

Office of the Mayor  
Tulsa, Oklahoma

Executive Order No. 2003-06  
June 30, 2003

ADMINISTRATIVE DIRECTIVE FOR MAINTAINING CONTROL,  
SAFEGUARDING FROM LOSS AND REPORTING OF CITY OWNED PROPERTY

By virtue of the power vested in me as Mayor of the City of Tulsa, it is hereby ordered:

Section 1. **PURPOSE.**

- 1.1 To insure Major Capital Assets of the City are properly accounted for and safeguarded from loss.
- 1.2 To insure Non Major Capital Assets and Selected Capital Assets are properly safeguarded from loss.
- 1.3 To establish responsibilities and reporting policies for control of City property.
- 1.4 To insure compliance with Government Finance Officers Association (GFOA) recommended practices pertaining to capital assets.
- 1.5 To insure compliance with Federal, State and local laws regarding capital asset financial records.
- 1.6 To maintain the existing definitions of capital assets for budgetary purposes.

Section 2. **ORGANIZATION AFFECTED.**

The City of Tulsa and its Trusts and Authorities (the "City") for which the City maintains the accounting records.

Section 3. **DEFINITIONS.**

- 3.1 **MAJOR CAPITAL ASSETS** – Tangible property that is long-term in nature and used in the operations of the City. To be so classified, Major Capital Assets must possess the following four characteristics:
  - A. Land, buildings, improvements other than buildings, equipment or livestock, and
  - B. A useful life of more than one year, and

- C. A significant value of \$5,000 or more as recommended by the Governmental Finance Officers Association's Recommended Practices Guide and
- D. Not consumable.

3.2 **NON-MAJOR CAPITAL ASSETS:** – Tangible property that is long-term in nature and used in the operations of the City. To be so classified, Non Major Capital Assets must possess the following five characteristics:

- A. Land, buildings, improvements other than buildings, equipment or livestock, and
- B. A useful life of more than one year, and
- C. A value of \$1,000 to \$4,999.
- D. Not consumable.
- E. Does not include radios and personal computers

3.3 **SELECTED CAPITAL ASSETS:** Defined as radios and personal computers. These assets have a value of \$1,000 to \$4,999.

3.4 **CAPITAL ASSET NUMBER:** A distinct identification number assigned to each Major Capital Asset.

3.5 **DEPARTMENT PROPERTY COORDINATOR (DPC):** An employee that is appointed by each Department Director to administer all functions related to management and control of departmental property.

3.6 **ADDITIONS AND IMPROVEMENTS:** Additions to existing Major Capital Assets that materially increase either the utility, capacity or the remaining life of the original asset should be capitalized provided that the capitalization criteria is met. Depending on the degree of integration or separation, the cost of the addition may be added to the original asset or assigned a new property number.

3.7 **REPAIR AND MAINTENANCE:** Repair, maintenance and modification costs of a Major Capital Asset that does not materially increase the utility, capacity or useful life of the original capital asset will be charged to expense as repairs and maintenance, whether purchased concurrent with or subsequent to the original capital asset.

#### Section 4. **RESPONSIBILITIES**

4.1 The Director of Finance shall be responsible for:

- 4.1.1 Insuring all Major Capital Assets purchased or received as donations are properly recorded in the City's capital asset management system.
- 4.1.2. Publishing a Capital Asset Policies and Procedures Manual including procedures for Major Capital Asset additions, transfers, dispositions and annual inventory processes.

4.2 Department Directors shall be responsible for:

- 4.2.1 Appointing at least one employee as "Department Property Coordinator" (DPC). A DPC shall be an employee with an EX, AT, or equivalent pay designator. The Department Director is responsible for notifying the Director of Finance of the identity of the DPC, as well as subsequent changes of the DPC.
- 4.2.2 Dedicating sufficient resources to the effective implementation of this executive order.
- 4.2.3 Instructing department employees of the role and responsibilities of the DPC.
- 4.2.4 Instructing department employees in the proper of use and care of City-owned property and the consequences of failure in the proper use and care for City-owned property.
- 4.2.5 Assuring capital assets purchased with grant funds are acquired, maintained and disposed of in accordance with the grant agreements and federal and state regulations.
- 4.2.6 Establishing and maintaining adequate internal controls and physical security for departmental property. **The Finance Department will assist the DPC in tagging and inventorying Major and Selected Capital Assets.**
- 4.2.7 Electing whether or not the department will inventory and track Non-Major Capital Assets.
- 4.2.8 If a department elects to inventory Non-Major Capital Assets, then the department must have a capital asset system, which has been approved by the City Controller.

- 4.3 Department Property Coordinators shall be responsible for all functions related to management and control of departmental property including but not limited to:
- 4.3.1 Conducting an inventory, at least annually, of departmental Major Capital Assets, and Selected Capital Assets and reporting variances to the Department Director and the Director of Finance. If applicable, conducting an inventory of Non-major capital assets at least annually and reporting variances to the Department Head.
  - 4.3.2 Insuring that a capital asset number tag is affixed to each Major Capital Asset, Selected Capital Assets, or Non-major Capital Asset, if applicable and arranging for immediate replacement of any lost capital asset number tags.
  - 4.3.3 Notifying the Director of Finance of the date a construction project is placed in service for all Major Capital Assets.
  - 4.3.4 Provide the Finance Department with information as required for Major-Capital Assets and Selected Capital Assets for current budget replacement as well as for long-range equipment planning.
  - 4.3.5 Notify the Finance Department on the disposition of all Major and Selected Capital Assets.
- 4.4 The City Purchasing Agent shall sell by auction, by an alternative competitive procedure established by the Mayor, or by an exchange or trade for new capital assets, those tangible assets which become unsuitable for public use. Any disposal of capital assets shall comply with Title 6, Chapter 4 of the Tulsa Revised Ordinances,
- 4.5 When applicable, the Director of Finance or his designee shall review the Major Capital Asset records provided by the DPC for completeness, accuracy and compliance with written procedures, as set forth in Section 4.1.2 of this Executive Order.

Section 5. **EFFECTIVE DATE**

This order shall take effect as of the June 30, 2003 and supersedes Executive Order 92-17.



*Biff LaFortune*  
Biff LaFortune  
MAYOR      JUN 26 2003

ATTEST:

*Michael P. Gw*  
City Clerk      JUN 26 2003

APPROVED:

*Ellen Hinchee*  
Asst. City Attorney