



Spokane Area WORKFORCE DEVELOPMENT COUNCIL

808 W. Spokane Falls Blvd ♦ Room 606 ♦ City Hall ♦ Spokane, WA 99201-3302
(509) 625-6210 ♦ Fax (509) 625-6929 ♦ E-mail: admin@wdcspokane.com

Mark Mattke
Workforce Strategy and Planning Director

Property/Equipment Management

Workforce Investment Act Policies and Procedures

POLICY #: 201

Effective Date:

March 21, 2008

Revised:

May 21, 2008

BACKGROUND:

This policy describes requirements for the acquisition, management and inventory of property, other than real property. PL 105-220 Sec.184(a)(2)(A) requires each state, local workforce development area and service provider receiving funds under the Workforce Investment Act (WIA) of 1998, to comply with applicable uniform cost principles including appropriate circulars of the Office of Management and Budget (OMB).

This policy applies to capital assets, but not to real property, i.e. land and buildings. Furniture, fixtures, software, or other "equipment" not an integral part of a building and with a unit acquisition cost of \$5,000 or less, is not considered property, and is to be classified as equipment.

POLICY

Prior WDC approval is required for:

All purchases/leases of nonexpendable personal property. Non-expendable personal property means tangible personal property. The WDC will determine if purchase/lease is non-expendable property and/or useful life of property.

In requesting prior approval for property acquisitions, the appropriate attachment must be completed and submitted to the SAWDC for review at least fourteen (14) days before the proposed purchase. The subrecipient will be informed if higher level approval is required which could extend the approval period. Subrecipient shall further assure compliance with appropriate regulations governing procurement and property management standards.

Subrecipient is encouraged to submit approval requests with their RFPs at the beginning of the funding cycle, but may request WDC approval at other times during the program year when need arises. In all cases, purchase approval is contingent upon funds being available in the appropriate line item of the approved subrecipient agreement budget. It is important to note, however, that for items requiring prior WDC/higher authority approval, a signed budget agreement delineating proposed costs associated with the item does not fulfill the requirement for obtaining prior WDC/higher authority authorization to purchase/lease.

The task of maintaining accurate inventory records is to be specifically assigned to a staff person who can also assist in performing required physical inventories of all items assigned to the subrecipient. The name of this person is to be given to the WDC. A physical inventory will be conducted semi-annually (as part of the SAWDC monitoring and at time of closeout) with the results forwarded to the SAWDC and a record maintained at the subrecipient site for review during monitoring visits. The purpose of these physical inventories is to verify the existence, current utilization, and continued need for the property. Adequate maintenance procedures shall be implemented to keep the property in good condition.

Subrecipient must take necessary steps to report new property acquisitions to the SAWDC within five working days of acquisition (forms are attached below). Upon receipt of a written property description, the SAWDC will assign an inventory control number and issue labels which are to be affixed to the property.

WIA inventory includes all:

- A Capital assets/equipment and items with a purchase price of \$5,000 or more as defined in State Policy 3452 (SAWDC will determine if purchase/lease is non-expendable property and/or useful life of property),
- b. Small and attractive items as defined in state policy with a unit cost of \$300 or greater. All items falling into the above categories would be identified with both a numbered "WASHINGTON WIA" sticker and a self-destructing "WASHINGTON STATE" sticker (SAWDC is to determine if purchase/lease is non-expendable property and/or useful life of property).
- c. Keyboards, mice, and software purchased with a computer system need to be included in the description of the computer when requesting a WIA sticker. While the accessories will not require a WIA sticker the accessories must have a self-destructing Washington State sticker affixed.

WDC inventory includes:

Items not meeting requirements of WIA inventory. Some JTPA carry over items, and other items requiring identification and tracking controls (SAWDC is to determine if purchase/lease require identification and tracking controls). While these items may also be small and attractive, they are valued at under \$300 and will require only a self-destructing "WASHINGTON STATE" sticker.

A control system shall be in effect to ensure adequate safeguards to prevent loss, damage, or theft to the property. Any loss, damage, or theft of nonexpendable property shall be investigated and fully documented.

Any damaged, stolen or missing WDC/WIA property must be reported to the SAWDC within ten days of the occurrence. A police report must be made immediately and a copy of the report must also be sent to the SAWDC. Damaged or missing property losses incurred through subrecipient negligence must be paid for by the subrecipient from non-WIA funds at original or replacement cost, whichever is greater.

Subrecipient should notify the SAWDC of any property that is in non-working order or surplus to program operation needs. Disposal instructions will be provided in accordance with applicable local policies. The SAWDC will determine whether the surplus property will be traded in on the acquisition of replacement item(s), donated to other programs, destroyed, or placed in a periodic City of Spokane auction.

PROPERTY INSURANCE

Federal rules and regulations require the SAWDC to maintain an adequate control system to protect property purchased with federal funds from loss due to theft, damage or fire. Subrecipient must take the necessary steps to procure insurance to protect their property purchased with federal funds naming the SAWDC as the beneficiary. In determining the value of existing property, standard insurance procedures of valuation and depreciations should be used. As additional property is purchased, efforts should be made to include it on the policy. A policy document with all coverage details should be available for review.

ATTACHMENTS:

Attachment A – Request to Purchase/Lease
Attachment B – Request to Transfer
Attachment C – Request to Salvage
Attachment D – Request to Destroy
Attachment E – Request to Trade-In
Attachment F - Request to Remove – Not Destroy

REFERENCES

PL 105-220 Sec.184 (a) (2) (A)
20 CFR Part 652
29 CFR Part 95
29 CFR Part 97
OMB Circular A-21: Cost Principles for Education Institutions
OMB Circular A-87: Revised Cost Principles for State and Local Government and Indian Tribal Government
OMB Circular A-110, __.30 Property Standards
OMB Circular A-122: Cost Principles for Non-Profits
OMB Circular A-133: Audit of State and Local Government
OMB Circular A-133: Compliance Supplement
Federal Register Vol. 65, No. 124, Resource Sharing for Workforce Investment Act One-Stop Centers
Generally Accepted Accounting Procedures (GAAP)
Washington State Employment Security Department Policy and Procedures
Washington State Office of Financial Management Policy and Procedures

SUPERSEDES:

Policy Directive Number: B.1
Policy 201-01 April 2008

DIRECT INQUIRES TO:

(As referenced in SAWDC Staff Composition Policy #100)

Policy Manager
Spokane Area Workforce Development Council Administration
808 W. Spokane Falls Blvd.
City Hall, Room 606
Spokane, Washington 99201
Telephone: 509-625-6210
Fax: 509-625-6929