ADOA – General Accounting Office

QUICK REFERENCE GUIDE:
DISPOSING OF A FIXED ASSET
DISPOSING OF A FIXED ASSET

Overview
The Fixed Asset disposal (FD) document is used to dispose of all fixed assets, including stewardship resources (memo assets), and the disposition method and disposition code indicate how the asset is disposed.

This QRG provides specific additional guidance for the creation of the FD document. Lost, stolen, and destroyed fixed assets require the additional review and approval of the General Accounting Office (GAO) before the approval by the Surplus Property Management Office (SPMO).

First, the agency initiates the fixed asset disposal process using the Surplus Property Management Office’s (SPMO) on-line Quickbase System by submitting the Surplus Request at: https://azsurplus.quickbase.com/db/bp5225i9k?a=nwr

Attach required supporting documentation to the Request. For detailed instructions about How to Create a Request, go to https://doa.az.gov/sites/default/files/Surplus-Property-Removal-Request-Form-Instructions.pdf

Once submitted, a request number is automatically assigned by the Quickbase system in the FY-XXXX format and the status assigned is “Pending Admin Approval.” The SPMO reviews and verifies the request for required documentation and if needed, forwards a copy of the request and supporting documentation by email to the General Accounting Office (GAO) for approval. The GAO reviews the request and supporting documentation and if approved, returns the signed Surplus Request form and supporting documentation to the SPMO. SPMO will attach the GAO’s approval, and change the Request status to “Complete” in their on-line system, which will notify the requesting agency of the status change. Refer to SAAM Topic 25 for additional information.
Creating a Fixed Asset (FD) Document

Follow the steps below to create a fixed asset disposal (FD) document. The FD document should not be submitted until after approval has been received back from SPMO and attached to the FD document.

Note: Requests with a disposal status of “On-site destruction” are approved at the SPMO level and are not required to be reviewed by the GAO prior to being entered into AFIS under the “WO” disposition method and “Destroyed” disposition code.

Log into AFIS. Navigate to the Document Catalog steps below:

Navigate to the Document
1. In the Code field, enter FD. Click Create
2. In the Dept. field, enter your department code
3. Click Auto Number checkbox to generate a unique ID or enter your own unique document number
4. Click Create. A new document is generated
Complete the Header section

At minimum on the **Header** component, enter the following information:

- Fixed Asset Number that you are disposing
- Document description

Click the **Auto Apply** button. This will infer the current AFIS asset information automatically including:

- Fixed Asset Description
- Document Total
- Event Type **FA04**

Click the **Responsibility Center** tab

- Verify the Department and Unit inferred
At a minimum, enter the following on the Disposition Information tab:

- Disposition Date
- Disposition Method
- Disposition Code (if applicable)
- Disposition Authority/the SPMO assigned Surplus Property Request number (e.g. 21-1234 or FY-####)

Note: the highlighted areas are required fields.
Choosing Disposal Methods & Disposal Codes

Click the Picklist icon to select the Disposition Method, or type the code from the table list below:

<table>
<thead>
<tr>
<th>Disposition Method</th>
<th>Disposition Method Short Name</th>
<th>Use of Disposition Codes</th>
</tr>
</thead>
<tbody>
<tr>
<td>AC</td>
<td>Vehicle Accident</td>
<td>Optional</td>
</tr>
<tr>
<td>FRFL</td>
<td>Fire or Flood</td>
<td>Optional</td>
</tr>
<tr>
<td>LOST</td>
<td>Lost</td>
<td>Optional</td>
</tr>
<tr>
<td>SOLD</td>
<td>Sold</td>
<td>Optional</td>
</tr>
<tr>
<td>THEF</td>
<td>Theft/Vandalism</td>
<td>Optional</td>
</tr>
<tr>
<td>TRAD</td>
<td>Traded</td>
<td>Optional</td>
</tr>
<tr>
<td>TRAN</td>
<td>Transferred</td>
<td>Optional</td>
</tr>
<tr>
<td>WO</td>
<td>Written Off/Worn</td>
<td>Required</td>
</tr>
</tbody>
</table>

Disposition methods may be found in AFIS on the Fixed Asset Disposition Method (FADM) table.

Typical Uses:

<table>
<thead>
<tr>
<th>Disposition Method</th>
<th>Used when:</th>
</tr>
</thead>
<tbody>
<tr>
<td>AC</td>
<td>A vehicle accident or other loss claim is processed through Risk Management</td>
</tr>
<tr>
<td>SOLD</td>
<td>The asset is going to State Surplus Property Management Office (SPMO) or auction</td>
</tr>
<tr>
<td>TRAD</td>
<td>An asset is being returned to a vendor or traded in</td>
</tr>
<tr>
<td>TRAN</td>
<td>Recording an asset transfer to another State agency (does not include SPMO)</td>
</tr>
</tbody>
</table>
Disposition Codes:

Select the Disposition Code from the dropdown menu.

Note: If the disposition date is prior to the last depreciation calculation, negative depreciation can occur. When FD documents are submitted with negative depreciation regardless of the Disposition Method, they will route to GAO FA Approver. Additionally, documents without Disposition Authority in the header and documents with a Disposition Method of ACCD, FRFL, LOST, THEF, and WO will route to GAO FA Approver.

Complete the Component Section

Click on Component Classification tab, for each component:

- Verify the inferred information

Click on the Cost, Valuation & Depreciation Tab:

- Verify the inferred information

Click on the Disposition Details tab

- At minimum enter the Disposition Date (if it is not entered on the header)
Note: This should be prepopulated if you entered the disposition date on the header. This should just be a confirmation.

Note: Modifying the disposition date after validating the document can result in incorrect calculations for depreciation and gain/loss. If the date is changed, make sure the calculations are correct or discard the document and start over.

Prior to submitting the FD document, attach backup documentation (e.g. Completed Surplus Request, vehicle titles, internal communications and approvals, corrective action plans, etc.).

1. Click on File and select Attachments
2. Select Upload
3. Select Browse and select the file
4. Click Upload
5. Click Return to Document
6. Validate FD Document

Confirm that the document validated successfully in the upper left-hand corner. If it did not, please see your accounting supervisor. The document will be processed through workflow.

*Note: Documents submitted to GAO workflow without attached approved supporting documentation will be rejected.*