

ADMINISTRATIVE CODE BOARD OF COUNTY COMMISSIONERS	
CATEGORY: Financial/Fiscal/Budget	CODE NUMBER: AC-3-14
TITLE: Policy on Tangible Personal Property Owned by Local Governments (FS 274)	ADOPTED: 05/23/90
	AMENDED: 06/03/93; 09/29/93; 12/15/93; 03/23/94; 04/09/97; 01/09/01; 07/24/01; 08/09/05; 09/25/07; 10/14/08; 01/24/12
	ORIGINATING DEPARTMENT: County Administration
PURPOSE/SCOPE: This code will define the County’s policy on the recording and disposal of the County’s tangible personal property of a nonconsumable nature. In all cases, Florida Statutes will govern.	
DEFINITIONS: The following definitions will apply for the purpose of this Administrative Code: COUNTY: Board of County Commissioners, Hearing Examiner, County Attorney, Port Authority, Clerk of Courts, Property Appraiser, Supervisor of Elections, Tax Collector, Medical Examiner, Health Department, Court Administration, Public Defender, State Attorney, Guardian Ad Litem, Criminal Conflict and Civil Regional Counsel and their associated departments and divisions. CONSTITUTIONAL OFFICERS: Clerk of Courts, Property Appraiser, Supervisor of Elections, and Tax Collector.	
POLICY/PROCEDURE: <i>A. RECORDING OF TANGIBLE PERSONAL PROPERTY</i> The Board of County Commissioners (Board) is required by Chapter 274, Florida Statutes, to maintain fixed asset records on tangible personal property of a nonconsumable nature, in accordance with Florida Administration Code- Rule Chapter 69I-73, except for land which	

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will always be capitalized at amount expended. Additionally, when the fixed asset is acquired with federal grant monies, compliance by the department with Federal regulations identified in the grant contract must be maintained.

In order to comply with the Florida Administration Code, the Board has established a fixed assets system in cooperation with the Finance Department (Finance) of the Clerk of Circuit Courts. Finance has developed a record keeping system and an associated Fixed Asset User Guide to comply with the Florida Administration Code and to maintain adequate fixed assets records for control and financial statement purposes. All County departments, divisions and Constitutional Officers will follow the procedures in the Fixed Asset User Guide.

1. All tangible personal property obtained by the County through the use of federal grants will be controlled under the property management standards of the appropriate Federal regulations governing the grant regarding the acquisition, record keeping, use and disposal of the asset, in addition to the procedures outlined in this administrative code.

2. Donations to the County will be reported to Finance through the procedures in the Fixed Asset User Guide. Donated items are subject to the same rules as all other property of the County. The value to be reported on donated fixed assets is the appraised or estimated value at the time of the donation.

3. Constructed assets will be recorded to the fixed assets inventory by the County's property control clerk via the fixed assets property control form upon substantial completion of the project (for example, issuance of certificate of occupancy for a building; park, bridge, or road opened for public use).

- a. Capitalized costs do not include cost of grand opening ceremonies, machinery, furniture, or any item that is not considered permanently attached to the building, bridge, or other improvement.
- b. The Board has adopted the policy of capitalizing infrastructure constructed or purchased through either a governmental or proprietary fund with a minimum \$100,000 threshold. Infrastructure is defined as public domain fixed assets such as roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems, and similar assets that are immovable and of value only to the government unit.

4. Pursuant to Chapter 274.03, Florida Statutes, the Board has delegated the custodian function to the County Manager, Hearing Examiner, County Attorney, Port Authority Executive Director, Medical Examiner, Health Department Director, Court Administrator, Public Defender, State Attorney, Guardian Ad Litem Director, Criminal Conflict and Civil Regional Counsel Director and the Constitutional Officers who will be referred to as Custodians.

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- a. The Board also allows the Custodians to designate their custodianship to a Division/Department Director/Manager.
- b. The Board also allows for further delegation by the Custodian to assist with the custodial function. For property purposes only, the assistant shall be referred to as the Property Control Clerk.
- c. Custodians will notify Finance upon change of either position.

B. DISPOSAL OF PROPERTY – AUTHORITY

Pursuant to Chapter 274.07, Florida Statutes, the Board has delegated authority of all disposal of property through the Custodian or designee.

1. Authority for the disposal of property shall be by resolution of the Board and recorded in the minutes of the Board of County Commissioners. Such authority is specified in this administrative code.

2. The following applies for the disposal of fixed assets:

- a. Approval of the Custodian or designee must be obtained prior to the sale, donation, abandonment, trade-in, or destruction of fixed assets with an original value equal to or greater than the amount specified in the Florida Statutes.
- b. All items which are lost or stolen shall be reported to the Custodian or designee for approval to be removed from the fixed assets inventory per the procedures set forth in the Fixed Asset User Guide.
- c. Property purchased by an enterprise or internal service fund will be controlled under the fixed assets system. All transfers of assets to or from the proprietary funds will have approval of the Custodian or designee for the transfer of the asset and the amount to be paid.
- d. The department or division having custody of fixed assets acquired through the use of federal grant monies must follow the disposal procedures outlined in the appropriate Federal regulations listed in the grant contract governing the acquisition, use, and disposition of assets in addition to the procedures outlined in this administrative code.

3. The Board delegates authority of all disposal of property utilized by a Constitutional Officer to that Constitutional Officer, however, the Constitutional Officers are responsible for reporting the disposal of their assets to the Board according to the Fixed Asset User Guide.

*C. DISPOSAL OF PROPERTY UNDER THE BOARD OF COUNTY COMMISSIONERS
AND THE PORT COMMISSIONERS*

No property will be received or released without a completed fixed assets property control form.

1. TRADE-IN

The department or division will request approval from the Custodian or designee to use the trade-in procedure. When trade-in (exchange of property with the seller, with the exchange allowance being applied to the cost of the property being acquired) is authorized, the specifications should be written to include a trade-in price as an alternate which may or may not be selected when awarding the quote. Regardless of the disposal method utilized, it will be the department or division's property control clerk's responsibility to have the item removed from their inventory per procedures set forth in the Fixed Asset User Guide.

2. LOST OR STOLEN ITEMS

After all efforts have been exhausted to locate lost or stolen items, they will be reported and removed from inventory per the procedures in the Fixed Asset User Guide. All stolen items will be verified by providing a police report, all lost items require a certified affidavit by the reporting property control clerk.

3. SURPLUS PROPERTY

The Custodian or designee shall determine the method of disposal of all surplus property. (Property that is 1) obsolete, 2) uneconomical or inefficient, 3) of no useful purpose, or 4) is considered scrap.) In all instances, the best interests of the County, the value and condition of the property classified as surplus, and the probability of such property being desired by prospective bidders will be considered. Mobile equipment, including but not limited to trucks, automobiles, trailers, tractors, and riding lawn mowers will not be cannibalized for spare parts until they have been declared junk by the Custodian or designee.

4. SURPLUS VEHICLES

a. Procedure

Vehicles placed into County surplus will be evaluated by the Fleet Manager to determine an estimated value. Value will be determined by using the Kelley Blue Book or National Automobile Dealers' Association (NADA). Based on that value, the proper method of disposal will be determined.

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b. Value > \$5,000

Vehicles whose retail value is estimated to be \$5,000 or more “.....can only be sold to the highest responsible bidder or at public auction...” in accordance with Chapter 274.06, Florida Statutes.

Value < \$5,000

The method for disposal of vehicles whose retail value is less than \$5,000 according to Kelley Blue Book or National Automobile Dealers' Association (NADA) will be determined by the Fleet Manager. These methods may include trade-in, sale at public auction or competitive bid. This equipment may be offered for sale only to other local governmental units within Lee County prior to auction at prices determined by the above methods. Prior sales history may be used to determine selling price if no listing is available through Kelley Blue Book or NADA. Private individuals or other local non-profit agencies will be allowed to bid on equipment at the County's public auction.

c. General

Funds received from the sale of equipment will be deposited into each department's Vehicle Replacement Fund account and used to offset the replacement costs of that equipment. Deposited funds will be less the costs of conducting the auction (auctioneer's fees, advertising, etc.)

Donations of County equipment to outside agencies must meet all of the following criteria:

1. Majority vote of the Board of County Commissioners; and
2. Alternative funding source identified to replace lost departmental revenues

5. JUNK PROPERTY

Junk property (property without commercial value or which is unable to function as intended without repair, the cost of which exceeds its book value) may be donated, destroyed, or abandoned. The procedures for disposing Junk property are set forth in the Fixed Asset User Guide.

6. DONATIONS

All donations of County property will be made in compliance with Florida Statutes and will be approved by the Custodian or designee.