

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

TABLE OF CONTENTS

		<u>Page</u>
Chapter 1	<i>General</i>	3
Chapter 2	<i>Assignment of Responsibilities for Asset Management</i>	7
	Agency Head	7
	Property Manager/Alternate	9
	Accountable Property Officer/Alternate	12
	Surplus Inventory Supervisor	16
	Surplus Procurement Officer	17
	Employee	18
Chapter 3	<i>Acquisitions and Disposals</i>	19
	Acquisitions	19
	Gifts	19
	Transfers	20
	Found Property	20
	U.S. Government Surplus Property	20
	Fabricated/Constructed Personal Property	21
	Disposals.....	22
	Transfers	22
	Sale	22
	Cannibalization.....	23
	Property Acquired through Sponsored Agreements.....	23
Chapter 4	<i>Inventory Control</i>	24
	Tagging of Inventory	24
	Securing of Assets	25
	Storage.....	25
	Utilization of Assets	25
Chapter 5	<i>Asset Categories</i>	26
	Real Property	26
	Land and Land Improvements.....	26
	Construction in Progress	27
	Buildings and Building Improvements.....	28
	Facilities and Other Improvements	29
	Infrastructure	29
	Personal Property (Equipment)	31
	General	31
	Trade-Ins.....	31
	Computer Software.....	31
	Vehicles, Boats, and Airplanes.....	31
	Other Capital Assets	33
	Asset Held in Trust.....	33

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

		<u>Page</u>
	Library Acquisitions	33
	Museum Collections/Historical Treasures	34
	Patents and Copyrights	35
	Livestock	35
Chapter 6	<i>Other Valuable Information</i>	38
Chapter 7	<i>Frequently Asked Questions</i>	40
	Construction-in-Progress Issues	40
	Trade-In Issues	41
	Building Issues	42
Glossary		43
Appendix A – Assets Held in Trust		46
Appendix B – FRS/FFX Expense Object Codes/Class Codes Crosswalk		47
Index		55

CHAPTER 1

GENERAL

This *Asset Management Manual* (AMM) sets forth the overall policies for management of real and personal property within The Texas A&M University System (TAMUS) and prescribes the duties and functions of selected key personnel. It must be used in conjunction with the *State Property Accounting Process User's Guide (June 2004)*. Hereinafter referred to as the *SPA Process User's Guide* or SPUG. This manual can be found online at https://fmx.cpa.state.tx.us/fmx/pubs/spaproc/06_june/index.php. In the event that this Asset Management Manual is in conflict with the State Comptroller manual or other guidelines, the Comptroller's guidelines will prevail. Other basic controlling guidance for asset management is included in the *Texas Government Code* Ann. sec. 403.271(b).

Capital assets are real or personal property that have a value equal to or greater than the capitalization threshold for the particular asset classification and have an estimated useful life of greater than one year (SPUG, p1.1). This asset management manual will describe each of the types of capital assets that the State is vested in and TAMUS' responsibility for each type of asset.

The following page has a list of acceptable general ledger accounts for property within The Texas A&M University System (TAMUS) as well as the corresponding threshold amount and AFR category as defined by the State of Texas. All TAMUS Members are required to use the exact general ledgers/account controls listed so that all data will merge easily into the combined Annual Financial Report (AFR).

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

The Texas A&M University System
Fixed Asset General Ledgers & Capitalization Thresholds
in General Ledger Number Order

AFR Category	Description	Account Control	General Ledger	Capitalization Threshold Amount
1	Land and Land Improvements	1700	089700	ALL
2	Buildings and Building Improvements	1705	089705	\$100,000
9	Facilities and Other Improvements	1712	089712	\$100,000
3	Infrastructure	1715	089715	\$500,000
8	Leasehold Improvements	1720	089720	\$100,000
4	Lease Purchases [1]	1725	089725	n/a
4	Equipment [2]	1730	089730	\$5,000
4	Equipment Held in Trust - Federal	1731	089731	\$5,000
4	Equipment Held in Trust - Other	1732	089732	\$5,000
5	Vehicles, Boats & Airplanes	1735	089735	\$5,000
5	Vehicles, Boats & Airplanes - Held in Trust	1736	089736	\$5,000
8	Library Books and Materials [3]	1740	089740	ALL
8	Museums/Collections	1745	089745	ALL
8	Museums/Collections-Privately Owned	1746	089746	ALL
8	Livestock [4]	1750	089750	\$5,000
6	Construction in Progress	1755	089755	n/a
n/a	Intangible Assets: Patents & Copyrights [5]	1770	089770	n/a

[1] At date of purchase, lease purchases are to be capitalized at full cost in the appropriate asset category.

[2] Software developed for internal use - threshold is \$100,000.

[3] Professional library. If not professional, then use \$5,000 to decide if the asset is capital.

[4] \$5,000 *per* animal in order to be considered capital.

[5] Currently, TAMRF is the only agency that has patents listed as an asset.

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL

To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

Real property is defined as any interest in land, together with structures, fixtures and improvements of any type located thereon. The term “real” should be associated with realty, land or something attached thereto. Real property falls into the following classes: land and land improvements, buildings and building improvements, facilities and other improvements, infrastructure and construction in progress. Each major class of real property has a standard capitalization threshold. All state entities are required to use the thresholds provided in the *SPA Process User's Guide* (SPUG, p1.2). More detail will follow for each type of real property.

Personal property is defined by the *SPA Process User's Guide* as fixed or movable tangible assets to be used for operations, the benefits of which extend beyond one year from date of acquisition and rendered into service (SPUG, p1.20). The A&M System also defines personal property as any possession owned by or entrusted to a Member of the A&M System having sufficient value to warrant inclusion in fixed asset financial reports or, due to the nature of the asset, is required to have management controls placed on it. Personal property does not include consumable items, nor does it include real property. It can be a capital asset, a controlled asset, or an inventoried asset. Capital items must be inventoried. Capitalization is mandatory for all equipment having a unit value of \$5,000 or more and an estimated useful life of more than one year.

Certain items falling below the capitalization threshold must also be inventoried. These assets are considered to be controlled. A list of the required controlled items can be found at <https://fm.xcpa.state.tx.us/fmx/spa/classcodes/control.php>. Controlled items include stereo systems, cameras, VCR's, televisions, micro computers and printers having a unit value of \$500.00-\$4,999.99. All firearms must be controlled regardless of dollar amount. Inventory controls over other equipment valued at less than \$5,000 per unit may be required if the Agency Head deems such controls necessary. These items would be called inventoried items. An example would be if your agency chooses to control cash registers. This item is not required to be controlled by the State of Texas, but an agency could require it. It is important that if you choose to track inventoried property you do it consistently for all like items owned by the agency. With the exception of real property, all assets should be identified as belonging to the agency regardless of whether they are capital, controlled, or inventoried. Normally, TAMUS Members place ‘State of Texas’ or the agency name on the assets.

Assets, both real and personal, under the control of an A&M System Member must be maintained and reported using the mandatory inventory categories shown in the Class Codes section of the *SPA Process User's Guide*. If necessary, the State Comptroller will review and modify the inventory categories maintained in the State Property Accounting System. Assets funded or furnished by State, Federal or private agencies, by endowment, or by private donations are also subject to the rules and regulations of those agencies or terms of agreements under which funds to purchase equipment were acquired.

The policies set forth herein apply to all Members of The Texas A&M University System, but specific procedures for use in each location are maintained by the respective

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

A&M System Members. If one Member maintains another Member's asset inventory, the latter Member's policies will be adopted.

The *SPA Process User's Guide* requires all state agencies to use the straight-line depreciation method (historical cost less residual value, divided by useful life) (SPUG, p1.6). Useful life for each asset type is based on statewide historical data for each class of asset (SPUG, p1.2). Agencies will be allowed to substitute information for residual value and/or estimated life determined by agency experience for each class of asset. All substitutions must be reasonable, documented and auditable.

CHAPTER 2
ASSIGNMENT OF RESPONSIBILITIES FOR ASSET MANAGEMENT

A&M System Members are responsible for the accurate and timely reporting of all assets in their possession. Members are also responsible for ensuring the accuracy of all statements of financial condition relating to property.

Responsibility of Agency Head

GENERAL

The Agency Head is ultimately responsible for the custody and care of all property in his Member's possession. For purposes of property management, Agency Head refers to the Chief Executive Officer of each A&M System Member.

The Agency Head is responsible for ensuring the accuracy of all statements of financial condition relating to the Member's property and evaluating the adequacy of inventory controls placed on property. If a Member would like to have the assistance of the State Auditor's Office in developing internal control procedures, it should notify the State Auditor's Office directly.

The Agency Head will designate a Property Manager and inform the State Comptroller of the designated manager in writing. This is accomplished by submitting a completed *Notice of Agency Head and Designation of Property Manager* form to the State Comptroller. A copy of this form is included in the *SPA Process User's Guide* and can be found at <http://www.window.state.tx.us/taxinfo/taxforms/73-286.pdf>. If desired, an Alternate Property Manager may also be designated on this form. An Agency Head is not relieved of responsibility for the Member's property by designating a Property Manager.

DELEGATIONS

The Agency Head may delegate to the following people:

- Property Manager/Alternate Property Manager
- Accountable Property Officer/Alternate Accountable Property Officer
- Surplus Inventory Supervisor
- Surplus Procurement Officer

Property Manager/Alternate Property Managers are normally responsible for both real and personal property. All other delegates are normally only responsible for personal property (equipment). It is up to each A&M System Member to determine the level of delegation/responsibility assigned to its employees.

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

DISTRIBUTION OF PROCEDURES

Each Agency Head is responsible for the distribution of procedures regarding the accountability for and safekeeping of property owned or managed by the Member. All Member procedures must comply with the rules of property management and reporting as defined by the State Comptroller and this A&M System *Asset Management Manual*. However, a Member may adopt a stricter policy that does not contradict State or System policy. Furthermore, it is the responsibility of the Agency Head to ensure that the Property Manager and Alternate Property Manager receive training in the rules, policies, procedures, and operation of the State Property Accounting (SPA) System as administered by the State Comptroller.

SALE OF SURPLUS/SALVAGE PERSONAL PROPERTY

The Agency Head or designee is authorized to sell in an orderly manner all surplus and salvage personal property. However, if the property was acquired through a gift or sponsored agreement, the terms of the gift or agreement should be reviewed prior to sale. No personal property with an inventory value greater than \$10,000 will be sold without the advance approval of the Agency Head or designee. All requests for authorization for sale will include the asset number, description, date of acquisition, condition and inventory value for each item of personal property.

The Agency Head will insure that the Member has written procedures (including advance approval requirements) for requests for an authorization for sale of all other surplus and salvage personal property with an inventory value of \$10,000 or less per item. Requests for authorization for sale of items with an inventory value of \$10,000 or less but equal to or more than \$5,000 will include the asset number, description, date of acquisition, condition, and inventory value for each item. Content of requests for authorization for sale of items valued under \$5,000 will be at the discretion of each Member.

LOSS OF PROPERTY

If an Agency Head has reason to believe that personal property belonging to the Member is missing, destroyed or damaged through the negligence or fault of an official or employee of the State, the Agency Head must report the occurrence to the comptroller and the Office of the Attorney General (OAG) (SPUG, p2.14). All personal property belonging to the Member that is stolen, regardless of negligence or fault, must be reported to the comptroller, the OAG, and the appropriate law enforcement agency (SPUG, p2.14).

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

Responsibility of Property Manager/Alternate Property Manager

GENERAL

The Property Manager for each A&M System Member is responsible for the overall asset management of both real and personal property for the Member, including the maintenance and control of central inventory records. Each Member must submit a completed *Notice of Agency Head and Designation of Property Manager* form to the State Comptroller to designate the Property Manager and his alternate (if any). A copy of this form is provided in the *SPA Process User's Guide* and can be found at <http://www.window.state.tx.us/taxinfo/taxforms/73-286.pdf>. The Property Manager will have update capabilities for all State Property Accounting System information for the particular Member.

When a Member's personal property is entrusted to a person other than the Property Manager, the Property Manager shall require a written receipt from the person receiving custody of the items. This receipt shall transfer the responsibility for the personal property to the person receiving the custody of the items. The receipt must include a detailed list of the property entrusted to the individual, along with a statement of financial liability for loss or damage resulting from negligence, intentional act, or failure to exercise reasonable care to safeguard, maintain and service the property.

Property Managers can delegate property management responsibility to Accountable Property Officers when the receipt process is followed. Normally, this delegation is limited to personal property (equipment). The Accountable Property Officer is typically the Department Head. Property Managers will maintain a current list of Accountable Property Officers for every department/unit under their jurisdiction. Property Managers need to ensure that the Accountable Property Officers or their Alternates are trained in issues related to personal property management for assets under their care.

ANNUAL INVENTORY

Each A&M System Member must conduct a physical inventory of its personal property (assets) each year, at a time of its own choosing. The Property Manager is responsible for coordinating this effort. When completed, the Agency Head or designee must forward a signed *Certification of Physical Inventory Conducted by Agency* form to the State Comptroller. A copy can be found in the *SPA Process User's Guide* and at <http://www.window.state.tx.us/taxinfo/taxforms/73-283.pdf>. The form must be submitted no later than twenty days after the last day of the fiscal year (SPUG, p2.20). In addition, each Member must report to the State Comptroller the method(s) used to verify its inventory.

During each annual physical inventory, the legibility of the inventory number should be verified. Missing or illegible labels and personal property numbers should be replaced or numbered before concluding the inventory process. The condition of each property item must also be evaluated during annual physical inventory.

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

In addition to the annual inventory requirement for personal property, it is strongly suggested that the Property Manager review a list of all real property owned by the Member at least once a year (preferably at year-end) to ensure that all assets included on the list still exist (have not been destroyed or demolished), that ownership has not changed and that the assets are properly valued in the inventory records.

TRANSFERS

The Property Manager will control transfers of property. Transfer of personal property includes any asset transferred from or to a department of a Member of the A&M System by another department within the same Member, a department in another Member, or another agency outside the A&M System. The Accountable Property Officers or Alternates will be responsible for transfers of equipment to or from their departments and will submit documentation for all transfers to the Property Manager. Accountability will be maintained throughout the transfer process. Assets will not be deleted from the releasing department until added to the receiving department. The Accountable Property Officer or Alternate from the two departments must document this in writing first. If the transfer involves another Member of the A&M System or an outside agency, the two Property Managers need this agreement in writing also. Additionally, when transferring in an asset, the original acquisition date must remain the same in order to comply with State procedures.

The transfer of real property will be discussed later in Chapter 5.

MISSING/STOLEN PERSONAL PROPERTY

The Property Manager must follow detailed rules found in the *SPA Process User's Guide* when personal property is reported or is discovered to be missing/stolen. Each Member must have a missing/stolen property report that the Accountable Property Officer or Alternate will complete when the property is discovered to be missing/stolen. The Accountable Property Officer or Alternate must notify the Property Manager within 24 hours of identifying missing/stolen property. Missing property must remain on the Member's inventory through two physical inventories and/or two calendar years from the time the property is determined to be missing. Stolen property must be immediately disposed from the Member's inventory. If an agency or institution reports property loss that exceeds the standards set by the American Society for Testing and Materials (ASTM), then the State Comptroller's office *must* withhold 50 percent of the value of the excess amount from the agency's appropriated general revenue funds. Specific details are found in the *SPA Process User's Guide* (SPUG, p.2.18-2.19).

When property is found after being reported as missing or stolen, a report must be submitted to the Property Manager certifying the recovery of the property. The report should include the following information: asset number, asset description, location of asset, and signature of the Accountable Property Officer or Alternate. The Accountable Property Officer or Alternate should prepare this cancellation report. The Property Manager will

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

follow the State Comptroller's guidelines on the filing of State reports and proper notification of State agencies. This information can be found in the *SPA Process User's Guide*.

FOUND PERSONAL PROPERTY

Personal property found within the System which appears to have been lost, abandoned or not under the control of any individual or a System Member, will immediately be reported to the Property Manager and placed under the control of either the Accountable Property Officer of the finding department/unit or the Member's surplus property office. Documentation is required. If the property is determined to be already assigned to a department, its discovery will be reported by the Property Manager to the Accountable Property Officer or Alternate of that department who will make arrangements for its recovery or turn the equipment over to the surplus property office.

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

Responsibility of Accountable Property Officer/Alternate Accountable Property Officer

GENERAL

Accountable Property Officers (typically Department Heads) are responsible for the physical possession and control of all property entrusted to their department. This is normally limited to personal property. They are under financial liability for the loss or damage to personal property under their control if the loss or damage results from their negligence, intentional act, or failure to exercise reasonable care to safeguard, maintain, and service the items. Accountable Property Officers are also responsible for ensuring employees are aware of their responsibilities for property. An Accountable Property Officer may appoint, in writing, an Alternate Accountable Property Officer to act on his behalf.

Designated by the Accountable Property Officer, the Alternate Accountable Property Officer performs the daily functions of personal property management for the department. While the Alternate Accountable Property Officer exercises "due care", ultimate responsibility for departmental equipment belongs to the Accountable Property Officer. Since Alternate Accountable Property Officers generally fill out the paperwork and are aware of day-to-day equipment issues, Property Managers need to train these individuals on proper asset management procedures for property under their care.

TRANSFERS

Transfer of property includes any item of property transferred from or to a department of a Member of the A&M System by another department within the same Member, a department in another Member, or another agency outside the A&M System. The Accountable Property Officer or Alternate will be responsible for transfers of property to or from the department and will submit documentation for all transfers to the Property Manager. Accountability will be maintained throughout the transfer process. Items will not be deleted from the losing department until added to the gaining department. The Accountable Property Officer or Alternate from each department must first complete the transfer form. If the transfer involves another Member of the A&M System or an outside agency, the two Property Managers must also approve the transfer on the appropriate transfer form before transferring the property.

If research equipment is being sent to surplus or transferred out of the A&M System, the sponsored agreement should be reviewed to see if permission is needed from the sponsor. This review should be performed and documented accordingly prior to submitting the transfer form to the Property Manager.

When transferring personal property to another Member or State agency, all insignia of the releasing Member or State agency should be removed or permanently obliterated prior to delivery to the receiving Member or State agency.

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

LOANS

All loaned inventoried personal property must be reported in the physical inventory of the loaning Member. Upon completion of the assignment or loan period, the Accountable Property Officer will ensure that the equipment is properly accounted for and the documentation reflects the end of the assignment and the return of property.

Equipment may be assigned or loaned to a department or individual for the official benefit of the A&M System only. This assignment or loan can be considered temporary (i.e. overnight or for a weekend) or long-term.

When personal property is loaned to a department not under the control of the Accountable Property Officer, the Accountable Property Officer will require the receiving department to execute a receipt. If property is to be or has been loaned in excess of 90 days, the loaning Accountable Property Officer should review the need for the property in that department to determine if the property should be transferred to the borrowing department, returned, or reported to the Property Manager as surplus.

The Accountable Property Officer should establish procedures for management of personal property that are assigned or loaned. The procedure will include the following requirements at a minimum:

- receipt for the issue and return of personal property;
- receipt specifying, if applicable, restrictions on use, requirements for special handling or operator training, and any other specific stipulations;
- identification of the loan in the department's inventory records;
- specific time limits for the loan, if known; and,
- periodic review of items on loan.

When personal property is to be assigned to an employee for use overnight or during the weekend at some location other than the normal official work area, the Accountable Property Officer should require the use of a temporary receipt or sign out procedure.

When personal property, such as laptops, drafting sets, and cameras, are specifically assigned to an employee for use in the employee's official duties, the Accountable Property Officer must ensure that upon employee transfer or termination all personal property assigned to the employee is returned to the department or accountable unit.

Loans of certain types of personal property require special attention due to restrictions on utilization. Accordingly, written approval of the Chief Financial Officer or the official designated to circulate and/or control research activities is required prior to loan of research equipment. The loan of personal property acquired through the Texas A&M Research Foundation will require prior written approval from the Research Foundation and be subject to the conditions prescribed by the Research Foundation.

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

FOUND PERSONAL PROPERTY

Personal property found within the System which appears to have been lost, abandoned or not under the control of any individual or System department/unit, must be reported immediately to the Property Manager and placed under the control of either the Accountable Property Officer of the finding department/unit or the surplus property activity serving that System Member. Documentation of the return to control of the personal property is required. If the item is determined to already be assigned to a department, its discovery will be reported by the Property Manager to the Accountable Property Officer or Alternate of that department who will make arrangements for its recovery or turn the property over to an authorized surplus property office of the Member. If the department charged with control of the item can not be identified, and the item is required by the finding department, it will be entered into the inventory records of the finding department. If such item is not required by the finding department/unit, it will be entered into the inventory records of the surplus property office for either reissue or disposal.

SURPLUS/SALVAGE

The Accountable Property Officer or Alternate is responsible for promptly identifying and reporting to the Property Manager any excess personal property under the department's control. Once reported, the Property Manager will initiate action to transfer the property to a department which has need for the property or to the surplus property office.

MISSING/STOLEN PERSONAL PROPERTY

The Accountable Property Officer or Alternate will notify the Property Manager within 24 hours of identifying missing/stolen property. In addition, a copy of the missing/stolen inventory report is to be sent by the Accountable Property Officer, within the 24-hour period, to the Property Manager.

The Accountable Property Officer will immediately initiate a formal investigation in an effort to locate all missing/stolen property and/or prevent a repeat occurrence. This investigation must include the following at a minimum:

- notify all departmental personnel of loss, and request any information known concerning the property;
- conduct a search of the department;
- identify the person responsible for the property;
- identify the date and place the property was last seen;
- identify the manner in which the loss occurred;
- determine if prescribed procedures were adequate to safeguard the property;
- recommend any revisions in procedures that might be required to assist in preventing future losses of the same type; and,
- recommend holding an individual or individuals pecuniarily liable and, if so, in what amount.

Results of the investigation should be provided to the Property Manager. Please be aware that missing property must remain on a Member's inventory through two physical

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

inventories and/or two calendar years from the time the item is determined to be missing. Stolen property must be immediately disposed from the Member's inventory.

Any individual who, through misuse or neglect, causes or permits property to be missing, stolen, damaged, or destroyed may be held pecuniarily responsible for the loss sustained. To determine the amount of the loss, such factors as original acquisition value, age, condition, cost of recent repairs or renovation, and estimated fair market value prior to loss or damage should be considered. If the Accountable Property Officer suspects employee theft or negligence, this must be indicated on the missing report. If an agency or institution reports property loss that exceeds the standards set by the American Society for Testing and Materials (ASTM), then the State Comptroller's office *must* withhold 50 percent of the value of the excess amount from the agency's appropriated general revenue funds. Specific details are found in the *SPA Process User's Guide* (SPUG, p.2.18-2.19).

When property is found after being reported as missing or stolen, the Accountable Property Officer or Alternate will prepare and submit to the Property Manager, a cancellation of the missing report previously submitted. This cancellation should provide the following information: asset number, asset description, location of asset, and signature of the Accountable Property Officer or Alternate certifying the recovery of property.

Responsibility of Surplus Inventory Supervisor

GENERAL

The Surplus Inventory Supervisor is responsible for the management of excess personal property. This individual may also be the Property Manager, the Surplus Procurement Officer, or another employee. For those A&M System Members having a separate property account for surplus property, this individual might also be the Accountable Property Officer for that account.

SURPLUS/SALVAGE

Basic procedures for disposition of personal property (excluding data processing equipment) include the following:

- available for transfer to other departments or other System Members,
- transfer to public schools or school districts or other State agencies, or
- sold at auction.

Surplus/salvage data processing equipment can not be sold to the general public. All state agencies *must* transfer all surplus/salvage data processing equipment to a school district, open enrollment charter school or the Texas Department of Criminal Justice. The agency transferring the data processing equipment may not collect a fee or other reimbursement for the transfer. (SPUG, p2.35).

The sale of property received under a contract or agreement will be in accordance with the terms of the contract or agreement under which the equipment was provided.

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

Responsibility of Surplus Procurement Officer

GENERAL

The Surplus Procurement Officer is the official representative of the Member in all matters pertaining to the acquisition of surplus property. The Texas Facilities Commission will be provided the name and mailing address of the designated Surplus Procurement Officer.

TRANSFERS

Property held in trust cannot be transferred without the approval of the owning agency or entity. If property is U. S. Government surplus property, the Surplus Procurement Officer is responsible for coordinating and approving the transfer for that Member.

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

Responsibility of Employee

GENERAL

Each state employee is responsible for using state personal property (equipment) only for state purposes and is required to exercise reasonable care for its safekeeping. The term "reasonable care" means that, at a minimum, steps are taken to maintain the asset in an acceptable manner, ensure the security of an asset, ensure that an asset can be located at any time requested, and ensure that the person responsible for the asset is known. At no time should state property be used for personal gain.

CHAPTER 3
ACQUISITIONS & DISPOSALS

ACQUISITIONS

The most common way to acquire property is through purchase (account control 4400/acquisition method 'PO'). However, assets can also be acquired as gifts, as transfers from another state agency, as 'found' equipment, or they can be fabricated/constructed.

Gifts

Members of the A&M System frequently receive furniture, equipment, museum collections/historical treasures and works of art, etc. as gifts. These items, usually referred to as noncash gifts, become property of the Member upon formal acceptance. System Policy 21.05 and Regulation 21.05.01 *Gifts, Donations, Grants, and Endowments* should be followed when accepting and reporting such gifts. The Property Manager should be notified in writing of the acceptance of a gift that needs to be inventoried. The gift will be given an inventory number and will be tagged, if possible. If tagging or marking is not possible, an inventory number will be "assigned" for the item.

Donated asset items are to be recorded at the estimated fair market value at the gift date. In many cases, the donor may have had an independent appraisal done for income tax purposes. If available and the appraisal appears reasonable, the Member may want to consider using the independent appraisal provided by the donor to value the item. An alternative would be to work with experts within the System to share expertise in appraising gifts. An example of an expert would be an art historian from another Member, preferably someone who would not benefit personally from a high appraisal. These methods of valuation must be fully documented and maintained on file in accordance with State Comptroller policies and procedures. The method used to establish the appraised value must be reported to the State Property Accounting System. The acquisition method in the fixed assets accounting system should be 'GF' (account control 4405). Assets received by State, Federal or private donations are subject to the terms of agreements under which the assets were donated.

Any gifts that have a restriction must be reviewed by TAMUS Office of General Counsel prior to preliminary acceptance.

System Policy 41.01 requires that all gifts of real property be first accepted by the Board of Regents. All potential gifts or bequests of real property must be directed to the System Real Estate Office (SREO). The SREO is solely responsible for the evaluation of the property, and if acceptable, the SREO will prepare the necessary agenda items seeking authority from the Board to accept the gift or bequest.

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

The property manager must notify the appropriate business office if any donated item is sold during the first 2 years of ownership. There is an Internal Revenue Service reporting requirement when this event occurs.

Transfers

Assets can be acquired as a transfer from another state agency. If the asset is capital, it is necessary to coordinate and confirm the amount of accumulated depreciation that is associated with the asset with the other Property Manager. If the transfer is between A&M System Members, each Member is assigned a unique acquisition method in order to identify where the asset came from. For example, if TTI acquired an asset from TAMU, TTI would use the acquisition method of '02' for 'transferred from part 02-TAMU' (account control 4702). If you are the accepting agency of a transfer, it is important not to change the original acquisition date, acquisition method, or dollar amount so that the transfer will clear correctly in the State Property Accounting system. Transfers from the Texas A&M Research Foundation should use acquisition method '99' which will appear on the annual financial report as Capital Contributions.

Found Property

Property found within the System which appears to have been lost, abandoned or not under the control of any individual or System department/unit, must be reported immediately to the Property Manager and placed under the control of either the Accountable Property Officer of the finding department/unit or the surplus property office serving that System Member. Documentation is required. If the property is determined to already be assigned to a department, its discovery will be reported by the Property Manager to the Accountable Property Officer or Alternate of that department who will make arrangements for its recovery or turn the property over to an authorized surplus property office of the Member. If the department charged with control of the property can not be identified, and the property can be used by the finding department, it will be entered into the inventory records of the finding department. If such property cannot be used by the finding department/unit, it will be entered into the inventory records of the surplus property office for either reissue or disposal.

U. S. Government Surplus Property

Under existing U.S. Government Regulations, the General Services Administration is responsible for donations of U.S. Government surplus property to the State agency responsible for distribution of such property within each State. In Texas, the allocations of this property are made to the Texas Facilities Commission.

Unless otherwise indicated in the transfer documents, property acquired from U. S. Government surplus property sources becomes A&M System Member property upon acceptance by the department. If the unit value is \$5,000 or more, the item will be assigned a property number, tagged, entered on the acquiring department's inventory, and controlled the same way as any other property item. Regardless of unit value, the item should be booked in the accounting system as an 'Other Revenue' and 'Other Operating Expense'.

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

The provisions under which this property may be transferred to Members of the A&M System include the following:

- The property transferred is usable and necessary for educational purposes, or public health purposes, including research in this State, and is required by the applicant for its own use in the State to fill an existing need and is not being acquired for use outside the State, for sale or any other use or purpose.
- Funds are available to pay the costs of care and handling associated with the donation, including packing, preparation for shipping, loading and transporting such property.
- The property shall be placed in use within one year of receipt and shall continue in use for one year from the date the property was placed in use. There shall be a period of restriction which will expire after property having a single item acquisition cost of \$5,000 or more and passenger motor vehicles, regardless of cost, have been used for the purpose for which acquired for a period of 18 months from the date the property was placed in use (40 US Code 484).
- Inventory records pertaining to property transferred must be maintained by the donee institution in the same manner as that of other properties belonging to the donee institution.

The Texas Facilities Commission (TFC) has the right to refuse violators of these provisions from further participation in the Donation of Federal Surplus Personal Property program. For annual financial report purposes, the amount to be included on the federal expenditures schedule will be provided by TFC.

Fabricated/Constructed Personal Property

Fabrications of moveable property allow organizations to capitalize expenditures incurred in the construction or renovation of property. The cost of individual components may be less than the capitalization limit; however, the finished, tangible asset may have a total cumulative cost that does meet the capitalization limit, in which case the fabricated asset should be capitalized. Each component must work together to perform one function. Individual components having an acquisition value of \$5,000 or more will be capitalized on their own merit if they are, or can be, stand-alone equipment (i.e., a computer, a power supply unit, etc.). The property created from the fabrication should keep its configuration for at least one year.

In those instances where the individual components are not purchased at the same time, costs should be accumulated in a construction in progress asset. Once the asset is complete, the cost should be reclassified from CIP into the appropriate equipment class code. The acquisition date should be the date that the fabrication process is complete.

DISPOSALS

There are many common ways to dispose of an asset. Some of the most common are: transfers, sale, or cannibalization. It is recommended that each Member offer excess personal property to other departments within the Member prior to offering it externally. This practice will ensure that TAMUS is getting the best benefit possible for all personal property.

Occasionally, a disposal of real property will take place. System Policy 41.07 requires that all sales and exchanges of real property must first be approved by the Board of Regents. The SREO is solely responsible for all aspects of the sale or exchange of real property to include the preparation of the necessary agenda items seeking authority from the Board for such disposition. Currently, the State Property Accounting System only allows two types of disposals of real property: a transfer or disposal method 'DR' (disposal of real property; account control 5407). More information is provided in Chapter 5 regarding the disposal of real property.

Transfers

Assets can be disposed as a transfer either internally to another department or externally to another state agency. Surplus/Salvage property should be disposed of in compliance with System Policy 21.99.06 *Surplus or Salvage Property*. If the asset is leaving your agency and it is capital, it is necessary to coordinate and confirm the amount of accumulated depreciation that is associated with the asset with the other Property Manager. If the transfer is between A&M System Members, each Member is assigned a unique disposal method in order to identify where the asset is going. For example, if TTI disposed of an asset to TAMU, TTI would use the disposal method of '02' for 'transferred to part 02-TAMU' (account control 5702). Many other disposal methods exist for transfers; for example 'TP' means transferred to a political subdivision (account control 5416). For a complete list of disposal methods, use screen 583 in FFX or review account controls within the 5400-5499 range on the SAGO website regarding TAMUS account controls <http://www.tamus.edu/apps/objcodes/>. Transfer amounts (both total cost and accumulated depreciation for capital assets) must be verified yearly in order to complete the combined AFR for TAMUS. The State Property Accounting System requires that all transfers for the current fiscal year be completed by August 31st.

Sale

Sales normally take place through the surplus office. The sale of property received under a contract or agreement will be in accordance with the terms of the contract or agreement under which the equipment was provided. To find more guidelines to follow regarding the sale of personal property, go to the "Sale of Surplus/Salvage Personal Property" section under Agency Head. The sale of real property must be coordinated with SREO prior to the actual sale. State guidelines must be followed prior to a surplus sale.

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

Cannibalization

Another method of disposal is to cannibalize a piece of personal property so that some of the parts can be used for other personal property. An example would be dismantling an old printer so that parts could be used to repair a similar printer. It is important to use the correct disposal method (CN/account control 5410) and to have the appropriate paperwork documenting the disposal of the property. All remaining parts that were not used to help repair another piece of personal property should be transferred to surplus as a non-inventory (zero value) item.

Disposal of Property Acquired through Sponsored Agreements

Special care should be exercised in tracking and using assets acquired through sponsored agreements. *OMB Circular A-110*, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations," includes several sections on property standards. Each federal agency has specific requirements for recipients concerning the use and disposition of property acquired in whole or in part under federally sponsored projects. Please refer to Sections _.30 through _.37 of the circular for more information.

CHAPTER 4 INVENTORY CONTROL

Tagging of Inventory

All Members' personal property shall be permanently marked as "Property of the State of Texas or the agency". Markings shall be considered permanently affixed when the marking can be removed only through considerable or intentional means. Professional judgment should be used to determine whether or not a noninventory item should be tagged. For example, a Property Manager may decide not to tag every stapler that the agency owns. However, the Property Manager might tag a filing cabinet or fax machine in order to identify it as "Property of the State of Texas or the agency".

Each item tracked on a unit basis must be assigned a unique individual property inventory number. Members may not place a new piece of personal property into service with a property inventory number previously assigned to another piece of property, even if the previous item has been deleted from the inventory system.

An inventory number is to be assigned and permanently affixed to each personal property item whether received by a central receiving office or directly by a department prior to the item being placed in use or released outside the initial receiving activity. For an item received by a central receiving activity for a department, the inventory number will be assigned and permanently affixed by the central receiving office prior to the item being delivered or released to the property account. When central receiving assigns and permanently affixes the inventory number, the numbers will be recorded on the delivery document transmitted to the department or unit. For an item received directly by a property account, the inventory number will be assigned by the Property Manager and permanently affixed by the activity prior to the item being placed in use.

The inventory number must be permanently affixed to an item promptly upon receipt and acceptance, but not later than ten calendar days after receipt, unless prevented by unusual circumstances. Examples of acceptable reasons for not accomplishing such within the ten calendar days would be that the item had to be assembled, calibrated, or connected to a system before it could be inspected properly and placed in use.

Members may choose to track personal property using appropriate labeling methods as long as they meet guidelines established by the State Comptroller in consultation with the State Auditor's Office. Both "Property of the State of Texas or the agency" labels and property number labels must be placed in a highly visible position on the asset, where it is easily accessible during an inventory. The location of inventory labels should be consistent for all similar assets assigned to a department, in order to facilitate physical inventories.

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

Securing of Assets

Each Member is responsible for ensuring that property is tracked and secured in the manner that is most likely to prevent the theft, loss, damage, or misuse of assets. Each Member should be diligent to ensure building security at all times. The Member should ensure that individuals in charge of security notify the Property Manager of violations or changes to security that could subject property to misuse or theft.

Members must know where all assets are located at all times, should have a method for locating any inventory item whether on-site or off-site under their control, and should be able to locate a given asset upon request.

Personal property that is checked out to employees must be used for State purposes only, and the responsibilities of stewardship and care of the property must be maintained at the Member level. Each Member must have a written policy about checking out equipment and require each employee to sign for any property when it is checked out. Please refer to the section on Loans under the Accountable Property Officer's responsibilities in Chapter 2 for more detailed information.

The State Auditor's Office and/or the Office of the Attorney General will, at the request of a Member, provide advice about procedures for the securing of assets. All Member procedures should be based on good business practices.

Storage

The primary concern when storing property is providing security from theft or pilferage and protection against the elements, while maintaining the property in a serviceable condition and accessible location. The placement of property in storage does not normally relieve a Property Manager or an Accountable Property Officer of the responsibility for proper care, maintenance, and utilization of the property. The only exception will be when an item is placed in a central warehouse type of storage which is under the jurisdiction of another Property Manager. In this case, the Accountable Property Officer will retain accountability for the property while the person in charge of the central warehouse facility, having receipted the property, assumes responsibility for the care and safeguarding of the property. Unless there are agreements to the contrary, the person in charge of the central warehouse facility assumes responsibility for whatever maintenance is required for the property while in storage.

Utilization of Assets

Federal equipment issued to or provided to a System Member is to be utilized in the manner for which it was originally furnished and authorized unless specific written exception is received from the grantor. In all cases concerning a change in utilization of equipment obtained through the Texas A&M Research Foundation, the request for change will be submitted through the Research Foundation to the grantor.

CHAPTER 5
ASSET CATEGORIES

REAL PROPERTY

Land and Land Improvements

GENERAL

The *SPA Process User's Guide* defines land as the surface or crust of the earth which can be used to support structures and may be used to grow crops, grass, shrubs, and trees. Land is characterized as having an unlimited life. All acquisitions of land and land improvements will be capitalized. Land improvements consist of betterments, site preparation and site improvements (other than buildings) that ready land for its intended use. A detailed list of examples can be found in the *SPA Process User's Guide* (SPUG, p1.12).

VALUATION OF LAND

Land is capitalized regardless of the purchase cost or donated value. Land is recorded at the acquisition (purchase) price or donated value plus incidental costs (real estate commissions, attorney's fees, escrow fees, appraisal and surveying fees, interest on mortgages accrued at date of purchase, accrued and unpaid taxes at date of purchase, title and recording fees, etc.) For additional guidance on incidental costs, contact the Texas A&M University System Real Estate Office (SREO). All activities involving the purchase of land must be handled by SREO prior to Board of Regent approval, in accordance with System Policy 41.02. All activities involving the acceptance of a gift or bequest of land must be handled by SREO prior to Board approval, in accordance with System Policy 41.01. SREO will prepare a minute order requesting approval of the gift or bequest by the Board. Donated land should be capitalized in an amount equal to the estimated fair value at the time acquired.

Upon purchase or acceptance of a gift or bequest of land, SREO provides the Member with documentation showing the total value of the acquisition, including land and any structures, buildings, or infrastructure located on the land. SREO should provide guidance on how each Member should separate the assets so that the land costs can be separately identified.

DISPOSAL OF LAND

The Chief Executive Officer (CEO) of each A&M System Member is authorized to sell land with surplus buildings or other improvements with the approval of the Board of Regents. However, all activities involving the disposition of land should be coordinated with SREO (System Policy 41.07 and System Regulation 41.07.01). SREO must be notified of any transfers of land between A&M System Members prior to the transfer.

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

RECONCILIATION OF ACREAGE WITH SYSTEM REAL ESTATE OFFICE (SREO)

All land acreage is required to reconcile with the General Land Office. Each System Member should reconcile the acreage for all land back to the information that is maintained by SREO. The acreage figures should match between the System Member and the General Land Office. The System Member should resolve any discrepancies and contact SREO if corrections need to be made to the SREO database.

Construction in Progress

GENERAL

Construction in Progress (CIP) reflects the economic construction activity status of buildings and other structures, infrastructure (energy distribution systems, pipelines, etc.), additions, alterations, reconstruction, installation, and maintenance and repairs which are substantially incomplete (SPUG, p1.26). Construction in progress assets should be capitalized to their appropriate capital asset categories upon the earlier occurrence of occupancy, placement of the asset in service or execution of substantial completion contract documents.

MAJOR CONSTRUCTION PROJECTS

Major construction projects are handled by the System Facilities Planning and Construction Department (FP&C) as described in System Policy 51.04. Separate subsidiary ledger accounts should be used for each construction project and for each funding source to be used. Major construction project expenditures funded by proceeds from Permanent University Fund and Revenue Financing System (including Tuition Revenue) bonds, notes or commercial paper are tracked in SAGO's accounting records. Major construction project expenditures from other funding sources are tracked in the Member's accounting system. FP&C will send a C-30 Completion report for either a semi-final or final close at which time the costs identified on the C-30 should be moved out of CIP and into the appropriate category (building, infrastructure, etc.). If project expenditures are being tracked in SAGO's accounting records, SAGO will process a CIP transfer to the Member. The Member will accept the transfer as an addition to CIP and will then reclassify the appropriate dollars to the new asset(s) being created by the C-30 completion report.

MINOR CONSTRUCTION PROJECTS

Minor construction projects are managed by the Member. Expenditures are tracked in the Member's accounting system and the Member is responsible for processing final closes within a reasonable period of time after completion of the project. A completed project should be reclassified to the appropriate fixed asset category as soon as reasonably possible. The completed project should not be classified as CIP at the end of the fiscal year in which it was completed.

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

COMPONENTIZATION GUIDELINES

Construction or renovation of facilities or improvements with a fair market value greater than or equal to \$1 million that are rendered into service on or after September 1, 2001 must be componentized. Componentization guidelines for Higher Education can be found at: https://fmx.cpa.state.tx.us/fmx/spa/resource/bldg_compon_guide.php.

Building and Building Improvements

GENERAL

A building is a structure that is permanently attached to the land, has a roof, is partially or completely enclosed by walls, and is not intended to be transportable or moveable. Building improvements are capital events that materially extend the useful life of a building or increase the value of a building, or both (SPUG, p.1.13). The capitalization threshold for buildings and building improvements is \$100,000.

SALE OR DISPOSAL OF BUILDINGS

All activities involving the disposition of land with surplus buildings or other improvements must be coordinated with SREO (System Policy 41.07 and System Regulation 41.07.01). The sale of surplus buildings and other improvements with a sale price of \$25,000 or more must be approved by the Chancellor. The Texas Antiquities Commission must be notified before any building over fifty years old is demolished or moved. SREO must be notified of any transfers of buildings between A&M System Members prior to the transfer.

DEMOLITION

When a demolition has taken place, the Member must decide whether the costs should be included as part of a new building. This must be determined on a case-by-case basis. If you demolish an existing building and there are no plans to build again in the future, then the costs should be expensed. If there is a project planned in the near future, then identify the demolition costs to the future project and capitalize them. Once a building has been demolished, it is the Member's responsibility to ensure that the applicable building cost is removed from the fixed asset records in a timely manner. If System Facilities Planning and Construction contracted to have the building demolished, a reminder will be sent to the Member when the contractor is paid for completed demolition costs. System Policy 41.07.01 should be reviewed and followed prior to demolition of a building.

OTHER

For those Members that are included in the long-form facilities and administrative cost rate proposal, it is important that the actual building *and* room number match the information that is provided by TAMU Facilities Coordination (FCOR). This information must also *exactly* match the information that is in your accounting software for all capital personal property.

Facilities and Other Improvements

GENERAL

The SPA Process User's Guide defines facilities as assets (other than general use buildings) built, installed or established to enhance the quality or facilitate the use of land for a particular purpose. Other improvements are enhancements made to a facility or to land. The capitalization threshold for facilities and other improvements is \$100,000. A detailed list of examples can be found in the SPA Process User's Guide (SPUG, p1.17).

Consistency in reporting of facilities and other improvements is important. Currently, there are two methodologies for tracking facilities and other improvements. One is to pool the costs into one asset. For example, all expenses for parking lots of any given project would be added to one asset. The other method is to separately track each asset based on the project. For example, project A has a parking lot for \$500,000 while project B has a parking lot for \$250,000. Each asset has its own unique asset number. A similar example can be found under 'Infrastructure'.

Infrastructure

GENERAL

The SPA Process User's Guide defines infrastructure as assets that are long-lived capital assets that normally are stationary in nature and can be preserved for a significantly greater number of years than most capital assets. Infrastructure assets are often linear and continuous in nature. The capitalization threshold for infrastructure is \$500,000. A detailed list of examples can be found in the SPA Process User's Guide (SPUG, p1.19).

Detailed records of individual assets are not necessarily required. The level at which infrastructure assets are reported determines the minimum amount of detail. Infrastructure may be reported by major class, network, subsystem, or individual asset. Other factors, such as maintenance, insurance, and stewardship responsibilities also influence the level of record keeping.

Consistency in reporting of infrastructure is important. Currently, there are two methodologies for tracking infrastructure. One method is to pool the costs into one asset. For example, all expenses for sidewalks for any given project would be added to one asset. The other method is to separately track each asset based on the project. For example, project A has a sidewalk for \$500,000 while project B has a sidewalk for \$250,000. Each asset has its own unique asset number. If one chooses to pool the costs into one asset, a determination needs to be made whether to report the asset at a network or subsystem level. A network is composed of all assets that provide a particular type of service. A network of infrastructure assets may be only one infrastructure asset that is composed of many components. A subsystem is composed of all assets that make up a portion or segment of a network.

There may be times when an existing component needs to be replaced. If the replacement meets the capitalization threshold and the asset's normal useful life is extended,

THE TEXAS A&M UNIVERSITY SYSTEM

ASSET MANAGEMENT MANUAL

To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

the asset value should be adjusted by removing the cost and accumulated depreciation of the component that is being replaced and adding the cost of the new component. The estimated useful life of the asset should also be re-evaluated at this time to determine if it needs to be adjusted. Proper documentation should be maintained in your internal records for audit purposes. The Texas Higher Education System Generic Building Componentization Guidelines offer examples of how to determine appropriate amounts. These guidelines can be found at http://fmx.cpa.state.tx.us/fmx/spa/resource/bldg_compon_guide.php.

PERSONAL PROPERTY (EQUIPMENT)

General

The *SPA Process User's Guide* defines personal property as fixed or movable tangible assets to be used for operations, the benefits of which extend beyond one year from date of acquisition and rendered into service. Costs of extended warranties and/or maintenance agreements which can be separately identified from the cost of the equipment should not be capitalized. Personal property paid for jointly by the State and other governmental entities should be capitalized by the entity responsible for future maintenance (SPUG, p.1.20).

Trade-Ins

When a piece of equipment is traded in or exchanged for a similar asset, a trade-in worksheet should be completed and kept as documentation for how to record the transaction on your books. The System Office of Budgets and Accounting has developed an Excel worksheet (<http://www.tamus.edu/offices/budgets-acct/acct/fixed/TradeIn.html>) to assist Members in determining the amount of gain or loss associated with a trade in. 'Similar asset' is defined as an asset that falls within the same fixed asset category. Example, a computer and a monitor are both types of equipment and would be in the same AFR category; whereas, a computer and land would not be similar assets because they are in different AFR categories.

Computer Software

Per the *SPA Process User's Guide*, state agencies will capitalize the purchase of computer software whose unit value cost is \$5,000 or greater and has an estimated useful life of more than one year. Capitalization of computer software also includes software license fees if the total dollar amount of the fee divided by the number of units served (terminals) meets the criteria to capitalize the purchase (SPUG, p.1.21).

Vehicles, Boats, and Airplanes

Another category of personal property is vehicles, boats, and airplanes. These items are separately identified on the state's annual financial report (AFR), but are still considered types of personal property.

System Policy 21.01.08 designates the director of the TAMU Department of Parking, Traffic and Transportation Services as the TAMUS Fleet Manager. Each Member will appoint a site coordinator to administer the State Vehicle Fleet Management Plan at the Member level.

Texas Transportation Code Section 502.2015 states that in order to have exempt license plates the name of the agency that has custody of the vehicle must be printed on each side of the vehicle, in letters that are at least two inches high or in an emblem that is at least 100 square inches in size. The letters or emblem must be of a color sufficiently different from the body of the vehicle to be clearly legible from a distance of 100 feet. Exceptions to

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

the emblem/lettering requirement are generally granted for law enforcement vehicles, in accordance with Texas Transportation Code, Section 502.

The vehicle identification number (VIN) and license plate number should be recorded in the fixed assets system. For most Members, VIN number can be considered a serial number.

Other Capital Assets

Assets Held in Trust

GENERAL

Assets Held in Trust are capital assets held by an agency on behalf of a non-state entity (such as art collections owned by families, estates or other individuals or entities) or under the temporary control of the agency (such as federally-owned equipment).

Special care should be exercised in tracking and using such assets. OMB Circular A-110, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations," includes several sections on property standards. Each federal agency has specific requirements for recipients concerning the use and disposition of property acquired in whole or in part under federally sponsored projects. Please refer to Sections .30 through .37 of the circular for more information online at <http://www.whitehouse.gov/omb/circulars/a110/a110.html>.

RECORDING REQUIREMENTS

A capital asset held in trust that is used in operations should be capitalized in the appropriate asset category (such as Equipment) if it meets the capitalization threshold, depreciated if applicable, and accounted for in SPA. All capital assets held in trust should be tracked because they must be excluded from the Facilities and Administrative cost rate calculation.

REPORTING REQUIREMENTS

Only those assets NOT used in your operations are to be reported as Assets Held in Trust. These assets are not accounted for in SPA and there is no threshold amount – all items must be reported on your AFR. Currently, TTI is the only System Member who has assets to be reported as Assets Held in Trust per the State Comptroller's instructions.

The chart located in Appendix A explains the treatment of common scenarios with Assets Held in Trust.

Library Acquisitions

GENERAL

The threshold for catalogued library acquisitions is \$0 – *all acquisitions are to be capitalized.* Library acquisitions include library books, films, recordings, serials, and software.

ACQUISITION PROCEDURE

The recommended procedure for recording library acquisitions is to accumulate purchases for each fiscal year into a single asset in fixed asset accounting. Library purchases should be recorded using object code 8510 - Library Books & Reference Materials. The timing of the addition to capital is at the entity's discretion. This could be a monthly addition

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

to library acquisitions or a one-time addition at fiscal year end. Total purchased acquisitions should tie to the total purchases coded 8510 in the accounting system for the fiscal year.

DISPOSAL OF ASSETS

When acquisitions are removed from libraries, an entry to reduce the book value needs to be made. The adjustment to book value for disposal of assets is recorded prior to fiscal year end. If the value of the items removed and disposed is known, an entry will need to be made to reduce the asset value by the specific amount. When the value for individual volumes is unknown, the recommended procedure is to:

- Calculate the current year acquisition cost per volume (total dollar amount of current year acquisitions/number of volumes purchased = cost per volume).
- Using the calculated cost per volume x the number of volumes disposed = reduction in asset value.
- As the assets are removed, if the year of purchase is known the adjustment should be made to the correct year. If the year of purchase is unknown, the adjustment should be made to oldest library asset.

DEPRECIATION

The Texas State Comptroller's *SPA Process User's Guide* specifically disallows the depreciation of library assets (SPUG, p.1.23).

Museum Collections/Historical Treasures

GENERAL

Museums collections and/or historical treasures should be recorded in the fixed assets records. If the assets are for display or viewing only, the assets are non-depreciable. Museum collections and/or historical treasures that are used in operations may need to be depreciated.

For example, if there is a building that is a historical treasure and is used as office space, the structure itself would continue as a historical structure and would not be depreciated. Any modifications made to the structure to convert it to office facilities could be depreciated as part of the cost of operations if it meets the capitalization threshold for a given fiscal year.

Donated museum items are to be recorded at the estimated fair market value at the gift date. In many cases, the donor may have had an independent appraisal done for income tax purposes. If available and the appraisal appears reasonable, the Member may want to consider using the independent appraisal provided by the donor to value the item. An alternative would be to work with experts within the System to share expertise in appraising gifts. Gifts must be reported in accordance with System Policy 21.05 and Regulation 21.05.01 *Gifts, Donations, Grants and Endowments*.

Patents and Copyrights

GENERAL

Patents and copyrights are considered intangible assets by the *SPA Process User's Guide*. These assets are not reported in SPA. (SPUG, p.1.26) Governmental funds do not report intangible assets; however, the Research Foundation is a private, nonprofit corporation and is required to report patents and copyrights.

Livestock

GENERAL

Livestock in the possession of a System Member should be accounted for in accordance with state property accounting laws and the *SPA Process User's Guide*. Livestock includes cattle, horses, mules, swine, sheep, goats, poultry, rabbits and other animals. Gifts must be reported in accordance with System Policy 21.05 and System Regulation 21.05.01 *Gifts, Donations, Grants, and Endowments*.

The CEO of each System Member is responsible for the custody, care, maintenance, and safekeeping of livestock possessed by the Member. These responsibilities may be delegated by the CEO to the Property Administrator, Property Manager, and/or to Accountable Property Officers. Transfers of control and accountability must be made in accordance with the provisions of state property accounting laws, rules and policies.

The CEO of each System Member possessing livestock will publish such rules as are deemed necessary to ensure effective livestock management including procurement, production, utilization in research and other programs, treatment and care, and marketing of surpluses.

INVENTORY RECORDS

The following livestock inventory systems will be maintained:

1. A perpetual inventory system will be maintained for permanent breeder stock and for animals held for short-term purposes by those departments in possession of dairy and beef cattle, swine, horses, mules, sheep, and goats. A physical inventory will be taken annually or more often if necessary and the results reconciled to the financial control accounts. The existence and location of livestock loaned out or otherwise removed from a department will be confirmed annually.
2. Programmed changes in poultry breeder stock quantities (flock size) will be recorded in a perpetual inventory system including departmental records and financial control accounts during the year. Production records will be maintained for each lot of feeder birds showing the quantity started and finished and the mortality rate of each lot. A physical count of poultry breeder stock will be made

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

annually or more often if necessary and reconciled to the financial control accounts.

3. A perpetual inventory system which will account for the live animals, carcasses, and meat products will be maintained for livestock acquired for slaughter and processing.

Each component is responsible for maintenance of departmental inventory and individual livestock records which may provide any information desired for departmental use, but must include:

- identification number or description;
- breed and gender;
- date and method of acquisition;
- date and method of disposal; and
- production record for breeder stock.

Any number or descriptive system which permits the individual identification of cattle, horses, mules, and breeder stock swine, and either the individual or group identification of sheep, goats, nonbreeder stock swine, and poultry may be used. Each System Member is responsible for determining the method of marking (branding, tagging, etc.) livestock in its possession.

VALUE OF INDIVIDUAL ANIMALS

The inventory value of a purchased animal is the actual cost of the individual animal. The unit cost of animals produced or acquired by other means is provided at <http://www.tamus.edu/offices/budgets-acct/documents/livestockvaluationtable.pdf>. If a component assigns a different unit cost, the component shall document that assigned cost and the methodology used to determine that cost for audit purposes.

VALUATION OF LIVESTOCK TO BE CAPITALIZED

1. All livestock purchased or received by gift valued at \$5,000 or more per animal and having a useful life of more than one year will be capitalized.
2. Livestock produced by departments will be capitalized at the point that an individual animal is valued at \$5,000 or more and it is determined that its useful life is more than one year.
3. An individual animal in which a part ownership interest is acquired will be capitalized if the ownership interest of the animal is valued at \$5,000 or more and the animal has a useful life of more than one year.
4. Livestock acquired by any other means will be capitalized individually if the animal is valued at \$5,000 or more and it is determined that its useful life is more

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

than one year. Livestock will not be recorded as a single asset per herd, flock, etc.

VALUATION OF LIVESTOCK NOT TO BE CAPITALIZED

1. Livestock acquired by a department for classroom, laboratory or research purposes that will eventually be slaughtered will not be capitalized. Expenditures for such purchases will be classified as "stock for resale."

2. Poultry included in short-term feeding programs will not be capitalized.

VALUATION OF LIVESTOCK TO BE CONTROLLED

Controlled livestock is defined as livestock that does not meet the capitalization threshold of \$5,000 and must be tracked due to their nature if the Member deems necessary.

CHAPTER 6
OTHER VALUABLE INFORMATION

Fixed Assets and Facilities and Administrative Cost Rates

The accuracy of fixed asset records for both personal and real property is essential to the calculation of the most favorable Facilities and Administrative Cost rate (formerly referred to as Indirect Cost Rate) possible for each A&M System Member. The U. S. Department of Health and Human Services reviews/audits the rate calculation and sets the rate to be applied to future sponsored grants and contracts awarded to the Member. Their review/audit includes steps to ensure that only valid inventory items are included and that the items are allocated to the function (administration, research, instruction, or other) to which the items apply. Disposed or demolished items should be promptly removed from inventory records. Newly acquired assets, including recently completed and occupied buildings, should be added to inventory as soon as possible. Asset locations should be recorded in the accounting system and updated as frequently as necessary to reflect changes. It is important that the exact building and room number be displayed in the accounting system because this information is compared to the space information during the long-form calculation and subsequent negotiation.

Maintenance & Repair vs. Replacements vs. Additions/Betterments/Improvements

Once an asset is placed in service, an entity may incur costs that may be categorized as (a) repairs and maintenance of existing components, (b) replacement of existing components, or (c) acquisition of additional components. The nature of the expense will determine whether or not it should be capitalized.

Maintenance is the act of keeping assets in a usable condition, including preventative maintenance, normal repairs, replacement of parts and structural components and other activities needed to preserve the asset so that it continues to provide acceptable services and achieves its expected life. Maintenance excludes activities aimed at expanding the capacity of an asset or otherwise upgrading it to serve needs different from, or significantly greater than, those originally intended. The costs of normal, recurring, or periodic repairs and maintenance activities that are incurred after an asset is placed in service should be charged to expense.

Planned major maintenance activities, also referred to as overhauls or refurbishments, are other than routine activities that an entity considers necessary to perform on a recurring basis to maintain the asset in operating condition. Costs incurred often include labor costs for repair and maintenance activities such as cleaning, servicing, replacement, or repair, as well as costs of replacement components, minor parts, and interactive agents (such as certain fluids or elements). The individual costs incurred in such planned major maintenance activities should be evaluated to determine if they represent (a) the acquisition of additional

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

components or (b) the replacement of existing components. All other costs incurred in a planned major maintenance activity should be charged to expense as incurred.

When a replacement of an existing component occurs which meets the capitalization threshold and the asset's normal useful life is extended as a result of the replacement, the asset value should be adjusted by removing the cost and accumulated depreciation of the component that is being replaced and adding the cost of the new component. The estimated useful life of the asset should also be re-evaluated at this time to determine if it needs to be adjusted. When removing part of the replaced asset an appropriate amount should be determined in order to offset some of the costs of the replacement. For example, if you are removing an old roof in order to add a new roof, part of the cost of the old roof should be taken into consideration. The Texas Higher Education System Generic Building Componentization Guidelines, which can be found on the State Property Accounting website at https://fmx.cpa.state.tx.us/fmx/spa/resource/bldg_compon_guide.php, has examples of how to determine appropriate amounts.

Additions and improvements are those capital outlays that increase the capacity or efficiency of an asset. A change in capacity increases the level of service provided by an asset. A change in efficiency maintains the same service level, but at a reduced cost. The acquisition of additional components should be evaluated to determine if the costs of the additional components meet the capitalization threshold. If they do, then they will be added as capitalized components of the asset.

CHAPTER 7
FREQUENTLY ASKED QUESTIONS

CIP reclass issues

QUESTION # 1

We have received the transfer from SO for the final C-30 on the apartments. We have some questions on how to process the entries. The increased amount for the building is less than \$100,000.00. Will we still be able to increase the amount of the building? There was some trouble in getting things increased in SPA last year that did not meet the threshold amount and we were not sure about this entry.

ANSWER

It is my understanding that if it does not meet the threshold amount then it needs to be expensed.

QUESTION # 2

It is our understanding that each item in Facilities and Other Improvements and Infrastructure is considered a separate item and not a part of the whole amount for each. If so, the only part for them to be added is the Parking Lots and Driveways and they do not tie to the building as a component.

ANSWER

You are correct that parking lots would not tie to the building as a component because it is a different GL.

I would suggest you look at how your agency has handled F&OI costs in the past. Do you lump all 'like items' into one big pot (so all natural gas line expenses would be added to one asset regardless of which project)? Or do you look at each project individually? Your decision on how to handle these costs must be based on how your agency handles this...consistency is the key. If your agency looks at each project individually, then yes, I agree, most of your F&OI line items would end up being expensed. If your agency combines like items into one asset (such as all natural gas lines in a given year would be added to a single natural gas line asset), then you would have to ask - would the total meet the threshold at the end of the year? If yes, then capitalize; if no, then you would still have to expense.

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

QUESTION # 3

We also have another project that is closing with a \$196,000.00 improvement to an old building. Do we have to break out each part of the improvement or do we just add the improvement amount to the building?

ANSWER

I don't feel that a generic addition to improvement would be valid. I would suggest you attempt to break out the costs...which might mean some of the costs will now have to be expensed. It is my understanding that you can have one asset with different class codes in it as long as it is within the same GL/AFR category. So if this improvement consisted of \$75,000 for roof, \$75,000 for plumbing and \$46,000 for elect & lighting system it could all be added under one asset with 3 separate class codes and because all of the costs would be added in the same fiscal year it would meet the threshold amount and depreciate. The only other comment would be - to decide how you are going to handle these types of situations and be consistent.

Trade-In Issues

QUESTION # 1

We are trading in two like items for a similar item. The two like items (vans) are capital and are not fully depreciated. We plan to trade them in for a new car. How do we get the trade-in worksheet to work correctly?

ANSWER

Since you are trading in like items (all are in AFR category of vehicles), we do not see a problem with this transaction. In order to get the trade-in worksheet (<http://www.tamus.edu/offices/budgets-acct/acct/fixed/TradeIn.html>) to work correctly, we would recommend combining the total cost and total depreciation of the two items so that you can then fill in the trade-in worksheet to determine how to book the trade-in. The only thing that will not be easy to determine is how to prorate any trade-in amount that might be calculated (where you might have to reduce the assets on 515 with a D-TR). The first thought is to do it based on the cost of each of your assets; however, each of the vans could have a different remaining useful life. If you have to reduce the old assets you will have to determine how to prorate the dollar amount and keep good documentation justifying how you chose the amounts.

QUESTION # 2

We purchased a vehicle from another TAMUS Member for \$6,000. The original price of the car was \$19,800 and already has \$19,200 in accumulated depreciation. We are also going to have to repair the car with an additional \$2,900 work of worth to get the car to run. Should we book this car as \$6,000 or \$19,800? And what do we do with the \$2,900 worth of repairs?

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

ANSWER

The following steps are suggested:

1. You should accept a transfer from the TAMUS Member for the original cost of \$19,800.
2. Add to your asset the \$6,000 that was paid to the Member. It is suggested to add this \$6,000 as a separate component so that you could identify the dollars easier. You probably should consider adjusting the useful life of the item and document why it would be less than the normal 5 years.
3. Add the \$2,900 cost to put the asset into service if the dollars were paid in the same fiscal year as the \$6,000. If paid in a different fiscal year and the expenses were less than \$5,000 then would need to record as an expense.

Building Issues

QUESTION # 1

Are all the parts of the building componentized as one asset or are they separated and componentized by type? The example and the two possible solutions are as follows:

Project 1-ABCD

Building Shell	\$25,000,000.00
Landscaping	\$100,000.00
Infrastructure	\$500,000.00

Total project cost \$25,600,000.00

A) Building 1-ABCD Asset # 0400000001

Asset # 0400000001 Comp # 01	Building Shell	\$25,000,000.00	G/L 811005
Asset # 0400000001 Comp # 02	Landscaping	\$100,000.00	G/L 821417
Asset # 0400000001 Comp # 03	Infrastructure	\$500,000.00	G/L 825001

OR

B) Asset # 0400000001 Comp # 01 Building Shell \$25,000,000.00 G/L 811005
Asset # 0400000002 Comp # 01 Landscaping \$100,000.00 G/L 821417
Asset # 0400000003 Comp # 01 Infrastructure \$500,000.00 G/L 825001

ANSWER

It is our recommendation that solution B should be followed. It is easiest if all of the components are in the same AFR category. So all building class codes could be under one asset but not a building class code, infrastructure code, and F&OI code.

If you want to tie the related assets together, you can use the related asset field on FAMIS FFX screen 506.

GLOSSARY

Accountable Property Officer	Individual responsible for the physical possession and control of all personal property entrusted to the departments' activities. The Accountable Property Officer (APO) is typically the Department Head.
Agency Head	Chief Executive Officer of each TAMUS Member. Each Agency Head is responsible for the control of and accountability for all personal property possessed by the Member.
Alternate APO	Designated by the Accountable Property Officer, the Alternate Accountable Property Officer performs the daily functions of property management for the department.
Assets Held in Trust	Assets held by a TAMUS Member on behalf of a non-state entity (such as art collections owned by families, estates, and other individuals or entities) and which are under the temporary control of the Member
Capital Asset	Real or personal property having a value equal to or greater than the capitalization threshold for the particular asset classification and having an estimated useful life of greater than one year.
Controlled Asset	Personal property that does not meet the capitalization threshold but that must be inventoried and tracked due to the nature of the item.
Equipment	Any possession owned by or entrusted to a Member of the A&M System having sufficient value to warrant inclusion in fixed asset financial reports or, due to the nature of the asset, is required to have management controls placed on it. Equipment does not include consumable items nor does it include real property. It can be a capital asset, controlled asset, or inventoried asset.

**THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL**

To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

Fabricated/Constructed Eqpt	An item whose individual components may be valued at less than the capitalization limit; however, when they are put together into the finished, tangible asset, the cumulative cost should be capitalized.
Gift	Donated assets that are recorded at the estimated fair market value at the gift date.
Inventoried Items	Personal property valued at less than \$5,000 per unit that is not required to be controlled by the State of Texas, but is required to be inventoried by the Agency Head.
Loan	The non-permanent reassignment of inventoried personal property that may be assigned or loaned to another department or individual for the official benefit of The Texas A&M University System only – it can be temporary or long-term.
Member/TAMUS Member	Any component institution or agency of The Texas A&M University System.
Missing	Equipment whose disappearance cannot be explained.
Personal Property	See Equipment.
Pilferable Item	An equipment item that is highly susceptible to theft, loss or damage due to monetary value, intrinsic value, convertibility to unauthorized use, attractiveness or relatively small size.
Property Manager	Individual responsible for the overall management of the Member's personal property, including the maintenance and control of the central inventory records.
Real Property	Land, buildings, facilities, improvements to land or buildings, and infrastructure.
Reasonable Care	The minimum steps required to maintain the asset in an acceptable manner, ensure the security of an asset, ensure that an asset can be located at any time requested, and ensure that the person responsible for an asset is known.

**THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL**

To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

Salvage	Any equipment that through use, time, or accident is so depleted, worn out, damaged, consumed, or outdated that it is obsolete and/or can no longer serve the purpose for which it was originally intended.
Sensitive Item	An equipment item that is potentially harmful or hazardous or is of high monetary value and easily converted to unauthorized use or disposal.
Stolen	Any equipment missing by theft, whether by forced removal, burglary, theft by employees, or other criminal acts.
Surplus	Any equipment which is in excess of the needs of a TAMUS Member and which is not required for its foreseeable need. Surplus property may be new or used but must have additional useful life.
Surplus Inventory Supervisor	Individual responsible for the management and disposal of excess equipment.
Surplus Procurement Officer	The official representative of the TAMUS Member in matters pertaining to the acquisition of surplus property.
Trade-in	Surplus or salvage property, which in the best interest of the State, is exchanged for new property of the same general type.
Trust Property	Assets held by a TAMUS Member on behalf of a non-state entity (such as art collections owned by families, estates, and other individuals or entities) and which are under the temporary control of the Member. This is the same as Assets Held in Trust.

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

APPENDIX A

ASSETS HELD IN TRUST
Recording Classifications

Scenario	Description	Recording Classification	Depreciate	Applicable GASB Standard	Comments
Equipment or Historical Treasures "loaned" to the State	Capital Assets held by the state on behalf of a non-state entity and NOT used in agencies' operations. For example: Art collections owned by families, estates, etc. Assets owned by the federal government loaned to the state for display	Record these assets as Assets Held in Trust regardless of amount and who holds title	No	Comptroller Policy	Currently, TTI is only member that has assets in this classification. Acquisition Method = HT
	If used in operations	Record as appropriate asset	Yes	Q26 of GASB Implementation Guide-Vol. II	Acquisition Method = AJ
Assets Donated - Recipient's intent is to keep the asset	GASB 33 - A voluntary nonexchange transaction entered into willingly by two or more parties. A voluntary contribution of resources between state agencies is NOT a donation.	Record as appropriate asset if it meets the capitalization threshold or is required to be controlled	Yes	GASB 33	Acquisition Method = GF
Assets Donated - Recipient's intent is to sell the asset	GASB 33 - A voluntary nonexchange transaction entered into willingly by two or more parties. A voluntary contribution of resources between state agencies is NOT a donation.	Record as appropriate asset if intent it to use before selling	No	GASB 34 GFOA Bluebook	Tax reporting issue - Refer to Tax Manual Acquisition Method = GF
Capital Assets Purchased with sponsored funds - Sponsor retains a "residual interest" in the asset	Equipment purchased by the state with federal funds where the federal government retains a residual interest in the equipment. The state uses the equipment in its operations (activities) and makes the decisions regarding when and how the asset will be used and managed.	The historical cost of the asset should be recorded as appropriate asset	Yes	Q26 of GASB Implementation Guide-Vol. II	Acquisition Method = PO
Capital Assets Purchased with sponsored funds - Sponsor retains or is silent on the "ownership and/or title" to the asset	Equipment purchased by the state with federal funds where the federal government retains a residual interest in the equipment per the grant/award. The state uses the equipment in its operations (activities) and makes the decisions regarding when and how the asset will be used and managed. Per the grant/award, equipment must be returned to the federal government at the completion of the grant/research. As a matter of practice, even if the contract doesn't state explicitly that the asset belongs to the agency, the asset is usually retained by the agency. Thus, it should be capitalized and depreciated.	The historical cost of the asset should be recorded as appropriate asset	Yes	Professional judgement and Q26 of GASB Implementation Guide-Vol. II	Acquisition Method = PO

THE TEXAS A&M UNIVERSITY SYSTEM

ASSET MANAGEMENT MANUAL

To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

Appendix B: FFX Class Codes vs. FRS Expense Codes

FAMIS class	SPA Class	COBJ	FAMIS Obj Code	SPA CTRL	Definition in FAMIS	* GL *
577501	106	7374	5775	SPA	HANDGUNS \$0-4999.99	EQUIP
577502	107	7374	5775	SPA	RIFLES \$0-4999.99	EQUIP
577701	121	7374	5777		FAX MACHINES \$500-4999.99	EQUIP
578001	129	7374	5780	SPA	STEREO SYSTEMS \$500-4999.99	EQUIP
578101	130	7374	5781	SPA	CAMERAS/Video Cameras \$500-4999.99	EQUIP
578201	131	7374	5782	SPA	TV/VCR/DVD/Camcorder \$500-4999.99	EQUIP
578301	132	7374	5783		PROJECTORS - Overhead/Slide \$500-4999.99	EQUIP
578501	179	7374	5785		CASH REGISTERS \$0-4999.99	EQUIP
578701	204	7378	5787	SPA	Microcomputer-Desk Not Apple \$500-4999.99	EQUIP
578703	214	7378	5787	SPA	Microcomputer-Desk Apple \$500-4999.99	EQUIP
578704	284	7378	5787	SPA	CPU-Hand/Port/Lap-Not Apple \$500-4999.99	EQUIP
578705	294	7378	5787	SPA	CPU-Hand/Port/Laptop Apple \$500-4999.99	EQUIP
578706	203	7378	5787		Servers/Minicomputers \$500-4999.99	EQUIP
578707	219	7378	5787		Palms/PDAs/Oth Handheld \$500 - 4999.99	EQUIP
578708	218	7378	5787	SPA	Data Projectors	EQUIP
578801	208	7378	5788	SPA	Printer-Not Portable \$500-4999.99	EQUIP
578802	288	7378	5788		Printer-Portable \$500-4999.99	EQUIP
579102	525	7374	5792		MICROSCOPES & accessories \$500-4999.99	EQUIP
579105	504	7374	5792		Balances \$500-4999.99	EQUIP
579106	521	7374	5792		Incubators & accessories \$500-4999.99	EQUIP
579109	507	7374	5792		CENTRIFUGES \$500-4999.99	EQUIP
579111	528	7374	5792		OSCILLOSCOPES \$500-4999.99	EQUIP
579201	182	7374	5792		Weather Equipment \$500-4999.99	EQUIP
579202	532	7374	5792		REFRIG, lab \$500-4999.99	EQUIP
579203	517	7374	5792		Freezers, lab \$500-4999.99	EQUIP
579204	164	7374	5792		SCALES \$500-4999.99	EQUIP
579205	529	7374	5792		Oven/Ranges, lab \$500-4999.99	EQUIP
579206	546	7374	5792		OTHER Med & SCI Misc Eq \$500-4999.99	EQUIP
579207	542	7374	5792		Table-Dissect/Operating, etc \$500-4999.99	EQUIP
579208	520	7374	5792		Ice Machines, lab \$500-4999.99	EQUIP
579209	546	7374	5792		Glassware - Med & Sci \$500-4999.99	EQUIP
579301	030	7340	5793		Buildings - AGY CNTRL \$0 - 99,999.99	BLDG
579401	003	7340	5794		Fac & OI - AGY CNTRL \$0 - 99,999.99	FAC&OI
579501	055	7340	5795		Infrastruc - AGY CNTRL \$0 - 499,999.99	INFRA
579601	209	7378	5796		COMPUTER - MONITORS \$0-499.99	EQUIP
579701	209	7378	5797		COMPUTER - MONITORS \$500-4999.99	EQUIP
579702	213	7378	5797		COMPUTER - OTHER \$500-4999.99	EQUIP
579705	241	7378	5797		Scanner-Image \$500-4999.99	EQUIP
579706	242	7378	5797		Scanner-Barcode (Reader) \$500-4999.99	EQUIP
579903	195	7374	5799		Silver Service - Agency Controlled	EQUIP
579906	546	7374	5799		TRAFFIC COUNTERS \$500-4999.99	EQUIP
579910	175	7374	5799		Tractors \$500-4999.99	EQUIP
579911	711	7374	5799		Grader/Loader-Self Propelled \$500-4999.99	VEH
579912	712	7374	5799		Trailers \$500-4999.99	EQUIP
579913	702	7374	5799		Trucks-Heavy 26001 lbs + \$500-4999.99	VEH
579914	709	7374	5799		Trucks-Light under 8600 lbs \$500-4999.99	VEH
579915	720	7374	5799		All Terrain/Golf Carts/Other \$500-4999.99	EQUIP
579916	714	7374	5799		Trucks-Light/Med \$500-4999.99	VEH

**THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL**

To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

FAMIS class	SPA Class	COBJ	FAMIS Obj Code	SPA CTRL	Definition in FAMIS	* GL *
579917	715	7374	5799		Trucks-Mediums 15K-26K GVW \$500-4999.99	VEH
579918	708	7374	5799		Vans-Full Size \$500-4999.99	VEH
579919	704	7374	5799		Motorcycles \$500-4999.99	VEH
579920	707	7374	5799		Sports Utility Vehicles \$500-4999.99	VEH
579921	175	7374	5799		Motor Driven Farm/Shop Eqpt \$500-4999.99	EQUIP
579922	144	7374	5799		Forklift \$500-4999.99	EQUIP
579923	721	7374	5799		Boats - 20ft or greater	VEH
579924	722	7374	5799		Boats - shorter than 20ft	VEH
579925	730	7374	5799		Boats - Other/Canoe/Rowboat	VEH
579930	855	7374	5799		Livestock - Poultry \$0-4999.99	LIVEST
579931	853	7374	5799		Livestock - Sheep \$0-4999.99	LIVEST
579932	855	7374	5799		Livestock - Burros/Donkeys < \$5000	LIVEST
579933	852	7374	5799		Livestock - Dairy Cattle < \$5000	LIVEST
579934	852	7374	5799		Livestock - Beef Cattle < \$5000	LIVEST
579935	851	7374	5799		Livestock - Horse < \$5000	LIVEST
579936	855	7374	5799		Livestock - Mules < \$5000	LIVEST
579937	855	7374	5799		Livestock - Goats < \$5000	LIVEST
579938	854	7374	5799		Livestock - Swine < \$5000	LIVEST
579939	855	7374	5799		Livestock - Bison < \$5000	LIVEST
579940	855	7374	5799		Livestock - Deer < \$5000	LIVEST
579941	855	7374	5799		Livestock - Dogs < \$5000	LIVEST
579950	200	7374	5799		FED (TAEX) CNTLD ASSETS \$500-4999.99	EQUIP
579960	001	7374	5799		Land-Held for Investment Only	LAND
579999	200	7374	5799		Missing-Threshold change-Hold 2 yrs (temp)	EQUIP
801001	001	7345	8010		LAND and Land Improvements	LAND
801002	002	7345	8010		Land: Right of Way	LAND
801003	001	7346	8015		Wells	LAND
801004	001	7346	8015		Pumps/Motors	LAND
801005	001	7346	8015		Windmills	LAND
811001	030	7342	8110		Non-Componentized Bldgs/Bldg Imp	BLDG
811002	031	7342	8110		BLDG EXT - Office	BLDG
811003	031	7342	8110		BLDG EXT - Residence	BLDG
811004	031	7342	8110		BLDG EXT - Research	BLDG
811005	031	7342	8110		BLDG EXT - Education	BLDG
811006	031	7342	8110		BLDG EXT - Farm	BLDG
811007	031	7342	8110		BLDG EXT - Storage/Warehouse	BLDG
811008	031	7342	8110		BLDG EXT - Garage/Hangar	BLDG
811009	031	7342	8110		BLDG EXT - Hospital	BLDG
811010	031	7342	8110		BLDG EXT - Museum	BLDG
811011	031	7342	8110		BLDG EXT - Building Shell	BLDG
811012	031	7342	8110		BLDG EXT - Clinics	BLDG
811013	046	7342	8110		BLDG INT-Sprinkler System	BLDG
811014	049	7342	8110		BLDG INT - Interior Finish	BLDG
811015	050	7342	8110		BLDG INT - Plumbing System	BLDG
811016	052	7342	8110		BLDG INT-Security	BLDG
811017	053	7342	8110		BLDG INT - Network/Telephone Cabling	BLDG
811018	054	7342	8110		BLDG INT-Fire Protection System	BLDG
811020	051	7342	8110		BLDG INT - HVAC	BLDG

**THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL**

To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

FAMIS class	SPA Class	COBJ	FAMIS Obj Code	SPA CTRL	Definition in FAMIS	* GL *
811021	047	7342	8110		BLDG INT - Elect & Lighting Service	BLDG
811022	043	7342	8110		BLDG INT - Elevators	BLDG
811023	048	7342	8110		BLDG INT - Roof	BLDG
811024	044	7342	8110		BLDG INT - Floor Covering	BLDG
811025	045	7342	8110		BLDG INT - Fixed Eqpt/Furniture	BLDG
811026	031	7342	8110		BLDG INT - Chilling Station/Boiler	BLDG
811030	032	7342	8110		BLDG - Misc Construction Features	BLDG
821016	010	7336	8210		F&OI Paths & Trails	FAC&OI
821018	006	7336	8210		F&OI - Driveways/Parklt	FAC&OI
821117	011	7336	8214		F&OI - SEPTIC SYSTEMS	FAC&OI
821213	004	7336	8212		F&OI - FENCing & Gates	FAC&OI
821302	009	7336	8213		F&OI Golf Course Facilities	FAC&OI
821303	012	7336	8213		F&OI Stadiums	FAC&OI
821304	013	7336	8213		F&OI Swimming Pools, Tennis Courts	FAC&OI
821305	008	7336	8213		F&OI - Athletic Fields & Rec Areas	FAC&OI
821414	007	7336	8214		F&OI - Outside Sprinkler System	FAC&OI
821415	014	7336	8214		F&OI Fountains	FAC&OI
821416	015	7336	8214		F&OI Plazas & Pavillions	FAC&OI
821417	005	7336	8214		F&OI - LANDSCAPING	FAC&OI
821418	016	7336	8214		F&OI Retaining Walls	FAC&OI
821421	003	7336	8214		F&OI - FIRE SCHOOL	FAC&OI
821425	003	7336	8214		F&OI - GENERAL	FAC&OI
825001	055	7356	8250		Infrastructure & Infr Improvements	INFRA
825002	056	7356	8250		Infra-Hwy System & Rest Areas	INFRA
825003	057	7356	8250		Infra-Road/Street (Curbs, gutters)	INFRA
825004	058	7356	8250		Infra-Bridge-Concrete Girder (Pan)	INFRA
825005	059	7356	8250		Infra-Bridge-Concrete Slab	INFRA
825006	060	7356	8250		Infra-Bridge-Culvert	INFRA
825007	061	7356	8250		Infra-Bridge-Prestressed Girder(Box)	INFRA
825008	062	7356	8250		Infra-Bridge-Prestressed Girder	INFRA
825009	063	7356	8250		Infra-Bridge-Steel Girder	INFRA
825010	064	7356	8250		Infra-Bridge-Steel Truss-Cat. One	INFRA
825011	065	7356	8250		Infra-Bridge-Steel Truss-Cat. Two	INFRA
825012	066	7356	8250		Infra-Bridge-Timber Stringer	INFRA
825013	067	7356	8250		Infra-Sewer (Sanitary, Storm)	INFRA
825014	068	7356	8250		Infra-Railroad	INFRA
825015	069	7356	8250		Infra-Canal	INFRA
825016	070	7356	8250		Infra-Waterway	INFRA
825017	071	7356	8250		Infra-Drainage Facility	INFRA
825018	072	7356	8250		Infra-Wharf or dock	INFRA
825019	073	7520	8257		Infra-Radio or TV Transmit Tower	INFRA
825020	074	7356	8250		Infra-Dam	INFRA
825021	075	7356	8250		Infra-Electric (lines & distribution)	INFRA
825022	076	7356	8250		Infra-Gas (main & lines)	INFRA
825023	077	7356	8250		Infra-Water Lines	INFRA
825024	078	7520	8257		Infra-Fiber Optic (Info Tech)	INFRA
825025	079	7520	8257		Infra-Telephone Distribution Sys	INFRA
825026	080	7356	8250		Infra-Tunnels (Utility)	INFRA

**THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL**

To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

FAMIS class	SPA Class	COBJ	FAMIS Obj Code	SPA CTRL	Definition in FAMIS	* GL *
825027	081	7356	8250		Infra-Tunnels (Other)	INFRA
825028	082	7356	8250		Infra-Lighting Sys(Traffic, Outdoor,Str)	INFRA
825029	083	7356	8250		Infra-Signage	INFRA
825030	084	7356	8250		Infra-Airport runway/strip/taxiary/apron	INFRA
825031	085	7356	8250		Infra-Trestles	INFRA
825032	086	7356	8250		Infra-Sea Walls/Bulkhds/Piers/Brdwalks	INFRA
825033	087	7356	8250		Infra-Fire Hydrants	INFRA
825034	088	7356	8250		Infra-Agricultural Irrigation Sys	INFRA
825035	089	7356	8250		Infra-Sidewalks	INFRA
831001	091	7344	8310		LEASEHOLD IMPROVEMENTS	LHIMPR
835001					LEASE PURCH - FURNISHINGS & EQUIPMENT	LSPURC
835101					LEASE PURCH - FARM EQUIPMENT	LSPURC
837501					LEASE PURCH - BUILDINGS	LSPURC
841001	716	7371	8410		Mini-Vans	VEH
841002	701	7371	8410		Passenger Cars	VEH
841003	708	7371	8410		Vans-Full Size, Cargo, & Passenger	VEH
841502	702	7372	8415		Trucks- Heavy 26001 lbs GVW and over	VEH
841503	709	7371	8410		Trucks-Light under 8600 lbs GVW	VEH
841504	714	7371	8410		Trucks-Light/Medium 8601-14999 lbs GVW	VEH
841505	715	7371	8410		Trucks-Medium 15000-26000 lbs GVW	VEH
841506	712	7373	8425		Trailers	EQUIP
841507	704	7372	8415		Motorcycles	VEH
841508	720	7373	8425		All Terrain/Golf Carts/Other vehicle	EQUIP
841509	705	7371	8410		Vehicle COMPONENTS / LIFE 5 YRS	VEH
841510	706	7371	8410		Vehicle COMPONENTS / LIFE 10 YRS	VEH
841511	707	7371	8410		Sports Utility Vehicles	VEH
841512	703	7371	8410		Buses- 1-15 Passenger	VEH
841513	718	7372	8415		Buses-16-28 Passenger	VEH
841514	719	7372	8415		Buses-29 Passenger and over	VEH
841515	710	7372	8415		Mounted Equip w/Truck Chassis-Fuel, etc	VEH
841516	711	7373	8425		Self Propelled Roadway-Graders/Loaders	EQUIP
841517	713	7373	8425		Towed Roadway Equipment	EQUIP
842001	150	7373	8420		CLASSROOM TEACHING AIDS & Instruct Eq	EQUIP
842002	150	7373	8420		Gym Equipment	EQUIP
842101	105	7373	8421		FURN-Bookcase/Credenza/Cabinets(ex.File)	EQUIP
842102	103	7373	8421		FURN - CHAIRS/STOOLS/settees	EQUIP
842103	101	7373	8421		FURN - DESKS	EQUIP
842105	179	7373	8421		OFFICE MACHINES	EQUIP
842106	109	7373	8421		TYPEWRITERS/WORD PROCESSORS	EQUIP
842107	179	7373	8421		CASH REGISTERS	EQUIP
842108	102	7373	8421		FURN - TABLES	EQUIP
842109	108	7373	8421		CALCULATORS	EQUIP
842110	120	7373	8421		PHOTOCOPYING/ Duplicating	EQUIP
842115	110	7373	8421		OTHER Office FURNITURE & Equipment	EQUIP
842201	182	7373	8422		Weather Equipment	EQUIP
842202	525	7373	8422		MICROSCOPEs & accessories (Med/Sci/Lab)	EQUIP
842203	532	7373	8422		REFRIGerators, lab	EQUIP
842204	517	7373	8422		Freezers, lab	EQUIP

**THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL**

To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

FAMIS class	SPA Class	COBJ	FAMIS Obj Code	SPA CTRL	Definition in FAMIS	* GL *
842205	164	7373	8422		SCALES	EQUIP
842206	504	7373	8422		Balances	EQUIP
842207	529	7373	8422		Oven/Ranges, lab	EQUIP
842208	521	7373	8422		Incubators and accessories	EQUIP
842209	546	7373	8422		SPEED MONITORS / DETECTORS	EQUIP
842210	546	7373	8422		TRAFFIC COUNTERS	EQUIP
842211	528	7373	8422		OSCILLOSCOPES	EQUIP
842212	539	7373	8422		SPECTROPHOTOMETERS	EQUIP
842213	507	7373	8422		CENTRIFUGES	EQUIP
842214	508	7373	8422		CHROMATOGRAPHS	EQUIP
842215	546	7373	8422		OTHER MED/SCI/LAB EQ Misc	EQUIP
842216	546	7373	8422		Dataloggers/Microloggers	EQUIP
842217	542	7373	8422		Table-Lab/Dissecting/Operating/Balance	EQUIP
842218	553	7373	8422		Table-Exam	EQUIP
842219	502	7373	8422		Analyzer, all types (Med/Sci/Lab)	EQUIP
842220	546	7373	8422		Glassware - Medical & Scientific	EQUIP
842234	503	7373	8422		Autoclaves and sterilizers	EQUIP
842235	505	7373	8422		Baths-Water and shakers	EQUIP
842236	506	7373	8422		Animal Cages and accessories	EQUIP
842237	509	7373	8422		Cryostat	EQUIP
842238	510	7373	8422		Counter Laboratory Assembly	EQUIP
842239	511	7373	8422		Densitometer	EQUIP
842240	512	7373	8422		Electronic Module	EQUIP
842241	513	7373	8422		Electrophoresis Apparatus	EQUIP
842242	514	7373	8422		Evaporators	EQUIP
842243	515	7373	8422		Fraction Collector	EQUIP
842244	516	7373	8422		Freeze dryers & accessories	EQUIP
842245	518	7373	8422		Homogenizer	EQUIP
842246	519	7373	8422		Hood, all types (Med/Sci/Lab)	EQUIP
842247	520	7373	8422		Ice Machines (Med/Sci/Lab)	EQUIP
842248	522	7373	8422		Isolator	EQUIP
842249	523	7373	8422		Micromanipulator	EQUIP
842250	524	7373	8422		Meters/gauges/indicators (Med/Sci/Lab)	EQUIP
842251	526	7373	8422		Micro tomes/diamond knives (MSL)	EQUIP
842252	527	7373	8422		Optical Equipment	EQUIP
842253	530	7373	8422		Pumps (Med/Sci/Lab)	EQUIP
842254	531	7373	8422		Recording Systems (Med/Sci/Lab)	EQUIP
842255	533	7373	8422		Rotors & Heads	EQUIP
842256	534	7373	8422		Scan Systems	EQUIP
842257	535	7373	8422		Scintillation Systems	EQUIP
842258	536	7373	8422		Ultrasound Equip	EQUIP
842259	537	7373	8422		Spectrofluorometer	EQUIP
842260	538	7373	8422		Spectrometer	EQUIP
842261	540	7373	8422		Stereotaxic Instrument & Accessories	EQUIP
842262	541	7373	8422		Stimulator	EQUIP
842263	543	7373	8422		Tanks/Containers/Chambers - All (MSL)	EQUIP
842264	544	7373	8422		Water Purification (Med/Sci/Lab)	EQUIP
842265	545	7373	8422		X-ray	EQUIP

**THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL**

To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

FAMIS class	SPA Class	COBJ	FAMIS Obj Code	SPA CTRL	Definition in FAMIS	* GL *
842266	547	7373	8422		Patient Monitoring System	EQUIP
842267	548	7373	8422		Breathing Apparatus, Respirator	EQUIP
842268	549	7373	8422		Defibrillator	EQUIP
842269	550	7373	8422		EKG/ECG/EEG Apparatus	EQUIP
842270	551	7373	8422		Dialysis Equip	EQUIP
842271	552	7373	8422		Clinical Diagnostic Instruments	EQUIP
842272	554	7373	8422		Dental Equip	EQUIP
842273	555	7373	8422		Wheelchair	EQUIP
842274	556	7373	8422		Misc Surgical Instrument	EQUIP
842275	557	7373	8422		Patient Care, Misc.	EQUIP
842276	546	7373	8422		Shakers-orbital/platform/bench	EQUIP
842277	546	7373	8422		Thermal Cyclers	EQUIP
842278	558	7373	8422		Robotics	EQUIP
842279	559	7373	8422		DNA Sequencer & Accessories	EQUIP
842301	801	7369	8423		Art/Historical Treasures - Depreciable	MUSEUM
842302	802	7369	8423		Art/Hist Treasures/Artifacts-Not Depr.	MUSEUM
842401	197	7373	8424		BLDG MAINT/SAFETY/SECURITY/FIRST AID EQ	EQUIP
842402	501	7361	8427		Amplifiers, All types	EQUIP
842403	200	7361	8427		WATER COOLERS (drinking fountains)	EQUIP
842405	134	7361	8427		ATHLETIC/RECREATIONAL EQUIP	EQUIP
842407	195	7361	8427		KITCHEN APPLIANCES	EQUIP
842408	145	7361	8427		MAIL SERVICE EQUIP	EQUIP
842409	190	7373	8424		PRINTING Machines & Binding Equip	EQUIP
842410	106	7373	8424		HANDGUNS	EQUIP
842411	107	7373	8424		RIFLES	EQUIP
842412	104	7361	8427		FURN-Personal, Bed/Dresser/Rocker	EQUIP
842413	129	7361	8427		STEREO SYSTEMS	EQUIP
842414	130	7361	8427		CAMERAS/Video Cameras/Digital	EQUIP
842415	200	7373	8424		OTHER INSTI misc furn/machines	EQUIP
842416	131	7361	8427		TV/VCR/DVD/Camcorders	EQUIP
842417	132	7361	8427		OTHER SOUND SYSTEMS/Audio/Visual Eq	EQUIP
842418	133	7361	8427		MUSICAL INSTRUMENTS	EQUIP
842420	189	7361	8427		COSMOTOLOGY EQUIP	EQUIP
842421	196	7361	8427		LAUNDRY EQUIP	EQUIP
842422	132	7361	8427		PROJECTORS, Overhead/Slide/Video	EQUIP
842423	198	7361	8427		Portable Buildings	EQUIP
842424	136	7361	8427		GPS Equipment	EQUIP
842501	175	7373	8425		LAND PREP/PLANTING/CULTIVAT EQ	EQUIP
842502	175	7373	8425		HARVESTING, PROCESSING EQ	EQUIP
842503	175	7373	8425		WAGONS (Agricultural)	EQUIP
842504	180	7373	8425		Machinery - Misc/Tools	EQUIP
842505	160	7373	8425		Metal Working Machine, Other, Stationary	EQUIP
842506	119	7373	8425		VEHICLE MAINTENANCE EQUIP	EQUIP
842507	175	7373	8425		Tractors	EQUIP
842508	175	7373	8425		Other Agricultural Equipment	EQUIP
842509	155	7373	8425		Conveyer Systems	EQUIP

**THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL**

To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

FAMIS class	SPA Class	COBJ	FAMIS Obj Code	SPA CTRL	Definition in FAMIS	* GL *
842510	156	7373	8425		Drills, Stationary	EQUIP
842511	157	7373	8425		Gin Machinery	EQUIP
842512	158	7373	8425		Grinders, Stationary	EQUIP
842513	180	7373	8425		Misc Industrial/Manufacturing Machine	EQUIP
842514	159	7373	8425		Lathes, Stationary	EQUIP
842515	161	7373	8425		Milling Machine	EQUIP
842516	162	7373	8425		Pallet Trucks/Lifts/Jacks/Hydraulic	EQUIP
842517	163	7373	8425		Saws, Stationary	EQUIP
842518	165	7373	8425		Shapers/Joiners/Planers, Stationary	EQUIP
842519	166	7373	8425		Sharpeners, Stationary	EQUIP
842520	167	7373	8425		Shears	EQUIP
842521	168	7373	8425		Textile Machines	EQUIP
842522	170	7373	8425		Tools	EQUIP
842523	169	7373	8425		Woodworking Machines	EQUIP
842524	144	7373	8425		Forklift	EQUIP
842525	175	7373	8425		Scales-Livestock/Machinery	EQUIP
842601	721	7365	8455		BOATS (20 FT OR GREATER)	VEH
842602	722	7365	8455		BOATS (Shorter than 20 ft)	VEH
842603	730	7365	8455		Boats-Other/Canoe/Rowboat	VEH
842604	723	7365	8455		Boats-Accessories, Motors	VEH
842605	725	7373	8426		Marine Equipment	VEH
842606	724	7365	8455		Ferries	VEH
842801	527	7373	8428		Lasers (Class 3B or 4) Hazardous	EQUIP
843001	731	7375	8430		AIRCRAFT - JET	VEH
843003	732	7375	8430		AIRCRAFT - PROPELLER (SINGLE ENGINE)	VEH
843004	733	7375	8430		AIRCRAFT - PROPELLER (MULTIPLE ENGINE)	VEH
843005	734	7375	8430		AIRCRAFT - HELICOPTERS	VEH
843006	750	7375	8430		AIRCRAFT - OTHER	VEH
843501	203	7379	8435		Servers/Minicomputers	EQUIP
843502	204	7379	8435		Microcomputer-Desktop Not Apple	EQUIP
843503	214	7379	8435		Microcomputer-Desktop Apple	EQUIP
843504	284	7379	8435		CPU-Handheld/Portable/Lap-Not Apple	EQUIP
843505	294	7379	8435		CPU-Handheld/Portable/Laptop Apple	EQUIP
843506	205	7379	8435		Drives-Tape/Disk/Optical/Hard/Zip	EQUIP
843507	209	7379	8435		Computer Terminals/Monitors	EQUIP
843508	288	7379	8435		Printer-Portable	EQUIP
843509	208	7379	8435		Printer-Not Portable	EQUIP
843510	213	7379	8435		Other Computer Hardware	EQUIP
843511	218	7379	8435		Data Projectors	EQUIP
843512	210	7379	8435		Controllers-Tape/Disk/Terminal	EQUIP
843514	241	7379	8435		Scanner-Image	EQUIP
843515	242	7379	8435		Scanner-Barcode (Reader)	EQUIP
843516	208	7379	8435		Plotter	EQUIP
843517	245	7379	8435		Power Supply-Battery/Generator	EQUIP
843518	246	7379	8435		Power Supply-Uninterruptible	EQUIP
843520	250	7379	8435		Modem & Related Devices	EQUIP
843521	251	7379	8435		Digital and Channel Service Units	EQUIP
843522	252	7379	8435		Multiplexors	EQUIP
843523	202	7379	8435		Mainframe Comp Equip/Channel Extenders	EQUIP

THE TEXAS A&M UNIVERSITY SYSTEM

ASSET MANAGEMENT MANUAL

To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

FAMIS class	SPA Class	COBJ	FAMIS Obj Code	SPA CTRL	Definition in FAMIS	* GL *
843524	254	7512	8445	??	Communication Controllers	EQUIP
843525	255	7379	8435		Protocol Converters	EQUIP
843526	257	7512	8445	??	Data Communications Diagnostics Systems	EQUIP
843527	258	7512	8445		Other Communications Hardware	EQUIP
843528	201	7379	8435		Supercomputers	EQUIP
843530	215	7379	8435		Docking Station	EQUIP
843531	240	7373	8424		Security Sys(Not Builtin)-Camera/Monitor	EQUIP
843532	259	7379	8435		Lan/Wan Switching-Hubs, Switches, Router	EQUIP
843533	260	7379	8435		Computer Equip Racks, Shelving, Chassis	EQUIP
844001	307	7387	8440		Software - Purchased	EQUIP
844002	308	7387	8440		Software-Internally Developed	EQUIP
844003	310	7387	8440		Software-Customized (example: ISAS)	EQUIP
844004	311	7387	8440		Software-Enterprise (negotiated by DIR)	EQUIP
844501	675	7512	8445		PBX, KSU, Voicemail, Centrex, Phone Sys	EQUIP
844502	678	7512	8445		Automatic Call Distributors/Systems	EQUIP
844503	700	7512	8445		Phone Eqpt-Other, Cell, Mobile, Not Sys	EQUIP
844504	256	7512	8445		VSATS/SATELLITES EQ	EQUIP
844505	121	7512	8445		FAX MACHINES/telecopier EQ	EQUIP
844508	135	7512	8445		Video Conferencing / TTVN EQ	EQUIP
844509	200	7512	8445		Teletypes	EQUIP
844510	200	7512	8445		Teletypewriters	EQUIP
851001	752	7389	8510		LIBR BOOKS & REF MATERIALS-NOT DEPR	LIBR
851201	752	7389	8512		WORKS OF ART & HIST, TREASURES	LIBR
861000	855	7386	8610		LIVESTOCK - BURROS/ DONKEYS	LIVEST
861001	852	7386	8610		LIVESTOCK - DAIRY CATTLE	LIVEST
861002	852	7386	8610		LIVESTOCK - BEEF CATTLE	LIVEST
861003	851	7386	8610		LIVESTOCK - HORSES	LIVEST
861004	855	7386	8610		LIVESTOCK - MULES	LIVEST
861005	855	7386	8610		LIVESTOCK - POULTRY	LIVEST
861006	853	7386	8610		LIVESTOCK - SHEEP	LIVEST
861007	855	7386	8610		LIVESTOCK - GOATS	LIVEST
861008	854	7386	8610		LIVESTOCK - SWINE	LIVEST
861009	855	7386	8610		LIVESTOCK - BISON	LIVEST
861010	855	7386	8610		LIVESTOCK - DEER	LIVEST
861011	855	7386	8610		LIVESTOCK - DOGS	LIVEST
871001	090	@	8730+		CONSTRUCTION IN PROGRESS - EQUIPMENT	CIP
871002	090	@	8730+		CONSTRUCTION IN PROGRESS - FURNISHINGS	CIP
871003	090	7341	8710		CONSTRUCTION IN PROGRESS - NEW	CIP
871004	090	7341	8710		CONSTRUCTION IN PROGRESS - OTHER	CIP
871005	090	7341	8710		CONSTRUCTION IN PROGRESS - RENOVATION	CIP
871101	090	7341	8711		CONSTR/REHAB IMPROVEMENTS-NOT BUILDINGS	CIP
871201	090	7341	8712		ADVERTISING SERVICES	CIP
871401	090	7341	8714		ARCHITECTURAL/ENGINEERING SERVICES	CIP
872501	090	7341	8725+		OTHER SERVICES	CIP
872601	090	7341	8726		PROJECT MANAGEMENT/ADMINISTRATION	CIP
873301	090	7388	8733		CIP-FABRICATION OF EQUIPMENT	CIP

THE TEXAS A&M UNIVERSITY SYSTEM
ASSET MANAGEMENT MANUAL
To Be Used In Conjunction With The State Property Accounting Process User's Guide

September 2004

INDEX

-A-

Accountable Property Officer – 12-15
Agency Head – 7-8
Alternate Accountable Property Officer – 12-15
Annual Inventory – 9-10
Assets Held in Trust - 33

-B-

Bldg & Bldg Improvements – 28,41

-C-

Cannibalization – 23
Capital Assets - 3
Capitalization – 4-5
Certification, Annually – 9
Certification of Physical Inventory Conducted by
Agency Form – 9
Computer Software - 31
Construction in Progress – 27,40-41
Controlled – 5
Copyrights - 35

-D-

Disposal of Property – 22-23
Distribution of Procedures (Agency Head) – 8

-E-

Employee Responsibilities – 18

-F-

F&A Cost Rates – 38
Facilities & Other Improvements - 29
Found Personal Property – 11,14
Fabricated/Constructed Property - 21

-G-

Gift – 19

-I-

Improvements – 38-39
Infrastructure – 29-30

-L-

Land & Land Improvements – 26

Library Acquisitions - 33

Livestock – 35-37

Loans – 13

Loss of Property - 8

-M-

Maintenance – 38-39

Marking/Tagging Equipment – 5,24

Missing –10,14-15

Museum Collections/Historical Treasures – 34

-N-

Notice of Agency Head and Designation of
Property Manager Form – 7,9

-P-

Patents – 35

Personal Property (definition) – 5,31

Property Manager – 9-11

-R-

Real Property (definition) – 5,26-30

Replacements – 38-39

-S-

Sale (Disposal) - 22

Securing of Assets – 25

Sponsored Agreements Property - 23

Stolen – 10,14-15

Storage – 25

Surplus/Salvage – 8,14,16

Surplus Inventory Supervisor – 16

Surplus Procurement Officer – 17

-T-

Tagging of Equipment – 5,24

Trade-Ins – 31,41-42

Transfers – 20,22

-U-

US Government Surplus Property – 20-21

Utilization of Assets – 25

-V-

Vehicles, Boats & Airplanes – 31-32