

Approved:



Department of Transportation
Secretary

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TANGIBLE PERSONAL PROPERTY

PURPOSE:

This procedure defines requirements regarding proper accountability and financial reporting related to tangible personal property (property) within the Florida Department of Transportation (Department).

AUTHORITY:

Sections 20.23(4)(a) and 334.048(3), Florida Statutes (F.S.)

SCOPE:

The requirements related to this procedure affect all District, Rail Enterprise, Turnpike Enterprise, and Central Office Property Custodians, Cost Center Managers, Property Delegates, Unit Custodians, Property Auditors, District Information Systems Managers, and the Central Office Computer Services Manager within the Department.

REFERENCES:

Rule 69I-72, Florida Administrative Code (F.A.C)
Property Insurance (Procedure No. 010-000-020)
Surplus Property Disposal (Procedure No. 350-090-005)
Mobile Equipment Procedures Manual (Topic No. 400-000-001)
FLAIR Property Subsystem Manual, Department of Financial Services
<http://www.myfloridacfo.com/aadir/docs/FLAIRpropertymanual.pdf>

DEFINITIONS:

Ancillary Charges: Expenditures that are directly attributable to asset acquisition and placing the asset in service, such as freight and transportation charges, site preparation costs, and professional fees.

Bar Code Property Decal: A decal imprinted with a bar code representing the property identification number of the property item.

Cannibalize: To remove serviceable parts from property for use in repair of other property.

Centralized Purchase: A purchase of property where one cost center pays for the entire purchase, but the property itself is delivered directly to one or more other cost centers.

Classification (Class) Code: Used to identify the type of property item and its estimated useful life. Alphanumeric, one letter followed by nine numbers. The first four are state standard and the last six are agency specific. A listing of property class codes is provided on the Office of the Comptroller – General Accounting Office (OOC-GAO) Property SharePoint site.

CO-FIRM Administrators: An email distribution list that includes all members of the OOC-GAO Property and Insurance section.

Cost: Acquisition or procurement cost (i.e. invoice price plus ancillary charges less discounts).

Cost Center Manager: Designated by the District Secretary, Turnpike Executive Director, Rail Executive Director, or Assistant Secretary, the Cost Center Manager is assigned responsibility for the use and control of property for a specific cost center. The Cost Center Manager is responsible for implementing controls for safeguarding property within their control and ensuring an accurate record of property is maintained within the FLAIR Property Subsystem. Although these administrative duties may be assigned to the designated Unit Custodian, final responsibility for property management and control resides with the Cost Center Manager.

Custodial Identification (CID): Four (4) digit code to identify a particular property custodian. 0010 – 0070 = Districts, 0080 = Turnpike Enterprise, 0090 = Central Office, 0095 = Mobile Equipment (Fleet), 0099 = Office of Information Systems, 0100 = Turnpike Toll Facilities, 0200 = State Materials Office

DFS: Department of Financial Services

Estimated Useful Life/Expected Life Units (ELU): The number of months for which a long-term asset is expected to be useful, used for depreciation calculation. The class code chosen will designate the ELU.

Fair Market Value: An estimate of the market value based on what a knowledgeable, willing, and unpressured buyer would probably pay to a knowledgeable, willing, and unpressured seller in the market.

Fixed Capital Outlay (FCO): *Section 216.011(1)(p), F.S.*, defines FCO as “the appropriation category used to fund real property (land, buildings, including appurtenances, fixtures and fixed equipment, structures, etc.), including additions, replacements, major repairs, and renovations to real property which materially extend its useful life or materially improve or change its functional use and includes furniture and equipment necessary to furnish and operate a new or improved facility, when appropriated by the Legislature in the fixed capital outlay appropriation category.”

FLAIR: Florida Accounting Information Resource. The accounting system owned by DFS, required to be used by all agencies of the State of Florida.

FLAIR Property Subsystem: Subsidiary file of FLAIR where detailed accounting information related to property is recorded. All accounting information in the FLAIR Property Subsystem relates directly to the Department’s financial statements.

GAO: General Accounting Office

Infrastructure Assets: *GASB Statement 34* defines infrastructure assets as “long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams, and lighting systems.” The Department further defines infrastructure assets to include traffic signals, guardrails, signs, variable message signs, any assets used to monitor or control infrastructure assets such as cameras and sensors, and any other equipment used exclusively for purposes of monitoring or controlling the roadways, bridges, and tunnels.

Installment Purchase: A means of financing property acquisitions whereby ownership passes to the Department at the end of the designated finance period.

Inventory SharePoint Site: An intranet site dedicated to sharing information about the Department’s annual inventory.

<http://cosharepoint.dot.state.fl.us/sites/OOC/GAO/Property/SiteAssets/Inventory.aspx>

Lease Purchase: A means of acquiring property in which the provisions of the lease agreement stipulate that title of the property will pass to the Department at the end of the designated lease period.

OOC: Office of Comptroller

Operating Capital Outlay (OCO): *Section 216.011(1)(bb), F.S.*, defines OCO as “the appropriation category used to fund equipment, fixtures, and other tangible personal property of a non-consumable and non-expendable nature under *Section 273.025*.”

Pending Deletes SharePoint Site: An intranet site dedicated to providing explanations

for the pending deletes completed by the Property Delegates.

<http://cosharepoint.dot.state.fl.us/sites/OOC/GAO/Property/Lists/PendingDeletes/AllItems.aspx>

Property and Insurance Section: The section within the OOC-GAO delegated the responsibility for administrative and accounting functions related to financial reporting of the Department's property and the processing of insurance. Responsibilities include entry of FLAIR accounting data and coordination of property tasks for Central Office Cost Centers, coordination and reconciliation of the annual Departmental inventory, and processing requests for insurance coverage, claims, and adjustments for the insurance policies administered by the OOC-GAO (see ***Property Insurance, Procedure No. 010-000-020***).

Property Auditor: A person, independent of the Unit Custodian and Property Delegate, assigned to physically scan property items for inventory purposes. Designation of this responsibility will be at the discretion of the Cost Center Manager.

Property Custodian: Any elected or appointed state officer, board, commission, or authority, and any other person or agency entitled to lawful custody of property owned by the State. Administrative functions related to the tracking of property may be assigned to a Property Delegate. The final responsibility for property management and control is assigned to the designated Cost Center Manager. Within the Department, the following positions have been designated as Property Custodians:

Districts:	District Secretary
Rail Enterprise:	Executive Director
Turnpike Enterprise:	Executive Director
Central Office:	Secretary of Transportation or Assistant Secretaries

Property Delegate: A person under the supervision of the designated Property Custodian delegated responsibility for the administrative functions related to the tracking of property. Responsibilities include entry of FLAIR property data and coordination of property tasks for a specified District, Office, or Turnpike Enterprise.

Property Identification Number: A unique series of two letters and six numbers assigned to each item of property for inventory control purposes. This number is printed on the bar code property decal.

Property Management Report (PMR): Used to add or update property records in the FLAIR Property Subsystem and to record property transfers between cost centers.
Property Management Report (Form No. 350-010-06)

Property Pending File: A component of the FLAIR Property Subsystem. All disbursements, entered with a property object code or property general ledger code,

generate a record to the Property Pending File. If a transaction 16 (TR-16) is entered without a property item number (FLAIR field = BPIN, beginning property item number) it will generate a record to the Property Pending File. The Property Delegates are responsible for reviewing the Property Pending File for their District, Office, or Turnpike Enterprise.

Property SharePoint Site: An intranet site dedicated to sharing information related to the Department's property. This site is maintained by the OOC-GAO Property and Insurance Section.

<http://cosharepoint.dot.state.fl.us/sites/OOC/GAO/Property/default.aspx>

Rail Enterprise: For this procedure, Rail Enterprise is considered to be a part of Central Office.

Surplus Property: Any item of property that is obsolete, damaged, uneconomical, or inefficient to use or that serves no useful function for any activity or location under the supervision of the designated Property Custodian, regardless of whether the item is listed in the FLAIR Property Subsystem. Surplus property must be disposed of in accordance with ***Surplus Property Disposal (Procedure No. 350-090-005)***.

Tangible Personal Property: As defined by ***Section 212.02 (19), F.S.***, personal property which may be seen, weighed, measured, or touched or is in any manner perceptible to the senses, including electric power or energy, boats, motor vehicles, and mobile homes as defined in ***Sections 320.01 (1) and (2), F.S.***, aircraft as defined in ***Section 330.27, F.S.***, and all other types of vehicles.

Unit Custodian: A person under the supervision of the Cost Center Manager who is assigned responsibility for administrative functions related to the tracking of property for a particular cost center.

Upgrade: An addition to a property item that materially increases its value, expected life, or level of performance.

VM: FLAIR field title to record the valuation method, the basis for the acquisition cost.

Wireless Devices SharePoint site: An intranet site dedicated to tracking all wireless devices. Currently the Department tracks air cards, smart phones, cell phones, pagers, and tablets.

<http://cosharepoint.dot.state.fl.us/sites/OOC/GAO/Property/Lists/Communication%20Devices/AllItems.aspx>

Value: The cost or fair market value at the date of acquisition or any subsequent evaluation or appraisal date.

1. DESIGNATION OF PROPERTY DELEGATE

The Property Custodian may delegate responsibility for maintaining property records to a Property Delegate.

Notification shall be made to the OOC-GAO, Property and Insurance Section by sending an email to [CO-FIRMAdministrators](#), upon designation or change of a Property Delegate.

2. PROPERTY COVERED UNDER THIS PROCEDURE

2.1 STANDARD PROPERTY (REQUIRED)

Equipment, fixtures, and other tangible personal property of a non-consumable and non-expendable nature, the value of which is \$1,000 or more, and hardback books, the value which is \$250 or more. **69I-72.002, F.A.C.**

2.2 EXCEPTION PROPERTY (REQUIRED)

The Department has determined that some property with a value of less than \$1,000 should also be recorded in the FLAIR Property Subsystem for the following reasons:

1. The item is “attractive” and subject to risk of being stolen. An example is digital cameras.
2. For insurance purposes. Laptops and personal computers are covered by an insurance policy that provides reimbursement if lost or stolen. (See **Property Insurance, Procedure No. 010-000-020**).

A listing of current exception property is included as on the [Property SharePoint Site](#).

Requests to add or remove items to the listing of exception property should be forwarded to the OOC-GAO, Property and Insurance Section ([CO-FIRMAdministrators](#)). The request should include a description of the property and the specific reason describing why the property should be added or removed. Since the decision to update the listing will impact the workload (additional items to add to and maintain in the FLAIR Property Subsystem) of each District, Office, and the Turnpike Enterprise, the request will be presented to the Assistant Secretary of Finance & Administration for approval. The OOC-GAO, Property and Insurance Section will coordinate this process.

2.3 WIRELESS COMMUNICATION DEVICES (REQUIRED)

Periodically, the Department is requested to provide information pertaining to wireless devices used by Department employees to the Florida Legislature. Therefore, all wireless devices are required to be recorded in the Wireless Devices SharePoint site.

Each billing cycle, the number of active devices recorded in the Wireless Devices SharePoint site should be reconciled to the number of lines of service being paid for by each District, Office, and Turnpike Enterprise. The person responsible for this reconciliation is designated by the District, Office, or Turnpike Enterprise and their names are provided on the OOC-GAO Property SharePoint site.

All information recorded for each device should be updated each time a change occurs. At a minimum, the name of the person assigned the device, along with their position number, position class, working title, and phone number must be recorded for each active device.

Inactive devices must be updated to show “Unused” for the name. The position number and working title information should be cleared and the service provider and phone number changed to “No Service.”

2.4 Property Items With a Value Less Than \$1,000 (optional)

Occasionally, a District, Office, or the Turnpike Enterprise may determine that additional property items with values less than \$1,000 should be recorded in the FLAIR Property Subsystem for control or tracking purposes.

These types of property items should be limited in number. These property items should *only* be recorded in the FLAIR Property Subsystem if there is not a more efficient way to track the property.

3. PROPERTY RESPONSIBILITIES

When a property item is received, the cost center receiving the property must complete a PMR and forward it to their Property Delegate within five (5) business days of receiving the property. Physical possession of property signifies responsibility for safeguarding the property, regardless of ownership.

The Property Delegate will immediately assign a property item number, print the bar code decal, and send it to the cost center to be affixed to the item (see **Section 4 Identification of Property**).

Within five (5) business days from the receipt of the PMR, the Property Delegate will

enter the non-accounting information into the FLAIR Property Subsystem (see **Section 7 Data Entry of Property Acquisitions**) and update the cost from the pending file (except where noted below).

If the purchase is not on the pending file within ten (10) business days from the receipt of the PMR, the Property Delegate will contact the cost center to determine the reason. If the disbursement was made with a non-property object code, the cost center will submit a request for correction to the Disbursements Operations Office or appropriate Financial Services Office. The correction should be entered and updated from the pending file within twenty (20) business days from the receipt of the PMR.

4. ACQUISITION OF PROPERTY

Rule 69I-72.003(I) F.A.C., requires that the method of acquisition be provided for all property recorded in FLAIR and that the statewide document number be provided for all purchased items. The codes below must be entered into the acquisition method (AQM) field when entering and/or updating the non-accounting information.

1. Purchased
2. Donated
3. Government Surplus (given to us by another agency)
4. Lease Purchase
5. Other
6. Consolidated Equipment Financing Program
7. Intra-fund Transfer

Information on how to record real property is provided in **Buildings, Land, and Land Improvements (Topic No. 350-090-315)**.

4.1 Purchased Property (AQM=1, VM=1 Cost)

The appropriate 5XXXXX property object code must be used when purchasing property covered by this procedure, regardless of the funds used to acquire the property item (i.e., OCO, expense, or FCO). This coding will cause the purchase to populate the property pending file where the cost will be updated to the appropriate property item number.

Rule 60A-1.017 F.A.C. requires that cost of property that is purchased through construction or service contracts be specifically identified. If the property will be returned to the Department at some point in the future, this procedure must be followed from the moment the property is purchased.

4.2 Centralized Purchases (AQM=1, VM=1 Cost)

Under certain circumstances, such as cost savings or budget allocation, one cost center may be used to purchase property that will then be delivered to a different cost center(s). This type of purchase is most common with computer, CADD, and radio equipment, but can occur with any type of property.

Due to the complexity of updating the costs from the pending file, all costs related to centralized purchases should be updated by the Property Delegate for the purchasing office. After the Property Delegate for the receiving office sets up the non-accounting information in FLAIR in the Org Code that is making the purchase, they will forward copies of the PMR(s) to the Property Delegate for the purchasing office.

4.3 Donated Property (AQM=2, VM=3 Fair Market Value)

Donated property must be recorded at its fair market value. The fair market value will be added to the record with a transaction type 16 (TR16). The word “donation” must be provided in the secondary document (SEC-DOC) field. Where the donation was received from should be provided in the description field.

Surplus items from other state agencies should **not** be recorded as donations, these are Governmental Surplus.

4.4 Governmental Surplus (AQM=3, VM=5 Book Value)

Items received from any government agency must be recorded at its remaining book value. In the case of a fully depreciated item, the record should be added at \$0.01. The book value will be added to the record with a TR16. The words “gov surplus” must be provided in the secondary document (SEC-DOC) field. The agency the donation was received from should be provided in the description field of the TR16.

4.5 Trade-Ins (AQM=1, VM=1 Cost)

Property shall not be traded in without the prior written approval of the Cost Center Manager. The District Information Systems Manager must be notified before trading in computer equipment. The Computer Services Manager will serve as the District Information Systems Manager for Central Office.

Employees who participate in or have power over the acquisition, repair, or maintenance of Department property or equipment may not request or accept an offer to purchase any Department equipment or property that has been traded in by the Department as part of a transaction to purchase new or replacement equipment from that vendor.

When a trade-in occurs, the cost center receiving the equipment must submit a PMR for the new item and reference the trade-in, with the property identification number of the old item and the amount of trade-in allowance received, in the Justification field. The Property Delegate will put the old item in a status code 2, referencing the new item in the DISP-DOC field. After the purchase cost has been updated from the pending file, the Property Delegate will enter a TR16 for the trade-in allowance to the new item, referencing the old item number in the description field. This must be done after overnight processing has updated the purchase cost to the record so that the purchase information remains a part of the permanent record.

4.6 Vendor Replacements (AQM=5, VM=2 Appraised Historical)

Sometimes when an item is sent back to the vendor for repair they give the Department a new item, at no cost, rather than returning the old item. The cost center receiving the equipment must submit a PMR for the new item and reference the replacement, with the property identification number of the returned item, in the Justification field. The Property Delegate will put the old item in a status code 2, referencing the new item in the DISP-DOC field. The Property Delegate will enter a TR16 for the acquisition cost of the returned item to the new item, the returned item number must be provided in the SEC-DOC field.

4.7 Upgrades (cost added to already existing record)

Upgrades are parts or components that are installed in or added to a property item to increase its capability, functionality, and/or value. Upgrades with a cost of \$1,000 or more shall be added to the cost of the existing property item as reflected in the FLAIR Property Subsystem. If the upgrade is expected to increase the useful life of an asset an adjustment must be done to the remaining life units (RLUs) so that depreciation is appropriately recorded. The cost of upgrades should be updated from the pending file.

NOTE: In-kind replacements are not considered upgrades.

5. PROPERTY TRANSFERS

Anytime that property is moved from one Department cost center to another, a new PMR must be completed. The cost center that is giving up the item must fill out the Originating Office side, in full, and have the Cost Center Manager sign and date the bottom to authorize the removal of the item from their cost center. The cost center that is receiving the item must fill out the Receiving Office side, in full, and have the Cost Center Manager sign and date the bottom to show acceptance of responsibility for the item. This should be done **before** the item is physically moved but no longer than 5 days after.

5.1 PERMANENT TRANSFERS

If the transfer is permanent, the original PMR, signed by both cost centers, should accompany the property item when it is moved and a copy of the PMR must be forwarded to the Property Delegate so that FLAIR can be updated. The copy of the PMR that is sent with the property item should be signed and dated by the person who receives the item and then scanned and emailed back to the Unit Custodian of the cost center who sent the item. This copy will be retained by the cost center.

5.2 TEMPORARY TRANSFERS

If the transfer is temporarily (90 calendar days or less) loaned to another cost center, the expected return date must be noted in the justification field on the PMR. The original PMR, signed by both cost centers, should be retained by the Unit Custodian for the office loaning the property for interim control purposes only. Property records will not be updated in the FLAIR Property Subsystem.

If the property is not returned by the expected return date noted on the PMR, this will be treated as a permanent transfer. The Unit Custodian should forward the PMR to the Property Delegate so that the property record can be updated in the FLAIR Property Subsystem to reflect new ownership of the property.

6. IDENTIFICATION OF PROPERTY

Each property item shall be marked with a property bar code decal bearing the property identification number. The item will be identified by this number in the FLAIR Property Subsystem and on future property transactions. Property identification numbers, once assigned, shall not be transferred from one property to another.

6.1 ASSIGNMENT OF PROPERTY BAR CODE DECALS

Blocks of property numbers will be assigned to the Property Delegate in each District, Office, or Turnpike Enterprise by the OOC-GAO, Property and Insurance Section to prevent duplication of property identification numbers.

The Property Delegate will be responsible for maintaining appropriate management controls and records for property numbers assigned to their District, Office, or Turnpike Enterprise.

6.1.1 Printing of Property Bar Code Decals

Bar code decals must conform to the following guidelines:

1. Bar code decals may be printed on any thermal printer provided the standard format and durability of the bar code can be maintained.
2. Bar code decals must be one inch (1") in height and two inches (2") in width.
3. Based on the minimum specifications provided by the OOC-GAO, Property and Insurance Section, the Office of Information Systems (OIS) must approve the use of any printer, bar code decal, and/or label printing software which differs from that currently in use by the OOC-GAO, Property and Insurance Section for printing of bar code decals. This is necessary to maintain quality and durability of bar code decals.

Information on the printers, bar code decals, and label printing software currently in use may be obtained from the OOC-GAO, Property and Insurance Section ([CO-FIRMAdministrators](#)).

6.1.2 Placement of Property Bar Code Decals

Bar code decals are to be placed on a flat surface, if possible; avoiding working surfaces and areas exposed to the weather and should be easily accessible for scanning during inventory.

If the bar code decal must be placed in a location that is not easily visible, to avoid working surfaces and areas exposed to the weather, a note of where the bar code decal is located should be made in the Title Number field in the FLAIR Property Subsystem.

6.2 INVENTORY CARDS

Property which cannot practically be identified with a property bar code decal (such as very small hand tools or other equipment subject to bar code decal loss or damage) shall be engraved, stenciled, or otherwise permanently marked with the property identification number by the Unit Custodian. In such a case, the assigned property bar code decal shall be affixed to an inventory card and maintained in a secure location by the Cost Center Manager. Every effort shall be made to affix the bar code decal to the property. If an inventory card is used, it must include the property identification number, a description, and location of the property. Before scanning the bar code decal during inventory, the property item must be physically observed and the inventory card signed and dated by the Property Auditor. The person who physically observes the property must be someone different from the person who is responsible for the property.

NOTE: *Rule 69I-72.004, F.A.C.* specifies that “any item of property whose value or utility would be significantly impaired by the attachment or inscription of the property identification number is exempt from the requirement for physical marking. However, the custodian’s property records must contain sufficient descriptive data to permit positive identification of such items.” *Rule 69I-72.004* also stipulates that “the location

of the marking and the marking method chosen must not mar the appearance of the item.”

6.3 PROPERTY GROUP ITEMS (AKA FUNCTIONAL UNITS)

Rule 69I-72.003(2) F.A.C. allows for related individual items which constitute a single functional system to be designated as a property group item. “A property group item may be accounted for in one record if the component items are separately identified within the record. Examples of property items subject to group accountability include, but are not limited to: modular furniture, computer components, book sets and similar associations of items.” In order for depreciation to be calculated appropriately each property group record must only contain items purchased within one fiscal year. The description field in FLAIR must identify each individual component, this information must also be provided in the description field on the bar code decal.

6.3.1 Modular Furniture

Modular furniture sets, valued at \$1,000 or more, must be assigned a property identification number and recorded in the FLAIR Property Subsystem. The bar code decal should be placed on the front of the work surface, preferably where the computer is stationed (so that the bar code decals are near each other for inventory scanning). Modular furniture that can be easily reconfigured should not be assigned to one property identification number.

If a set of modular furniture is later separated out, the cost of the pieces that are removed needs to be deducted from the acquisition cost recorded in FLAIR. If the removed pieces create a new set with a value of \$1,000, or more, the new set must be assigned a separate property identification number. The cost will be transferred to the new record with a TR16. The same receive date should be used for both records.

6.3.2 Computer Components

All computers must be assigned a property identification number and recorded in the FLAIR Property Subsystem, regardless of their cost. The property record for the number assigned to the central processing unit (CPU) may include the value of the monitor and any upgrades valued at \$1,000 or more that are added to the computer. Any components that are included in the value of the computer must be noted in the description field in FLAIR and provided in the description field on the bar code decal.

7. PROPERTY PENDING FILE

All disbursement and receipt transactions using a 5XXXXX object code, without a

property identification number assigned, will generate an entry to the Property Pending File. All property transactions (TR16), without a property identification number assigned, will generate an entry to the Property Pending File. The transaction will remain on the Property Pending File until the necessary action is taken to update or delete the pending file record.

Property Delegates are responsible for ensuring the Property Pending File is reviewed and updated prior to the end of each month. Failure to update or delete a Property Pending File record within sixty (60) calendar days will result in written notification to the appropriate Property Custodian.

7.1 PROPERTY PENDING FILE DELETIONS

The Property Delegate must update the Pending Deletes SharePoint site for all Property Pending File records that they delete. Supporting documentation (i.e. invoice or email verifying the reason for the deletion) can be attached to the record or maintained elsewhere by the Property Delegate.

Each month, pending items with object codes related to purchases which are not generally capitalized, or are captured through another process, are deleted from the pending file. A listing of the object codes that are included in this process is provided in the Shared Documents folder on the Property SharePoint site, address below:
<http://cosharepoint.dot.state.fl.us/sites/OOC/GAO/Property/Shared%20Documents/Forms/AllItems.aspx>

8. CLASSIFICATION CODES

Each item of property recorded in the FLAIR Property Subsystem is identified by a classification code. Classification codes are used to track types of equipment for reporting purposes as well as to accurately record depreciation. With the exception of personal computers, the Property Delegate is responsible for assigning a classification code to each item of property that most accurately describes the property and its useful life.

Detailed classification listings are available on the OOC-GAO Property SharePoint site.

8.1 COMPUTER CLASSIFICATION CODES

Classification codes for personal computers will be assigned by the District Information System Manager. For Central Office, the Computer Services Manager will serve as the District Information System Manager.

9. DATA ENTRY OF PROPERTY ACQUISITIONS

The Department establishes and maintains property records in the FLAIR Property Subsystem. Detailed input requirements are addressed in the ***FLAIR Property Manual*** which may be obtained through DFS at their website <https://flair.dbf.state.fl.us/>.

All individuals with FLAIR property data input responsibilities should have access to a ***FLAIR Property Manual***.

<http://www.myfloridacfo.com/aadir/docs/FLAIRpropertymanual.pdf>

Individuals with property accounting update capabilities (Property Delegates) should receive training in the FLAIR Property Subsystem by their District, Office, or Turnpike Enterprise, or upon request, by the OOC-GAO, Property and Insurance Section.

9.1 FLAIR PROPERTY SUBSYSTEM REQUIREMENTS

Rule 69I-72.003, F.A.C., requires that each property record include the following information (field title in FLAIR):

1. Identification Number – Unique number used to identify an item of property, assigned by the Property Delegate. (ITEM NUM)
2. Description of item or items – Name, make, year and/or model(s). (DESCRIPTION)
3. Physical location – The location code is a sixteen digit code, the first two digits signify the county, the second two digits signify the floor number, and the last four digits signify the building number. The remaining eight digits should be used to indicate the room number or other detailed information on the location of the property. (LOCATION)
4. Custodian or custodian's delegate with assigned responsibility for the item – First initial and last name, or as much of the last name as fits in the field, for the person assigned responsibility for property shall be entered into the Property Unique field for all property. For shared property the Cost Center Manager or responsible Supervisor shall be entered. If property is assigned to a vehicle the ME# shall be entered. (PROPERTY UNIQUE)
5. Class Code - Used for tracking purposes as well as to measure the asset's useful life for depreciation. (CLASS)
6. Manufacturer - Manufacturer's name. (e.g., IBM, Panasonic, etc.) (MANUFACTURER)
7. Manufacturer's serial number or vehicle identification number (VIN) - Seventeen character field, last seventeen characters should be entered. If there is no serial number, then *none* or *N/A* should be input. (SERIAL NUMBER)
8. Date Acquired - Date property is accepted. Depreciation is recorded in FLAIR using the straight-line method beginning in the first month following the month

- that the property item is accepted. (REC-DT)
10. Cost or Value – Cost or value at the date of acquisition plus ancillary charges necessary to place the asset into its intended location and condition for use. See **Sections 3.1.1 – 3.1.6** for more information on determining the cost or value of property (ACQ. COST)
 10. Method of acquisition – See **Sections 3.1.1 – 3.1.6** for more information on recording the method of acquisition.
 11. Depreciation – Depreciation is recorded using the class code to calculate the estimated useful life (ELU) and the date acquired (REC-DT) as the date the asset was placed into service. For depreciation to be correctly calculated, in addition to the entry of the correct class code and receive date:
 - a. Depreciation Method must be set to 1 for “straight line depreciation method” (DPM)
 - b. Monthly Depreciation Calculated must be set to “Y” for “yes” (MDC)
 - c. Life Units must be set to 1 for “months” (LU)

9.2 CHANGES TO INFORMATION

If property remains in the control of your cost center but changes physical location (location code), the person assigned the property changes (property unique), or if a correction is needed, the Unit Custodian must send an email to their Property Delegate, with their Cost Center Manager copied, to request that this information be updated in FLAIR.

10. INVENTORY REQUIREMENTS

In accordance with **Rule 69I-72.006 F.A.C.**, at least once each fiscal year a complete physical inventory of all property shall be taken, and the inventory date shall be entered on the property records in the FLAIR Property Subsystem. The OOC-GAO, Property and Insurance Section will be responsible for recording the inventory date in the FLAIR Property Subsystem for all property records at the completion of the annual inventory.

In accordance with **Rule 69I-72.006, F.A.C.**, a complete physical inventory of all property shall be taken whenever a change of custodian or custodian’s delegate occurs. For the purpose of this section, custodian is the employee assigned the property. Shared property that is not assigned to a specific position shall be assigned to the Cost Center Manager. Whenever an employee separates from the Department, a **Notice of Separation/Resignation (Form No. 250-005-25)** must be filled out by the immediate supervisor. A current listing of all property assigned to the employee shall be requested from the Property Delegate by the immediate supervisor and an inventory of those items shall be completed.

Special inventories may be conducted at the discretion of the respective District, Office,

or Turnpike Enterprise at any time during the year.

10.1 BAR CODE SCANNING

Annual inventory will be taken by a designated Property Auditor who will scan **all** property in the designated physical locations. Detailed instructions on how to complete scanning are provided on the Inventory SharePoint site.

For property that has been stenciled, engraved, or otherwise permanently marked with the property identification number, the Property Auditor must physically observe the item and sign and date the inventory card **before** scanning the bar code decal. The person who physically observes the property must be someone different from the person who is responsible for the property.

The Property Delegate is responsible for uploading the final inventory package to the OOC-GAO Property SharePoint site. The final inventory package shall consist of a **Certification Statement** signed and dated by the Property Custodian and supporting documentation for all manually updated items on the inventory file.

CERTIFICATION STATEMENT

“I certify that a physical inventory was completed for (District, Office, or Turnpike Enterprise) on (Date), in accordance with approved Departmental procedures. The data and/or the inventory reports along with the attached supplemental documents reflect the current status of each item of property and appropriate corrective action will be taken to resolve all noted discrepancies.”

SIGNATURE

DATE

10.2 LOST OR STOLEN PROPERTY

If property cannot be located, a **Notification of Missing Property (Form No. 350-010-63)** must be completed. A process improvement statement must be submitted along with each **Notification of Missing Property (NOMP)** form. The process improvement statement must provide the item number and description of the missing property, a brief explanation of the circumstances surrounding the loss, what steps were taken to recover the property, and what steps are being implemented to avoid a similar loss in the future.

Lost property must be reported lost for two (2) consecutive years before write-off approval can be requested from DFS. The original signed form will be filed by the Property Delegate and returned to the cost center, during the next inventory period, to be signed and dated. An email or memo confirming that the process improvement has

been put into place must be submitted as well. Both the original process improvement statement and the confirmation will be uploaded with the second year lost **NOMP** form.

Stolen property must be reported to the appropriate law enforcement agency and a copy of the report must be submitted with the **NOMP** form to receive approval from DFS for write off. A process improvement statement, as explained above, must also be submitted for all stolen property. If electronic data processing equipment is stolen an insurance claim must be submitted, see **Property Insurance (Topic No. 010-000-020)** for more information.

If property is located after having been reported missing or stolen on a **NOMP** form, the Cost Center Manager must send an e-mail to [CO-FIRMAdministrators](#) confirming that they have physically seen the property and verified the property identification number, description, and serial number. The Property Delegate will upload the voided NOMP form along with the e-mail from the Cost Center Manager to the SharePoint site.

If property is destroyed, the pieces should be recovered and surplused. If you are unable to retrieve the pieces because doing so would put you in harm's way, notify the OOC-GAO Property and Insurance Section immediately so that they can check with DFS to see if they will approve reporting it as destroyed. The Department cannot submit an item as destroyed if prior approval has not been obtained.

10.3 SITE VERIFICATION

Property that is purchased through contracts or grants that will be returned to the Department at some future date must also be inventoried annually. The Unit Custodian shall be responsible for requesting and obtaining a written statement of site verification from the appropriate agency which includes a detailed listing of the property with the property identification number, description, and serial number of all the Department's property that is in their possession. The inventory file will be updated to show that these items have been site verified and the documentation will be uploaded to the appropriate inventory folder in the Inventory SharePoint site.

Site verification will be accepted only for property belonging to the Department but not in the possession of the Department. If the property is in the possession of a Department employee, the item must be scanned.

11. WRITE OFF OF MISSING PROPERTY

The requests to write-off missing or stolen property will be submitted to DFS (over \$1,000) and the Comptroller (under \$1,000) by the OOC-GAO, Property and Insurance Section. Authorization to delete property from the FLAIR Property Subsystem must be

received from DFS or the Comptroller before property can be removed from FLAIR. When a write-off request has been approved, the OOC-GAO, Property and Insurance Section, will update the FLAIR Property Subsystem for the approved property. All related documentation will be retained by the Property Delegate for three (3) years after the write off has been completed.

Note: Only the OOC-GAO, Property and Insurance Section has the authority to update or restore property in property status codes 4 (write-off) and 8 (pending write-off approval).

12. DEPRECIATION

Depreciation will be recorded on all depreciable property at the end of each quarter by the OOC-GAO Property and Insurance Section. Depreciation recorded as of June 30th will be run prior to agency close.

The first time depreciation is run on a property item, FLAIR calculates depreciation based on the acquisition cost divided by the estimated useful life, using the month following the receive date (REC-DT) to begin the calculation. After that initial calculation, FLAIR calculates depreciation based solely on the book value (AMT TO BE DEP) divided by the remaining useful life (RLU). Any changes made to acquisition cost are taken into account for the depreciation calculation by updating the book value (AMT TO BE DEP) recorded for the property.

Note: Any changes made, after the initial depreciation calculation, to the receive date (REC-DT) will **not** affect future depreciation calculations.

If additional costs are added to a property item that has been fully depreciated, FLAIR depreciates the new book value (AMT TO BE DEP) over the original estimated useful life (ELU). If this is not correct, an adjustment to the remaining useful life (RLU) must be made. FLAIR will not allow a TR-16 to be entered to a property item that has been fully depreciated. If a TR-16 is needed to add value to a fully depreciated property item, enter the TR-16 without a property item number and update the amount to the property item number from the pending file the following day.

13. SURPLUS PROPERTY

Disposal of the Department's tangible personal property is the responsibility of the Office of Support Services. (See ***Surplus Property Disposal, Topic No. 350-090-005***)

Surplus Property is defined as property surplus to the needs of the Department and has been so certified by completion and execution of ***Form No. 350-090-05, Certification***

of Surplus Property, in accordance with the **Surplus Property Disposal, Procedure No. 350-090-005**.

With the exception of a mass transfer required by legislation, property given to another agency will be coordinated through the Surplus Property Coordinator and must comply with the **Surplus Property Disposal (Procedure No. 350-090-005)**.

NOTE: Property should not be sold, transferred to other state agencies, cannibalized, donated, scrapped, or destroyed without completion of **Form No. 350-090-05, Certification of Surplus Property** by the Property Delegate and receiving of authorized signatures. This requirement applies to all property with an original cost of \$100 or more, regardless of whether the property is assigned a property identification number.

14. INTELLIGENT TRANSPORTATION SYSTEMS EQUIPMENT

Intelligent Transportation Systems (ITS) equipment is included in infrastructure for financial reporting because it is used to monitor or control the State Highway System (SHS) network. ITS equipment includes SunPass equipment, variable message signs, sensors, highway advisory radios, and cameras.

For control purposes, ITS equipment within a traffic management center (TMC) will be considered tangible personal property and will follow the requirements set forth in this procedure. This equipment will be recorded with the prefix "HW". The "HW" prefix signifies that this is highway equipment, as opposed to an "NH" prefix, which represents non highway items.

If the use of a piece of equipment that is designated as "HW" changes, the bar code decal and FLAIR record must be updated to reflect this change.

15. MOBILE EQUIPMENT

Management of the Department's mobile equipment is the responsibility of the Maintenance Office, Roadway Maintenance Section. (See **Mobile Equipment Procedures Manual, Topic No. 400-000-001**).

All inquiries concerning mobile equipment (MA, MT or ME prefix) should be directed to:

State Maintenance Office,
Information and Analysis Office - MS 52
(850) 410-5757

16. INTANGIBLE ASSETS

Intangible assets lack physical substance, are nonfinancial in nature (i.e., not in a monetary form similar to cash and investment securities, and represent neither a claim or right to assets in a monetary form similar to receivables, nor a prepayment for goods or services), and have an initial useful life beyond a single reporting period. The capitalization threshold for intangible assets is \$4,000,000.

17. TRAINING

Training will be provided by the OOC-GAO, Property and Insurance Section upon request by any District, Office, Turnpike Enterprise, Property Delegate, Cost Center Manager, or Unit Custodian.

18. FORMS

All referenced forms are the property of the Department and may be obtained from the Forms Library or through the Department's Infonet site on the OOC-GAO Property SharePoint site.

Form 350-010-06 Property Management Report
Form 350-010-63 Notification of Missing Property

19. FORMS RETENTION

All forms should be retained according to the **Records Retention Schedules** below:

GS1-SL(40) – Inventory: Agency Property
GS1-SL(41) – Property Transfer Records
GS1-SL(222) – Property Control Records

A copy of the **Records Retention Schedule** can be obtained from the following website:

http://fdotsharepoint.dot.state.fl.us/fa/admin/SupportServices/Shared%20Documents/Retention_schedule.pdf