

# Workforce Development Council of Seattle-King County

## Policy #04-2002

### ~ Property Management & Inventory Policy~

DRAFT  FINAL

Version: Original

Prior Version: N/A

Committee: FC

Category:  Internal  External

#### **BACKGROUND**

It is the policy of the Workforce Development Council of Seattle-King County that all service providers must conform to specific policies and procedures to ensure the management and inventory of all properties obtained through WIA funds, including property purchased with the Job Training Partnership Act (JTPA) funds transferred to WIA.

This written policy complies with WIA, Washington State Office of Financial Management (OFM) policy, and the Local Government Property Acquisition Policy.

#### **REFERENCES**

Public Law 105-200, 20 CFR Part 652, 29 CFR Part 95, 29 CFR Part 97, OMB Circular A-122, A-110, A-133, A-21, A-87, Federal Register Vol. 65, No. 124, GAAP, Washington State ESD Policy & Procedures, Washington State Office of Financial Management Policy & Procedures.

#### **DEFINITION**

Equipment is defined as tangible, nonexpendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit, including all costs related to the property's final intended use.

Service providers must establish their own property management inventory policy according to applicable Federal and State guidelines. This policy will be submitted to the WDC for review. All property purchased over \$5,000 requires special approval from the WDC and the Grantor.

It is required that service providers maintain property records that include:

1. All equipment purchases with a unit price over \$5,000 are capitalized as fixed assets and are depreciated using the straight-line method with their proper useful years.
2. Conduct a physical inventory every other fiscal year and reconcile the results including, existence, current use, and continued need. A copy of the property inventory is maintained on file and available for review by monitors as part of the regular fiscal monitoring process.
3. Ensure that all property purchased with Federal funds with an acquisition or depreciated value of \$5,000 or above will be identified with a WDC tag number.

4. Develop a control system to ensure safeguards to prevent loss, damage or theft. Any such activity must be investigated.
5. Maintenance procedures to keep property in good condition.
6. Adequate insurance coverage must be provided.

**Small and Attractive Items:**

Property with a unit cost (including sales tax and ancillary costs) of less than \$5,000 that is considered vulnerable to loss, thus, is subject to special property control. Software over \$1,000, cell phone, personal computer, printer, laptop/notebook, personal digital assistants, camera, camcorder, television, video-cassette recorder, scanner, copier, and fax machine are small and attractive assets that are required to be tagged and inventoried.

Equipment purchases with a unit price between \$300 and \$4,999 and considered as “small and attractive” will be labeled and tracked on the small and attractive inventory list that includes:

- A description (model number or other identification)
- The serial number and model number or other identification number
- Funding Source of property including grant or agreement number
- Whether a title rests with grantee or federal government
- An acquisition date and cost
- Percent of federal participation in the project for which equipment was purchased
- Location, use, condition, and date the information was reported
- The date of disposal and sale price

**ALL GRANTEES MUST MEET THE FOLLOWING STANDARDS:**

1. Make a physical property inventory, at least once every other fiscal year, and reconcile the results including, existence, current use, and continued need. A copy of the property inventory must be maintained on file and available for review by WDC monitors as part of the regular fiscal monitoring process.
2. Ensure that all property purchased with Federal funds with an acquisition or depreciated value of \$5,000 or above will be identified with a WDC tag number.
3. Develop a control system to ensure safeguards to prevent loss, damage or theft. Any such activity must be investigated.
4. Maintenance procedures to keep property in good condition.
5. Adequate insurance coverage must be provided.

**PROPERTY DISPOSITION**

1. Equipment will be disposed in accordance with applicable laws and procedures.
2. A written disposition request letter should be sent to the WDC for approval to dispose of property over \$5,000. The WDC may approve the disposition policy of the service provider or request the property be returned to the WDC. Property may be retained for other uses, provided that compensation is made to the WDC/Grantor.

3. Property with an acquisition cost under \$1,000 may be disposed under the service provider policy. If disposition is through sale, the proceeds of said sale will be treated as program income. Procedures will be used to gain highest possible return on sold items.
4. Records must be maintained for three years after disposal of property.