

# **PROPERTY OFFICERS MANUAL**



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**First Issued, January 1992  
Revised, August 2008**

## **FOREWORD**

The Division of Property is an integral part of the organization of the Office of the State Auditor under the administration of the State Auditor. The Division's primary duty is to perform property verification in state entities. The Division is responsible for maintaining a master inventory for all state agencies and universities. In addition, it is the responsibility of the Division of Property to assure that state statutes, regulations and procedures are followed in regard to additions and deletions of fixed assets.

It is the responsibility of each agency or university to account for each item of property. It is suggested that each agency or university conduct an audit annually, and as division or as department directors change.

This Property Manual is to be used as a reference document, and its intended purpose is to assist property officers in maintaining an effective property system. Revisions will be provided as rules and procedures are updated. Any suggestions for improvement which can be incorporated in future revisions of this manual will be welcomed. Additional information can be obtained by calling the Property Division at (601) 576-2712.

**ROSS CAMPBELL**  
**Director of Property**

## **INTRODUCTION**

### **GENERAL**

The fixed asset reporting system has two major functions. It provides statewide information applicable to property fixed assets owned by each state agency and university, and it ensures the agencies and universities are reconciling their financial records with the record of the Division of Property of the Office of the State Auditor, hereinafter referred to as "State Property Office." The latter function enhances credibility of statewide information being reported by agencies to the Auditor.

### **SYSTEM CYCLE**

The system cycle begins at the agency or university level with the preparation of *Forms F, addition reports, deletion reports, and disposal documentation*. After forms are properly completed and signed, they are submitted to the State Property Office for processing.

Upon receiving forms from the agency, the State Property Office will review them for completion of all data elements and clerical accuracy. After determining information reported is ready for processing, it will be entered into the fixed asset reporting system of the State Property Office.

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## CHAPTER I – DEFINITIONS

**Property Officer** shall mean any person the state agency or university reports in writing to the State Property Office who has designated responsibility as its Property Officer. The Property Officer shall submit regular reports to the State Property Office.

**Property** is defined as all furniture, vehicles, equipment and other state property having a useful life expectancy of at least one year and the cost of which is \$1000 or more. It does not include carpeting (excluding area rugs), draperies, plants, installed floor-to-ceiling partitions, window shades or blinds, mattress/box springs, water heaters, installed drinking fountains, museum acquisitions, library books, films or archival collections. All items under \$1000 in value are not required to be placed on inventory excluding specialty items. However, they are required to have an agency “Property of...” sticker applied.

**State Property Office** shall mean the Division of Property, which is a division of the Office of the State Auditor located in Jackson, Mississippi. Its function is to enhance the credibility of the statewide information being reported by agencies and universities to the State Auditor.

**Buildings** are permanent structures for housing persons or state property, and include fixtures attached to and forming a permanent part of the building.

The cost of the building includes all labor, material, and professional services required to construct the building. Included are insurance, interest and other indirect costs incurred during construction to put the building into its intended use.

The valuation of improvements added to the asset includes all costs incurred to complete the improvement. The inclusion in the building account of expenditures for improvements is susceptible to the same rules as for inclusion of expenditures on the building itself: namely, they are necessary for the intended use of the improvement, and the life of the object of expenditure is equal to that of the building itself.

*Equipment and furnishings whose expected life is less than that of the building are not included in the cost of the building, but are placed in the category of “equipment.”*

**\*Land Improvements** are categorized as fencing, bleachers, landscaping, yard lighting, paths, athletic fields, parking lots, retaining walls, etc. Land improvements include ancillary assets incurred as a result of increasing the level of service of an existing capital asset land (i.e. roads in a park).

All have in common that the improvements become an integral part of the land and are necessary to prepare or improve the land for its intended use.

It is the general policy of the Office of General Services that expenditures for capital improvements (land and buildings) be made only on property owned by the State of Mississippi.

**\*Infrastructure** shall mean and include assets such as streets, roads, bridges, drainage systems, traffic signal systems, street lighting, irrigations systems, fiber optic cabling systems, etc. These assets are capital expenditures independently capitalized. Infrastructure assets are 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.

\*See page 36 for a more detailed explanation of these.

**Equipment** as an asset category is reserved for expenditures meeting the following tests:

1. They are for acquisition of visible, tangible state property.
2. They are non-consumable in nature.
3. Their anticipated life is at least one year.
4. If the cost of acquisition is \$1000 or more (and all items listed to be added regardless of price, see page 5), the equipment shall be on the inventory.

Equipment is usually categorized into types. The categories used depend to a large extent on life expectancy, mobility, categorization of similar assets and the administrative area of use of the asset.

**Fixed Assets** are assets of long term character, non-consumable in nature, and are intended to be held or used. These include land, buildings, land improvements, machinery, furniture, infrastructure and other equipment whose cost is \$1000 or more (and all items listed to be added regardless of price, see page 4). All of the costs required to get the assets in existing condition and location are capitalized (i.e., cost of negotiations, finders fees, installation, breaking in, etc.).

**Land** –The total asset value of land includes two basic elements – acquisition cost and costs to prepare land for its intended use. The acquisition cost of land includes the purchase price of the real estate parcel together with all ancillary expenses up to and including transfer of title. These consist specifically of the contract price, tax liabilities assumed, expenses for settling other liens against the property, title search and legal fees.

Land may also be acquired by exercise of eminent domain. The amount paid to the land holders becomes the equivalent of purchase price and is treated similarly to land purchased.

The cost of land received as a gift or donation is usually established by appraisal and recorded at its fair market value.

**State Agency** shall mean and include all the various state agencies, offices and departments, boards, commissions and institutions. It shall also include any agency or agencies financed entirely by federally granted funds.

**Furniture** shall be construed to include desks, chairs, tables, seats, filing cabinets, bookcases and all other items of a similar nature, as well as dormitory furniture, appliances and all other items of personal property generally referred to as *home, office or school furniture*.

**Lease Purchase** acquisitions acquired pursuant to Section 31-7-10 (state agencies) and Section 37-101-413 (universities) are required to be maintained on inventory.

### **Document Descriptions**

**Form F** is a summary statement that reports the beginning balance, additions, deletions and ending balance of the five major fixed asset groups – furniture and equipment, land, buildings, land improvements, infrastructure. This form must be completed on or before the fifteenth day of the month – even if no inventory changes have been made during the month.

**Addition Form** is used by state agencies and universities to report additions to any asset category.

**Deletion Form** is used by state agencies and universities to report deletions to any asset category.

**Agency Summary Report** is a system generated report that ensures the Form F and the information entered in Protégé is balanced.

**Location Registers** shall be submitted by each agency or university for reference, showing each location used by the agency or university with the abbreviation used.

**Notarized Affidavit** is a written statement notarized by a notary public detailing the loss of equipment.

**Disposal Forms** are generated according to the disposal method. These documents detail the reason and method for disposing of equipment. All appropriate paperwork should accompany these forms.

*It is required that all forms be signed by the appropriate individuals.*



## CHAPTER II – FIXED ASSET POLICY

### Statement of General Policy (Fixed Asset Reporting)

All agencies and universities are required to maintain a complete and current inventory list of each property item (Section 29-9-21) which costs \$1000 or more unless the items purchased fall within the groups listed below. These items will be reported as equipment, regardless of their purchase value.

- Weapons
- Cameras and camera equipment (greater than or equal to \$250)
- Two way radio equipment
- Televisions (greater than or equal to \$250)
- Lawn maintenance equipment
- Cellular telephones
- Computer and computer equipment (greater than or equal to \$250)
- Chain saws
- Air compressors
- Welding machines
- Generators
- Motorized vehicles

### Property Inventory Requirements

Sections 29-9-1 through 29-9-21, Mississippi Code of 1972, Annotated, cover the inventory requirements for state property.

**Section 29-9-1**, Mississippi Code of 1972, Annotated, states that the State Auditor of Public Accounts shall require the heads of all state agencies to make an inventory of all land, buildings, equipment, furniture and other state property owned by or under the control of the respective agencies. The inventories shall be made on forms to be prescribed and furnished by said Auditor.

**Section 29-9-3**, Mississippi Code of 1972, Annotated, requires that inventories show the name, description, serial number, purchase or construction date, the cost or purchase price of each article or piece of property, and any further information which the State Auditor may require.

These forms shall be completed and filed by the Property Officer of each agency or university.

**Section 29-9-13**, Mississippi Code of 1972, Annotated, requires that representatives of the State Department of Audit under the direction of the State Auditor of Public Accounts, in making regular audits of the different state agencies, shall reconcile all invoices and records with the agencies' property inventories, shall make a check or physical audit of the actual items or properties shown on their inventories and related records. Each state agency shall furnish a competent person or persons to assist in this check or physical audit.

**Section 29-9-17**, Mississippi Code of 1972, Annotated, states if any officer or employee of any state agency shall refuse or fail to make any inventory in the manner prescribed by the State Auditor, the State Auditor shall proceed to make, or cause to be made, the inventory, and the expense thereof shall be personally borne by said officer or employee, and he shall be responsible on his official bond for the payment of the expense.

In the event that an examination conducted pursuant to this section finds items included on an agency's inventory which are missing and otherwise unaccounted for, the State Auditor has the authority to proceed under the provisions of Section 7-7-211, Mississippi Code of 1972, Annotated, to recover the value of the missing items. The demand shall be made against the head of the agency, the agency's property officer and/or the appropriate officer or employee, if identified.

**Section 29-9-21**, Mississippi Code of 1972, Annotated, provides for more accurate, detailed and readily available inventory information on all state property, said records to be maintained on machine equipment in the office of the auditor of public accounts. It shall be the duty of the Auditor to maintain his records complete and current and make such reports to the Governor and the legislature whenever required, or when the said auditor, in his discretion, finds it necessary to make other and additional reports.

As a result of this directive, the fixed assets reporting system was developed for use by the state agencies and universities in order to provide statewide property information.

### **Primary Inventory**

Primary inventory includes all equipment purchases of \$1000 or more (and all items listed to be added regardless of price, see page 4) that are required to be numbered and included on the property inventory list of any department and reported to the State Property Office. It is the responsibility of the property officer to attach labels to all primary inventory items in areas where they can be readily seen without having to move the item for identification. It is the responsibility of the department chairperson or his designee to assist the property office in identifying and labeling these items.

### **Internal Agency Audits**

Agency or university policy should require their internal Property Officer annually perform a physical inventory within each department. The internal Property Officer should attempt to schedule audits so it will not interfere with normal departmental functions, if at all possible. Department heads should be responsible for assigning a competent person to accompany the Property Auditor into each location where equipment may be located. Although the Property Auditor is available to assist in any manner in identifying all items of equipment, it is the department head's responsibility to locate and identify all equipment items. In addition to locating the items, the Property Officer will also update the equipment location if it is not as indicated on the equipment list. During the physical audit, the Property Auditor will also attach labels to any item of equipment or furniture purchased under the required reporting value for the primary inventory.

After the physical inventory is completed and the internal Property Officer has had an opportunity to review the results, the internal Property Officer will contact the department head about the missing item(s) to determine if further assistance is needed in locating the missing items(s) or to determine whether the department plans to account for the missing item(s), or have the missing items(s) deleted from their inventory with proper documentation. Procedures for deletion and transfer of equipment items are covered in this section.

### **Changes in Department Heads**

Before a department head departs from the agency or university, he/she should contact the internal Property Officer and request a complete physical inventory prior to departure so that discrepancies can be resolved.

When the new department head assumes control of the department, the internal Property Officer should be notified so a complete and current inventory list can be forwarded to the new department head so he/she or the designee can complete a “self-audit” and accept responsibility for the departmental inventory. The internal Property Officer should be available for assistance with this inventory, if requested.

### **Purchases Through Mississippi Surplus Property Commission**

Equipment items acquired through Mississippi Surplus Property Commission having a fair market value of \$1000 or more (and all items to be added regardless of price, see page 4) shall be added to the inventory list of the department. It is the responsibility of the purchasing department of the agency or university to provide the internal Property Officer with a copy of the purchase receipt from Surplus Property. Items of equipment acquired through Surplus Property are treated as donations and are added at the fair market price **not** the purchase price of the item.

### **Donated Equipment**

Property or equipment donated to a state agency or university having a fair market value of \$1000 or more (and all items listed to be added regardless of price, see page 4), must be included on the departmental equipment list that is reported to the State Property Office. If the value of the donated item is unknown, the agency or university shall include the item on property inventory at its fair market value at the time of donation. In the event the item is included at its fair market value, the agency or university will be required to maintain adequate documentation to justify how it arrived at the fair market value.

### **Lease Purchase**

Lease Purchase equipment acquired pursuant to Section 31-7-10 (state agencies) or Section 37-101-413 (universities) is to be reported to the Property Division at the date acquired. Lease purchase additions and deletions will be reported on the same file layout as regular inventory and the “Form F” will indicate the monthly adjustments.

When lease purchase contracts mature, the lease purchase records should be adjusted. The acquisition code of “AL” should be adjusted to indicate “AP”

Items purchased under the lease purchase option should be included in the inventory at the price by the entity, excluding any finance or interest charges.

## **Lost or Stolen Property**

Property deleted from the inventory because of theft or robbery shall be reported on a deletion report the month the loss is discovered. Such deletions shall be accompanied by an executed Property Salvage Report, which includes a notarized affidavit signed by the executive head of the agency, the person in charge of property records and the employee directly responsible for the property which was stolen or lost. All lost or stolen property shall be reported to the proper local law enforcement entity. A copy of the law enforcement entity's report and the NCIC report shall be attached to the Property Salvage Report. One copy of the affidavit shall be attached to the monthly inventory report and one copy shall be retained in the agency's files for inspection by the Office of the State Auditor.

## **Restriction on Use of Public Property**

Section 25-4-105, Mississippi Code of 1972, Annotated states that no public servant shall use his official position to obtain pecuniary benefit for himself other than that compensation provided for by the law, or to obtain pecuniary benefit for any relative or any business with which he is associated.

## **Sale or Trade of Property**

Property may be sold by public auction, sealed bids, or private treaty negotiated sale. Property which is no longer utilized by an agency or university or which is obsolete or inoperable and still has a residual value may be traded in to acquire new equipment. **Proper documentation must be initiated for sales and trade-ins and must be authorized by the Office of Purchasing and Travel prior to being sent to the Department of Audit.**

Sale or trade of computer and telecommunication equipment will follow the same process as other equipment, however, approval from ITS or the Office of Purchasing and Travel is not required. Trade-in or sale of vehicles must be approved by the Bureau of Fleet Management

## **Transferring Property to Other Governing Authorities**

Property other than vehicles may be transferred to any institution, department or agency of the State of Mississippi, or any political subdivision or local governing authority of the state. Proper documentation must be initiated. Approval is NOT required from the Office of Purchasing and Travel for a transfer. Submit proper documentation with receipt of property with monthly property reports. For transfers of state owned vehicles, refer to section 7.101 of the Fleet Manual.

Transfer of computer and telecommunication equipment must be submitted with receipt of property from receiving entity. This should be submitted with monthly property reports. Approval from ITS is not necessary.

All transfers of property must be channeled through the receiving agency or university property officer.

Transfers of equipment to Public Schools are to be transferred to the School District not to individual schools. The school district fixed asset manager must be aware of transfers.

**NOTE:** For specific guidelines for sale or trade, refer to Chapter VIII, Procedures for Selling, Transfer or Trading Personal Property, Procurement Manual, Office of Purchasing and Travel, DFA.

## **Temporary Loan or Internal Transfers**

When a temporary loan or transfer of property between departments, division or agencies is made, a memorandum receipt will be furnished to the head of the department to which the equipment or other property is assigned since he/she will be held responsible for the safekeeping of the property.

When an item of property is assigned to anyone, that person will furnish a memorandum receipt to the internal Property Officer requiring the signature of the executive head of the agency showing his concurrence.

## **Marking of Motor Vehicles**

All state vehicles owned or leased by any agency of the State shall have a permanent decal or paint on both sides of the vehicle in letters at least three (3) inches in height and on the rear in letters not less than one and one-half (1 ½) inches in height, stating the name of the state agency or university. The marking must be in a color which is in contrast with the color of the vehicle. Section 25-1-87, Mississippi Code of 1972, Annotated, allows a few exemptions of marking for law enforcement vehicles.

The State Property Office is required to report to the Joint Legislative Committee on Performance Evaluation and Expenditure Review (PEER Committee) vehicles with improper markings, as well as those which have no markings at all.

## **Unmarked Vehicles**

Section 25-1-87, Mississippi Code of 1972, Annotated, allows the Governor to authorize specific use of unmarked vehicles only in instances where such identifying marks will hinder official investigations. In the event the request is granted, the Governor shall furnish the Office of the State Auditor with a copy of his written authority for the use of the unmarked vehicle.

## **Guidelines for Accounting for Confiscated Weapons on State Property Inventories**

- A. All weapons confiscated by a duly appointed peace officer should not be disposed of without an order from a court of competent jurisdiction.

Confiscated weapons are to be held as evidence until a Court Order is issued dictating the method of disposal.

- B. A court of competent jurisdiction should order, either by forfeiture under Section 97-37-3, Mississippi Code of 1972, Annotated, or by a civil action for forfeiture, one of the following methods be employed to dispose of the confiscated weapon:

1. The confiscated weapon be disposed of by public auction;
2. The confiscated weapon be placed upon the property inventory of the state institution; or
3. The confiscated weapon be destroyed.

- C. If the Order requires the confiscated weapon be disposed of by public auction, the following is required:

The confiscated weapon should be surrendered to the sheriff of the county in which said property was confiscated as required by Section 25-1-51, Mississippi Code of 1972, Annotated.

1. A copy of the Order requiring the confiscated weapon be sold should be provided to the county sheriff with documentation identifying each weapon by description and serial number.
2. A receipt of each weapon containing its description and serial number should be obtained from the county sheriff and retained in the institutions files with the related Court Order.
3. Confiscated weapons ordered by a court to be sold are not to be placed on state inventory.

- D. If the Order requires the confiscated weapon be placed on the property inventory of the institution, the following is required:

The confiscated weapon should be accounted for under the rules and regulations promulgated by the Mississippi Property Officers Manual, as are other personal property items acquired by the institution.

- E. If the order required the confiscated weapon be destroyed, the following is required:

1. The Order should contain clear and precise method of destruction.
2. A return from the officer ordered to destroy the weapon shall be filed. The record of return should include the following:
  - a. A sworn statement from the officer that the weapon was destroyed as ordered;
  - b. Photographs or two statements from witnesses evidencing the weapon's destruction; and
  - c. A file maintained by the institution containing the court Order, the officer's sworn statement and the supporting evidence.
3. Confiscated weapons ordered by a court to be destroyed are not to be placed on state inventory.

### **Property Inventory of Computer Equipment**

Each major computer component, such as a central processing unit (CPU), terminal, printer, external hard disc drive shall have a unique inventory number assigned. A personal computer monitor shall not require a unique inventory number, External devices such as the keyboard, modem, mouse and other light pen devices whose costs are under \$1000 also shall not require a

unique inventory number. All internal computer components such as network/communication boards, internal telephone modems, etc. shall not require a unique inventory number assigned.

However, the value of these computer components is included with the initial purchase cost of a major computer component.

For property cost assessment of computer component, unit cost should be requested from vendor. However, the agency or university can provide a reasonable estimate of the cost of each computer component when itemized costs are unavailable.

The unit price of each computer upgrade costing \$1000 or more must be capitalized with the value of the major computer component, which has been assigned a unique inventory number, e.g. price of a network board must be added to the cost of the CPU.

Inventory tags should be placed in a clearly visible and consistent location to facilitate inspection and inventory audit.

### **Cancellation and Disposal Procedures for Computer and Telecommunication Equipment**

#### A. Salvaged equipment

Disposal of computer/telecommunication equipment which has become obsolete, worn out, not salvageable and/or of no value to the state **does not require ITS approval**.

Disposal documentation must be properly completed and submitted with the monthly property report and must be signed by the salvage committee.

#### B. Lost/stolen equipment

Documentation of computer/telecommunication equipment which is lost or stolen **does not require ITS approval**; however, it must be accompanied by a notarized affidavit and law enforcement entity's report.

#### C. Transfers of property

Computer/telecommunication equipment transfers to other state agencies or universities **do not require ITS approval**. Transfer documentation must be properly completed, indicating the agency/university receiving the equipment, and a signed receipt from the agency/university must be attached.

#### D. Sales of computer/telecommunication equipment

Follow the same procedures used for selling other agency or university equipment as specified in Chapter 8 of the Procurement Manual Office of Purchasing and Travel, DFA.

**\*NOTE: A signed receipt for property sold, traded-in or transferred must accompany disposal documentation for computer equipment. A transfer of property must be channeled through the receiving agency or university property officer.**

## CHAPTER III – LAWS GOVERNING PROPERTY AND PROCUREMENT

### **Section 7-7-211** – Powers and duties of the State Auditor

The Department shall have the power and it shall be its duty:

(a) To identify and define for all public offices of the state and its subdivisions generally accepted accounting principles as promulgated by nationally recognized professional organizations and to consult with the State Fiscal Officer in the prescription and implementation of accounting rules and regulations;

(b) To prescribe, for all public offices of regional and local subdivisions of the state, systems of accounting, budgeting and reporting financial facts relating to said offices in conformity with legal requirements and with generally accepted accounting principles as promulgated by nationally recognized professional organizations; to assist such subdivisions in need of assistance in the installation of such systems; to revise such systems when deemed necessary, and to report to the Legislature at periodic times the extent to which each office is maintaining such systems, along with such recommendations to the Legislature of improvement as seem desirable;

(c) To study and analyze existing managerial policies, methods, procedures, duties and services of the various state departments and institutions upon written request of the Governor, the Legislature or any committee or other body empowered by the Legislature to make such request to determine whether and where operations can be eliminated, combined, simplified, and improved;

(d) To post audit each year and, when deemed necessary, pre-audit and investigate the financial affairs of the departments, institutions, boards, commissions or other agencies of state government, as part of the publication of a comprehensive annual financial report for the State of Mississippi. In complying with the requirements of this subsection, the department shall have the authority to conduct all necessary audit procedures on an interim and year-end basis;

(e) To post-audit and, when deemed necessary, pre-audit and investigate separately the financial affairs of (i) the offices, boards and commissions of county governments and any departments and institutions thereof and therein; (ii) public school districts, departments of education and junior college districts; and (iii) any other local offices or agencies which share revenues collected by governmental divisions of the state; the cost of such audits, investigations or other serves to be paid as follows: Such part shall be paid by the state from appropriations made by the Legislature for the operation of the State Department of Audit as may exceed the sum of one hundred dollars (\$100.00) per day for the services of each staff person engaged in performing the audit or other service, which sum shall be paid by the county, district, department, institution or other agency audited out of its general fund or any other available funds from which such payment is not prohibited by law;

(f) To post-audit and, when deemed necessary, pre-audit and investigate the financial affairs of the levee boards; agencies created by the Legislature or by executive order of the Governor; profit or nonprofit business entities administering programs financed by funds flowing through the State Treasury or through any of the agencies of the state, or its subdivisions; and all other public bodies supported by funds derived in part or wholly from public funds, except municipalities which annually submit an audit prepared by a qualified certified public accountant using methods and procedures prescribed by the department;



(g) To make written demand, when necessary, for the recovery of any amounts representing public funds recovery of any amounts representing public funds improperly withheld, misappropriated and/ or otherwise illegally expended by an officer, employee or administrative body of any state, county or other public office, and/or for the recovery of the value of any public property disposed of in an unlawful manner by a public officer, employee or administrative body, such demands to be made (i) upon the person or persons liable for such amounts and upon the surety of official bond thereof, and/or (ii) upon any individual, partnership, corporation or association to whom the illegal expenditure was made or with whom the unlawful disposition of public property was made, if such individual, partnership, corporation or association knew or had reason to know through the exercising of reasonable diligence that the expenditure was illegal or the disposition unlawful. Such demand shall be premised on competent evidence, which shall include at least one (1) of the following; (i) sworn statements, (ii) written documentation, (iii) physical evidence, or (iv) reports and findings of government or other law enforcement agencies. Other provisions notwithstanding, a demand letter issued pursuant to the subsection shall remain confidential by the State Auditor until the individual against whom the demand letter is being filed has been served with a copy of such demand letter. If, however, such individual cannot be notified within fifteen (15) days using reasonable means and due diligence, such notification shall be made to the individual's bonding company, if he or she is bonded. Each such demand shall be paid into the proper treasury of the state, county or other public body through the office of the department in the amount demanded within thirty (30) days from the date thereof, together with interest thereon in the sum of one percent (1%) per month from the date such amount of amounts were improperly withheld, misappropriated and/or otherwise illegally expended. In the event, however, such person or persons shall refuse, neglect or otherwise fail to pay the amount demanded and the interest due thereon within the allotted thirty (30) days, the State Auditor shall have the authority and it shall be his duty to institute suit, and the Attorney General shall prosecute the same in any court of the state to the end that there shall be recovered the total of such amounts from the person or persons and surety on official bond named therein; and the amounts so recovered shall be paid into the proper treasure of the state, county or other public body through the State Auditor;

(h) To investigate an alleged or suspected violation of the laws of the state by any officer or employee of the state, county or other public office in the purchase, sale or the use of any supplies, services, equipment or other property belonging thereto; and in such investigation to do any and all things necessary to procure evidence sufficient either to prove or disprove the existence of such alleged or suspected violations.

The Department of Investigation of the State Department of Audit may investigate, for the purpose of prosecution, any suspected criminal violations of this chapter. For the purpose of administration and enforcement of this chapter, the enforcement employees of the Department of Investigation of the State Department of Audit have the powers of a peace officer of this state only over those persons under indictment or at the direction of another duly authorized law enforcement agency having jurisdiction over the case. All enforcement employees of the Department of Investigation of the State Department of Audit hired on or after July 1, 1993, shall be required to complete the Law Enforcement Officers Training Program and shall meet the standards of the program.

(i) To issue subpoenas, with the approval of, and returnable to, a judge of a chancery or circuit court, in term time or in vacation, to examine the records, documents or other evidence to persons, firms, corporations or any other entities insofar as such records, documents or other evidence related to dealings with any state, county or other public entity. The circuit or chancery judge must serve the county in which the records, documents or other evidence is located; or where all or part of the transaction or transactions occurred which are the subject of the subpoena;

(j) In any instances in which the State Auditor is or shall be authorized or required to examine or audit, whether pre-audit or post-audit, any books, ledgers, accounts or other records of the affairs of any public hospital owned or owned and operated by one or more political subdivisions or parts thereof or any combination thereof, or any school district, including activity funds thereof, it shall be sufficient compliance therewith, in the discretion of the State Auditor, that such examination or audit be made from the report of any audit or other examination certified by a certified public accountant and prepared by or under the supervision of such certified public accountant. Such audits shall be made in accordance with generally accepted standards of auditing, with the use of an audit program prepared by the State Auditor, and final reports of such audits shall conform to the format prescribed by the State Auditor. All files, working papers, notes, correspondence and all other data compiled during the course of the audit shall be available, without cost, to the State Auditor for examination and abstracting during the normal business hours of any business day. The expense of such certified reports shall be borne by the respective hospital, or any available school district funds other than minimum program funds, subject to examination or audit. The State Auditor shall not be bound by such certified reports and may, in his or their discretion, conduct such examination or audit from the books, ledgers, accounts or other records involved as may be appropriate and authorized by law.

(k) The State Auditor shall have the authority to contract with qualified public accounting firms to perform selected audits required in subsections (d), (e) and (f) of this section, if funds are made available for such contracts by the Legislature, or if funds are available from the governmental entity covered by subsections (d), (e) and (f). Such audit shall be made in accordance with generally accepted standards of auditing, with the use of an audit program prepared by the State Auditor, and final reports of such audits shall conform to the format prescribed by the State Auditor. All files, working papers, notes, correspondence and all other data compiled during the course of the audit shall be available, without cost, to the State Auditor for examination and abstracting during the normal business hours of any business day.

(l) The State Auditor shall have the authority to establish training courses and programs for the personnel of the various state and local governmental entities under the jurisdiction of the office of the State Auditor. The training courses and programs shall include, but not be limited to, topics on internal control of funds, property and equipment control and inventory, governmental accounting and financial reporting, and internal auditing. The State Auditor is authorized to charge a fee from the participants of these courses and programs, which fee shall be deposited into the Department of Audit Special Fund. State and local governmental entities are authorized to pay such fee and any travel expenses out of their general funds or any other available funds from which such payment is not prohibited by law.

(m) Upon written request by the Governor or any member of the State Legislature, the State Auditor may audit any state funds and/or state and federal funds received by any nonprofit corporation incorporated under the laws of this state.

(n) To conduct performance audits of personal or professional service contracts by state agencies on a random sampling basis, or upon request of the State Personal Service Contract Review Board under Section 25-9-120(3).

**Section 25-1-77** – Purchase of automobiles for state use.

(1) No state department, institution or agency shall purchase any motor vehicle, regardless of the source of funds from which the motor vehicle is to be purchased, except under authority granted by the Department of Finance and Administration. The Department of Finance and Administration shall promulgate rules and regulation governing the purchase of any motor vehicle by a state department, institution or agency with regard to the appropriateness of the vehicle to its intended use. The Department of Finance and Administration shall not grant authority to purchase a motor vehicle which is not the most appropriate vehicle type for its intended use unless specifically approved by the Legislature.

(2) It is not the intent of the Legislature for the Department of Finance and Administration to determine the sufficient number of motor vehicles needed by each state department, institution or agency, but to regulate the purchase so that the vehicle is the most appropriate type for its intended use. Further, it is the intent of the Legislature that any motor vehicle purchased shall be made with due concern for the economical and efficient use, but shall also meet the needs of the department, institution or agency. The department, institution or agency shall maintain proper documentation signed by the executive director which provides the intended use of the vehicle. Such documentation shall show that the department, institution or agency made reasonable efforts to purchase a vehicle that is economical and appropriate for its intended use. All such documentation shall be maintained and made available for review by the State Auditor and any other reviewing agency.

(3) The State Auditor shall make on-site visits and conduct audits necessary to ensure that intent of this section. On or before September 1 of each year, the State Auditor shall prepare and deliver to the Senate and House Fees, Salaries and Administration Committees and the Joint Legislative Budget Committee a report containing any irregularities that he finds concerning purchases of state-owned vehicles.

**Section 25-1-87** – Marking Publicly-owned or Leased Vehicle; Exceptions; Effect of Non-compliance

All motor vehicles owned or leased by the State of Mississippi or any agency, department or political subdivision thereof, which shall include counties and municipalities, when such agency or department or political subdivision, which shall include counties and municipalities, is supported wholly or in part by public taxes or by appropriations from public funds, shall have painted on both sides in letters at least three (3) inches in height, and on the rear in letters not less than one and one-half (1½) inches in height, the name of the state agency or department, or political subdivision, which shall include counties and municipalities, in a color which is in contrast with the color of the vehicle; provided however, that the permanent decal may be used in lieu of paint, and provided further, that any municipality may affix a permanent decal or design at least twelve (12) inches in height and twelve (12) inches in width on both sides of the vehicle with the name of the municipality within or across the permanent decal or design and the permanent design or decal shall be in a color or colors which are in contrast with the color of the vehicle. No privilege license tag shall be issued for such vehicle until the name has been painted thereon or a permanent design or decal affixed thereto as required by this section. A permanent

decal may be used in lieu of paint. The provisions of this paragraph shall not apply to vehicles used by the Chief Executive of the State of Mississippi, to vehicles owned or leased by the Office of the Attorney General, to one (1) vehicle owned or leased by the commissioner of the Mississippi Department of Corrections, to not more than three (3) vehicles owned or leased by the Department of Corrections and used only by Community Services Division officers, to not more than one (1) vehicle owned or leased by the Mississippi Department of Transportation or to not more than one (1) vehicle owned or leased by the Mississippi State Tax commission; and upon the receipt of a written request from the State Adjutant General, the commissioner of Public Safety, the Director of the Alcoholic Beverage Control Division of the Mississippi State Tax Commission, the Director of the Bureau of Fisheries and Wildlife of the Department of Wildlife Conservation, the Director of the Bureau of Narcotics, the Executive Officer of the Board of Pharmacy, the Executive Director of the Mississippi Gaming Commission, the State Auditor, or a president or chancellor of a state institution of higher learning, the Governor may authorize the use of specified unmarked vehicle only in instance where such identifying marks will hinder official investigations, and the governing authorities of any municipality may authorize the use of specified, unmarked police vehicles when identifying marks would hinder official criminal investigations by the police. The written request or the order or resolution authorizing such shall contain the manufacturer's serial number, the state inventory number, where applicable, and shall set forth why the vehicle should be exempt from the provisions of this paragraph. In the event the request is granted, the Governor shall furnish the State Department of Audit with a copy of his written authority for the use of the unmarked vehicles, or the governing authority, as the case may be, shall enter its order or resolution on the minutes and shall furnish the State Department of Audit with a certified copy of its order or resolution for the use of the unmarked police vehicle.

The State Property Auditors of the State Department of Audit shall personally examine vehicles owned or leased by the State of Mississippi, or any agency, department or commission thereof, and report violations of the provisions of this paragraph to the State Auditor and the Chairman of the Joint Legislative Committee on Performance Evaluation and Expenditure Review. Any vehicle found to be in violation of this paragraph shall be reported immediately to the department head charged with such vehicle, and five (5) days shall be given for compliance; and if not complied with, such vehicles shall be impounded by the State Auditor until properly marked or exempted.

Upon notification to the State Tax Commission by the State Auditor that any municipality or political subdivision is not in compliance with this section, the State Tax Commission shall withhold any sales tax due for distribution to any such municipality and any excise tax on gasoline, diesel fuel, kerosene and oil due any such county and for any months thereafter, and shall continue to withhold such funds until compliance with this section is certified to the State Tax Commission by the State Department of Audit.

County-owned motor vehicles operated by the sheriff's department shall not be subject to the provisions of this section, but shall be subject to the provisions of Section 19-25-15. County owned motor vehicles operated by a family court established pursuant to Section 43-21-1 et seq., Mississippi Code of 1972, Annotated shall not be subject to the provisions of this section.

State owned or leased motor vehicles operated by the Department of Mental Health or by facilities operated by the Department of Mental Health and used for transporting patients living in group homes or alternative living arrangements shall not be subject to the provisions of this section.

Up to four (4) passenger vehicles owned or leased by economic development districts, or economic development authorities shall not be subject to the provisions of this section.

State owned or leased motor vehicles operated by the Agricultural and Livestock Theft Bureau of the Department of Agriculture and Commerce and used to investigate livestock theft shall not be subject to the provisions of this section.

Up to three (3) motor vehicles owned or leased by the Pascagoula Municipal Separate School District for use by district security officers shall not be subject to the provisions of this section.

The motor vehicles of a public airport shall not be subject to the provisions of this section upon a finding by the governing authority of such airport that marking a motor vehicle as required in this section will compromise security at such airport.

**Section 25-1-91** – Penalty regarding state-owned automobiles.

If any person shall knowingly and willfully violate any of the provisions of Sections 25-1-77 to 25-1-93, such person shall be guilty of a misdemeanor and, upon conviction, shall be punished by a fine of not more than two hundred fifty dollars and, in addition, shall be removed from the office or position which he holds.

**Section 25-4-105** – Certain actions, activities and business relationships prohibited or authorized; contracts in violation of section voidable; penalties.

(1) No public servant shall use his official position to obtain pecuniary benefit for himself other than that compensation provided for by law, or to obtain pecuniary benefit for any relative or any business with which he is associated.

**Section 29-9-1** – Inventories to be made by heads of state agencies.

The State Auditor of Public Accounts shall require the heads of all state agencies to make an inventory of all lands, buildings, equipment, furniture, and other personal property owned by or under the control of the respective agencies, except highway rights of way owned or acquired by the Mississippi State Highway Commission. The inventories shall be made on forms to be prescribed and furnished by said State Auditor. Agencies, including the legislature, which have on file proper inventories on August 8, 1968, shall not be required to make new inventories, but the remaining provisions of this chapter respecting inventories shall be applicable thereto.

**Section 29-9-3** – Content

The inventories herein required shall show the name, description, serial number, purchase or construction date, and the cost or purchase price of each article of piece of property, and any further information which the State Auditor may require. A number shall be securely attached to each piece of furniture, equipment, or other property designated by the Auditor not having a serial number, and the number shall be used in inventories as a serial number. Estimates may be used for purchase prices and dates on items purchased prior to January, 1946, provided records of same are not available.

**Section 29-9-5** – Execution and Certification

Each inventory shall be executed in duplicate, the copy shall be retained by the maker for his files, and the original shall be delivered to the State Auditor of Public Accounts. The original shall be certified by the heads of the respective institutions, departments, commissions, and agencies, or a responsible bonded property officer designated by him.

**Section 29-9-7** – Master Inventory Compiled

The Auditor of Public Accounts shall compile or cause to be compiled from the inventories thus submitted to him one master inventory for the state as a whole, which shall be available for inspection to all state officials and newly elected or appointed officials who are about to take office.

**Section 29-9-9** – Disposal of Obsolete or Unnecessary Property

(1) Whenever any vehicle, equipment, office furniture, office fixture, or any other personal property which has been acquired or is owned by any institution, department or agency of the State of Mississippi becomes obsolete or is no longer needed or required for the use of such institution, department or agency, the same may be: (a) sold for cash, transferred, traded or exchanged for other property, furniture, equipment, fixture or vehicle needed by said institution, department or agency after having first obtained the written approval of the Governor's Office of General Services and the State Auditor or approval by the Legislative Budget Office if utilized under the jurisdiction of the Legislature; or (b) donated to any institution, department or agency of the State of Mississippi, or any political subdivision or local governing authority of the state. The singular shall include the plural. Transfers, trades, exchanges or donations made pursuant to this subsection may be made to any political subdivision or local governing authority of the State of Mississippi.

(2) The proceeds of all cash sales made, as authorized in this section, shall be paid over into the support and maintenance or contingent fund of the institution, department, or agency as it deems best.

(3) The head of each state institution, department, or agency shall be responsible and liable personally and on his official bond, in the amount of the value shown on the state inventory, for the disposal of any property contrary to the provisions of this section.

(4) The Office of General Services, on the approval of the Public Procurement Review Board, is hereby authorized and empowered to make reasonable rules and regulations and to require such information as may be necessary to carry out the purpose and provisions of this section.

(5) Any violation of the provisions hereof by any elected head of any institution, department, commission or agency of the State of Mississippi, or any appointee or employee of any institution, department, agency or commission coming under the provisions of this section, shall constitute a misdemeanor and, upon conviction therefore, shall be punished by a fine of not exceeding one thousand dollars (\$1000.00) in addition to personal and official liability, as hereinabove provided.

(6) The disposal of any unneeded personal property at the project described in section 57-7-5(f)(vii), may be made in accordance with the provisions of this section by the Mississippi Major Economic Impact Authority, with the consent of the Yellow Creek Regional Project Board as created in Section 57-75-29, under such rules and regulations as may be adopted by such authority.

**Section 29-9-11** – Report of Additions and Deletions

On or before the fifteenth day of each month, the heads of all state agencies shall add to their inventory or inventories the items purchased or otherwise acquired during the last preceding month in the same manner as set forth in the original inventory, and indicate items that have been disposed of and that should be deleted there from, showing how and where disposals were made. Should there be no change in the inventory, a report shall be filed so indicating.

This additional list and items to be deleted shall be submitted to the Auditor of Public Accounts, to be used to add or to delete from the inventory or inventories in his office.

**Section 29-9-13** – Physical Audit

Representatives of the State Department of Audit under the direction of the State Auditor of Public Accounts, in making regular audits of the different state agencies, shall reconcile all invoices and record with the agencies' property inventories, and shall make a check or physical audit of the actual items or properties shown on their inventories and related records. Each state agency, the secretary of the Senate, and the clerk of the House of Representatives, when requested to do so, shall furnish a competent person or persons to assist in this check or physical audit. The Auditor shall keep his records current at all times and shall report to the agency concerned any such changes made and the general status of the inventory involved on the completion of each audit. This report shall also be included in the audit reports of the state department of audit covering the different state agencies. The State Auditor shall use such reports from the State Department of Audit to correct and maintain current the inventories in his office.

**Section 29-9-15** – Rules and Regulations

The Auditor of Public Accounts, on approval of the Attorney General, is hereby, authorized and empowered to make reasonable rules and regulations and to require such additional information as may be necessary to carry out the provisions and purposes of the inventory requirements of this chapter.

**Section 29-9-17** – Liability for Failure to Make Inventory; Recovery of Value of Missing Items.

(1) If any officer or employee of any state agency shall refuse or fail to make any inventory or supplemental inventory thereto as required herein, or to do so in the manner prescribed by the State Auditor, the State Auditor shall proceed to make, or cause to be made the inventory or supplemental inventory; and the expense thereof shall be personally borne by said officer or employee, and he shall be responsible on his official bond for the payment of the expense.

(2) In the event that an examination conducted pursuant to Section 29-9-13 finds items that are included on an agency's inventory which are missing and otherwise unaccounted for, the State Auditor has the authority to proceed under the provisions of Section 7-7-211 to recover the value of the missing items. The demand shall be made against the head of the agency, the agency's property officer and/or the appropriate officer or employee, if identified.

**Section 29-9-21** – Complete and Current Records and Reports

It is the purpose of this chapter to provide for more accurate, detailed, and readily available inventory information on all state property, said records to be maintained on machine equipment in the Office of the Auditor of Public Accounts.

In carrying out the purpose hereof, it shall be the duty of the Auditor to maintain his records complete and current and make such reports to the Governor and the Legislature whenever required, or when the said Auditor, in his discretion, finds it necessary to make other and additional reports.

**Section 45-3-51** – Retirants Permitted to Retain One Side Arm

Each member of the Mississippi Highway Safety Patrol or agent of the Bureau of Narcotics who retires under Section 24-13-1 through 25-13-29, Mississippi Code of 1972, for superannuation or for reason of disability shall be allowed to retain, as his personal property, one (1) side arm which was issued to him under authority of Section 45-3-19.

**Section 49-1-14** – Retired Conservation Officers' Authorized to Retain Side Arms

Each person employed as a conservation officer by the Commission of Wildlife, Fisheries and Parks who retires for superannuation or for reason of disability under the Public Employees' Retirement System may, upon his request, be allowed to retain, as his personal property, one (1) side arm which was issued to him, during his service, provided funds are available for such purpose.

**Section 49-15-22** – Marine Patrol Officer of Department of Marine Resources Permitted to Keep Side Arms upon Retirement.

Each person employed as a marine patrol officer by the Mississippi Department of marine Resources who retires for superannuation or for reason of disability under the Public Employees' Retirement System may, upon his request, be allowed to retain, as his personal property, one (1) side arm which was issued to him during his service, if fund are available for this purpose.



## CHAPTER IV – FILING REQUIREMENTS

Form F is to be filed by the fifteenth of the following month, as required by Section 29-9-11, Mississippi Code of 1972, Annotated, to wit:

*“On or before the fifteenth day of each month, the heads of all state agencies shall add to their inventory or inventories the items purchased or otherwise acquired during the last preceding month in the same manner s set forth in the original inventory, and indicate items that have been disposed of and that should be deleted there from, showing how and where disposals were made. Should there be no change in the inventory, a report shall be filed so indicating. This additional list and items to be deleted shall be submitted to the Auditor of Public Accounts, to be used to add to or delete from the inventory or inventories in his office.”*

## INSTRUCTIONS FOR COMPLETEION OF FORM F

The following instructions present procedures to follow in preparing Form F. Exhibit F-1 illustrates a blank form with reference numbers. Exhibit F-2 is a blank Form F.

<u>Reference</u>	<u>Explanation</u>
1.	Name and institution code of the agency, board commission, university, office, etc.
2.	Indicate your agency's fund number
3.	Complete address of the agency, board, commission, university, office, etc.
4.	Last day of the reporting period being reported (e.g. January 31, February 28, etc.)
5.	Balances at the beginning of the month and total of column
6.	Additions made during the month and total of column
7.	Deletions made during the month and total of column
8.	Balance as of the end of the month reporting and total of column
9.	Name and title of the person authorized to approve Form F

**NOTE:** *By law, it is mandatory that Form F be sent to the State Property Office on or before the 15<sup>th</sup> of every month.*

PLEASE SEE THAT THIS REPORT IS DELIVERED TO PROPERTY OFFICER  
Form F-1

501 NORTH WEST STREET, SUITE 801  
JACKSON, MS 39201

STATE OF MISSISSIPPI

Inventory Statement

From: (1) (2)  
(Department or Institution) (Fund #)

Located at: (3)

Inventory position at close of business: (4) 20

	BALANCE LAST MONTH	ADDITIONS THIS MONTH	DISPOSALS THIS MONTH	BALANCE 20__
FURNITURE & EQUIPMENT				
LAND	(5)	(6)	(7)	(8)
BUILDINGS				
LAND IMPROVEMENTS				
INFRASTRUCTURE				
TOTAL				

THIS FORM IS TO BE SUBMITTED BY THE 15<sup>TH</sup> OF EACH MONTH.

(9)  
 \_\_\_\_\_  
 Authorized Signature

\_\_\_\_\_  
 Official Title

PLEASE SEE THAT THIS REPORT IS DELIVERED TO PROPERTY OFFICER  
Form F-2

501 NORTH WEST STREET, SUITE 801  
JACKSON, MS 39201

STATE OF MISSISSIPPI

Inventory Statement

From: \_\_\_\_\_  
(Department or Institution) (Fund #)

Located at: \_\_\_\_\_

Inventory position at close of business: \_\_\_\_\_ 20\_\_

	BALANCE LAST MONTH	ADDITIONS THIS MONTH	DISPOSALS THIS MONTH	BALANCE 20__
FURNITURE & EQUIPMENT				
LAND				
BUILDINGS				
LAND IMPROVEMENTS				
INFRASTRUCTURE				
TOTAL				

THIS FORM IS TO BE SUMITTED BY THE 15<sup>TH</sup> OF EACH MONTH.

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Official Title

# Inventory Deletions -

Agency: \_\_\_\_\_

Request: \_\_\_\_\_

Prepared By:

Agency/Institution

\_\_\_\_\_  
Agency Name

\_\_\_\_\_  
Name / Title

\_\_\_\_\_  
Name / Title

\_\_\_\_\_  
Name / Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name / Title

**Disposal**

Reason for Disposal:  
(Include P1 number if  
trade-in transaction

\_\_\_\_\_  
\_\_\_\_\_

Asset Num	Location	Class Description	Serial Num	Make	Disp Date	Cost	Proceeds
-----------	----------	-------------------	------------	------	-----------	------	----------

**Total Cost:**

**Total Proceeds:**

**Total Number of Assets:**

This is to certify that this is a true report of inventory  
and/or inventory changes.

Agency Signature \_\_\_\_\_

For disposals of state-owned equipment only, specify the names and addresses of recipients of items being disposed: (In Protege, all documents required for the disposal method chosen must be attached to each asset being disposed)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Salvage**

\_\_\_\_\_  
Name Date

\_\_\_\_\_  
Name Date

\_\_\_\_\_  
Name Date

\_\_\_\_\_  
Office of Purchasing, Travel and Fleet Date

\_\_\_\_\_  
State Property Office Date

## INSTRUCTIONS FOR COMPLETION OF DISPOSAL DOCUMENTS

The following instructions present procedures to follow in preparing any non-computer deletion document.

- 1 Request number. (This is a sequential number; the number increases by one each time a request is made on trade-in or sale of non computer equipment.)
- 2 Date of the request. (system generated)
- 3 Description of the property.
- 4 State inventory number.
- 5 Manufacturer's serial number, if available.
- 6 Make and model, if applicable.
- 7 Date disposed.
- 8 Original cost of the property.
- 9 Mileage, if applicable.
- 10 Description of condition of the property.
- 11 Reason for disposal.
- 12 Method of disposal.\*
- 13 Name of the awarded bidder, the awarded bidder's address, the bid amount, (Attach copies of all bids, if by sale.)
- 14 Amount for which property is being sold.
- 15 Trade-in allowance on old equipment.
- 16 P-1 number associated with new equipment being purchased through the trade-in or for the purchase of vehicles
- 17 Signature of the person authorized (at the agency, etc.) to approve disposals.
- 18 Trade-ins and sales must be authorized and dated by both Office of Purchasing & Travel and Fleet Management of the Office of General Services and the State Property Office. A signed receipt for the property sold, traded-in or transferred must accompany the form. A transfer of property must be channeled through the receiving agency or university property officer.\*\*

Salvage committee or authorized persons must sign forms.

\* Transfers other than vehicles to other state agencies and universities, or any political subdivision or local governing authority of the state do not require authorization from the Office of Purchasing and Travel and the State Property Office.

\*\* Transfers of equipment to Public Schools are to be transferred to the School District not to individual schools. The school district fixed asset manager must be aware of transfers.

## INSTRUCTIONS FOR COMPLETION OF SALVAGE REPORT

The following instructions present procedures to follow in preparing a salvage report.

- 1 Name of the agency, board, commission, university, office, etc.
- 2 Address of the agency, board, commission, university, office, etc.
- 3 Date the report was prepared.
- 4 Description of the property.
- 5 Inventory number of the property.
- 6 Report number.
- 7 Cost or value.
- 8 Enter the inventory number and the explanation of disposal or loss in separate column form. In case of theft or robbery, provide the name of the local law enforcement entity notified, and the date the loss was discovered.
- 9 Date the form is certified by the property officer.
- 10 Signature of the authorized property officer.
- 11 Signatures and titles of the salvage property survey committee and the signature of the president, director or chief administrative officer.

## INSTRUCTIONS FOR THE COMPLETION OF FORMS FOR DISPOSING OF COMPUTER EQUIPMENT

- 1                    Fill in the name of the agency or university.
- 2                    The person who completes this form should place his/her name, title and phone number.
- 3                    Once this form has been completed, it must be signed, at a minimum, by the Executive Director, President or Chancellor of the submitting agency or institution or official designate. Additional spaces are allowed on the form for optional use by those agencies and institutions which require additional signoff signatures. **For salvaged equipment, the salvage committee must sign off**
- 4                    Itemize the brand and model number and briefly describe each item being disposed of.
- 5                    List the serial number for each item.
- 6                    List the state property inventory number.
- 7                    List the original purchase price of each item.
- 8                    Specify the effective disposal dates of the items. If there is a different date for each item listed, specify each date on an item-by-item basis.
- 9                    Specify the reason for disposal. Indicate the other equipment which has replaced or which will replace the disposed of items.
- 10                   For disposal of state-owned items only, list the names and addresses of recipients of the items.



## INSTRUCTIONS FOR COMPLETION OF NOTARIZED AFFIDAVIT

The following instructions present procedures to follow in preparing notarized affidavits. The following form illustrates a blank form with reference numbers.

<u>Reference</u>	<u>Explanation</u>
1	Name of agency or university complete with mailing address.
2	Physical location of assigned property.
3	Date report was made.
4	Description, inventory number, report number, purchase date and cost or value as reported on the agency or university inventory master listing.
5	Detailed explanation of the loss, showing the proper law enforcement entities to which this loss was reported, as well as the report/case number filed on this loss.
6	Agency/University Executive Director or President signature and date.
7	Agency/University Property Officer signature and date.
8	Agency/University personnel assigned the property signature and date.
9	Notary Public's completion of this section of the affidavit, as required by law.

**LOST OR STOLEN PROPERTY AFFIDAVIT**

\_\_\_\_\_  
Name of Institution, Department or Agency

\_\_\_\_\_  
Address

\_\_\_\_\_  
Address

Location of Property: \_\_\_\_\_ Date: \_\_\_\_\_

Description	Inventory Number	Report Number	Date Purchased	Cost or Value
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Detailed Explanation of Loss: (in case of loss, theft, or robbery, show the name of the local law enforcement entity notified and the date the loss was discovered. If such loss was not reported to a local law enforcement entity at the time of the discovery, give a complete explanation of such failure.)

We hereby state under oath that the above facts are true and correct to the best of our knowledge.

\_\_\_\_\_  
Executive Head of Agency

\_\_\_\_\_  
Date

\_\_\_\_\_  
Property Officer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Employee Responsible for Property

\_\_\_\_\_  
Date

This date personally appeared before me, the undersigned authority, in and for \_\_\_\_\_ County, in the State of Mississippi, the above named individuals, who, being first duly sworn, state on their oaths that the above facts are true and correct to the best of their knowledge.

Given under my hand and official seal, this the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public

NOTE: This affidavit should be filed with the inventory deletion form and deletion documentation the same month that the property is removed from inventory.

## **ASSIGNMENT OF PROPERTY**

It is advised that the agency or university adopt guidelines for maintaining current listings of exactly who has been assigned property of that agency or university. The following hand receipt is used by the Office of the State Auditor. This is used when an item(s) is assigned to an employee. A full description of the item, serial number and inventory number should be listed. The assignment must be dated and signed by the employee receiving the property. It is also advised that these forms be updated yearly.

# HAND RECEIPT

TO: \_\_\_\_\_

FROM: State Department of Audit

DATE: \_\_\_\_\_

This is to certify that I have the equipment listed below and am using it to complete official department business.

<u>Description of Equipment</u>	<u>Serial Number</u>	<u>Inventory Number</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

\_\_\_\_\_  
(Employee's Signature)

## CHAPTER V – CODES

### Use Code Schedule A

This code will designate the use being made of equipment, furniture, buildings, etc. In most instances, it is not necessary that the use code be synonymous with the major classification codes. The use code may be synonymous with the location code, a local code devised by local reporting divisions. For example, beds located in dormitory #1, would have *Use Code A, Dormitories*. A bed located in a hospital would have *Use Code M, Medical*. A desk located in the Chancellor's or President's office at a university or college, would have *Use Code I, Administrative*. A desk used in the classroom would have *Use Code C, Instruction*.

### CODE

1	Administrative
2	Commercial and industrial
3	Conservation – applicable and for use by Department of Wildlife Conservation, Department of Natural Resources, Forestry Commission, Agriculture Department, Extension Service, etc.
5	Construction and repair of buildings and all component parts, plumbing and heating systems, air conditioning systems, elevators, driveways, sidewalks, etc.
7	Construction and repair, highways, roads, etc.
8	Domestic – for use in homes or living quarters furnished by the State to state officials; employees and/or officials and employees of state institutions
A	Dormitories – barracks at educational and/or correctional institutions
B	Food services – mess halls, cafeterias, kitchens
C	Instruction – classrooms
E	Experiment station
F	Farms – agriculture
H	Law enforcement and correctional institutions
I	Industrial promotion, public relations and advertising
L	Laboratories
M	Medical – hospitals, mental institutions, clinics, board of health
N	Other – (includes ecclesiastical equipment and accessories)
P	Recreational and amusement
R	Research
S	Storage

## Codes for Acquisitions & Upgrades

<u>Code</u>	<u>Explanation</u>
AA – Own Funds	Purchased with own funds. Includes anything purchased by a county and reimbursed by agency.
AB – Bureau of Buildings	Acquired through Bureau of Buildings
AC – Federal Funds	Purchased with federal funds
AD – Federal & State Funds	Purchased with federal and state funds
AE – Correction of Error (increase)	Make correction to amounts reported or asset class. Choose “Upgrade” as Transaction Type. Requires explanation in Description field.
AF – Donated	Includes items with origin or acquisition method unknown. Includes items received from universities & other governments (cities, counties, school districts, waterway districts, junior colleges, federal government, etc.). Report at fair market value (FMV).
AG – Transfer from State Agency	Transfer from another state agency (not university or other government). Put transferring agency in Description field.
AH – Agency Completed Construction (not BOB)	Reclass from an agency’s own construction-in-progress (CIP reported on GAAP GFA schedule).
AI – Foundation funds	Acquired with funds from a foundation.
AJ – Surplus Property	Received from Surplus Property. Report at FMV.
AK – Confiscated	Confiscated or seized. Report at FMV.
AL – Lease Purchase	Acquired through lease purchase. Report asset at inception of lease (when asset is received).
AM – Moved from another asset	Add a piece to an asset that was removed from another asset; ex; a dump bed moved from one truck to another. Choose “Upgrade” as Transaction Type.
AN – Acq by trading, no payment	Equal trade. No money involved.
AO – Acq by trading, with payment	New asset = trade-in credit received + money paid. In Description field record amounts for trade-in credit and money paid.
AP – Lease Paid Off	Change AL to this when lease is paid off.
AQ – Shop-Made Equipment	Shop-made equipment. Not in agency’s construction-in-progress (CIP reported on the GAAP GFA schedule).

## Codes for Disposals & Decreases

<u>Code</u>	<u>Explanation</u>
DA – Sold	Disposal or decrease with consideration received. Report amount received in “Proceeds” field.
DB – Salvaged	Disposal with no consideration received.
DC – Lost or Stolen	Lost or stolen.
DD – Totaled –Insurance Settlement	Totaled & received/will receive insurance settlement. Report insurance settlement amount in “Proceeds” field.
DE – Correction of Error (decrease)	Make correction to amounts reported or asset class. Choose “Decrease” as Transaction Type. Requires explanation in Description field.
DF – Agency Auction	Sold through agency auction. Show amount received for asset in “Proceeds” field.
DG – Transfer to State Agency	Transfer to another state agency (not university or other government). Put receiving agency in Description field.
DH – Transfer to Other Government	Transfer to cities, counties, school districts, waterway districts, junior colleges, federal government, etc.
DI – Transfer to University	Transfer to universities.
DJ – Transfer to Surplus Property	Transfer to Surplus Property.
DK – Traded	Removal of asset traded in. Must have corresponding addition with code AN or AO.
DL – Service Utility (BFR Approved)	Decrease or disposal when BFR determines that there is a reportable impairment.
DM – Moved to another asset	Remove a piece from an asset that is being added to another asset; ex: a dump bed moved from one truck to another. Choose “Decrease” as Transaction Type.
DN – Equipment < \$1000	Deletions of items under \$1000, excluding the exception items.

## **Codes for Computer/Telecommunication Equipment Disposals & Decreases**

– same explanation as above.

### Code

CA – Computer/Telecomm Sold  
CB – Computer/Telecomm Salvaged  
CC – Computer/Telecomm Lost or Stolen  
CD – Computer/Telecomm Totaled –Insurance Settlement  
CE – Computer/Telecomm Correction of Error (decrease)  
CF – Computer/Telecomm Agency Auction  
CG – Computer/Telecomm Transfer to State Agency  
CH – Computer/Telecomm Transfer to Other Government  
CI – Computer/Telecomm Transfer to University  
CJ – Computer/Telecomm Transfer to Surplus Property  
CK – Computer/Telecomm Traded  
CL – Computer/Telecomm Service Utility (BFR Approved)  
CM – Computer/Telecomm Moved to another asset  
CN – Computer/Telecomm Equipment < \$1000

## **Codes for Vehicle Equipment Disposals & Decreases**

– same explanation as above unless otherwise noted.

### Code

### Explanation

VA – Vehicle Sold	Disposal or decrease with consideration received. Includes disposal by sealed bid or quote. Report amount received in “Proceeds” field.
VC – Vehicle Lost or Stolen	
VD – Vehicle Totaled –Insurance Settlement	
VE – Vehicle Correction of Error (decrease)	
VF – Vehicle Agency Auction	
VG – Vehicle Transfer to State Agency	
VH – Vehicle Transfer to Other Government	
VI – Vehicle Transfer to University	
VJ – Vehicle Transfer to Surplus Property	
VK – Vehicle Traded	
VL – Vehicle Service Utility (BFR Approved)	
VM – Vehicle Moved to another asset	
VO – Vehicle State Auction	Sold through State Auction. Show amount received for asset in “Proceeds” Field.



**Land improvements** become an integral part of the land, or are attached to the land, and are necessary to ready the land for its intended use. They are treated as a separate asset class from land because they are not permanent but deteriorate with use or the passage of time. Land improvements include ancillary assets incurred as a result of increasing the level of service of an existing capital asset land (ie roads in a park). Land improvements include athletic fields, bleachers, sidewalks, fencing, fountains, gates, gazebos, golf courses, landscaping, parking barriers, parking lots, paths pavilions, retaining walls, roads within a park, septic tanks, swimming pools, tennis courts, wells, and yard lighting.

**Infrastructure assets** are long-lived assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Infrastructure assets include bridges, boardwalks/docks, culverts, curbs, dams, drainage ditches/systems, electric distribution systems, fiber optic cabling systems, fire hydrants, gas distribution systems, guard rails, irrigation systems, piers, rail systems, roads sanitary sewer piping, sea walls/bulkheads, storm sewer piping, street lighting, street signage, streets, traffic signal systems, trestles, tunnels, water distribution piping including water tanks.

Note: These lists are not all-inclusive. Agencies will have to use their own judgment for other items.

## Category Code Schedule

<u>Category Code</u>	<u>Capital Asset</u>	<u>Useful Life</u>	<u>Salvage Value</u>	<u>Description</u>
CE	Computer Equipment	3 Yrs	1%	Computers and their peripheral equipment
F5	Furniture & Equipment	5 Yrs	1%	Desks, tables, chairs, mobile or portable radios, athletic equipment, medical equipment, janitorial equipment, etc.
F10	Furniture & Equipment	10 Yrs	1%	
F15	Furniture & Equipment	15 Yrs	1%	
CTL	Cars & Trucks – low use	5 Yrs	10%	Infrequent use/low mileage
CTH	Cars & Trucks – high use	3 Yrs	10%	Frequent use/high mileage
OT	Other transportations	10 Yrs	10%	Aircraft, boats, buses, etc.
H5	Heavy/Outdoor Equipment	5 Yrs	5%	Backhoes, dozers, tractors, front-end loaders, playground equipment, radio towers, lawn equipment
H10	Heavy/Outdoor Equipment	10 Yrs	5%	
H15	Heavy/Outdoor Equipment	15 Yrs	5%	
LI	Land Improvements	20 Yrs	20%	Permanent non-detachable improvements that add value to land, such as fencing, landscaping, septic systems, fountains, retaining walls, yard lighting, etc.
I	Infrastructure	Varies	Varies	Long-lived capital assets, normally stationary in nature, such as roads, bridges, piers, fiber optic cabling, curbs, fire hydrants, water distribution systems, etc.
B	Buildings	40 Yrs	20%	Includes improvements to buildings that extends the useful life of and/or adds value to the building
L	Land			All land is capitalized regardless of cost