

# North Central Workforce Development Area

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## LOCAL DIRECTIVE

Directive #: 16-146

Date: 7/01/2016

TO: Staff and Service Providers

FROM: Dave Petersen, Executive Director

SUBJECT: Personal Property Management

SUPERCEEDS: Property Management Directives 09-88

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**Effective Date: July 1, 2016**

### Definition of equipment:

Non-consumable, personal property with a unit cost of \$5,000 or more and a useful life of one year or longer are subject to the requirements of this directive (Capital Asset).

This directive also applies to small equipment with a unit cost (including sales tax and ancillary costs) over **\$300** such as:

- Laptop and Notebook Computers
- Tablets and Smart Phones

### Of more than \$1,000 such as:

- Cameras and Photographic Projection Equipment
- Optical Devices, Binoculars, Telescopes, Infrared Viewers, and Rangefinders
- Desktop computers
- Television Sets, DVD Players, Blu-ray Players, and Video Cameras (home type)

NOTE: These items are listed in [Section 30.40.20](#) of OFM's State Administrative and Accounting Manual

Leased equipment is not subject to this directive.

**Agency inventory manager:** SkillSource and subrecipients must designate an inventory manager. SkillSource Network Administrators are designated as inventory managers at their respective locations.

**Acquisition:** Personal Property acquisitions in excess of \$10,000 are ordinarily authorized via annual budget approval. Personal property acquisitions, including capital expenditures over \$5,000 must also be approved by the Workforce Initiatives Division of the Employment Security Department. The Request for Approval Form must be submitted to Olympia for approval prior to purchase. Purchases must be made in accordance with Allowable Cost Policy 16-145, Procurement Directive 16-141 and Purchasing & Receiving Directive 01-21 (or subsequent revisions of same), giving issues such as compatibility with existing systems, proximity of technical support, and past experience with vendor at least equal consideration with cost savings.

**\*\*The OMB Uniform Guidance 2 CFR Part 200 and Washington State Policy No. 5260 Rev1 require prior approval from awarding agency prior to expending grant funds for capital assets. This approval is required for single items including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it useable for the purpose for which it is being acquired. This does not apply to an aggregate of multiple items. \*\***

**Use:** Equipment must be available for grant approved activities until such time as it is no longer functional.

**Depreciation Method used for capital assets:** Capital Assets charged directly to a grant, subgrant or contract at the time of acquisition is allocated to the grant(s) or contract(s) that the property or equipment benefits. A depreciation expense will be charged over the useful life of the asset. Refer to Washington State Policy No. 5407 for guidance on calculating depreciation and establishing useful life for capital assets. 2 CFR Part 200-436, *Depreciation* will apply.

**Inventory:** As equipment and capital assets are acquired, it will be tagged and entered into CMS Property Management database by the designated inventory manager. Required data fields include:

- Tag number – each property manager is in possession of a roll of tags
- Tag type – (WIA) meets requirements under WIA/WIOA, (Other) monitors and other equipment that do not meet the WIA/WIOA requirements (JTPA) met requirements under JTPA but not WIA/WIOA
- Serial #
- Description – include processor speed for CPU's
- Manufacturer
- Purchase date – delivery date or invoice date either will be sufficient
- Purchase price - include any ancillary cost to get it into operating condition. (i.e. sales tax, shipping)
- Location – physical address of facility
- Sub code – (SS) Wenatchee SkillSource, (SSML) Moses Lake SkillSource and (SSOLC) Othello SkillSource, Omak WorkSource equipment is all purchased, tagged, and maintained by ESD staff.
- Location – Room code
- Condition – new, good, fair, geriatric, damaged, unusable (accessed and updated each year as necessary)

- Inventory date – date last physically located by property manager (updated each year)
- Inventory staff – initials of individual performing inventory
- Disposition status – active, transferred (only use when sent outside of 5 county area ), lost, sold, surplus, stolen, recycled, parts
- Disposition date
- Comments – this field may be used for internal and tracking purposes

Inventory of WIOA Title I property is taken annually. At that time, each item listed as active is located and any changes to status, inventory date, inventory staff, location, condition, or user is noted in the CMS database. Network Administrators in Chelan/Douglas & Grant/Adams SkillSource facilities perform this inventory process and a staff member identified by each subcontractor for equipment charged to the contract. The Financial Director annually reconciles the new purchases listed in the CMS to the annual equipment expense. This process identifies any changes to previously reported equipment.

**Disposal:** Surplus computer equipment will be cataloged and sent to recycle. Other surplus personal property will be disposed in a reasonable manner including public auction or direct sale. All sale proceeds are treated as program income after deducting any costs of disposal. Equipment relocated outside of the five county workforce system governed by the North Central Workforce Development Council will be marked as transferred in the inventory system.

When suspected or known losses of inventories occur, property managers conduct a reasonable search for the missing equipment or property. If the missing items are not found, contact Laura Leavitt, SkillSource Financial Director at (509) 663-3091.

If the suspected or known losses occur due to fire, theft, or natural disaster contact the fire department and/or police department immediately. Property managers must send copies of the report to Laura Leavitt at P.O. Box 2360 Wenatchee, WA 98807.