type of public service,
  - stationary in nature, and
  - maintained or preserved for a significant number of years
- **Examples** of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams, lighting systems, and communication networks
  - [Project Plan | Next Generation Aggie Network](#)

# Current List and Useful Lives

581 Class Table Display

02/11/26 11:1

FY 2026 CC 6

Screen:      Start from Class: 825     Order: A View Master: N Frozen: N

SPA			Description	Depr			Acct Use		
Class	Cls	Rq		Cap	Ind	Mth	GL	Cntl	Life
825001	055	Y	INFRASTRUCTURE & INFR IMPROVEMENTS C	Y	Y	SL	089715	1715	312
825003	057	Y	INFRA-ROAD/STREET (CURBS, GUTTERS) C	Y	Y	SL	089715	1715	240
825013	067	Y	SEWER LINES CAP	Y	Y	SL	089715	1715	240
825019	073	Y	INFRA-RADIO OR TV TRANSMIT TOWER CAP	Y	Y	SL	089715	1715	240
825021	075	Y	INFRA-ELECTRIC (LINES & DISTRIBUTION	Y	Y	SL	089715	1715	240
825022	076	Y	INFRA-GAS (MAIN & LINES) CAP	Y	Y	SL	089715	1715	300
825023	077	Y	INFRA-WATER LINES CAP	Y	Y	SL	089715	1715	300
825024	078	Y	INFRA-FIBER OPTIC (INFO TECH) CAP	Y	Y	SL	089715	1715	240
825025	079	Y	INFRA-TELEPHONE DISTRIBUTION SYS CAP	Y	Y	SL	089715	1715	120
825026	080	Y	INFRA-TUNNELS (UTILITY) CAP	Y	Y	SL	089715	1715	540
825027	081	Y	INFRA-TUNNELS (OTHER) CAP	Y	Y	SL	089715	1715	540
825029	083	Y	INFRA-SIGNAGE CAP	Y	Y	SL	089715	1715	120
825030	084	Y	INFRA-AIRPORT RUNWAY/STRIP/TAXIARY/A	Y	Y	SL	089715	1715	192
825035	089	Y	INFRA-SIDEWALKS CAP	Y	Y	SL	089715	1715	192

# Inventory Requirements

- Personal Property we perform inventory annually. What about real property?
- Receive construction closing documents from the System Office
- Receive purchase of real estate from the System Office
- Internal Purchases-what does the property office receive?
- Do we ask departments to sign off on these assets?
- Or ask our Facilities team?
- Michigan State found a road from the 1920s which was well past its useful life
  - What will we find?
- Good time to truly take inventory of these items



# Infrastructure Potential Changes



- Identification of components of infrastructure assets with a cost that is significant in relation to the total cost of the infrastructure asset and their separate depreciation when the estimated useful lives of those components are substantially different should apply prospectively
  - New Categories
  - Need to determine how to breakdown
    - By useful life
    - By amount
- This is GAAP as we begin to coordinate with our peers and the Comptroller's Office

# Infrastructure Grouped by Useful Life

## Useful Life 240-312 Months

- Roads, Streets, Curbs
- Sewer and Water Lines
- Power, Fiber and Radio Lines
- Generic Infrastructure

## Useful Life 192 Months

Airport Runway,  
Taxiway and Sidewalks

## Useful Life 540 Months

- Utility Tunnels
- Other Tunnels

## Useful Life 120

Months

Signage

# Note 2-Capital Assets-Proforma

<b>Capital Asset Activity</b>							
	<b>Beginning Balance</b>	<b>Adjustments</b>	<b>Completed CIP</b>	<b>Interagency Transactions</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance</b>
<b>Non-Depreciable/Amortizable Assets</b>							
Land and Land Improvements	\$ 271,832,830.72	\$ -		\$ -	\$ 48,956,242.01	\$ (94,413.03)	\$ 320,694,659.70
Construction in Progress	1,639,498,562.66	144,429.00	(244,507,640.06)	-	1,140,206,737.03	(253,758.31)	2,535,088,330.32
Other Tangible Capital Assets	73,880,466.90	-		-	940,600.94	(19,199,466.00)	55,621,601.84
Land Use Rights	119,070.00	-	-	-	-	-	119,070.00
<b>Non-Depreciable/Amortizable Assets</b>	<b>1,985,330,930.28</b>	<b>144,429.00</b>	<b>(244,507,640.06)</b>	<b>-</b>	<b>1,190,103,579.98</b>	<b>(19,547,637.34)</b>	<b>2,911,523,661.86</b>
<b>Depreciable Assets</b>							
Buildings	8,640,717,441.68		157,843,797.72		27,860,526.63	(21,030,674.34)	8,805,391,091.69
<b>Infrastructure</b>	<b>1,157,868,471.48</b>	<b>-</b>	<b>31,815,324.15</b>	<b>-</b>	<b>525,167.55</b>	<b>(6,859.58)</b>	<b>1,190,202,103.60</b>
Roads, Bridges							
Power, Water and Fiber Lines							
Tunnels							
Airport Runway							
Signage							
Facilities and Other							
Improvements	1,164,047,811.75	-	42,253,463.65	-	4,855,311.50	(558,773.33)	1,210,597,813.57
Furniture and Equipment	1,334,381,230.27	14,469.43	12,022,297.42	76,724.86	109,607,225.49	(43,306,276.50)	1,412,795,670.97
Vehicles, Boats and Aircraft	204,818,589.26	(144,429.00)	572,757.12		24,201,235.82	(6,821,936.46)	222,626,216.74
Other Capital Assets	218,963,097.61			-	7,142,023.82	(5,093,007.06)	221,012,114.37
<b>Total Depreciable Assets</b>	<b>12,720,796,642.05</b>	<b>(129,959.57)</b>	<b>244,507,640.06</b>	<b>76,724.86</b>	<b>174,191,490.81</b>	<b>(76,817,527.27)</b>	<b>13,062,625,010.94</b>

# New Disclosure Requirements

- Disclose infrastructure assets by major category at historical cost, accumulated depreciation and weighted-average age of infrastructure assets by network that have **exceeded their useful life**, as well as infrastructure assets that **have exceeded 80% of their useful life**
- Could gather via Business Objects Queries or Reports
- Need to evaluate the life of the assets...manual process



# Example of Note Disclosure

- Example provided per member, or can we gather a different way?
  - Power and Water infrastructure totaling \$25 million
    - \$15 million have **exceeded 80%** of their estimated useful lives
    - \$1 million of assets have **exceeded** their estimated useful lives
  - Roads, Bridges, Tunnels, Sidewalks, Runways and Other assets totaling \$500 million
    - \$50 million have **exceeded 80%** of their estimated useful lives
    - \$5 million have **exceeded** their estimated useful lives
  - Communication Networks (fiber, telephone) totaling \$700 million
    - \$100 million have **exceeded 80%** of their estimated useful lives
    - \$10 million have **exceeded** their estimated useful lives

RECTIFY FAILURE  
DETECTION ISOLATE OPERATIONAL  
**CORRECTIVE** IMMEDIATE TASK  
FAULT **MAINTENANCE**  
DEFERRED **EQUIPMENT** RESTORE  
RULES SERVICE CONDITION IDENTIFY



# Note 1 and RSI-Required Supplementary Information

- **Note 1**-Summary of significant accounting policies
  - Define policy for monitoring and maintaining or preserving infrastructure assets
- **RSI**-Presented after the financial statements
  - List factors significantly affecting trends in the historical cost net of accumulated depreciation
    - Why are assets lasting longer than intended?
    - Need more examples from GASB
  - Emphasize estimated useful lives should be reviewed and adjusted if necessary
    - How will the Comptroller's Office implement this change?
- Task for fiscal offices and property managers



# What is material?

## TAMUS 2025 Data

Types of Infrastructure	Cost	Accumulated Depreciation	Net	% of Net
Airport Runway	\$ 50,211,163.22	\$ 38,525,999.87	\$ 11,685,163.35	2.5%
Power, Water and Fiber Lines	839,223,776.89	471,760,835.74	367,462,941.15	78.2% 
Roads, Bridges	220,620,774.16	136,458,679.36	84,162,094.80	17.9% 
Signage	3,565,591.42	3,071,791.73	493,799.69	0.1%
Tunnels	9,133,888.61	3,288,193.89	5,845,694.72	1.2%
	<b>\$ 1,122,755,194.30</b>	<b>\$ 653,105,500.59</b>	<b>\$ 469,649,693.71</b>	<b>100.0%</b>

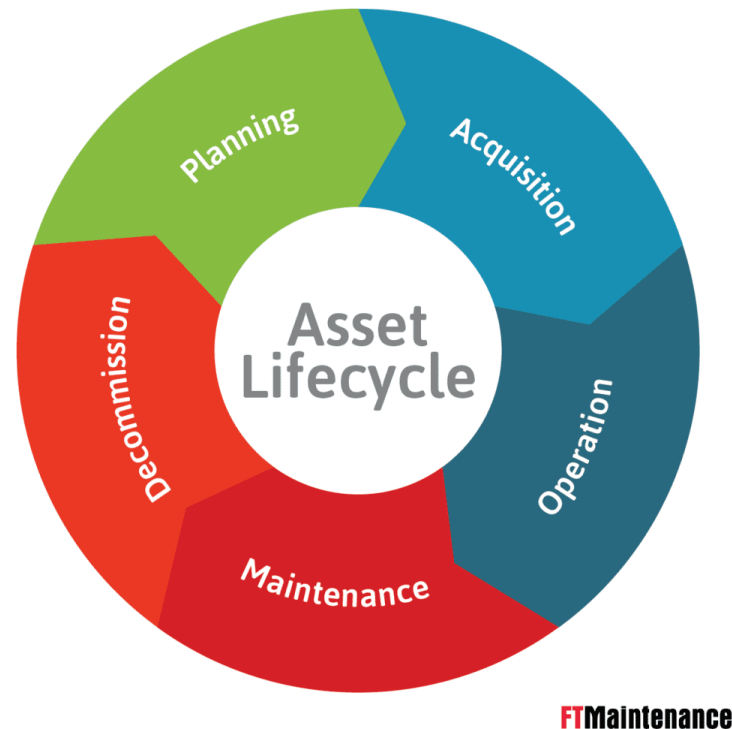
# Analyze Networks by Row...if fully depreciated or exceeds 80% of useful life, then disclose details

<b>Types of Infrastructure</b>	<b>Cost</b>	<b>Accumulated Depreciation</b>	<b>Accumulated Depreciation % of Cost</b>
Airport Runway	\$ 50,211,163.22	\$ 38,525,999.87	77%
Power, Water and Fiber Lines	839,223,776.89	471,760,835.74	56%
Roads, Bridges	220,620,774.16	136,458,679.36	62%
Signage	3,565,591.42	3,071,791.73	86%
Tunnels	9,133,888.61	3,288,193.89	36%
	<b>\$ 1,122,755,194.30</b>	<b>\$ 653,105,500.59</b>	<b>58%</b>
Greater than 80% needs to be disclosed			

Weighted Average Age of asset by network which exceed 80% of useful life

# All A&M Members-Infrastructure Assets Still In Service

- There are **1,737** Infrastructure assets
  - Could be the same asset
  - Recorded in FAMIS with multiple components
- Over **300** assets are still in service; yet they are fully depreciated?
- **49** assets have zero Accumulated Depreciation?
- Need to review these assets and review the useful life
- Add to our processes to reevaluate the expected life of infrastructure assets
- Can a software tool help us?



# Infrastructure Changes-Fiscal Year 2029



- Exposure Draft was issued
  - Institutions are asking for changes to be made by GASB
- This pronouncement is estimated to be implemented in FY 2029
- Need to continue to discuss
- Property Managers working with the Fiscal Offices
- Ask the FAMIS team for help
- We need to review these assets, cleanup the balances and develop new processes to review going forward
  - How
  - When

# Questions



# Fixed Assets Development in Progress

**Mark Schulz,  
Deputy CIO**



and

**David Gutierrez,  
Director Business  
Intelligence**



# Agenda

- Updates to Business Objects
  - Asset Snapshots
  - Transactions - Debits and Credits
- Radiant and inventory
  - Real time integrations
- FAMISweb vision
  - Full replacement of green screens
  - Common search - constrained by entitlement
  - Single page with all attributes
  - Property office
  - Departmental
  - Single Search - pending and preliminary
  - Transactions
  - Controlled editing
- Cadency - two reconciliations
  - Purchases to fixed assets
  - Accounting to GL

