

Parker County



Fixed Asset Policy and Procedure Manual

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I. INTRODUCTION

The Taxpayers of Parker County have an enormous investment in our county buildings, land, equipment and furnishings. Not only is it good accounting policy to maintain accurate inventory records of all assets of the county - State Law mandates that these records be kept. This Fixed Asset Policy and Procedure Manual is written documentation of the county policy concerning control, regulation, and accounting of all county assets. Exceptions to these policies and procedures must be approved by the Commissioners' Court.

In Parker County, the County Purchasing Agent serves as "Property Manager" of the county. The Purchasing Agent must take an inventory of all the property on hand and belonging to the county on or before July 1st of each year. This inventory is filed with the County Auditor, County Judge, and each of the District Judges. (See: Section 262.011 (i) – LOCAL GOVERNMENT CODE OF TEXAS). The Purchasing Agent also has control over the transfer of equipment from one Department to another, with the approval of Commissioners' Court. (See: Section 262.011 (j) – LOCAL GOVERNMENT CODE OF TEXAS). The Governmental Accounting Standards Board (GASB) prescribes the accounting procedures for all governmental agencies. The county is responsible, under the guidance of the County Auditor, to administer those accounting procedures.

This manual will cover each phase of our fixed assets inventory system. It is important that every county official, department head, and employee have a basic understanding of the policies associated with the county assets, because each official, department head, and employee shares in the responsibility of accounting for, using and maintaining county buildings, equipment, and furnishings. As you read through this document, you will note that it is the responsibility of the county official and/or department head to account for all equipment and furnishings assigned to his/her department. Should property be lost, it becomes the responsibility of the official or department head to report the lost equipment and the circumstances involved. Replacement of the lost equipment or reimbursement to the county by the department head is at the discretion of the Commissioners' Court.

State Law is very specific concerning the use of public property for personal use or gain. There are very stiff penalties imposed on anyone using county-owned property for personal use. It is the purpose of this manual to make everyone aware of these laws to help prevent any misuse of county-owned property. While no set of procedures or policies can address all circumstances, this manual is prepared to answer most of the questions of interested persons about the county fixed assets. It is not the purpose of this manual to

cause hardship to any person, but to provide for a better understanding of the importance of fixed asset responsibilities and controls. By establishing standards for property control, the job of controlling and managing county property will be made easier for all concerned.

II. DEFINITION OF FIXED ASSETS

DEFINITION OF FIXED ASSETS

In order to explain the property accounting system for fixed assets, it is necessary to first define the types of fixed assets that will be included in the reporting system. The following is a list of those assets in the county:

- A. All fixed assets in use by the various county departments including county-owned buildings, right-of-ways, land, and improvements made to county owned land. (i.e. parks, parking lots, lighted ball fields, airport runways and taxi ways, and cemetery land).
- B. Fixed assets assigned to county-supported areas such as:
 - 1. Volunteer Fire Departments

Any asset that has a value or cost of \$5000.00 or more, and a useful life of more than one year will be tagged and recorded on the county fixed asset inventory as a “Capital Asset”. Any asset having a value or cost of at least \$500.00 and less than \$5000.00 and a useful life of more than one year will be tagged and recorded as an “Inventory Asset”. A third category of fixed assets are those recorded as “Controlled Assets” where the value or cost will not be a consideration. Controlled Assets will be tagged and tracked regardless of original cost or value due to the nature of the asset itself. An example of assets that might be included in the “Controlled Assets” category would be weapons and mobile computing devices and those purchased with grant funding requiring specific tagging/tracking procedures. The composition of this category of assets will be determined annually jointly by the Auditor and Purchasing Agent. For departmental tagging and tracking purposes, there is no difference between the three categories of fixed assets. The only difference is in the procedure for recording the asset in the county’s financial statements.

There are six major classifications of county fixed assets and some minor classifications, which provide a more detailed description. All fixed assets of the county will fall within one of the seven major classifications. These classifications are:

- 1. Land
- 2. Buildings
- 3. Improvements Other Than Buildings
- 4. Machinery and Equipment
 - a. Motor Vehicle Equipment
 - b. Office Equipment and Furnishings
 - c. Special Departmental Equipment
 - d. Information Technology Equipment and Software
- 5. Departmental Furniture and Equipment
- 6. Infrastructure

Definitions of each of the major and minor classifications of the county fixed assets are as follows:

LAND

Any land purchased or donated to the county will be placed on the fixed asset inventory at the price paid for the land at the time of purchase or the fair market value (or appraised value per the Parker County Appraisal District) of any land which is donated or traded to the county.

Land, which has been deeded to the County for the purpose of building county roads, or land purchased by the county for this purpose, will be placed on the fixed asset records.

BUILDINGS

County buildings will be placed on the fixed asset inventory at actual cost of the building. If the building is donated or received in trade, it will be recorded at fair market value (or appraised value per the Parker County Appraisal District).

Major renovation or construction of additions to existing buildings will be recorded on fixed asset inventory at actual cost after value of the construction is established.

Replacement items of a maintenance nature such as carpeting, flooring, water heaters, restroom fixtures, swamp coolers, etc., will NOT be recorded as fixed assets. Only those items which will improve the long-term value or useful life of the buildings will be considered as additions to the value of the buildings and capitalized.

IMPROVEMENTS OTHER THAN BUILDINGS

Improvements may, or may not, be placed on fixed asset records. This determination shall be made by the County Auditor, or by the Purchasing Agent in concurrence with the County Auditor. Items deemed to be fixed assets will be recorded at cost. Examples of improvements, which may be placed on fixed asset records, are as follows:

- Airport Runway and Taxiway Construction
- Airport Runway and Taxiway Lighting
- Airport Special Navigation Lighting Systems
- Park Lighted Ball Fields and Recreation Areas
- Park Swimming Pools
- Park Restroom Facilities and Picnic Facilities
- Paved Parking Areas at County Facilities and Buildings
- Air Conditioning and Heating Systems

MACHINERY AND EQUIPMENT

Machinery and Equipment including any moveable piece of property purchased, donated, built by County employees, or acquired from surplus property agencies. Purchases of all items of

Machinery and Equipment are made through the Purchasing Agent in accordance with State Purchasing Laws and County Purchasing Policies and Procedures. Specifications will be developed in conjunction with the department for which the equipment is purchased. This equipment may be placed on fixed asset inventory at fair market value if donated.

MOTOR VEHICLE EQUIPMENT

Motor vehicle equipment is defined as that which is self-powered/motorized, and most of which is mobile. Major repairs to motor vehicles which prolong the life or increase the value of the vehicle, will be added to the cost of the asset.

OFFICE EQUIPMENT AND FURNISHINGS

Office Equipment and Furnishings are items of furniture and office equipment which are common to many offices of the county.

SPECIAL DEPARTMENTAL EQUIPMENT

This classification of equipment is that which is for special use by a particular department to meet its unique needs. This category may include all types of equipment not included in motor vehicle, office equipment and furnishings, data processing equipment and software classifications.

INFORMATION TECHNOLOGY EQUIPMENT AND SOFTWARE

Information Technology Equipment includes computer and communications equipment used centrally or in individual departments of the county. Related expenditures such as initial cabling for communications or data equipment WILL also be included in fixed assets. Initial license fees for software are also capitalized. NOT included as fixed assets are payments for changes in cabling and maintenance charges on software. The Information Technology Department has the authority to exchange inoperable equipment. When such replacement is made, the exchange will be reported to the Purchasing Agent on a Property Acquisition and Disposition Form.

INFRASTRUCTURE

Infrastructure represents those major costs associated with the development of new roads and bridges within the county. These costs include Highway Construction and Pavement, Curb and Gutter for county roads, Fencing and Gates on county property. The annual cost to maintain infrastructure assets allow the asset to continue to be used during its originally established useful life. Maintenance costs are expensed in the period incurred. The recording of infrastructure within fixed assets is a requirement as prescribed by GASB 34.

DEPRECIATION

Items classified as “Capital Assets”, other than land and other inexhaustible assets, will be depreciated using a straight-line method. Salvage value will be recorded as zero on all depreciable assets. The following general guidelines (established by the Internal Revenue Service) have been adopted for the life of depreciable assets:

Buildings	27.5 to 40 years, depending on construction
Building Improvements	20 years
Leasehold improvements	the term of the lease
Land Improvements	20 years
Equipment (No-Office)	10 years
Office Furnishings	7 years
Office Equipment	5 years
Motor Vehicles (New)	5 years
Motor Vehicles (Used)	3 years
Computer Equipment	3 years
Law Enforcement Equipment	5 years
Life Safety Equipment	5 years
Heavy Equipment (New)	10 years
Heavy Equipment (Used)	5 years
Small Equipment	3 years
Trailers	10 years
Heating & A/C Systems	10 years

The following lives have been established for infrastructure assets:

Airport Runways	30 years
Bridge	40 years
Culverts	20 years
Cattle Guards	30 years
Curbs and Gutters	30 years
Drainage Channels	50 years
Fencing—Barbed Wire	10 years
Fencing—Chain Link	10 years
Fire Hydrants	25 years
Irrigation Systems	25 years
Lighting System—Traffic	15 years
Roads—Paved	40 years
Roads—Asphalt/Rural	40 years
Roads—Asphalt/Urban	30 years
Roads—Gravel	15 years
Roads—Non-paved	50 years
Sewer—Sanitary, Storm	40 years
Sidewalks	20 years
Signage—posts, body, material	10 years

GAIN OR LOSS ON DISPOSAL OF CAPITAL ASSETS

Periodically, assets of the county may be deemed to be salvage or surplus property. These assets will be disposed in accordance with the applicable state laws. At the time of disposal, the County Auditor will record the appropriate gain or loss, if any, on the asset disposed.

III. STATE LAWS REGULATING PURCHASE AND DISPOSAL OF FIXED ASSETS

STATE LAWS REGULATING PURCHASE AND DISPOSAL OF FIXED ASSETS

State law requires that all purchases for the county be made in one of two ways:

1. Purchases in excess of statutory limits or lesser limits as determined by Commissioners' Court must be made through the formal bid process where a request is made through Commissioners' Court to make the purchase. The bid request is advertised according to State law. All sealed bids are accepted by the Purchasing Agent, who will tabulate the bids and make recommendations to the Commissioners' Court, who will award the bid to the lowest and/or best bidder. (SEE TEXAS LOCAL GOVERNMENT CODE CHAPTER 262-SECTIONS 262.001 through 262.035).
2. All purchases of supplies, materials or equipment must be made through the Purchasing Agent. (SEE TEXAS LOCAL GOVERNMENT CODE-CHAPTER 262-SECTION 262.011).

State law also provides for disposition of salvage or surplus property as follows:

1. Salvage and surplus property owned by the county may be disposed of by sale by competitive bid or auction, trade-in for new property, or by being destroyed as worthless if it cannot be sold. The Commissioners' Court may dispose of certain property by donating the property to a civic or charitable organization located in the county, if it is not sold by sealed bid or auction. They may sell to another county or another governmental entity within the county without competitive bid or auction. (SEE TEXAS LOCAL GOVERNMENT CODE-CHAPTER 263-SECTIONS 263.151 through 263.158).
2. Disposition of abandoned or unclaimed property seized by a peace officer must be conducted in accordance with Article 18.17, TEXAS CODE OF CRIMINAL PROCEDURE

IV. RESPONSIBILITIES OF COUNTY DEPARTMENTS

RESPONSIBILITIES OF COUNTY DEPARTMENTS

DEPARTMENTAL OFFICIALS' RESPONSIBILITIES

1. County officials shall be held responsible for proper accounting, maintenance, safe keeping, and use of county fixed assets. A department head must annually sign a statement recognizing his/her responsibilities concerning the equipment assigned to the department, and accepting the responsibility to replace any missing equipment. Any department head/official leaving the employment of the county shall arrange with the County Auditor and/or Purchasing Agent for a detailed inventory of all assets assigned to the department before the official or department head leaves office. Upon completion of the final inventory of fixed assets, any discrepancies will be reported to the Commissioners' Court for appropriate action.
2. All furniture, equipment and machinery will be used for county business only.
3. Items lost or stolen will be reported immediately in writing by the responsible department to the Purchasing Agent, the County Auditor, the proper law enforcement agency, and the County Judge's Office Administrative Staff responsible for property and liability insurance claims processing. The Property Acquisition and Disposition Form will be used, with the law enforcement agency report attached.
4. Each Department will include in their budget request for the next year the furniture and equipment deemed necessary for operation of their department. County Departments will follow the County's Fleet Vehicle and Equipment Replacement policies when preparing their annual budgets. Schedules of departmental equipment will be maintained and will include maintenance and repair records. These records will be made available for audit. The Director of Information Technology must review requests for communications and data/computer equipment for compatibility with county systems. If approved for purchase by the Commissioners' Court, the County Auditor will determine the appropriate general ledger account in which the budgeted asset amount will be included. The department will then work with the Purchasing Office under the County's Purchasing Policy to purchase the fixed assets in accordance with applicable state purchasing Statutes.
5. An annual inventory will be made of fixed assets under the direction of the Purchasing Agent. Each Department will receive a report of all equipment assigned to their department each year during the months of May or June. This report is prepared by the Purchasing Agent from records maintained in the Purchasing Department. The department head is required to take an inventory of all fixed assets charged to that particular department, or to have a member of their staff take the inventory. All items on the report must be accounted for. If an item is missing, it is the responsibility of the department head to report the missing item and the circumstances involved. The Commissioners' Court has the discretion to require the department head to reimburse the county for the lost equipment. The replacement amount is determined by deducting from the original cost, straight-line depreciation calculated on IRS life down to a residual of 10%. Report

of the value to be reimbursed shall be made on the appropriate form to the Department Head. If there are items in the department which are not listed on the report, those items shall be listed and turned in with the annual inventory so that they can be picked up on inventory records. When the inventory is completed, the department head will sign a statement of accuracy.

6. A department head does not have the authority to transfer County property or equipment from one department to another, destroy County property or equipment, or throw away or discard County property or equipment. A request to make a transfer or dispose of property or equipment shall be submitted to the Purchasing Department and with proper approval may then be transferred. Otherwise, the department head is responsible for all property and equipment assigned to his/her department. Any surplus fixed assets in any department in the county should be returned to the Purchasing Department for re-assignment or auction.
7. Items obtained by the County through the use of a capital lease will be deemed "purchased" by the County. The acquisition of all such items must comply with County Purchasing policies and statutes for competitive bidding, including cooperative purchasing. The award of the bid/authorization for purchase as well as the use of a capital lease must be approved by Commissioners' Court for all such purchases. Upon acquisition, items purchased through the use of a capital lease will be tagged and inventoried as capital assets. Departments are responsible for maintaining current records of all capital leases for their department, for requesting sufficient funding in their annual budget for all capital lease liabilities, and for ensuring proper and prompt payment of all capital lease liabilities.

PURCHASING AGENT RESPONSIBILITIES

1. The Purchasing Agent is responsible for maintenance of property records. All transaction having to do with fixed assets of the county must flow through the Purchasing Agent who is responsible for maintaining fixed asset records. Fixed assets in the county are under the general control of the Purchasing Agent who is assigned the authority by Commissioners' Court to move surplus assets from one department to another and re-assign fixed assets as the need may arise. The Purchasing Agent will supply departments with all necessary forms and information concerning the transfer and accountability of fixed assets assigned to the various county departments.
2. Each year the Purchasing Agent will provide a detailed report of all fixed assets assigned to each department in the county. The department shall, after taking a physical inventory of fixed assets in their department, return the report within the time specified by the Purchasing Agent denoting any differences in the printed list and actual inventory. The Purchasing Agent will make corrections and adjustments to inventory records to reflect the actual inventory count and prepare a consolidated report on all fixed assets owned by the county. The department head will be notified of any action by the Commissioners' Court regarding any reimbursement due for missing assets. Upon completion of the annual inventory of fixed assets, the Purchasing Agent will notify the County Auditor, County Judge and District Judges of the County that a complete list of fixed assets is available for review.

3. The Purchasing Agent will develop various furniture and equipment replacement programs to be presented to Commissioners' Court. Upon approval by the Court, the programs shall be implemented in accordance with appropriate purchasing procedures, and within the budget allocations made by the Court.
4. The Purchasing Agent shall make all purchases of furniture and equipment. Specifications for the purchases will be developed in conjunction with the department. Evaluation of bids received will be made jointly by the Purchasing Agent and the department. All purchases shall be made in accordance with purchasing laws of the State of Texas and procedures adopted by the Commissioners' Court.
5. The Purchasing Agent will tag all fixed assets to identify the property as county-owned. After an asset is tagged, payment is made and all documentation is available, the asset will be entered in the fixed asset computer system.
6. Accumulation and disposal of surplus property of the county will take place under the supervision of the Purchasing Agent, in accordance with the laws of the State of Texas and instructions of the Commissioners' Court.

COUNTY AUDITOR RESPONSIBILITIES

1. The County Auditor is responsible for the correctness of all records and reports as reflected on the County's General Ledger relating to general fixed assets of the county.
2. The County Auditor will periodically audit fixed asset records held in the Purchasing Department and periodically audit actual equipment held by various departments in the county to determine the accuracy of inventory records.
3. The County Auditor shall ensure that all fixed asset acquisitions are appropriately charged to Capital Expenditures accounts as approved by the Commissioners' Court, and reconcile the Capital Expenditures to the general ledger. When changes are made to the fixed asset account charged after the requisition and purchase order have been submitted to the Audit Department, the Purchasing Department and the department head will be notified of the change.
4. The County Auditor will make recommendations on the depreciation method and lives for all capital assets.
5. The County Auditor will establish accounting and reporting guidelines and procedures to be used by the Purchasing Agent and the county department heads in maintaining accurate asset information.
- . The County Auditor will establish financial reports to be used to reflect the current status of fixed assets belonging to the county and will incorporate those reports into monthly, quarterly, and annual financial reports of the county.

V. FIXED ASSET PURCHASE, USE AND DISPOSAL PROCEDURES

FIXED ASSET PURCHASE, USE AND DISPOSAL PROCEDURES

PURCHASE OF FIXED ASSETS

The following procedures shall be followed for acquisition of fixed assets:

1. Requests for a budget allocation or amendment shall be made by:
 - a. The requesting department during budget preparation based on a justified need in the department. The allocation request may be for replacement or new asset acquisition.
 - b. The Purchasing Agent during budget preparation based on a replacement program for specific categories of furniture or equipment.
 - c. The requesting department or Purchasing Agent during the fiscal year for an amendment based on an emergency need not anticipated during budget preparation.
2. With the approval of the Commissioners' Court of a budget allocation or amendment, funds shall be allocated for the purchase.
3. In conjunction with the department, the Purchasing Agent will develop specifications and a suggested vendor list for the acquisition of the fixed asset. When possible, all purchases of like items will be made in one annual buy in order to obtain quantity discounts.
4. The department will work with the Purchasing Office to ensure that proper Purchasing procedures are followed according to the County's Purchasing policy and appropriate statutes regarding competitive bidding and procurement. The lowest responsible and responsive bidder (person or company who submitted a bid which conforms in all material respects to the "Invitation to Bid") shall be determined. Award shall be made by the Purchasing Agent for items under statutory and County bidding limits. The Commissioners' Court, with the advice of the Purchasing Agent and the requesting department, will award those items for which formal bids are taken. Departments wishing to purchase from a vendor other than the low bidder must demonstrate to the Commissioners' Court why the low bidder is not the best bidder. State law must be followed in notifying lower bidders.

5. The Department will submit, in accordance with the County's Purchasing Policy, a Departmental Purchase/Requisition online request to the Purchasing Department to begin the purchase process, or the Purchasing Department may when necessary initiate the process by obtaining written approval/authorization from the requesting Department Head or their designee to create the appropriate online Purchase/Requisition.
6. The Purchasing Department will approve online a Purchase Order to the successful vendor.
7. The vendor will deliver the fixed assets in accordance with instructions in the bid solicitation if applicable or on the Purchase Order.
8. The Purchasing Department will apply a property tag if appropriate and will obtain the appropriate signed form from the receiving department to record acceptance of the fixed asset and will enter all appropriate information into the fixed asset computer system. The Auditor will determine and approve fixed asset information to be entered for depreciation purposes if appropriate.
9. Upon acceptance of the fixed asset, the receiving department head accepts responsibility for the asset and shall meet all conditions of reporting, accounting, safe-keeping, and use of the equipment for county purposes only.

USE OF FIXED ASSETS—PROPERTY ACQUISITION AND DISPOSITION FORMS

The Purchasing Department will provide appropriate forms for County Departments to use for transactions involving fixed assets. The forms should be filled out completely by the originating department. All copies should be sent to the Purchasing Department **before** a transaction is made. After approval by the Purchasing Agent, the transfer of assets will take place, at which time both departments will sign the form. The original copy will be kept in the Purchasing Department, the second copy will be sent to the originating department, and the third copy to the receiving department. The types of fixed asset transactions requiring written notification and approval by Purchasing are as follows:

1. New Equipment – purchases of new equipment which is assigned to the receiving department.
2. Used Equipment – purchases of used equipment which is assigned to the receiving department.
3. Donated Equipment – equipment donated to the county.
4. Permanent Transfer – item transferred permanently from one department to another.
5. Temporary Transfer – item transferred temporarily from one department to another.
6. Transfer to Pool – surplus equipment transferred to the Purchasing Department to be used in the back-up pool.
7. Transfer for Auction – surplus equipment transferred to the Purchasing Department for auction.
8. Junked – assets will be disposed of ONLY after approval by the Purchasing Agent accordance with statute and the County Purchasing Policy.

9. Destroyed – assets which have been destroyed after confirmation by the Purchasing Agent, and should be removed from asset records.
10. Used for Repair Parts – assets whose parts have been used to repair other like equipment, and which should be removed from inventory.
11. Missing or Stolen – items lost or stolen shall be reported immediately to the Purchasing Agent, County Auditor, and the proper law enforcement agency (if stolen). A copy of the law enforcement report will be attached.
12. Trade-In – if a department purposed to trade in equipment at the time of a purchase, the Purchasing Agent should be notified of this possibility at the time the purchase is requested by attaching a Property Acquisition and Disposition Form to the Purchase/Requisition Form.

INVENTORY OF FIXED ASSETS

1. Inventory records for fixed assets of Parker County will be maintained and updated on a regular basis by the Purchasing Department.
2. Annually, an inventory of all county property will be made under the supervision of the Purchasing Agent. The purpose of the inventory is to verify the accuracy of the fixed asset records. During May or June each year, each department will receive a report of all equipment assigned to their department. The department is required to take an inventory of all fixed assets assigned to their department. All items on the report must be accounted for in accordance with instructions issued by the Purchasing Agent. If an item is missing, it is the responsibility of the department head to report the missing item and the circumstances involved. At the discretion of the Commissioners' Court, the department head may be required to reimburse the county a value established by deducting from the original cost, straight-line depreciation calculated on IRS life down to a residual value of 10%. Report of the value to be reimbursed will be made to the department head on the appropriate form. If there are items in the department which are not listed on the report, those items will be listed and turned in with the inventory so that the assets may be added to inventory records. When the inventory is completed, the department head will sign the appropriate verification form. The inventory report denoting any differences between the report and the actual physical inventory, a list of any assets not included on the report and the appropriate verification form will be returned to the Purchasing Agent by the stated deadline.
3. The Purchasing Department will make all corrections and adjustments to inventory records to reflect the actual inventory count. Assets shall be added to inventory at cost, or if cost is not available, at estimated cost or zero as determined by the Purchasing Agent and County Auditor. A copy of the inventory shall be made available to the County Auditor, County Judge and District Judges of the County in accordance with requirements of the TEXAS LOCAL GOVERNMENT CODE – SECTION 262.011 (i).

4. If there is a change in elected official or department head during a fiscal year, the Purchasing Agent and/or County Auditor will be notified of the change with sufficient time for an inventory to be made of the fixed assets of the department. Upon completion of the final inventory, any discrepancies shall be reported to the Commissioners' Court for appropriate action.

ACCOUNTING SYSTEM FOR FIXED ASSETS

The Purchasing Agent has overall responsibility to maintain accurate records of fixed assets. The current accounting system includes the following elements:

1. Property Tagging-System – All fixed assets will be tagged with a unique number which will also be entered in the detailed inventory system. The location in which tags will be affixed to assets shall be determined by the Purchasing Agent and administered in a standard manner. After assets are initially tagged, it will be the responsibility of the department to notify the Purchasing Agent of missing tags. In special cases, items of a non-capitalized nature may have an unnumbered tag with wording such as “property of Parker County” to distinguish between personal looking item(s) belonging to Parker County and items belonging to persons working within a department.
2. The Computer Inventory System – The inventory accounting system for fixed assets will be maintained on a computer system which provides a record of all necessary descriptive information about each fixed asset as determined by the County Auditor and the Purchasing Agent. Additions and retirements to fixed assets will be recorded in the system on a timely basis. General ledger records will be reviewed to assure that all additions and deletions have been recorded. The County Auditor shall reconcile the detailed inventory of fixed assets recorded as “Capital Assets” to the general ledger at least quarterly.
3. The County Auditor shall record recognition of gain or loss on retirement of Capital assets in the general ledger and shall reflect Capital asset balances in monthly, quarterly and annual reports of the County.

DISPOSITION OF FIXED ASSETS

Salvage and surplus property owned by the County may be disposed of with the approval of Commissioners' Court by sale by competitive bid or auction, by trade-in for new property, or by being destroyed as worthless if it cannot be sold. The Commissioner's Court may dispose of certain property by donating the property to a civic or charitable organization located in the county if it does not sell by sealed bid or auction, and may sell to another county or another governmental entity within the county without competitive bid or auction. The following procedures should be followed:

1. Equipment which is broken, or no longer needed in a department, or which is to be traded-in, may be transferred to the Purchasing Department after completion of the appropriate form. Departments wishing to transfer property should contact Purchasing and make arrangements for the delivery of the property in advance. Property to be sold via on-line auction may need to remain at the departmental location until completion of the auction.

2. The Purchasing Agent will periodically request that the Commissioners' Court declare property "surplus" (in excess of needs-- useful) or "salvage" (has no value – not useful). Surplus and salvage property shall be disposed of according to State laws on disposition of property. County employees will be allowed to bid on surplus property offered to the public, just as any other citizen of the county.
3. Any stolen, abandoned or confiscated property seized by a peace officer may be disposed of in accordance with Article 18.17, TEXAS CODE OF CRIMINAL PROCEDURE.
4. The County Auditor shall determine the required entries in the general ledger to reflect the disposition of an asset.

VI PARKER COUNTY CODE OF ETHICS

Public employment is a public trust. It is the policy of Parker County to promote and balance the objective of protecting government integrity and the objective of facilitating the recruitment and retention of personnel needed by Parker County. Such policy is implemented by prescribing essential standards of ethical conduct without creating unnecessary obstacles to entering public service.

Public employees must discharge their duties impartially so as to assure fair and competitive access to governmental procurement by responsible contractors. Moreover, they should conduct themselves in such a manner as to foster public confidence in the integrity of the Parker County Purchasing Department. Parker County employees will avoid the appearance of unethical or compromising practices in relationships, actions, and communications.

GENERAL ETHICAL STANDARDS: LGC 176- Disclosure of Certain Relationships with Local Government Officers; Providing Public Access to Certain Information

1. It shall be a breach of ethics to attempt to realize personal gain through public employment with Parker County by any conduct inconsistent with the proper discharge of the employee's duties.
2. It shall be a breach of ethics to attempt to influence any public employee of Parker County to breach the standards of ethical conduct set forth in this code.
3. It shall be a breach of ethics for any employee of Parker County to participate directly or indirectly in a procurement when the employee knows that:
 - (a) the employee or any member of the employee's immediately family has a financial interest pertaining to the procurement;
 - (b) a business or organization with which the employee, or any member of the employee's immediate family is associated, has a financial interest pertaining to the procurement; or

- (c) any other person, business or organization with whom the employee or any member of the employee's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement.

If such conflicts of interest exist, the employee shall notify the Purchasing Agent in writing and remove him/herself from the County procurement process.

- 4. It shall be a breach of ethics to offer, give or agree to give any employee or former employee of Parker County, or for any employee or former employee of Parker County to solicit, demand, accept or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement or purchase request, influencing the content or any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefore pending before this government.
- 5. It shall be a breach for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor for any contract for Parker County, or any person associated therewith, as an inducement for the award of a subcontract to order.
- 6. The prohibition against gratuities and kickbacks prescribed above shall be conspicuously set forth in every contract and solicitation therefore.
- 7. It shall be a breach of ethics for any employee or former employee of Parker County knowingly to use confidential information for actual or anticipated personal gain, or for the actual or anticipated gain of any person. Employees will keep County procurement information obtained from an RFP or RFQ confidential until after contract award if the solicitation provides for it to be kept secret.

CONCLUSION

While all issues pertaining to fixed assets cannot be addressed in this manual, the intent is to provide sufficient direction for the daily operations of the county. Any issue not specifically addressed by this manual should be directed to the Purchasing Agent or the County Auditor prior to any action being taken by the department.

Parker County Purchasing Department



INVENTORY CHANGE RECORD

DEPT NAME: _____

DEPT #: _____

DATE: _____

NEW ACQUISITION

Description:

VIN/Serial #:

Model #:

PO#:

Location:

Grant/Special Program:

Unit#:

Signature of Department Acquiring Inventory

Date

TRANSFER OF EXISTING INVENTORY

Asset #:

From Dept #:

To Dept #:

Description:

Serial/VIN#:

Signature of Dept Transferring Inventory

Date

Signature of Dept Accepting Inventory

Date

For Purchasing Office Use Only

Asset #:

Vendor#:

Purchase Price

Changes Made By:

Date: