

JOHNSON COUNTY, IOWA: COUNTY-OWNED PROPERTY DISPOSAL POLICY

POLICY:

It is the policy of Johnson County to dispose of County owned personal property that is no longer deemed usable by the acquiring department by awarding the asset to the highest responsible bidder at public auction, both in person and online, or through resale services or consignment sale, or by realizing fair value via a trade-in process when the asset being replaced is negotiated for value with a dealer of that asset type, or donating the property to a qualified public service agency or governmental body within Johnson County, or transferred to another county department who will then utilize the transferred asset, or be sold for current fair salvage value if appropriate, or discarded as refuse if no other options for re-use are available.

When multiple methods of disposal are available to a department or office, their choice should be guided by returning maximum value and utility to the County or to a qualified public service agency or other local government recipient. Minimizing environmental impact should also be considered in the decision making process. In the absence of a clear option, the Board of Supervisors are available to give a recommendation as to their preferred disposal method, if desired.

SCOPE:

This policy is applicable to all elected officials, offices, and departments within Johnson County. This policy covers only personal property and specifically excludes real estate assets and any associated fixtures (fixed assets) of the County. Personal property includes equipment, vehicles, and items such as personal computers, desks, chairs, unattached shelving, and any other similar assets not attached to real estate.

This policy is intended to serve as a guide for elected officials and department heads in the proper procedures to follow when disposing of county assets within their respective departments.

PROCEDURES:

1. PUBLIC AUCTION & RESALE:

Personal property may be sold at public auction by lot or individually as is practical. Local consignment at private auction houses or through an online auction services, such as E-Bay are acceptable options as long as the auction service has been deemed as a reliable and a fair dealing business. Selling to the general public through resale portals such as Craigslist is an acceptable practice when fair value of the asset is known and the net return of value to the County would be higher than what would be expected from a traditional auction process.

2. TRADE-INS:

County departments choosing to replace unneeded personal property and utilize the property for a trade-in allowance on the replacement property transaction are expected to have an understanding of the fair value of the asset and so as to maximize the return of value to the County. Past sales transaction history, NADA values and similar sources should be utilized to ensure a fair trade-in value is negotiated with any vendor.

3. TRANSFERS:

Transfers of assets between county departments is an allowable action and is encouraged when a different department can utilize the asset being considered for disposal. Lesser valued and consumable assets that may have usefulness can be offered up to all county departments and offices via the County's Surplus Store and are available on a first-come, first-served basis.

4. DONATIONS:

Transfers of County assets to qualified public service, nonprofit and charitable agencies and other local governmental bodies within Johnson County is an allowable disposal method of unneeded or surplus assets of the County. Due diligence should be taken to ensure that the agency receiving the donated assets are indeed a qualified public charity, as gifts to private entities and foundations are prohibited by the Iowa Constitution.

5. SALVAGE:

Assets with salvage value (certain metal scrap, etc.) should be considered for sale to local salvage businesses which will return value back to the County while also minimizing the impact on the environment by reducing the amount of refuse ultimately discarded. All prospective salvage businesses should be requested to submit a competitive quote when a department is ready to dispose of a material amount of salvage. The quoted prices for salvage material should not be the only factor considered when making this business decision as some salvage vendors may require the County to load and transport the material which is a cost to the County that would reduce the return of value accordingly.

6. DISPOSAL OF PROPERTY HAVING NO VALUE:

Assets determined by their respective department or office to have no value and that cannot be salvaged or reused should be disposed of in an appropriate and responsible manner (landfill or other authorized destruction processing site). Care should be taken to ensure hazardous materials associated with the assets being disposed of are considered and that proper disposal measures are implemented.

POST-DISPOSAL REPORTING:

Any disposals that result in a receipt of money to the County should be properly documented when the sales proceeds are deposited with the County Treasurer. Include an original or a copy of the sales transaction receipt and a detailed listing of the assets that were sold in the disposal process.

Assets with an original value of \$5,000 or greater that are disposed of in any manner as described in this policy, must be reported back to the Finance department through the submission of a completed CAPITAL ASSET INFORMATION SHEET (see attached form). The Transfer reporting section on the form is for interdepartmental county transfers only. All other disposal types should be reported under the Disposal section including purchaser, recipient, date and any proceeds from a sales or salvage transactions.

Assets that are disposed of or transferred out that fall below the \$5,000 reporting threshold should be removed from your departmental assets inventory list that are updated annually at fiscal year-end. Acquired assets via interdepartmental transfer should be added to the new department assets inventory list annually during this same reporting process.

CAPITAL ASSET INFORMATION SHEET
FOR COUNTY-OWNED ITEMS COSTING \$5,000 OR MORE

DEPARTMENT _____ DATE _____

ASSET ID NUMBER _____ INVENTORY TAG _____

(NEW ASSET ID NUMBERS WILL BE ASSIGNED BY FINANCE OFFICE)

DESCRIPTION _____

ADDITION or CHANGE (Please attach copies of invoices for all additions)

Purchase Date _____ Received Date _____

Amount Paid _____

Replacement Value _____

Asset ID of Trade-In _____

Estimated Useful Life (in years) _____

Claim Number _____

General Ledger Account(s) _____

Vendor _____

Manufacturer _____

Model _____

Serial Number/VIN _____

Building and Room _____

- _____ Equipment
- _____ Equipment - Vehicle
- _____ Equipment - Mobile
- _____ Equipment - Computer
- _____ Equipment - Software
- _____ Land
- _____ Building
- _____ Improvement
- _____ Infrastructure

Vehicle Information:

Year _____

Plate # _____

Vehicle # _____

Gas Card # _____

Odometer _____

TRANSFER

New Department _____ New Tag _____

New Building and Room _____

DISPOSAL

Date _____ Method _____ Proceeds _____

Signature authorizing disposal _____

Finance Office Use Only: Date Entered _____ In Use Date _____ Entered by (Initials) _____