



# State of Arizona Accounting Manual

Topic 25 Long-lived Resources  
Section 61 Disposals of Fixed Assets

Issued 07/01/15  
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## INTRODUCTION

An element of an agency's responsibility in discharging its fiduciary duty to safeguard fixed assets, including capital assets, stewardship resources and IT resources. That responsibility extends to the proper disposal of fixed assets, as outlined below.

This section of SAAM deals with the disposal of long-lived resources in the normal course of business. SAAM 2560 addresses the proper handling of lost, stolen or destroyed long-lived resources.

## POLICY & PROCEDURES

1. Except as otherwise provided by law, the SPMO is responsible for the disposal of all excess and surplus property, including capital assets, IT resources and stewardship resources, as set forth in A.A.C. R2-15-303.
2. Detailed procedures for the disposal of excess and surplus property are contained in the SPRM at <https://doa.az.gov/state-surplus-property-reference-manual>.
3. After approval or acknowledgement regarding the disposal of a capital asset, IT resource or stewardship resource has been received from SPMO and the disposal of the capital asset, IT resource or stewardship resource has been accomplished, the agency should record the capital asset, IT resource or stewardship resource as disposed of on any internal listing and on FAM within five (5) days of the date of disposal.
4. As prescribed by the SPMO, agencies are to use the Form SP101 to report disposals. Agencies should use separate Forms SP101 to report the disposal of capital assets, IT resources and stewardship resources. In the case of capital assets, the GAO will approve the disposal; in the case of stewardship resources and IT resources, the GAO will merely acknowledge the disposal.
5. The fixed asset may be removed from FAM after receiving an approved Form SP101.
  - 5.1. Record the SPMO Authority No. from the SP-101 in the authority field of FAM.
6. Detailed instructions for removing an asset from FAM can be found in the *Assets Management Training Guide*.

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7. Questions concerning the disposal of capital assets, IT resources and stewardship resources should be directed to the GAO at [cafr@azdoa.gov](mailto:cafr@azdoa.gov).