

**Agency Name**  
**Transit Policies and Procedures**

<b>Subject</b>	Disposition
<b>Section</b>	Recordkeeping
<b>Effective Date</b>	
<b>Approved By</b>	
<b>Approval Date</b>	

**Purpose**

Establish and maintain a disposition system that complies with Federal, State, and local regulations.

**Definitions**

*Disposition:* Removal of an asset from the Agency's inventory.

**Procedure**

Develop a disposition system to track the disposal of Agency vehicles. The disposition system shall meet all Federal, State, and local reporting requirements and shall be maintained by the Transit Director.

Disposal of project vehicles occurs when a vehicle has reached its useful life expectancy or is no longer needed for its original intended purpose. Disposal may also be considered when documentation indicates that a vehicle is requiring excessive maintenance to remain operable. The useful life expectancy for vehicles is shown in the table below.

**ALDOT USEFUL LIFE TABLE**

<b>Type of Vehicle</b>	<b>Age</b>	<b>Mileage</b>
Mini Vans	4 years	100,000
Vans	4 years	100,000
Cutaway Buses	7 years	200,000
Full Size Transit Coaches (28+ Passengers)	10 years	300,000

Handicapped accessible vehicles scheduled for disposal require documentation indicating that other vehicles in the fleet or in the area are available to transport persons with disabilities.

The Agency must submit a letter to ALDOT requesting permission to dispose or transfer a vehicle. An approval letter must be received from ALDOT prior to the disposal or transfer. The disposal price of vehicles shall be based on the fair market value. ALDOT must be notified when a vehicle

This policy or procedure is intended to be used as an example. It should be customized to each transit agency. Review by a legal expert is recommended.

is sold or removed from active service. For vehicles not included in the Standard Blue Book, fair market value may be determined either by averaging three quotes from qualified sources or by applying straight-line depreciation. After disposal, the Federal share must be returned to ALDOT less \$100 which is allowed for advertising the disposal.

When an Agency requests to transfer a vehicle that was purchased with FTA funds, their written request must include a description of the vehicle and the reason for the transfer. Reasons to transfer a vehicle may include the coordination of several local services into one community-wide service or documentation that the vehicle no longer meets the needs of the provider's current system. The transfer request letter must include the model year, date purchased, general condition, current mileage reading, and complete vehicle identification number of the vehicle. ALDOT shall review the request and authorize or deny a transfer in writing to the requesting Agency.

### **Responsibilities**

The Transit Director is responsible for establishing and maintaining a disposition system.