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# OSA'S PROPERTY DISPOSITION CHECKLIST

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## 1. TANGIBLE PERSONAL PROPERTY ON CAPITAL ASSET LIST:

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- Requires official "finding" to dispose of property by governing body or committee appointed by governing body to oversee property disposition. In this case a "finding" is the term used in the statute to indicate approval of the disposition. This is not an audit finding.
- Requires "notification" to Office of the State Auditor of the intent to dispose of property at least 30 days prior to actual property disposition.
- Notification **MUST** include a copy of the official finding (with the appropriate signatures and back up documentation) and the method of disposition. Per 13-6-1 NMSA 1978, the official finding must be "duly sworn and subscribed under oath by each member of the authority approving the action."
- Wait at least 30 days before actually disposing of asset
- A reply letter will be either mailed or emailed to your entity. Please keep this letter for your reference as this will be proof that your entity has properly notified OSA regarding the asset disposition.
- Update capital asset listing accordingly once property is disposed.
- NOTE:** Approval may be required from DFA, PED, HED or the State Board of Finance. Do not dispose of assets without necessary approvals as required by statute.
- NOTE:** It is **NO LONGER** necessary to provide the State Auditor with a written certification of erasure for magnetic media. This does not mean certifications are no longer required – it just means that it is no longer necessary to provide our office with a copy.
- NOTE:** Municipalities are not required to provide asset disposition notifications to OSA.

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## 2. REAL PROPERTY DISPOSITIONS:

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- Does **NOT** require notification to the Office of the State Auditor.
- TIP:** These types of dispositions often involve other statutes and oversight agencies. Plan ahead for longer approval times and potential need for advice from legal counsel.
- NOTE:** Approval may be required from DFA, PED, HED or the State Board of Finance. Do not dispose of assets without necessary approvals as required by statute.
- Update capital asset listing accordingly once property is disposed of.

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## 3. OTHER UNCOMMON PROPERTY DISPOSITIONS:

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- Retiring Police K-9 Dogs must receive approval from the Secretary of the Department of Public Safety pursuant to 13-6-1(L).
- Right of Way dispositions are real property dispositions and are treated as described in the Real Property Section (above).
- Turn-in-for-credit property dispositions are property dispositions and property procurements at the same time. These can be complex. Refer questions to your certified procurement officer and your entity's appropriate oversight analyst.
- Consult legal counsel when determining how to best dispose of hazardous materials following both property disposition and environmental laws.