

**Missouri Department of
Natural Resources
Administrative Policies and Procedures**

Chapter 7 Financial Management/Purchasing

State Property Accountability (Fixed Asset) Disposal Procedures

Effective date

Revised

Number: 7.04-01

June 13, 2011

May 16, 2017

REFERENCES

[Control of Fixed Assets 15 CSR 40-2.031](#)

[State Fixed Assets RSMO 34.125](#)

[Missouri State Agency for Surplus Property Policies and Procedures](#)

Related Missouri Department of Natural Resources (MoDNR) Policies

[MoDNR Conduct and Ethics Policy 1.01](#)

[MoDNR Use of State Vehicles Policy 6.01](#)

[MoDNR State Property Accountability \(Fixed Asset\) Policy 7.04](#)

[MoDNR Purchasing Policy 7.06](#)

[MoDNR Payments Policy 7.07](#)

Related MoDNR Resources

[MoDNR SAM II Chart of Accounts and Budget Control Training Manual](#)

[MoDNR SAM II Purchasing Training Manual](#)

[MoDNR SAM II Accounts Payable/Disbursements Training Manual](#)

[MoDNR SAM II Fixed Asset Training Manual](#)

DEFINITIONS

Buyer: The person or entity who is receiving the surplused property. There are several types of buyers such as: a donee (not-for-profit, public service corporation), state agency or general public.

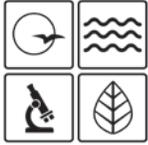
Fixed Asset: Tangible real or personal property that has a useful life of at least two years and meets the required thresholds. Cultural, archaeological and historic artifacts are excluded if the items are part of a collection (e.g., museum exhibit).

Fixed Asset Manager (FAM): Division, program, regional office, district office, or facility staff responsible for maintaining accurate fixed asset records, fixed asset document entry and conducting the annual fixed assets physical inventory.

Fixed Asset Coordinator (FAC): Accounting Program staff responsible for monitoring fixed asset purchases, approving fixed asset documents and reconciling SAM II fixed assets.

Missouri State Agency for Surplus Property (MOSASP): A section within the Office of Administration (OA), Division of General Services charged with the responsibility for managing the State's surplus property.

State Property: Fixed assets, supplies, equipment and other items purchased with state funds or donated to the state.



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Surplus Property: Any tangible supplies, materials or equipment for which the state has acquired ownership by means of purchase, donation, dedication, transfer, abandonment, exchange or any other lawful means, which is no longer needed by the department. This includes Information Technology (IT) resources.

GUIDELINES AND PROCEDURES

These guidelines apply to all of MoDNR, including offices and parks facilities outside of Jefferson City.

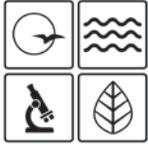
When an owner no longer has use for state property (herein referred to as property), the owner must follow an authorized disposal method in order to dispose of the item. There are several methods for disposal and each method has slightly different procedures.

- Inter-Departmental Transfer
- Intra-Departmental Transfer
- Local Disposal
 - Sell
 - Recycle
 - Abandon/Destroy
- Online Auction
- Purchase by a Donee
- Trade-In

The following guidelines should be followed when determining whether or not the disposal should go through MOSASP for authorization:

- For items that have a fixed asset number assigned to them, they must go through MOSASP.
- For items that do not have a fixed asset number assigned to them:
 - If it has value, it should go through MOSASP.
 - If it is clearly useless and has no value, it can be disposed of by the department without authorization from MOSASP.

There is no set minimum dollar amount for determining if it is valuable enough to go through MOSASP for sale or transfer, but \$10 is the suggested minimum value in order to cover administrative/processing costs. Even though an item may have no resale value, it is possible that it has value to another department. FAMs should use their best judgement in determining whether or not to dispose of non-fixed assets through MOSASP. If in doubt, it should be sent through MOSASP in case they can find a use for it.



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FAMs and the FAC are responsible for making all required entries into the SAM II fixed asset subsystem in accordance with [MoDNR State Property Accountability \(Fixed Asset\) Policy 7.04](#).

Intra-Departmental Transfer

Internal transfers of property within MoDNR can be accommodated via email. The property owner is encouraged to notify staff of the availability of property via email or other means. The notice should include a description of the property and the fixed asset number if applicable. The interested buyer will respond to the owner stating the intent to accept the property. The property owner will confirm acceptance and copy the FAC. Once the transfer of property has been made, the receiving organization’s FAM will record the proper entries into the SAM II fixed asset subsystem.

Inter-Departmental Transfer

Transfer of property to another state agency is facilitated via completion of the MO 300-1254, Redistribution Authorization, (hereafter referred to as SS-2), as long as the funding source is the same and the property is valued at less than \$1,000. The SS-2 is to be completed by the FAM and submitted via [email to MOSASP](#).

If the funding sources are different or if the property is valued at \$1,000 or more, the FAM must complete the form MO 300-1249, Report of State Owned Surplus Property, (hereafter referred to as SS-1) identifying the interested buyer. The FAM will submit the SS-1 via [email to MOSASP](#).

MOSASP will obtain confirmation of acceptance of property from the other agency, collect funds if applicable, sign the SS-1 or SS-2 and return the signed forms to the FAM.

The buyer will make arrangements with the FAM to pick up the property.

Once the transfer of property has been made, the FAM will record the proper entries into the SAM II fixed asset subsystem.

Trade-In

Property may be used as trade-in when purchasing new items if the transaction is monetarily advantageous to MoDNR. Consideration must be given to the price of the new property with and without trade and the value of the property to be traded.

The FAM must complete the SS-1 and include the details of the new purchase and trade-in value. The SS-1 is submitted via [email to MOSASP](#). If approved, MOSASP will sign the SS-1 and route back to the FAM and the FAM may proceed with making the new purchase.

Once the trade has been made, the FAM will record the proper entries into the SAM II fixed asset subsystem.



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Local Disposal

Local disposals may be requested for property that is determined to have little or no transfer or sale value.

To request local disposal, the FAM completes the SS-1 requesting local disposal and routes it via [email to MOSASP](#).

MOSASP will review the request. If approved, MOSASP will email a copy of the SS-1 and the local disposal authority form to the FAM.

Methods of local disposal include the following options: (1) obtaining a minimum of three bids for the item if the department considers the item to be of value, depositing proceeds to the appropriate funding; (2) if the department determines the item has no value, the department should first see if it can be recycled; (3) otherwise the item should be destroyed by placing in dumpster, taking to landfill, etc.

While items may appear to have little value, MOSASP suggests that three bids be solicited as part of the local disposal process. If bids are received, proceeds from such sales are to be deposited in the fund from which the property was originally purchased. The FAM should use their best judgement when determining whether or not it is cost effective to solicit bids.

Once the disposal is complete, the FAM completes the local disposal form and submits it to MOSASP. The FAM will record the proper entries into the SAM II fixed asset subsystem, if applicable.

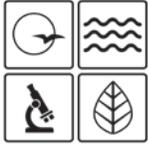
Items that do not have a fixed asset number assigned to them that are clearly useless and of no value can be disposed of by the department without going through MOSASP. Each division or program should develop their own procedures and internal controls for disposing of these items. The disposal process must involve a minimum of two people to insure that no one person is solely responsible for the disposition of property. The [Local Disposal Approval Form](#) may be used if desired.

All Other Disposal Methods

For all other disposal methods (purchase by a donee or online auction), the FAM will complete the SS-1, photograph the item(s) and submit via [email to MOSASP](#). MOSASP will review the SS-1 and contact the FAM to determine the best method of disposal. MOSASP may determine that the property should be disposed of via local disposal or transfer to another state agency.

Purchase by a Donee

MOSASP will match a need of a donee to property listed on an SS-1. MOSASP will contact the donee and make them aware of the availability of the property. FAMs will show the property to the donee, if necessary.



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Donee will pay MOSASP for property and MOSASP will provide a receipt to both the donee and the FAM. MOSASP will also provide the FAM with a signed SS-1.

The donee will contact the FAM to make arrangements to pick up the property. The buyer will sign the receipt to indicate proof of picking up the property.

The FAM will record the proper entries into the SAM II fixed asset subsystem.

Online Auction

The FAM must take digital photos of all property to be sold via online auction. Photos may not be larger than 1.5 megapixels and a VGA setting should be used if the FAM has the capability. MOSASP may also request the user complete one of the [online description forms \(SS1 Attachments for Online Sales\)](#). Digital photos and the online description form must be emailed to MOSASP. MOSASP will post the items on [GovDeals.com](#). FAMs will retain the property until it is sold and, if necessary, show the property to prospective buyers.

MOSASP will process the award at the end of the auction period and send a notification to the buyer and to the FAM.

The buyer will submit their payment to MOSASP. MOSASP then will send a receipt to the buyer and to the FAM.

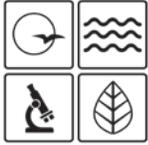
The buyer will contact the FAM to make arrangements to pick up the property. The buyer cannot pick up the property unless they have their receipt. The buyer will sign the receipt showing the property was picked up. The FAM will record the proper entries into the SAM II fixed asset subsystem.

Completion of Forms

SS-1: Complete all required fields. If a fixed asset number is attached to the property, include the fixed asset number. All SS-1's should have detail description, including itemized list with serial numbers. The more information provided, the easier it will be to sell the property. Also ensure the accurate condition code is listed. Condition codes include: N (New), S (Serviceable), R (Repairable), and C (Condemned).

A separate SS-1 must be submitted for each funding source. Multiple items from the same fund can be put on one SS-1. If there are multiple items from multiple funds, an SS-1 needs to be completed for each fund. If one item has multiple funding sources, one SS-1 should be completed for that one item and the fund split for that item should be provided on the SS-1.

SS-2: Complete all required fields. If a fixed asset number is attached to the property, include the fixed asset number. Provide a detailed description of the property in the description field.



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Online Sales Forms: The following forms are available on the [intranet](#):

- [Equipment Online Form](#)
- [Generic Online Form](#)
- [Office Equipment Online Form](#)
- [Vehicle Online Form](#)

The applicable form must be completed at the time it is determined that the property will be disposed of via online auction.

Computers, Printers, and other IT Related Equipment

Special conditions exist for the disposal of IT-type property. Contact the OA's Information Technology Services Division (OA/ITSD) for guidance for e-waste, electronics, copiers, printers, computers, and monitors that are broken, condemned, cannibalized, outdated or otherwise not useable.

Most computer equipment purchased after fiscal year 2006 was purchased by OA/ITSD and OA/ITSD is responsible for the fixed asset duties. If the item is a MoDNR fixed asset, contact the FAC for additional guidance.

Other Property Requiring Special Handling

Other property that requires special handling includes:

- Safes, desks, file cabinets and other lockable items
- Titled vehicles
- Drugs, needles, syringes and other sensitive medical items
- Hazardous or potentially hazardous surplus property
- Hazardous waste
- Recycled property
- Firearms, ammunitions and shell casings
- Radios and communication equipment

Refer to the [Missouri State Agency for Surplus Property Policies and Procedures](#) for requirements related to the handling of these items.

