

Sec. 2-45. - Surplus, Obsolete, and Waste Commodities.

- 45.1 The County Purchasing Agent or the Board of Supervisors, as applicable, shall have authority to sell all surplus personal property, such as supplies, materials, and equipment, which cannot be used by any agency and which has been found by the Board of Supervisors or Purchasing Agent, as applicable, not to be required for public use; or to exchange or trade-in such articles in part or full payment for new supplies, materials or equipment of a similar nature.
- 45.2 If the value of the supplies, material or equipment is estimated to be five thousand dollars (\$5,000.00) or less, the Purchasing Agent shall have authority to declare the item surplus. If the value of the supplies, material, or equipment has a value estimated at more than five thousand dollars (\$5,000.00), a resolution of the Board of Supervisors shall be required to declare the item surplus.
- 45.3 If the value of the supplies, materials, or equipment which has been found by the Board of Supervisors not to be required for public use is more than five thousand dollars (\$5,000.00), the County Purchasing Agent shall obtain competitive bids for the sale of such supplies, materials, or equipment. Upon the discretion of the Purchasing Agent, bids shall be obtained by telephone quotes, written quotation or public auction. A minimum selling price for surplus property valued at more than five thousand dollars (\$5,000.00) shall be determined by Resolution of the Board of Supervisors at the time the item is declared surplus. If surplus property was purchased with federal or state monies then the value must be credited to the appropriate federal or state agency.
- 45.4 If the sale of supplies, materials, equipment or other personal property which has been found by the Purchasing Agent not to be required for public use is valued at five thousand dollars (\$5,000.00) or less, the County Purchasing Agent in their sole discretion, may waive the competitive bidding requirements of this article and may make such sale without calling for bids.
- 45.5 All sales shall be made to the highest responsible bidder if sold by competitive bid, or the highest price reasonably obtainable if sold pursuant to Section 45.4, except that in the event any item of County personal property, which is found by the Board of Supervisors or the Purchasing Agent, as applicable, to be no longer required for public use, and is declared surplus to the needs of the County but has no practical resale value, the Purchasing Agent, at their sole discretion, may dispose of such item in any suitable manner, including transfer of such property to a non-profit, service organization.
- 45.6 Notwithstanding any other provisions of this article, the Board of Supervisors may, by a four-fifths (4/5) vote, transfer any surplus personal property to other public entities pursuant to the provisions of Government Code Section 25365.
- 45.7

Only those County employees who are not in a position to influence the decision declaring a particular item as surplus may be eligible to purchase the property in the same manner as the general public.

(Ord. No. 3109, § 1, 8-10-2021)

L. ACCOUNTABILITY OF CAPITAL ASSETS

Lost or missing inventory shall be reported to the Auditor-Controller either on the annual capitalized fixed asset listing or on a Property Transfer Form. Any presumed stolen inventory shall be reported to the Sheriff, County Administrative Officer, and the Auditor-Controller immediately upon discovery of such suspected theft.

The County Administrative Officer shall notify the Auditor-Controller of the need to conduct a departmental physical inventory prior to the permanent departure or change in area of responsibility of a Department Head. Department Heads are expected to be cognizant of this requirement. The Auditor-Controller, in cooperation with outgoing and incoming Department Heads, will conduct a physical inventory. The Auditor-Controller's Office will provide asset listings and certification forms for this transfer. Any missing inventory will be immediately reported to the County Administrative Officer and the District Attorney for investigation. Upon approval of the Administrative Officer, final payroll remuneration shall be made directly following review and reconciliation of the departing Department Head's Capital Asset Inventory Affidavit by the Auditor-Controller's Office.

Budgets for fixed asset items should be as follows:

- Fixed assets meeting the capitalization threshold: Fixed asset account group xxx.60-00 through xxx.62-79 – Fixed Assets.
- Construction projects: Fixed asset account group xxx.63-00 through xxx.63-99 - Fixed Assets - Construction in Progress. Note: Depending on type, may be reclassified to Land or Buildings and Improvements upon completion of project.
- Maintenance to fixed assets: Account xxx.17-00 through xxx.18-00 - Maintenance-Equipment or Maintenance-Buildings & Improvements.

Capitalized fixed assets shall be submitted for payment with a Fixed Asset Control Form. If this form is not attached, the claim process will be delayed. Fixed assets falling under the capitalization threshold do not require a Fixed Asset Control Form to be submitted; however, departments must set up a mechanism for documenting their inventory listing add/changes/deletes. This mechanism must be approved by the Auditor-Controller.

All inventory items will be accounted for on a departmental fixed asset inventory list. This listing shall contain, at a minimum, the data maintained on the capitalized fixed asset listing maintained by the Auditor-Controller.

Whenever a capital asset is transferred, retired, sold, or otherwise abandoned, the department which owned the asset must submit a Property Transfer Form to the Auditor-Controller.

M. PURCHASING CAPITAL ASSETS

The Board of Supervisors approves the purchase of capital assets as part of the adoption of the annual County budget or during the budget year by action at a regular or special meeting. Approval of capital assets as part of the normal budget adoption process is the preferred method for obtaining capital assets. Capital asset purchases not previously approved by the Board of Supervisors during the budget adoption process must be approved as a budget transfer.

All purchases of capital assets are to be submitted with a Fixed Asset Control Form to the Auditor-Controller's Office. After verification of available funds, that the purchase is in compliance with County policy, and includes all required forms, the Auditor-Controller's Office will process the payment request through accounts payable.

N. DISPOSITION OF PROPERTY

Department Heads will comply with the following procedures for capital assets that are lost, stolen, surplus, or transferred.

The responsible Department Head shall immediately file a Property Transfer Record with the County Auditor-Controller for capital assets that are lost, stolen, destroyed, or otherwise unaccounted for. If burglary or theft is suspected, the Department Head shall immediately notify the Sheriff and County Administrative Officer.

Capital assets are to be surplus once determination indicates that serviceable use has expired and cost effective repairability is unobtainable. A Property Transfer Record shall be submitted to the Auditor-Controller's Office, which will then notify the County Administrative Officer. The Auditor-Controller's Office shall provide the Administrative Office with a list of surplus inventory upon request. The Administrative Office will submit the list of surplus inventory to the County Board of Supervisors for their approval prior to disposition.

A Property Transfer Record must be submitted to the Administrative Office and the Auditor-Controller's Office, prior to the replacement of capital assets transferred between Departments.

O. DEPRECIATION

Depreciation represents the recognition of the cost of an asset over time, by calculating its estimated loss in value during each accounting period in its useful life. Depreciation expense will be recorded in the County Asset Management System, and reported in the government-wide financial statements.

Land is not depreciated. All other capital assets will be depreciated over their estimated useful lives using the straight-line method of allocation at the beginning of the second year the assets are placed in service. In determining an estimated useful life, consideration should be given to an asset's present condition and how long it is expected to meet service demands. For calculating depreciation, all depreciable property is considered to have no salvage value.

P. FORM DESCRIPTION AND USAGE

The Auditor-Controller's Office will provide a Fixed Asset Control Form or Property Transfer Form for all requested acquisitions, transfers, deletions, or surplus inventory change requests. These forms are available on the County intranet site.

Questions concerning inventory procedures may be directed to the Auditor-Controller's Office at 263-2311. All County Department Heads should be aware of their responsibility for the proper care and reporting of County-owned assets.