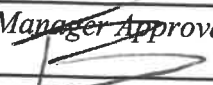
 POLICIES AND PROCEDURES MANUAL	<i>Section: Finance Director</i>	<i>Department Head: Gina Toussaint</i>
	<i>Subject: Fixed Assets</i>	<i>City Manager Approval:</i> 
<i>Policy Title: Fixed Asset Disposal/Transfer Policy</i>	<i>Policy Number: FN 22-02</i>	<i>Effective Date:</i> 8-24-22

1.1 Purpose:

- To properly account for the disposal or transfer of City owned equipment.

1.2 Scope:

- To establish a formal policy to provide uniform procedures for determining the need to dispose of or transfer certain fixed assets as well as inventory items and the means by which to do so.

1.3 Definitions:

- GASB (Governmental Accounting Standards Board) is an organization that establishes accounting and financial reporting standards for state and local governments that following GAAP.
- GAAP (Generally Accepted Accounting Principles) is a combination of authoritative standards set by policy boards and is the commonly accepted ways of recording and reporting accounting information.
- Fixed asset means a tangible asset that has an initial estimated useful life that extends beyond a single reporting period with a value of \$10,000 or more at acquisition.
- Inventory items mean a tangible item that has an initial estimated useful life that does not extend beyond a single reporting period with a value of less than \$10,000 at acquisition. (i.e. filing cabinets, chairs, etc.)
- GASB Statement No. 34 provides a comprehensive framework for financial reporting with the objective of making annual reports easier to understand. The most significant aspect is that infrastructure assets are reported along with related depreciation.

1.4 Policy:

- The Financial Services Department is responsible for accounting for the disposal, transfer or sale of any equipment in accordance with GAAP. Their responsibility also entails maintaining accurate records of fixed assets to comply with GASB Statement No. 34.
- Department directors, or their designee, are responsible for maintaining, utilizing and safeguarding all acquired equipment.

1.5 Procedure:

- Equipment or inventory item that is obsolete, damaged beyond repair or totally depleted/used should be reported to the department/division director using the appropriate form (Asset Disposal/Transfer Form) stating the description of the item, condition, age and the depreciated value. The director should seek other uses (i.e. transfer) for the asset prior to recommending sale or disposition. Once a recommendation is made, the Asset Disposal/Transfer Form should be sent to the Accountant II in the Financial Services Department.

Disposal Process:

- If a director/designee determines a piece of equipment or inventory item to be obsolete, damaged beyond repair or totally depleted/used, and wishes to dispose of the equipment, the following steps must be followed:
 1. Obtain written authorization to dispose of the equipment/inventory item from the department director.
 2. Complete the Asset Disposal/Transfer Form. Transmit the completed form to the Financial Services Department.
 3. The Accountant II will review the request and if approved will remove all equipment tags and properly record the disposal.

Transfer Process:

- The transfer of equipment/inventory item involves transferring equipment from one department/division to another within the organization or to another organization.
 1. To request a transfer, the requesting department must complete the Asset Disposal/Transfer Form and transmit to the Financial Services Department.
 2. The Accountant II will then review and record the transfer/relocation.

Sale Process:

- Equipment/inventory item will only be sold once it is determined that the equipment has no value to any department/division within the city. Sales proceeds will be recorded in the general funds or for a specific project as determined by the City Manager.

Forms and Attachments:

- Asset Disposal/Transfer Form

Revision Date:

- November 28, 2022



ASSET DISPOSAL / TRANSFER FORM

This form is used to document the disposal of City assets
 Please send original documents to buttkiew@cityofcrestview.org

Request Date _____ Contact Name _____
 Department _____ Phone Number _____
 Location of Equipment: Building and address _____

ASSET DESCRIPTION	QTY	MAKE/MODEL	SERIAL NUMBER	AGE OF ASSET (YEARS)	DISPOSAL CODE S - Sale O - Obsolete D - Damaged SC - Scrap	CONDITION CODE P - Poor F - Fair G - Good E - Excellent	CAPITAL ASSET NUMBER	ESTIMATED VALUE	Transfer
									<input type="checkbox"/>
									<input type="checkbox"/>
									<input type="checkbox"/>
									<input type="checkbox"/>
									<input type="checkbox"/>
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**** IN ADDITION TO THE COMPLETION OF THIS FORM, IF DISPOSING OF VEHICLES, OR ITEMS INSURED BY INLAND MARINE PLEASE CONTACT RISK MANAGEMENT AT EXT.**

DEPARTMENT HEAD NAME _____	TRANSFER TO DEPARTMENT _____
DEPARTMENT HEAD SIGNATURE _____	_____