

Blount County  
Tennessee

**Property Management  
Policies & Procedures  
Manual**  
Sixth Edition



Blount County, Tennessee

Property Management  
Policies & Procedures Manual

Sixth Edition  
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# BLOUNT COUNTY, TENNESSEE

## PROPERTY MANAGEMENT POLICIES AND PROCEDURES MANUAL

### Sixth Edition

#### **INTRODUCTION**

The Blount County Budget Committee approved the establishment of a formal Fixed Asset System for Blount County on April 6, 1992.

A Fixed Asset System can be defined as a system of property management designed for the collection of all the relevant information on all the assets owned, including the procedures used to report the data, the defined responsibilities of those participating in administering the system, and the paper work and forms used in reporting the additions, deletions, transfers and changes.

Establishing and maintaining a fixed asset system for Blount County can help achieve the following goals:

- Unqualified auditor's opinion relative to fixed assets
- Possible lower interest rates on security offerings
- Stronger stewardship of assets purchased with public funds
- Accountability for ALL assets, including unrecorded fixed assets such as lease purchases Stronger maintenance management of buildings, furniture and equipment
- Stronger risk management relative to adequate insurance coverage, but not over insured More control over duplication of purchases
- Reduction in potential for loss of government funds due to violations of grant requirements Stronger control over disposal of surplus property
- To comply with GASB34, which requires fund accounting to convert to accrual accounting for fixed assets, where Fixed Assets are Assets at cost – Accumulated Depreciation = Net Book Value.

This manual outlines and defines the plan for future fixed asset purchases and accounting and administrative procedures proposed for establishing and maintaining a workable fixed asset system in order to achieve these goals.

**Instructions for Fixed Assets:**

Currently, fixed assets/controllables are budgeted in operating and capital line items (300-500/700 lines) in various cost centers. They should now be budgeted as follows:

*All controllable assets (capital items \$500-\$4,999) should go in the following a/c's:*

Fund - Individual cc - 5007\_\_ (700 line per COA) – project

- Ex: Acct purchase of a \$500 fax machine would go into 101-052100-500719-0
- Exception: Any item that is ARRA grant related must be in a 58\_\_ cc as shown in the COA.

*All fixed assets (individual capital item > \$5,000) should go in the following a/c's:*

Fund – Capital cc per COA – 5007\_\_ (700 line per COA) – project

- Construction in fund 189 (school QCAB expenditures in fund 177), all other FA in regular fund
- In fund 101, cc 91190, we will no longer use the current system but will use projects (project # to follow the cc)
  - Ex: Acct purchase of a \$5K computer currently would go into 101-091190-521000-0...new way is 101-091190-500709-52100.
- Exception: Any item that is ARRA grant related must be in a 58\_\_ cc as shown in the COA.

**From Chart of Accounts (COA) on our website:**

*Cost centers for capital:*

Highway fund 131:

68000 Capital Outlay

Schools fund 14\_\_:

76000 Capital Outlay ----- Description Account

76100 Regular Capital Outlay

All other funds:

90000 Capital Projects ----- Control Account

- 91110 General Administration Projects
- 91120 Administration of Justice Projects
- 91130 Public Safety Projects
- 91140 Public Health and Welfare Projects
- 91150 Social, Cultural, and Recreation Projects
- 91160 Agriculture and Natural Resources Projects
- 91170 Public Utility Projects
- 91190 Other General Government Projects
- 91200 Highway and Street Capital Projects
- 91300 Education Capital Projects

*Line items for capital:*

**CAPITAL OUTLAY**

- 701 Administration Equipment
- 702 Airport Improvement
- 703 Asphalt Plant Equipment
- 704 Attendance Equipment
- 705 Bridge Construction
- 706 Building Construction
- 707 Building Improvements
- 708 Communication Equipment
- 709 Data Processing Equipment
- 710 Food Service Equipment
- 711 Furniture and Fixtures
- 712 Heating and Air Conditioning Equipment
- 713 Highway Construction

714 Highway Equipment  
715 Land  
716 Law Enforcement Equipment  
717 Maintenance Equipment  
718 Motor Vehicles  
719 Office Equipment  
720 Plant Operation Equipment  
721 Quarry Equipment  
722 Regular Instruction Equipment  
723 Right-of-Way  
724 Site Development  
725 Special Education Equipment  
726 State Aid Projects  
727 Surplus Equipment  
728 Traffic Control Equipment  
729 Transportation Equipment  
730 Vocational Instruction Equipment  
731 Voting Machines  
732 Building Purchases  
733 Solid Waste Equipment  
734 Disabilities Act Improvements  
735 Health Equipment  
790 Other Equipment  
791 Other Construction  
799 Other Capital Outlay  
ARRA cost centers:  
58801 ARRA Grant # 1  
58802 ARRA Grant # 2  
58803 ARRA Grant # 3  
58804 ARRA Grant # 4  
58805 ARRA Grant # 5  
58806 ARRA Grant # 6  
58807 ARRA Grant # 7  
58808 ARRA Grant # 8  
58809 ARRA Grant # 9  
58810 ARRA Grant # 10  
58811 ARRA Grant A  
58812 ARRA Grant B  
58813 ARRA Grant C  
58814 ARRA Grant D  
58815 ARRA Grant E  
58816 ARRA Grant F  
58817 ARRA Grant G  
58818 ARRA Grant H  
58819 ARRA Grant I  
58820 ARRA Grant J

*Note: When purchase orders are requisitioned, you will need to provide detailed information to Purchasing for all controllable/fixed asset purchases.*

## **ADMINISTRATIVE POLICIES AND PROCEDURES**

Administrative policies and procedures are outlined below:

### **Departmental Property Coordinator**

The person responsible for the custody and control of departmental property will be formally designated by the department head as the Departmental Property Coordinator by filing a "Department Notice of Property Coordinator" form with the fund accountant at the beginning of each fiscal year.

The responsibilities of the Departmental Property Coordinator include:

Coordinating and implementing the annual inventory for fixed assets.

Reconciling and reporting differences between the annual inventory and the fixed asset listing per departmental records.

Receiving, tagging and recording all purchases of fixed assets.

Reporting and recording all fixed asset transfers and retirements.

Reporting and recording all fixed assets declared surplus.

Reporting and recording all fixed assets declared scrap.

Report and record theft, and other unexplained losses.

In the case of theft, the Departmental Property Coordinator will also be responsible for notifying the police and forwarding a copy of the police report to the fund accountant.

Working closely with the fund accountant to make sure the department fixed asset records agree with accounting records.

### **In the event the Departmental Property Coordinator is replaced for any reason, the following procedure should be followed:**

The departing departmental property coordinator and the newly appointed property coordinator will conduct a joint inventory.

The completed, verified joint inventory listing will be forwarded to Account Personnel

A new "Department Notice of Property Coordinator" designation form will be attached to the joint inventory listing.

This new asset inventory listing will supersede all prior listings.

### **Periodic Review**

A listing of the fixed asset file will be provided periodically to the **DEPARTMENTAL PROPERTY COORDINATOR**. This listing will include all the property for which the department is responsible.

The **DEPARTMENTAL PROPERTY COORDINATOR** will verify the listing; reconcile any discrepancies; sign, date and return the original copies to the fund accountant.

### **Annual Physical Inventory**

A comprehensive inventory will be held annually at a designated time. The **DEPARTMENTAL PROPERTY COORDINATOR** will be furnished with a current property listing to be used in conducting the annual physical inventory at the designated time.

### **Assets Purchased from Multiple Funding Sources**

Assets purchased from multiple funding sources for funds for which Blount County is the fiscal agent are the responsibility of the County. The property coordinators for these funds are subject to policies and procedures set forth in this manual.

### **Independent Random Checks**

During each fiscal year a person from Central Accounting WILL RANDOMLY CHECK SOME LOCATIONS. Over a 3 year period, ALL locations will be RANDOMLY CHECKED by an employee from Central Accounting. These visits will be unannounced and the purpose will be to provide independent verification that property coordinators are adhering to procedures set forth in this manual. If there are any findings, a follow-up check will be done to prove that the issue has been resolved.

**IN ADDITION, DURING EACH FISCAL YEAR EVERY LOCATION IS SUBJECT TO A RANDOM UNANNOUNCED CHECK BY OUR INDEPENDENT AUDITORS. THE AUDITORS WILL NOT CHECK ALL LOCATIONS IN ANY ONE-YEAR.**

### **Filing Acquisition/Disposition Records**

Acquisition/Disposition records should be filed together in a central place at each accountable location.

## **ACCOUNTING POLICIES**

Accounting policies address the capitalization policy, classes of property, and divisions of personal property.

### **Capitalization Policy**

1. To be classified as a Fixed Asset, the item must have (1) a useful life of more than one year and (2) a historical cost of **\$5,000** or more. Historical cost includes installation, freight and all other costs incurred to make the asset operable. In the case of construction, cost such as studies, design, engineering, project management, etc. are to be including in the Capital Cost Structure.
2. If additional expenditures are intended to repair and maintain the original life expectancy, then the expenditures are maintenance cost. If the expenditures are intended to refurbish and extend the useful life and/or change its purpose for an extended useful life, then the expenditures should be capitalized and depreciated over the remaining years in the new expected useful life.
3. This forms the basis for the Capital Plan, which will be subject to additional County Commission Approval

## Classes of Capital Property

- 1) Real Property
  - a) Land
  - b) Land Improvements
  - c) Buildings
  - d) Construction in Progress
- 2) Infrastructure
  - a) Roads
  - b) Bridges
  - c) Traffic Lights
  - d) Rights of Way
- 3) Motor Vehicles
  - a) Cars
  - b) Trucks
  - c) Vans, etc.
- 4) Personal Property
  - a) Building services equipment
  - b) Departmental fixed assets
  - c) Equipment
  - d) Capitalized leases
- 5) Intangibles
  - a) Intellectual Property (Licenses, Trademarks, etc.)

## Real Property

1. All property should be accounted for at historical cost.
2. Construction in progress (CIP) should be accounted for in appropriate fund. For example, General County shall be in fund 189, QSAB (schools) shall be in fund 177, and Highway shall be in fund 176

## Divisions of Personal Property

Personal property is divided into two categories: **Fixed Assets and Controllable Assets.**

### Fixed Assets

1. Fixed assets are those personal property items, which fall within the scope of the capitalization policy defined as those acquisitions that have (1) a useful life of more than one year **AND** (2) a historical cost for a single item of **\$5,000.00** or more. **Purchases, which fall within these guidelines, require a "Numbered Property of Blount County" tag.** Exception: live animals are NOT considered capitalized/depreciable property.
2. These assets will be handled as a perpetual inventory. That is, all additions, deletions, transfers, etc., will be tracked from the date of the acquisition through authorized disposition. These procedures are outlined in detail under Accounting Procedures.
3. Fixed assets are recorded in 700 line items of the capital cost center in each fund.

### **Controllable Assets**

1. Controllable Assets are ALL County purchased property with an estimated life of 1 year or more which do NOT meet the criteria for a fixed asset, but which should be included in the property inventory for control purposes.
2. A single item with a cost of **\$500 to \$4,999.99** will be considered a Controllable Asset.
3. **Controllable Assets** will be accounted for annually at the time of the annual physical inventory. Procedures for this reconciliation are outlined in detail under Annual Inventory.
4. **No property tag ID number will be attached to these items. However, they should be clearly marked with a blank "Property of Blount County" asset tag.**
5. Controllable items should be accounted for in 700 line items of each individual department's cost center.
6. All controllable assets are the responsibility of the individual dept. Each dept. must keep a current listing of controllables.
7. There shall be no audit of these assets, but the list will need to be provided during the random audit of fixed assets.

### **Infrastructure**

1. Infrastructure should be accounted for at historical cost if available. If not, the Highway Dept. will provide a reasonable estimate. Such estimate will be reviewed for reasonableness every 2 years.
2. Bridges will be accounted for at total gross cost, including any state aid reimbursements. The auditors will record a donated asset for their purposes for any state monies received.

### **Intangibles**

GASB 51 defines intangible assets as:

- Lacking physical substance,
- Nonfinancial in nature, and
- With an initial useful life extending beyond one fiscal year

If a single item meets the above criteria as well as the monetary threshold of a fixed asset, it will be reported on the books at historical cost. If a perpetual (indefinite) life is apparent, those items will be reviewed on a case by case basis and if capitalized, we will use a default 10 year term.

## **ACCOUNTING PROCEDURES**

Accounting Procedures outline the guidelines for acquisition and disposition of the ~~four~~ **five** classes of property.

### **Real Property**

#### 1. Real Property Acquisition/Disposition Record

- a. Upon acquisition of Real Property, the Property Coordinator will file a Real Property Acquisition/Disposition Record with the fund accountant.
- b. Major changes to real property must be reported to the fund accountant as soon as possible after the change occurs.

Major changes include sale or lease, change in insurance level, change in name, additions and renovations.

- c. Construction-in-progress at the end of each fiscal year should be evaluated and reported to the fund accountant as soon after June 30 as possible.

### **Personal Property**

**Fixed Assets** Often surplus property is available which **could** be adequate for many of your needs. Therefore, we urge you to investigate the possibility of surplus property before requisitioning new purchases.

#### Fixed Assets Acquired by Purchase:

#### 1. Capital Outlay Request Form

- a. This form is completed each year during the budget process and approved by the Budget Committee and the Blount County Commission.
- b. Use of the capital outlay appropriation for a purchase from a line item different from the line item which was approved at the beginning of the fiscal year would require prior approval of (1) a budget transfer to the appropriate line item and (2) a revised Capital Outlay Request Form.

#### 2. Requisitions for Purchase

- a. The acquiring department files a Requisition for Purchase with the Purchasing Agent with the proper account charged.

#### 3. Purchase Order

- a. Purchase orders will be issued by the County Purchasing Agent.

#### 4. Personal Property Acquisition/Disposition Record

- a. The Purchasing Agent will attach a copy of the Personal Property Acquisition/Disposition Record form to the receiving copy of the purchase order at the time the purchase order is issued.
- b. As soon as the property has been received in good condition and the invoices are ready for payment, **the receiving department will obtain a property**

**tag number** from Purchasing or the fund accountant (or assign a number already in custody) and complete the Personal Property Acquisition/Disposition Record. Also at this time, the property tag should be placed on the item in a visible place.

A completed Acquisition/Disposition Record is **REQUIRED FOR EACH CAPITAL PURCHASE** that falls within the scope of the capitalization policy defined in Accounting Policies.

- c. Retain the original Acquisition/Disposition Record for your **PERMANENT RECORD**. Ideally this permanent record should be kept in a central location. For example, ALL original Acquisition/Disposition records for a school would logically be retained in the school office.
  
- d. **When request is made for payment**, return a copy of the completed Property Acquisition/Disposition Record to the fund accountant along with the receiving copy of your purchase order and invoice from the vendor.
  
- e. The accounting staff member will review the Acquisition/Disposition Record and if the form has been properly completed, approval will be given to process the invoices for payment.
  
- f. **THE ACCOUNTING STAFF MEMBER WILL NOT BE ALLOWED TO PROCESS PAYMENT OF INVOICES FOR FIXED ASSETS, WHICH DO NOT HAVE A COPY OF THE PROPERTY ACQUISITION/DISPOSITION RECORD ON FILE IN CENTRAL ACCOUNTING.**

Fixed Assets Acquired by Donation or Gift:

1. Obtain a property ID from the accounting staff member or Purchasing and attach it in the prescribed manner.
  
2. Complete a Personal Property Acquisition/Disposition Record:
  - a. Retain the original.
  - ~~b.~~ Send a copy of the completed original to the fund accountant.

Fixed Assets Transferred Between Departments:

1. Officials/department heads/school principals will agree on the transfer.
  
2. Departmental property coordinator for the originating department/school (the department accountable for the asset **before** the transfer) will:
  - a. Complete the four-part Transfer Form or complete the bottom portion of the original Acquisition/Disposition form.
  
  - b. Secure the required signatures. Signature of the Purchasing Agent is not required on personal property transferred between departments within the same fund.

- c. Give the Transfer Form with the original Acquisition/Disposition form attached to the fund accountant.
- d. An accounting department employee will transfer accountability for the asset from the originating department to the receiving department.
- e. The receiving department will then be accountable for the property until it is declared surplus or disposed of by other approved methods.

Fixed Assets Declared Surplus:

Any asset deemed unsafe for use by controlling department won't be transferred unless solely for the use of parts.

1. Real Property

- a. In order to declare property surplus, the Acquisition/Disposition form must be completed by the appropriate Elected Official/Department Head.
- b. The Purchasing Agent will submit resolution to the County Legislative Body for approval to declare the real property surplus.
- c. The Purchasing Department will perform the due diligence to prepare for the sale of the real property. The sale will be as outlined in the procedures for Sale of Real Property Surplus.

2. Real Property Acquired by Tax Sale

- a. The mayor shall be responsible for any lands acquired during delinquent tax sales. The county legislative body shall appoint a four member commission that shall be responsible for the sale of all lands that are not redeemed. The commission is responsible for determining an appropriate value and what will constitute a fair bid.
- b. This is accordance with TCA 67-5-2507, which can be seen in Appendix?

3. Personal Property

- a. In order to declare property surplus, the Acquisition/Disposition form must be completed by the appropriate Elected Official/Department Head.
- b. The Purchasing Department's property coordinator will determine if the item has a useful life. If so, every attempt will be made to transfer the item to a department in need. The transfer will be facilitated through the Purchasing Department's property coordinator.
- c. If the Purchasing Department's property coordinator determines there is no immediate need but the item may be used in the future, it will be stored in the surplus area.
- d. The Purchasing Department's property coordinator will determine when an item stored in the surplus area is obsolete and it will then be sold at auction following the procedures for Sale of Personal Property Surplus.

#### 4. Motor Vehicles

- a. After a vehicle has been declared surplus by Elected Official/ Department Head and the Purchasing Agent, the department's property coordinator will complete the original Acquisition/Disposition form and submit it to the Purchasing Department's property coordinator.
- b. If the Purchasing Department determines that a motor vehicle has a useful life, it will be distributed to a department in need of a vehicle. The priority of need will be determined by the Mayor. The transfer will be facilitated through the Purchasing Department
- c. If the vehicle is not fit for use as determined by the Purchasing Department, follow the procedures for Sale of Personal Property Surplus.

#### Lost/Stolen Fixed Assets:

1. For stolen property, file a stolen property report with the appropriate law enforcement agency and provide the accounting department with a copy
2. Complete the "Disposition" portion of the ORIGINAL Acquisition/Disposition Record and send a copy to the fund accountant.
3. Remove the item from your inventory records, but RETAIN THE ORIGINAL ACQUISITION/DISPOSITION RECORD in your property file.

#### *Department of Education Surplus*

1. Fixed assets declared scrap which are being accounted for by the Department of Education, would be disposed of in accordance with T.C.A. 49-6-2007. Form entitled "Personal Property Declared Scrap" will be processed in accordance with instructions on the back of the form. A copy of this form and instructions for processing it are included in Appendix B.

#### **Seized or Confiscated Motor Vehicle Policy**

1. The Sheriff's Department and the 5<sup>th</sup> Judicial Drug Task Force should make every effort to sell seized/confiscated vehicles at least twice during the fiscal year through auction. The vehicles will be sold by the Purchasing Department by internet auction after obtaining the court order giving permission to sale.

#### **Controllable Assets**

##### Controllable Assets Acquired by Purchase:

1. Issue purchase requisition and obtain purchase order in the usual manner.
2. When item has been received and paid for, add the item to your Controllable Assets listing.

Controllable Assets Acquired by Means other than Purchase:

When Controllable Assets are acquired by any means other than by purchase, simply add the item to your Controllable Assets listing.

## **Infrastructure**

1. A listing of County roads and bridges will be provided to the Accounting Department by Highways/Public Works.
1. Documentation relative to the County Sewer System will be provided to the fund accountant by Highways/Public Works.

## ANNUAL INVENTORY

An annual inventory will be conducted during a designated period each year. A computer printout of the updated "fixed assets" and a COPY of the "controllable assets" list for the previous year will be provided at that time.

### **Fixed Assets**

1. The **DEPARTMENTAL PROPERTY COORDINATOR** will:
  - a. Compare the printout of the updated fixed asset listing provided by Central Accounting to actual fixed assets now in departmental custody.
  - b. Evaluate and update the condition code. Condition codes are listed and defined in Appendix A.
  - c. Verify matches.
  - d. Reconcile differences.
  - e. Resolve discrepancies.
  - f. Return the fixed asset listing, **SIGNED BY THE DEPARTMENTAL PROPERTY COORDINATOR AND THE DEPARTMENT HEAD**, to the fund accountant on or before the last day designated for the annual physical inventory.
2. The new fixed asset inventory listing will be used by the fund accountant to verify, reconcile differences, and agree department totals with Central Accounting Property records to establish the new fixed asset inventory.

### **Motor Vehicles**

Procedure is identical to that for Fixed Assets.

### **Controllable Assets**

1. Compare the controllable asset listing to the actual controllable assets now in custody:
  - a. Delete items no longer in your possession and note the reason for the deletion.
  - b. Add items acquired since the last annual inventory, which may not have been added at the time of acquisition.
  - c. Obtain signatures of the department/school coordinator and the official/department head/principal.
2. Return the revised controllable asset listing, **SIGNED BY THE DEPARTMENTAL PROPERTY COORDINATOR AND THE DEPARTMENT HEAD**, to the fund accountant on or before the last day designated for the annual physical inventory.

### **Placement of ID Numbers**

1. The fixed asset ID numbers should be physically attached to the property whenever possible.
2. For fixed assets on which the County ID number will not physically adhere, such as bullet-proof vests, requisition an indelible ink stamp, stamp the item in a conspicuous space, and write the ID number on the blank line with an indelible ink pen.
3. Assets, such as guns, pistols, etc., which have identifying serial numbers but on which neither of the above options are feasible, assign an ID number which can be affixed to the permanent Acquisition/Disposition record which is kept in the department files.
4. Assets on which enhancements are added will be assigned the same ID number as is attached to the asset, which is being enhanced. The cost of the enhancement will be added to the cost of the original item.

Examples of the above are: (1) A computer-enhancing motherboard or (2) Manufacturer's installed software, etc.

**Physically attach a County ID number or identification tag in a visible place AT ALL TIMES if at all possible.**

## SALE OF FIXED ASSETS

### Sale of Personal Property Surplus

#### 1. Sale

- a. All sales of county-owned personal property declared surplus shall be made by public auction or sealed bid in the discretion of the Purchasing Agent in accordance with T.C.A. §5-14-108. "Public auction" includes sale by internet auction.
- b. The Purchasing Department's property coordinator will submit the completed Acquisition/Disposition form to the fund accountant.
- c. All monies received by the sale of surplus items (less any applicable auction fees) will be deposited into the fund account where it was originally purchased.
- d. After two failed attempts to sell the surplus item by auction, it will be properly disposed of in a practical manner such as regular trash, dumpster, or County landfill. County employees may not take a surplus item for personal use or non-County use.

#### 2. Exceptions to Sale

- a. Books, recordings, or other material previously in general circulation at the County public library may be sold in a public sale at the library in accordance with T.C.A. §5-14-108(o)(3).
- b. Upon request of the County Mayor, the Purchasing Agent may sell in the open market or gift, trade, or barter surplus items with an accumulative estimated value of less than \$1,000.00 to a nonprofit or charitable organization properly incorporated in Tennessee, in accordance with T.C.A. §5-14-108(o)(4).

### Sale of Motor Vehicles Surplus

1. Same procedures as Sale of Personal Property Surplus, item 1 a-c.
2. If a vehicle is only fit for scrap metal as determined by the Purchasing Department property coordinator, that asset can then be sold to the local scrap yard for current metal pricing.
  - a. The monies made from the scrap metal shall be deposited to the Trustee's Office along with a copy of the receipt.
  - b. Copies of the deposit and receipt shall be submitted to the Purchasing Department to file with the scrap form.

### Sale of Real Property Surplus

1. Same procedures as Sale of Personal Property Surplus, item 1 a-c.

APPENDIX A  
GENERAL INFORMATION

BLOUNT COUNTY, TENNESSEE

CAPITAL OUTLAY OBJECT CODES

Per County Uniform Chart Of Accounts  
Revised July 2010

- 701 Administration Equipment
- 702 Airport Improvement
- 703 Asphalt Plant Equipment
- 704 Attendance Equipment
- 705 Bridge Construction
- 706 Building Construction
- 707 Building Improvements
- 708 Communication Equipment
- 709 Data Processing Equipment
- 710 Food Service Equipment
- 711 Furniture and Fixtures
- 712 Heating and Air Conditioning Equipment
- 713 Highway Construction
- 714 Highway Equipment
- 715 Land
- 716 Law Enforcement Equipment
- 717 Maintenance Equipment
- 718 Motor Vehicles
- 719 Office Equipment
- 720 Plant Operation Equipment
- 721 Quarry Equipment
- 722 Regular Instruction Equipment
- 723 Right-of-Way
- 724 Site Development
- 725 Special Education Equipment
- 726 State Aid Projects
- 727 Surplus Equipment
- 728 Traffic Control Equipment
- 729 Transportation Equipment
- 730 Vocational Instruction
- 731 Voting Machines
- 732 Building Purchases
- 733 Solid Waste Equipment
- 734 Disabilities Act Improvements
- 735 Health Equipment
- 790 Other Equipment
- 791 Other Construction
- 799 Other Capital Outlay

## CONDITION CODES

Personal Property and Motor Vehicles on the fixed assets list are to be kept current by amending the Condition Code annually when the physical inventory is taken.

### Code

- N-1 New or unused property in excellent condition, interchangeable with new items.
- N-2 New or unused property in good condition. Property may be slightly shopworn, soiled, but utility is not impaired.
- N-3 New or unused property in fair condition. Soiled, shopworn, rusted, deteriorated, or damaged to the extent that utility is slightly impaired.
- U-1 Used property in good condition which has been repaired or renovated.
- U-2 Used property which has been repaired or renovated in the past, but has deteriorated to the extent that utility is impaired.
- U-3 Used property in good condition with no repairs required.
- U-4 Used property in fair condition, but somewhat deteriorated and worn.
- U-5 Used property deteriorated to the extent that utility is impaired.
- U-6 Used property requiring minor repairs.
- U-7 Used property requiring major repairs.
- U-8 Used property so badly damaged that repair would cost more than its utility value after repair.
- S-1 Salvage. Property with some value in excess of its basic material content in that parts could be utilized to repair other units.
- S-2 Scrap. Property that has no value except for its basic material content.

APPENDIX B

FORMS

NOTICE OF DESIGNATED PROPERTY COORDINATOR  
2014-2015

\_\_\_\_\_ has been designated as Departmental Property  
Name of Designee

Coordinator for \_\_\_\_\_  
Department / Cost Center Name

\_\_\_\_\_

Fund No.	Cost Center No.	Phone Number / Extension
----------	-----------------	--------------------------

\_\_\_\_\_

Signature	Date
-----------	------

The responsibilities of the Departmental Property Coordinator include:

- Coordinating and implementing the annual inventory for fixed assets
- Reconciling and reporting differences between the annual inventory and the fixed asset listing per department records
- Receiving, tagging, and recording all purchases of fixed asset purchases Reporting and recording all fixed asset transfers and retirements
- Reporting and recording all fixed assets declared surplus
- Reporting and recording all fixed assets declared scrap
- Reporting and recording theft and other losses, which cannot be explained. In the case of theft, the Departmental Property Coordinator will also be responsible for notifying the police and forwarding a copy of the police report to the fund accountant.
- Working closely with the fund accountant to make sure the department fixed asset records agree with accounting records

BLOUNT COUNTY, TENNESSEE

PERSONAL PROPERTY ACQUISITION/DISPOSITION RECORD  
REVISED 9/01/00

LOCATION/SCHOOL \_\_\_\_\_ TAG # \_\_\_\_\_

CLASS CODE \_\_\_\_\_ ACCOUNT CODE \_\_\_\_\_

ITEM DESCRIPTION \_\_\_\_\_

VENDOR \_\_\_\_\_

MAKE/MODEL \_\_\_\_\_ SERIAL # \_\_\_\_\_

PURCHASE PRICE \$ \_\_\_\_\_ OR APPRAISED VALUE \$ \_\_\_\_\_

ACQUISITION

DATE RECEIVED \_\_\_\_\_ PURCHASE ORDER NO. \_\_\_\_\_

RECEIVED BY \_\_\_\_\_ COND. CODE \_\_\_\_\_

TRANSFERRED FROM \_\_\_\_\_ STAT. CODE \_\_\_\_\_

DONATED BY \_\_\_\_\_

DISPOSITION

\_\_\_\_\_ TRANSFER \_\_\_\_\_ STOLEN/LOST \_\_\_\_\_ SURPLUS \_\_\_\_\_ SCRAP

OTHER \_\_\_\_\_

TRANSFERRED TO \_\_\_\_\_

I certify the above described equipment has been transferred, stolen/lost, declared surplus, scrapped or disposed of by other means as indicated above. If the item was declared surplus, it is available for use by other County Offices / schools or can be sold in the prescribed manner as surplus. If stolen, a stolen property report has been filed with the Police Department.

Signature Department Head/Date

Signature Purchasing Agent/Date

\_\_\_\_\_

\_\_\_\_\_

**EXAMPLE**

**PERSONAL PROPERTY ACQUISITION/DISPOSITION RECORD**

LOCATION/SCHOOL: County Clerk/Heritage

TAG #: 01195

CLASS CODE: 92421

ACCOUNT CODE: 101-052100-500711-0

ITEM DESCRIPTION:  
(noun first)

Desk, secretarial, left  
File, 4-drawer w/lock, brown

VENDOR: Staples, Alcoa, TN

MAKE/MODEL: Hon M100  
CP2500

SERIAL #: .A696P07005 Model

PURCHASE PRICE: \$695.00 **OR** APPRAISED VALUE: If acquisition is by means other than by purchase or transfer, fill in "appraised value" with your BEST EDUCATED ESTIMATE. **Fill in only one blank.**

**ACQUISITION:**

DATE RECEIVED: June 1, 2013

PURCHASE ORDER NO. 910092

RECEIVED BY: John Doe Smith

COND. CODE: N-1

TRANSFERRED FROM: County Buildings 101-051800-500711-0 STAT. CODE: U (U=IN

USE; R=HELD IN RESERVE; S=IN STORAGE) DONATED BY: John D. Rockefeller

**DISPOSITION:**

METHOD OF DISPOSAL: Check the method used to dispose of property

OTHER: Required if disposition is by means other than transfer, stolen, lost, surplus or scrap.

TRANSFERRED TO: Enter name and account code of receiving unit.

CERTIFICATION SIGNATURES AND DATES AS REQUIRED.  
Agent is not required on transfers within the same fund)

(Signature of Purchasing

PPACQDSP.EXP

Form No.PPACQDSP92.4a



**BLOUNT COUNTY, TENNESSEE**  
**DEPARTMENT OF EDUCATION**

**PERSONAL PROPERTY DECLARED "SCRAP"**  
New Form 8/21/14

SCHOOL \_\_\_\_\_ TAG # \_\_\_\_\_

CLASS CODE \_\_\_\_\_ Account Code \_\_\_\_\_

ITEM DESCRIPTION \_\_\_\_\_

The personal property described above has been judged to have no monetary or useful value and will be disposed of as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Principal of School \_\_\_\_\_ Date \_\_\_\_\_

\_\_\_\_\_  
Director of Schools \_\_\_\_\_ Date \_\_\_\_\_

\_\_\_\_\_  
Chairman of Board of Education \_\_\_\_\_ Date \_\_\_\_\_

**TCA 49-6-.2007.**

"Surplus personal property in local school systems which has no value or has a value less than two hundred fifty dollars (\$250) may be disposed of without the necessity of bids as required by this section." (d-1)

"In order for such disposal without bids, the principal of the school with the surplus personal property, the superintendent of the local school system, and the chairman of the local board of, education must agree in written form that the property is of no value or is of a value less than two hundred fifty dollars (\$250). (d-2)

## Instructions for "Scrap" Forms

1. Obtain the required signatures on the Personal Property Declared "Scrap" Form.
2. Process the applicable Acquisition/Disposition Form:
  - (a.) Check the word "Scrap" in the Disposition Section
  - (b.) Obtain signature of Official/department head/principal of School
  - (c.) Obtain signature of purchasing agent
3. Attach a COPY of the processed Personal Property Declared "Scrap" Form to a COPY of the processed Acquisition/Disposition Form and retain for your files.
4. Attach the completed ORIGINAL Personal Property Declared "Scrap" Form to the completed ORIGINAL Acquisition/Disposition Form and submit the ORIGINALS to the fund accountant.

BLOUNT COUNTY, TENNESSEE

MOTOR VEHICLE ACQUISITION/DISPOSITION RECORD

VEHICLE IDENTIFICATION NUMBER (VIN) \_\_\_\_\_

ACCOUNT CODE \_\_\_\_\_

VEHICLE DESCRIPTION \_\_\_\_\_

MAKE & MODEL OF VEHICLE \_\_\_\_\_

LICENSE PLATE NUMBER \_\_\_\_\_

VEHICLE UNIT NUMBER \_\_\_\_\_

LOCATION \_\_\_\_\_

PURCHASE PRICE \_\_\_\_\_ APPRAISED VALUE \_\_\_\_\_

**ACQUISITION**

Date received \_\_\_\_\_

Purchased from \_\_\_\_\_

Received by \_\_\_\_\_

Donated by \_\_\_\_\_

Other \_\_\_\_\_

**DISPOSITION**

Transfer \_\_\_\_\_ Trade-In \_\_\_\_\_ Stolen \_\_\_\_\_ Surplus \_\_\_\_\_

Transferred to \_\_\_\_\_ Exchange Price \_\_\_\_\_

Traded to \_\_\_\_\_ Trade-in Allowance \_\_\_\_\_

I certify the above described motor vehicle has been transferred or disposed of in accordance with guidelines of the Purchasing Agent. If it is declared surplus, it is available for use by other offices or can be sold as surplus. If stolen, a stolen property report has been filed with the Police Department.

Dept. Head: Signature/Date

Purchasing Agent: Signature/Date

\_\_\_\_\_

\_\_\_\_\_

**EXAMPLE**

MOTOR VEHICLE ACQUISITION/DISPOSITION RECORD VEHICLE

IDENTIFICATION NUMBER (VIN): 12345678901234567 ACCOUNT CODE: 101-054110-500718-0

VEHICLE DESCRIPTION: 4-DOOR, GREEN ON WHITE

MAKE & MODEL OF VEHICLE: GM; CHEVROLET CAPRICE CLASSIC; 1991 LICENSE PLATE

NUMBER: ABC-123

VEHICLE UNIT NUMBER: 58

LOCATION: County Executive Office

PURCHASE PRICE: \$13,000.00 OR APPRAISED VALUE: If acquisition is by means other than by purchase or transfer, fill in this "appraised value" blank with your BEST EDUCATED ESTIMATE.

**ACQUISITION:**

DATE RECEIVED: **June 1, 1990**

PURCHASE ORDER NO. **910092**

PURCHASED FROM: Smith Chevrolet, Inc.

RECEIVED BY: John Doe Smith

DONATED BY: John D. Rockefeller

OTHER: Acquisition other than by purchase or donation **DISPOSITION:**

METHOD OF DISPOSAL:, Check the appropriate method.

OTHER: Required if disposition is by means other than transfer, trade-in, stolen, surplus Or scrap.

TRANSFERRED TO: Enter name and account code of receiving department.

EXCHANGE PRICE: Required **ONLY IF TRANSFER IS BETWEEN FUNDS.** TRADED TO: West

Chevrolet

TRADE-IN ALLOWANCE: \$2000

CERTIFICATION, SIGNATURES AND DATE OF DISPOSITION ARE REQUIRED.

**BLOUNT COUNTY, TENNESSEE  
REAL PROPERTY ACQUISITION/DISPOSITION RECORD**

**ACQUISITION:**

ACCOUNT CODE \_\_\_\_\_ DATE ACQUIRED \_\_\_\_\_

**Land.**

DIST/MAP/GROUP/PARCEL \_\_\_\_\_ DEED BK/PAGE \_\_\_\_\_

DEED RESTRICTIONS \_\_\_\_\_

PROPERTY NAME \_\_\_\_\_

PROPERTY ADDRESS \_\_\_\_\_

METHOD OF ACQUISITION \_\_\_\_\_ PURCHASE PRICE \_\_\_\_\_

FAIR MARKET VALUE \_\_\_\_\_ NO. ACRES \_\_\_\_\_

NUMBER OF BUILDINGS ON THIS PROPERTY \_\_\_\_\_

**Buildings.**

BUILDING \_\_\_\_\_ of \_\_\_\_\_ TYPE OF CONST \_\_\_\_\_ COST \_\_\_\_\_

PURPOSE OF FACILITY \_\_\_\_\_ INSURED AMT. \_\_\_\_\_

SQUARE FOOTAGE \_\_\_\_\_ NO. FLOORS \_\_\_\_\_ NO. ROOMS \_\_\_\_\_

ADDITIONS AND/OR RENOVATIONS (date, type, dollars):

\_\_\_\_\_

NAME AND PHONE NO. OF CONTACT PERSON \_\_\_\_\_

**DISPOSITION:**

DATE OF DISPOSITION \_\_\_\_\_

TYPE OF DISPOSITION \_\_\_\_\_

CHANGE IN NAME AND/OR ADDRESS \_\_\_\_\_

**EXAMPLE**

**REAL PROPERTY ACQUISITION/DISPOSITION RECORD**

**ACQUISITION**

ACCOUNT CODE: 101-000000-132000-0

DATE ACQUIRED: 10/01/82

**Land.**

DIST/MAP/GROUP/PARCEL: 09/058B/A/017

DEED BK/PAGE: 89-366

DEED RESTRICTIONS: EXAMPLE: Reverts to heirs when no longer used for public education in Blount County

PROPERTY NAME: BLOUNT COUNTY BOARD OF SUPERVISORS

PROPERTY ADDRESS: MORGANTON ROAD

METHOD OF ACQUISITION: PURCHASE

PURCHASE PRICE:

\$100,000

FAIR MARKET VALUE IN 1992: \$200,000 NO. OF ACRES: 7 NUMBER OF BUILDINGS ON THIS

PROPERTY: 2

**Buildings.**

BUILDING: 1 OF 2

TYPE OF CONSTRUCTION: BRICK

COST: \$450,000

PURPOSE OF FACILITY: SCHOOL ADM OFFICE

INSURED ANT: \$500,000

SQ. FT.: 5000 SQ. FT.

NO. FLOORS: 2

NO. ROOMS: 10

ADDITIONS AND/OR RENOVATIONS (date, type, dollars): 06/01/84-ADDITION OF STORAGE BLDG.- \$ 5,000 11/15/90-RENOVATION OF AUDITORIUM - \$45,000

NAME AND TELEPHONE NUMBER OF CONTACT PERSON: BILL COCHRAN/984-1212 **DISPOSITION:**

DATE OF DISPOSITION: 03/10/92

TYPE OF DISPOSITION: SALE

CHANGE IN NAME/ADDRESS: (Enter here any change in name and/or address during time of ownership)

**NOTE:** Attach additional pages if needed to responsibly fill in all blanks and/or add information to better describe the property.