Resolution # 9

WHEREAS, the fixed assets of Sangamon County include property items such as office and computer equipment, software, vehicles, construction and maintenance equipment, land, land improvements, buildings, building improvements, roads, bridges, and other tangible and intangible items with a value of $500 or more and a useful life of greater than on year; and

WHEREAS, the purchase cost or recognized value of fixed assets currently recorded in Sangamon County's fixed asset ledger exceeds $200,000,000; and

WHEREAS, Chapter 3.24 of the County Code requires the Auditor's Office to develop and maintain policies and procedures to ensure County fixed assets are properly recorded, reported, and safeguarded; and

WHEREAS, the previous fixed asset policy approved by County Board on April 9th, 2019 is being amended to include language specific to the process of Sangamon County departments accepting fixed assets as donations; and

NOW, THEREFORE, BE IT RESOLVED this 9th day of June, 2026, that the Board of Sangamon County approves the attached policy and procedure for the control and management of the County's fixed assets.

Approved by Finance Committee: _____ May 26, 2026

Chairman Date

ATTEST:

_____ _____

County Clerk Chairman, Sangamon County Board

FILED

MAY 27 2026

Sangamon County Clerk

RECEIVED

2660

MAY 18 2026

Andy Goleman

SANGAMON COUNTY AUDITOR

Policy – Management and Control of Fixed Assets

Background and Purpose -

The fixed assets of Sangamon County consist of property items such as office and computer equipment, software, vehicles, construction/maintenance equipment, right of ways, easements, land, land improvements, buildings and building improvements, infrastructure improvements, such as roads, bridges and culverts, and other tangible and intangible assets with a cost or value greater than $500 and a useful life greater than one year that are used in County operations. As of 2018, the total purchase cost of fixed assets recorded in the County's property control records exceeded $200,000,000. Thus, it is essential that the County establish a system of internal control to ensure that its fixed assets are properly recorded, safeguarded and reported in the County's annual audits.

The purpose of this policy is to summarize the assignment of organizational responsibilities within the County which have been established to coordinate the County's oversight and management of fixed assets and to detail the property control procedures which have been established to ensure that the County's fixed assets are adequately safeguarded and accurately reported. This policy is being promulgated in accordance with the provisions of Section 3.24.010 of the County Code. All elected offices, departments, and component units for which the County is financially accountable shall comply with the requirements set forth in this policy. Exceptions to this policy must be approved by the Finance Committee.

This policy becomes effective June 9th, 2026, and replaces the "Sangamon County Fixed and Capital Asset Policy" approved by the Finance Committee on December 15, 2018 and the "Sangamon County Surplus Property Disposition Policy" approved on August 12, 1997. This policy does not change the requirements set forth in the "Sangamon County Capitalization and Useful Life Policy" which was approved by the Finance Committee on January 10, 2017, and which remains in effect until revised by the Finance Committee or County Board.

Definitions

1. **Cost –** The amount paid for a single item (or modular items acquired to be used as a single item). Cost includes, where applicable, freight, shipping, handling, setup, etc.
2. **Capital Asset** – Any single item (or modular items acquired to be used as a single item) with an expected life span of one year or more and a value or cost exceeding the capitalization threshold established by the County's Capitalization and Useful Life Policy. The capitalization threshold for an asset varies depending on asset type. For example the capitalization threshold is $5,000 for property items such as office and computer equipment vehicles and software, while the threshold is $150,000 for road and bridge projects. Capital assets are depreciated and reported in the County's annual audited financial statements.

3. **Date Received –** The date that Sangamon County physically took control of an asset. For buildings and building improvements, the date received is the completion date of project construction. For most bridge and road projects, the date a project is placed into service is used as the date received due to procedures used by the Illinois Department of Transportation to issue final completion notices.
4. **Donations –** Any item(s) that is/are donated to, or received by the County, at no charge, from an outside entity. Donated items with an estimated value of $500 or more and an expected life span of one year or more, as determined by the Auditor's office, must be reported to the Auditor's Office and recorded in the County's fixed asset system. Donated items shall only be accepted with the written approval of the applicable receiving departments oversight committee, or County Administrator; provided donations meet criteria found in the departments' and offices' responsibilities section of this policy.
5. **Designated Property Control Liaison –** The person designated by a department head or elected official who is responsible for submitting required fixed asset documents to the Auditor's Office and for coordinating the performance of required physical inventories of assigned fixed assets.
6. **Depreciable Value –** The historical cost of an asset less its estimated salvage value.
7. **Fixed Asset –** Any single item, or modular items acquired to be used as a single item, with a value or cost of $500 or more and an estimate life span of one or more years.
8. **Fixed Asset Control Form** - The form that must be completed by all departments and offices submitted to the Auditor's Office to report the purchase, transfer or disposal of all fixed assets. A copy of the current fixed asset control form shall be posted on the Auditor's page of the County's intranet.
9. **Fixed Asset Numbe**r/**Tag** – A unique number assigned by the Auditor's Office to an asset when it is recorded in the County's fixed asset system. Fixed asset numbers are printed on asset tags which are affixed, if possible, to the corresponding asset items to facilitate the oversight and control of County owned property.
10. **In-Kind Contribution –** An asset received as part of a grant or contract in lieu of a cash payment. In-kind contributions must be added to the fixed asset system based on their estimated value and must be recorded as a revenue and expense in the County's accounting records.
11. **Life Span** – The estimated useful life of an asset item under normal conditions. The life span of an asset is recorded in the County's capital asset schedules and is used in calculating an asset's depreciation. Guidelines for establishing an asset's useful life are detailed in the County's "Capitalization and Useful Life Policy".
12. **Surplus Property –** County owned property which is vacant, obsolete, broken, or unused which has no foreseeable use by the County department to which it is assigned. Departments and offices must follow the procedures detailed in this policy to transfer or dispose of their surplus property items and to remove such items from their active inventory records.
13. **Value –** The estimated cost of a donated asset or an asset received as an in-kind contribution as part of a grant or contract with another entity.

Policy Requirements

1. **Responsibilities – County Auditor's Office**
   a. The County Auditor's Office is responsible for establishing and maintaining a system of accounting for the County's fixed assets that provides a record of all assets assigned to the County's various offices and departments. The fixed asset system shall include the following key information regarding each asset item recorded into the system:
      - Description (including make, model, and serial number, if available;
      - Vendor
      - Acquisition Date
      - Acquisition Cost/Value
      - Fixed Asset Number
      - Funding Source of Acquisition
      - Acquisition Method (purchased, donated, acquired via grant, in-kind contribution, etc.)
      - Life Span
      - Disposal Date
      - Type of Disposal (e.g., Sold, Trade-In, Donated, Discarded, Cannibalized, etc.)
      - Trade-In/Sold Value Received
      - Receiving Entity
      - Other Information Required by Federal/State Grant Mandates.

   b. Using information provided by departments and offices, the Auditor's Office shall assign a fixed asset number to each fixed asset and will provide departments and offices with fixed asset tags to affix to the appropriate assets.
   c. The Auditor's office will establish a value of any items acquired by donation or in-kind transaction.
   d. The Auditor's Office shall prepare the required capital asset reports for the County's annual financial statements. Such reports shall identify current year additions and deletions to the County's capital assets and shall show the accumulated depreciation for all capital assets.
   e. The Auditor's Office shall assist departments and offices in determining the appropriate disposal method for fixed assets that are deemed to be surplus or obsolete property. (See Section 4 of this policy for additional details.)
   f. Upon request, the Auditor's Office shall provide departments and offices with listings of their assigned assets.
   g. On a test basis, the Auditor's Office shall perform periodic audits of the assets assigned to departments and offices.
   h. While it is the responsibility of the Auditor's Office to maintain the information recorded in the fixed asset system, it is a joint responsibility of the Auditors Office and all departments and offices to ensure the accuracy of the information maintained in this system.

2. Responsibilities – Departments and Offices

a. It is the direct responsibility of the head of every department and office to establish property control procedures and other needed internal controls to ensure that the County assets assigned to the department/office are properly maintained and adequately safeguarded.

b. All departments and offices shall ensure that their purchases of fixed assets are processed in accordance with the County's Procurement Ordinance (Section 2.04.450 *et seq*. of the County Code) and with the procurement policies and procedures approved by the Finance Committee and posted on the Auditor's page of the intranet.

c. Department and offices are responsible for ensuring that the disposals of their assigned fixed assets are processed in accordance with the requirements set forth in Section 4 of this policy.

d. Departments and offices must promptly submit completed Fixed Asset Control forms to the Auditor's Office to report all asset additions, disposals and transfers. When an asset is being purchased, the completed Fixed Asset Control form must be included with the requisition batch seeking payment for the asset.

e. Assets being acquired via donation or in-kind transactions shall be submitted to the Auditor's office in the form of a Fixed Asset Control form and placed on the receiving departments oversight committee agenda for approval prior to accepting or taking possession of the item(s). If receiving an item by donation or in-kind transaction is deemed an emergency, the County Administrator can choose to approve the acceptance of the item(s). In the case of County Administrator emergency approval, acceptance of the donated item(s) must be reported to the receiving departments oversight committee as a report only, non-voting agenda item. Using the information on the submitted assets forms, the Auditor's Office will add the appropriate asset items to the fixed asset system and will assign each item a unique asset number. The Auditor's Office then will send the departments and offices fixed asset tags, which must be affixed to the appropriate asset whenever possible.

f. Assets which are acquired using grant funds provided by the Federal and State governments and from other entities typically must be acquired, managed and disposed of in accordance with specific grant requirements. It is the responsibility of departments and offices which manage grants awarded to the County to ensure compliance with such requirements. When grant funds are used to acquire an asset, this fact must be noted on the Fixed Asset Control form submitted to the Auditor's Office. The Auditor's Office then will identify the asset as a grant purchase in the County's fixed asset system.

g. In order to ensure that the County's fixed assets are properly safeguarded and that fixed asset records are accurate, all departments and offices must perform a complete inventory of their assigned assets at least once every two years. To facilitate such inventories, the Auditor's Office will provide departments and offices with current copies of their fixed asset listings upon request. At the completion of an inventory, departments and offices must provide a certification to the Auditor's Office confirming that an inventory has been completed and reporting any discrepancies that were found. Departments and offices must provide the Auditor's Office with written explanations for all property items determined to be missing during an inventory. Such explanations must be signed by the appropriate department head.

3. Fixed Asset Account Codes

a. To facilitate the identification of payments for the purchase of fixed assets, the Auditor's Office has developed a set of account codes which departments must use when preparing requisition batches. Specific account codes have been established to identify payments for capital assets and non-capital assets. The account code numbers and the definition for each fixed asset account are outlined below. When pre-auditing requisition batches, the Auditor's Office will review the accounts codes used for the payment of fixed assets to ensure that departments are using the proper codes and to confirm that fixed asset control forms have been submitted when required. Payment requests that have been coded to an incorrect account code will be returned to the appropriate department for correction.

b. Account Codes and Definitions

- 600.000 (Fixed asset $5,000 or more) – This account should be used when making payments for non-infrastructure assets such as office and computer equipment, construction equipment and buildings, with a per unit cost of $5,000 or more. Fixed assets charged to this account are capital assets.
- 600.100 (Capital Improvements $25,000 or more) – This account should be used when making payments for improvements to existing County buildings and such improvements have a total cost of $25,000 or more. IT cabling projects, the installation of new mechanical systems and roof replacements are examples of expenses that should be charged to this account code. Charges to this account are recorded as capital assets.
- 600.250 (Building Improvements less than $25,000) – This account code should be used when making payments for building improvements with a total cost less than $25,000. This account code may also be used to record other building repair and maintenance expenses which should not be capitalized.
- 601.000 (New equipment) – This account code should be used when making payments for equipment items with a cost of $500 to $4,999.99. Assets charged to this account are not capital assets but are recorded in the County's fixed asset system and assigned asset tags for internal control purposes.
- 601.500 (New Equipment less than $500) – This account code should be used when making payments for equipment items with a unit cost less than $500. Purchases charged to this account are not fixed assets and do not require the submission of a fixed asset control form.
- 601.025 (Software less than $5,000) Purchases of computer software, including software licenses, with a per unit cost between $500 and $4999.99 should be charged to this account. While the County does not own the software covered by a license to use, software licenses are considered intangible assets which should be recorded in the County's fixed asset system. The submission of fixed asset control forms is required for items charged to this account.

- 601.050 (software greater than $5,000) Purchases of computer software, including software licenses, with a per unit cost of $5,000 or more should be charged to this account. While the County does not own the software covered by a license to use, software licenses are considered intangible assets which must be recorded in the County's fixed asset system. Software purchases charged to this account code are capital assets that must be capitalized and reported in the County's annual reports on capital assets.
- 601.525 (Software less than $500) Purchases of computer software, including software licenses, with a per unit cost less than $500 should be charged to this account. Software and software licenses charged to this account are not fixed assets and the submission of fixed asset control forms for such purchases is not required.
- 603.000 (New Vehicles) Expenses for the purchase of automobiles, vans, trucks and other licensed vehicles should be charged to this account. Expenses charged to this account are recorded as capital assets.
- 605.000 (Site Improvements $25,000 or more) Site improvements include improvements to County owned land, such as the installation of fencing, sidewalks, bike trails, parking lots, drainage and landscaping. Expenses for site improvements with a total cost of $25,000 or more should be charged to this account code and require the submission of fixed asset control forms. Site improvements charged to account 605.000 are recorded as capital assets.
- 605.250 (Site Improvements less than $25,000) Expenses for site improvements with a total cost less than $25,000 should be charged to this account code.
- 526.000 (Road Construction greater than $150,000) Expenses for road construction expenses with a total cost of $150,000 or more should be charged to this account. Road construction projects with a total value of $150,000 or more are capital assets that must be recorded in the County's asset records and reported in annual capital asset schedules. Road construction projects often are active during more than one fiscal year. As a result, the Auditor's Office and Highway Department must monitor annual project expenses charged to account 526.000 and where appropriate, must record such expenses as "Construction-in-Progress" (CIP) in the County's annual fixed asset reports until project completion. Projects are deemed completed and project expenses are added to the fixed asset records when the project is placed into service.
- 526.001 (Bridge Construction greater than $150,000) Expenses for bridge construction expenses with a total cost of $150,000 or more should be charged to this account. Bridge construction projects with a total value of $150,000 or more are capital assets that must be recorded in the County's asset records and reported in annual capital asset schedules. CIP expenses are also recorded for bridge construction projects and such projects also are deemed completed and added to the asset records when placed into service.

- 526.002 (Engineering) Expenses for engineering work associated with road and bridge projects should be charged to this account. The Highway Department classifies engineering expenses as "pre-engineering" or "construction engineering". Expenses for pre-engineering work typically involve project planning activities and occur before a project is approved for construction. Thus, such expenses are not included in a project's construction costs and are not capitalized in the County's asset records. Expenses for construction engineering are included in a project's total costs which are recorded in the asset records and are capitalized. The Highway Department documents a project's expenses for pre-engineering and construction engineering in the County's project account system.
- 526.006 (Right of Way Land) Expenses for the purchase of Right of Way (ROW) land should be charged to this account code. ROW lands are recorded as a capital asset in the County's fixed asset records.
- 527.000 (Highway Maintenance) Expenses related to the maintenance of the County's roads and bridges and expenses for road and bridge projects with a total project cost less than $150,000 should be charged to this account code. The Highway maintenance projects are defined in the County's Capitalization and Useful Life Policy. Expenses charged to account code 527.000 are not capitalized and are not recorded in the County's fixed asset records.

c. Projects involving building and site improvements and road and bridge construction projects typically involve multiple payment transactions and may involve payments to multiple vendors. In order ensure that the total costs of such projects are accurately reported in the County's fixed asset records, departments and offices must use the County's project accounting system to document their expenditures for building and site improvement projects and road and bridge construction projects. Such expenditures also must be charged to the proper account codes.

4. Disposal of Surplus Property

a. Department heads and elected officials are responsible for managing their assigned fixed assets and for identifying surplus property items as soon as possible. Upon identifying property as surplus, departments and offices should contact the Auditor's Office who will confirm that such property is surplus and will provide guidance on how such items should be disposed.

b. Surplus property may be disposed of in one of the following ways:
    - Surplus property that is still useable and in good condition may be transferred to another County department. Departments should make an effort to determine if their surplus property items are needed by another County department or office before disposing of such items by other means.

- Surplus property items may be sold at auction. The County has a contract with a company to auction surplus vehicles and also is enrolled in two internet based programs that sell surplus government property via on-line auctions in a process similar to EBay. The staff of the County Board Office coordinates the County's use of these auction services. When surplus property items are sold, the proceeds of such sales should be deposited into the County fund used to originally purchase the property item. When the fund used to make a purchase cannot be determined, all sale proceeds must be deposited into the General Fund. Surplus property may not be given or sold directly to County employees. However, employees may purchase surplus property items sold via auctions.
- Surplus property may be used as a trade-in in the purchase of new property, such as vehicles.
- With proper approval, surplus property may be donated to another governmental unit, educational institutions and nonprofit organizations.
- Surplus property that cannot be sold via on-line auction and property that is broken or obsolete may be sold as scrap, or discarded. The Auditor's Office shall work with the Building and Grounds Department and the Information Systems Department to schedule periodic pickups of obsolete computer equipment and other surplus property. Departments should keep their surplus items in their offices until the scheduled pickup date. Surplus property should not be taken to the basement of the County building for disposal without proper approval. Departments are responsible for documenting the deposit of all funds received when property is sold as scrap.
- Surplus property may be cannibalized and used as parts for other equipment. Such action must be reported to the Auditor's Office.

c. The following approvals must be obtained prior to the disposal of surplus property.
    - Surplus property items with an original purchase cost or value less than $5,000 may be sold, traded in, cannibalized for parts, or discarded with the approval of the Auditor's Office.
    - The disposal of surplus property items with an original purchase cost or value of $5,000 or more must be approved by a department's oversight committee.
    - The disposal of real estate requires the approval of the County Board.
    - Surplus property may be donated to another governmental unit, educational institutions and nonprofit organizations with the approval of the County Board Chairman.
    - Prior approval is not required to transfer surplus property to other County departments. However, this action must be reported to the Auditor's Office so it can amend the fixed asset records to show the new location of the surplus item.
    - A fixed asset control form must be completed and submitted to the Auditor's Office within 15 days whenever a surplus property item is disposed or transferred

to another department. The approval to dispose of surplus property items must be documented on these fixed asset control forms. When property is sold, the fixed asset form must identify amount of the sale's proceeds on the asset control form.

5. Lost or Stolen Property

a. Department heads and elected officials are responsible for internal property controls to adequately safeguard against the loss of fixed asset property. Loss of a fixed asset refers to any misplaced, stolen or otherwise unable to be located fixed asset.

b. When a fixed asset is deemed lost, the Auditor's Office should be notified immediately and the following steps should be taken:

- The department head will compose a memo stating the missing asset description, date of purchase, purchase price or value, and explanation of how the asset was lost. This will be sent to the Auditor's Office, the County Administrator, and be presented as an agenda item at their next oversight committee meeting.
- If the missing fixed asset was assigned to an employee via the Tyler fixed asset system, that employee will compose a memo stating how the asset was lost. This will be filed in their permanent HR master file.
- A fixed asset disposal form should be filled out and sent to the Auditor's Office indicating that the item is not able to be located. This form, along with all written memos will be attached to the permanent document record of the fixed asset file when the disposal process is completed in the system by the Auditor's Office.