

**Board of County Commissioners  
Leon County, Florida**

**Policy No. 02-5**

Title: Tangible Personal Property Policy and Procedures  
Date Adopted: June 8, 2021  
Effective Date: June 8, 2021  
Reference: Chapter 274, Florida Statutes  
Policy Superseded: Policy No. 98- adopted November 24, 1998; Policy No. 02-5 adopted April 16, 2002; revised December 13, 2005; revised September 24, 2019

It shall be the policy of Leon County, Florida, that Policy No. 02-5 "Tangible Personal Property Policy and Procedures" adopted by the Board of County Commissioners on September 24, 2019, is hereby amended, and a revised policy is hereby adopted in its place, to wit:

**LEON COUNTY GOVERNMENT  
TANGIBLE PERSONAL PROPERTY POLICY AND PROCEDURES**

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**SECTION I      DEFINITIONS**

1.      County Tangible Personal Property is defined as property which:
  - a.      is not fixed in place and not an integral part of a structure or facility;
  - b.      is not an integral part or component of another piece of equipment;
  - c.      has an original acquisition cost of \$1,000 or more;
  - d.      is not consumed in use; and
  - e.      has a useful life of one year or more after initial acquisition.
2.      Property Custodian is defined as any department head, division head, or County employee under Leon County Government as designated by the County Administrator; any Constitutional Officer of the County, except for the Sheriff; the Court Administrator; and any other individual or entity having possession and control of County tangible personal property.
3.      Custodian's Delegate means a person under the supervision of the Property Custodian, to which person the Custodian may delegate the use and immediate control of property, and from whom the Custodian may require custody receipts.
4.      Gaining Custodian is a Property Custodian who is adding inventory.
5.      Losing Custodian is a Property Custodian who is removing inventory.
6.      Property Control is the program within the Purchasing Division charged with the responsibility of maintaining the records for County tangible personal property, of conducting annual physical inventories of all tangible personal property owned by the County, of tagging or otherwise labeling property acquired by the County and of coordinating other matters related to County tangible personal property including its transfer, cannibalization, and disposal.
7.      Fiscal Year means the County government's fiscal year (October 1 - September 30) as established by Section 129.04, Florida Statutes.
8.      Surplus refers to items no longer needed or used by a custodian that are transferred to the Surplus Account and which may be obtained by other custodians.
9.      Salvage refers to items that are unserviceable or uneconomically repairable and transferred to the Salvage Account for disposition through sale, donation or discard.
10.     Storage refers to those items being stored at a facility other than the work location of a property custodian for use at a later date but retained on the custodian's inventory.
11.     Cannibalize refers to the removal of parts from one asset to repair another piece of property for use or for installation on other property to which parts are no longer available or are uneconomical to purchase.

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**SECTION II      TANGIBLE PERSONAL PROPERTY RECORDS AND REPORTS**

1. Property Control shall record all tangible personal property acquired by the County in the Fixed Asset Accounting System. This system shall include all information required by Florida Statutes and the Chief Financial Officer.
2. Each Property Custodian will be provided, upon request, the Inventory Report of all property under their control. The Property Custodian shall review the Inventory Report for accuracy and notify Property Control of any corrections required.
3. Each Property Custodian shall provide a monthly notification of property acquisitions to property control.

**SECTION III      ACQUISITION OF TANGIBLE PERSONAL PROPERTY**

1. Property is acquired by the County:
  - a. By the direct purchase of property using County funds.
  - b. By donation from private individuals, state or other governmental agencies.
  - c. By the direct purchase of property using grant, state or federal funds.
  - d. By lease-purchase agreement.
2. Purchase of Property with County Funds:
  - a. Board Operations
    - 1) Each County Department, through the designated Department Head, is authorized to procure property through the County Purchasing Department if specifically budgeted in a "56400" object account and the individual item is over \$1,000 in cost. Constitutional Officers have the authority to make procurements from their own budgets. The Sheriff's Department is specifically excluded from the provision of this manual.
    - 2) Acquisition by County Departments, except for the Health Department: The necessary information to record these procurements in the Fixed Asset Accounting System will be obtained by Property Control from the Finance Department through the data contained in paid vouchers. At the time this information is acquired, a property number will be assigned, and the item will be tagged by Property Control in accordance with procedures described in Section VI of this policy.
  - b. Constitutional Officers (Tax Collector, Property Appraiser, Supervisor of Elections, Clerk of Courts).

- 1) The Departments under the Constitutional Officers acquire tangible personal property through procurement from their own budgets.
- 2) In order for Property Control to record such items, it will be necessary for the Property Custodian/Delegate of these Constitutional Offices to provide information to Property Control for evaluation, tagging and subsequent inclusion of the property in the tangible personal property record. The Property Control Form shall be used by the Property Custodian/Delegate to inform Property Control.

c. Health Department

- 1) The Health Department receives tangible personal property through procurement with State and/or County funds.
- 2) It will be necessary for the Property Custodian/Delegate to use the same Property Control Form as described above to inform Property Control of all acquired tangible personal property items.

3. Property Donated to the County:

Any tangible personal property donated to the County by governmental agencies, private enterprise or by individuals will be listed on the Property Control Form by the appropriate Property Custodian and forwarded to Property Control within 15 days of receipt of such items. The form should include all known information on the item donated. Property Control will, as soon as possible, inspect the property and evaluate it as to serviceability and value, and then determine whether or not it should be included on the Property Control Form. All such items approved for inclusion in the inventory will be tagged and entered in the Tangible Personal Property Record.

4. Purchase of Property using grant, state or federal funds:

Tangible personal property acquired by any County agency or department from other resources such as Federal or State Grants shall be accounted for in the same manner as property acquired with County Funds. The Finance Department will notify the Property Custodian of any exception to this standard procedure (OMB Circular No. A-87).

5. Lease-Purchase Agreements:

- a. In accordance with the criteria set forth in the Financial Accounting Standards Board's Statement No. 13, Accounting for Leases, all tangible personal property items acquired through lease-purchase agreement by any County department or agency will be included in the Tangible Personal Property Record at the beginning of the term of the agreement. Property Control will notify the department or agency receiving the item of any exception to this rule.
- b. It is the responsibility of the Property Custodian or Delegate to inform Property Control of all lease-purchase agreements pertaining to tangible personal property and to provide them with a copy of the agreement.

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## **SECTION IV     PROPERTY TRANSFERS AND SURPLUS PROPERTY**

1. Transfers of tangible personal property between Property Custodians will be handled as follows:
  - a. The Losing Custodian will, for each different Gaining Custodian, complete one Property Control Form. On the form, the Losing Custodian will include for each item the following: the Property Control Number and a brief description, including its serial number. The form will then be sent to Property Control to initiate the transfer. If an item(s) needs to be moved, Property Control shall forward a copy of the form to Facilities Management. Then the original form shall be forwarded to the gaining Property Custodian to sign and return to Property Control.
  - b. Property Control will make the necessary adjustments to the property records.
2. Internal Transfer of Property Between Locations:
  - a. Some Property Custodians have large accounts with tangible personal property located in several different locations. Examples are: Tax Collector, Supervisor of Elections, Clerk of the Circuit Court, Public Library, and Public Works. These separate locations are identified on the Tangible Personal Property Record. It is the responsibility of the Property Custodian to advise Property Control of any transfer of tangible personal property from one location to another in order to keep the Property Record up to date. Notification should be made on the Transfer of Tangible Personal Property Form. Temporary transfers need not be reported, but all permanent or indefinite transfers should be reported as soon as they occur.
  - b. Property Control will make the necessary adjustments to the property records.
3. Surplus property will be held in place and reported to Property Control. If a redistribution of the property is not immediately possible, it will be moved to a designated storage site and deleted from the reporting Property Custodian's Inventory Record by Property Control.

## **SECTION V     PROPERTY DISPOSAL**

Disposal of property will be conducted in accordance with Chapter 274, Florida Statutes, and the below sections.

1. When a decision has been reached by the Property Custodian to cannibalize or dispose of unserviceable or uneconomically repairable equipment, the following procedure will apply:
  - a. Prior to actual disposal or cannibalization, a Property Control Form outlining the action and the reason(s) for said action shall be completed by the Property Custodian and forwarded to Property Control. Property Control shall update the property control records. Prior to the end of the Fiscal Year, Property Control shall write an agenda item as a status report to the Board to include all deleted items from the Tangible Personal Property Record. The deleted items shall all be removed as of September 30 of the current Fiscal Year.
  - b. The Leon County authorized recycling center(s) is the designated location for all junked property,

including all hazardous waste.

2. When a decision has been reached by the Property Custodian to dispose of Grant Funded Assets, the following procedure will apply:

The Property Custodian will review all Terms and Conditions associated with assets acquired with grant funds in accordance with 2 CFR 200.311(c) prior to disposal. Property Control will ensure compliance with all Terms and Conditions associated with assets acquired with Federal or State Grants as described in Section III (4) prior to disposal.

## **SECTION VI      PHYSICAL INVENTORY, TAGGING AND CONDITION CODING OF PROPERTY ITEMS**

1. Each item of tangible personal property located in inventory shall be marked or tagged with its property number and the inscription, "Property of Leon County, Florida", in accordance with Chapter 274, Florida Statutes, Florida Administrative Code and the Rules of the Chief Financial Officer, Rule 69I-73.001.
2. Physical inventories will be conducted by Property Control. Such inventories will be in coordination with the appropriate Property Custodian or his designated delegate. The individual taking the inventory should not be the Property Custodian charged with the items to be inventoried.
3. The type of inventory conducted will fall into one of three categories as indicated below:
  - a. New - The initial inventory for setting up the Tangible Personal Property Record of a new or reorganized department.
  - b. Annual - An inventory of all tangible personal property shall be taken once each fiscal year in each department.
  - c. Special - An inventory taken at the request of the Property Custodian when there is a change of a Property Custodian or by direction of the Leon County Government. An inventory shall be taken by Property Control of all tangible personal property within a department when there is a change in the Property Custodian or his designated Delegate.
4. The inventory will be an actual physical verification that a specific item exists at the site and in the condition indicated on the Tangible Personal Property Record. The most recent copy of the Tangible Personal Property Record will be used when conducting the inventory.
5. Every item located on the inventory will be classified as to its general condition and serviceability.
  - a. Property other than vehicles:
    - 1) Condition "1", Good means the item is serviceable, new or in almost new condition showing little sign of wear and tear.
    - 2) Condition "2", Fair means the item is still serviceable for its primary use but shows definite signs of wear and tear.
    3. Condition "3", Poor means the item was found to be unserviceable at the time of

inventory. Such items should be disposed of or declared surplus in accordance with applicable provisions in this manual.

- b. Vehicle Condition Coding:
    - 1) Condition "1", Good, a serviceable vehicle with over 50% of its life expectancy, mileage and/or operating hours remaining.
    2. Condition "2", Fair, a serviceable vehicle with less than 50% of its life expectancy, mileage and/or operating hours remaining.
    3. Condition "3", Poor, a vehicle which is determined to be unserviceable.
  - c. Items previously marked or tagged, but for some reason the marking is not legible or is missing, will be retagged using the original Property Control Number.
6. During the Physical Inventory, if tangible personal property is found that is not on the property record, action will be taken by Property Control to evaluate it and place it on the Property Record in the department where it was found.
  7. Upon completion of an inventory, the Property Custodian will acknowledge acceptance of all property as listed on the current inventory report. It shall be the responsibility of the Property Custodian to trace and reconcile to the satisfaction of Property Control all discrepancies existing between the inventory and the Tangible Personal Property Record. Any discrepancies remaining unreconciled 15 days after inventory, as authorized by the Board and the Rules of the Chief Financial Officer shall be placed in a holding category of items not found the first year. Each Property Custodian with items in this category is provided a list and instructions to make every effort to locate the missing items. Items not found during the following annual inventory shall be deleted from the Property Control records.

## **SECTION VII SPECIAL ACCOUNTING AND REPORTING PROCEDURES**

This section covers special procedures not otherwise outlined in this manual.

1. Lost or Stolen Property:
  - a. When it is evident that an item of tangible personal property has been lost or stolen, immediate action will be taken by the Property Custodian to locate it. If the item has been determined stolen, Property Control must supply the incident report that was received from law enforcement. If the item cannot be located, Property Control will be notified by memorandum by the Property Custodian.
  - b. Property Control will use the memorandum and any additional information as is appropriate as a basis to remove the item from the Property Records.
2. Tangible Personal Property Installed on Vehicles or on Other Major Items of Equipment:
  - a. In the interest of economy, the County may, from time to time, purchase a vehicle or a major

piece of equipment and subsequently purchase additional items for installation using County manpower and resources to complete the piece of equipment or to fill a special requirement.

- b. Items of this nature will not be accounted for separately but will be considered a part of the basic major item. The Property Record will show the Base Cost as the cost of the basic item plus the cost of any additional item(s) installed thereon.
- c. Items in this category include, but are not limited to, the following:
  - 1) Vehicle bodies.
  - 2) Installed hoists and winches.
  - 3) Installed air compressors.
  - 4) Storage tanks installed on vehicles or trailers.
  - 5) Installed flashing lights, light assemblies and sirens.
  - 6) Any other miscellaneous items like those above.
- d. Excluded from this policy are radios and communication equipment which will be shown on the Tangible Personal Property Record separately.
- e. The Property Custodian will notify Property Control of any changes to the basic major item.
- f. When County warrants or other acquisition documents reflect procurement of items as are described above, Property Control will prepare the necessary documents to add the item(s) to the basic piece of equipment on the Property Record.
- g. When a vehicle or other major piece of equipment is disposed of or traded, and the installed property item is recaptured for subsequent use, it will be the responsibility of the Property Custodian to advise Property Control of the action and of the anticipated use of the recovered item.

3. Review of Disposition of Tangible Personal Property Report:

Property Control will conduct a thorough review of the Tangible Personal Property Report to ensure complete and accurate information prior to its submission to the Board of County Commissioners. The review will be conducted by:

- a. Property Control Specialist
- b. Procurement Administrator
- c. Purchasing Director

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