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**GENERAL POLICIES AND PROCEDURES  
PROPERTY MANAGEMENT**

**EFFECTIVE DATE: April 12, 2013**

**SUPERSEDES: Workforce Connections Policies and Procedures No. 2.5r#4 Date 02-13-2013**

**NUMBER: 2.5**

**AUTHORIZATION: Workforce Connections Executive Director**

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**BACKGROUND:**

Workforce Connections is the grant recipient of WIA Title I Funds, and as such is the title holder of all tangible and non-tangible personal property, equipment, materials and/or supplies procured with these funds by Workforce Connections and Workforce Connections' contractors and/or funded partners. State and Federal regulations require that Workforce Connections, as the titleholder, establish standards by which expendable and non-expendable property and/or equipment is utilized, maintained and (when deemed appropriate) disposed of.

**Compliance with this policy and procedure shall ensure that Workforce Connections real and personal property, including intangible property which was transferred from JTPA or acquired/procured under WIA by non-governmental sub-recipients, are in accordance with OMB Circular A-110 as codified by administrative regulations of the Department of Labor under 29 CFR Part 95 and Part 97**

**Reference: [Nevada State WIA compliance policy 3.11; 5.4; Workforce Connections policies 2.2; 3.9; 5.6, 29 CFR 95.30-37; 29 CFR 97.31-36].**

**I. PROPERTY CATEGORIES**

**For the purpose of determining the categories of various types of property, the following definitions are applicable:**

- A. Personal property:** Means property of any kind (such as equipment, furniture, materials or supplies) *except* real property that may be tangible and have a physical existence, or intangible and have no physical existence. Tangible property may be expendable or non-expendable.
  - 1. **Expendable personal property:** Means all tangible personal property other than non-expendable property.
  - 2. **Non-expendable personal property:** Means tangible personal property such as equipment and furniture with a useful life of more than one (1) year and/or still have a useful life and/or an acquisition unit cost of \$5,000.00 (five thousand dollars) or more.
  
- B. Real property:** Means land, including land improvements, structures and appurtenances (additions), and excludes moveable machinery and equipment.

## II. GENERAL PROVISIONS FOR PROPERTY MANAGEMENT

The general procedures for the overall management of Workforce Connections property are as follow:

- A. All non-expendable personal property procured under the Job Training Partnership Act (JTPA) that has been deemed by Workforce Connections to be usable and necessary (regardless of unity cost) has been transferred to Workforce Connections' WIA program.
- B. The maintenance of all personal property, including intangible property procured under WIA Title I shall be in compliance with Federal, State and local board regulations and policies.
- C. Workforce Connections shall assume the responsibility of insuring all personal property procured with federally awarded funds whose unit cost exceeds \$5,000.00 (five thousand dollars) with the exception of vehicles. Non-expendable personal property that is in use by Workforce Connections' contractors with a unit cost in excess of \$5,000.00 (five thousand dollars) shall be monitored by Workforce Connections fiscal department and MIS-IT staff on an annual basis as to the location, use and condition of the property.
- D. Workforce Connections funded partners (down to the lowest tier) must use the non-expendable personal property in the project or program for which it was acquired for as long as it is needed.

## III. GENERAL PROVISIONS FOR PROCUREMENT OF PROPERTY

In the following case written approval must be obtained prior to the acquisition of non-expendable and real property procured with Workforce Connections awarded funds that may or may not be previously designated in the contractor's approved budget, approved plan/scope of work, modification, or amendment whose unit cost exceeds \$5,000.00 (five thousand dollars), [State requirement].

- A. Written prior approval must be obtained from Workforce Connections and the State when funded partners use awarded funds to remodel or make alterations to rented or leased property. Request for approval must include a description of the alteration, estimated unit cost and justification for the project.
- B. All real or non-expendable personal property and equipment that has a unit cost of \$5,000.00 (five thousand dollars) or more purchased by Workforce Connections and its funded partners with WIA funds must have State and Workforce Connections approval prior to the actual procurement of the property.

**Note: 1.** Prior approval will be deemed to be granted when specific items to be purchased are included in an approved plan/scope of work or modification, or amendment thereto [State requirement]. However, Workforce Connections has the option of being more restrictive, when applicable, with designated property and may require prior approval even if the items are included in a previously approved budget. The Submitted documents must also include if this purchase will be applied to cost allocation or a specific program. If the cost will be charged to a specific program, the cost must be broken down by the amount to be charged to administration costs and/or to program costs.

- C. Workforce Connections and its funded partners must obtain written prior approval for all lease/purchase agreements costing \$5,000.00 (five thousand dollars) or more before entering into the agreement [State requirement]. The request may be made in the plan or be in the form of a letter to the State.

#### IV. **CATALOGING OF WORKFORCE CONNECTIONS PROPERTY**

In order to maintain control and facilitate inventory for Workforce Connections personal property, the following procedures will be required for cataloging or “tagging” such property:

- A. All non-expendable personal property that is procured with Workforce Connections awarded funds with a unit acquisition cost of \$500.00 (five hundred dollars) or more, but less than \$5,000.00 (five thousand dollars) and/or has a useful life of two or more years and may be subject to pilferage and/or theft may, in some instances, be tagged with a non-descript decal [e.g., cell phones, portable copy machines, fax machines, laptop computers]. All non-expendable personal property that is procured with Workforce Connections awarded funds with a unit acquisition cost that exceeds \$5,000.00 (five thousand dollars) will be tagged by Workforce Connections and cataloged as part of Workforce Connections’ assets.

The following information must be provided to Workforce Connections fiscal department and MIS-IT staff at the time the personal property is procured with Workforce Connections funds for those items with a unit cost exceeding \$5,000.00 (five thousand dollars). These items will be subsequently tagged by Workforce Connections staff.

1. Name of property, description and manufacturer.
2. Serial number of property manufacturer.
3. Date of purchase and invoice number of procurement transaction.
4. Unit cost of property.
5. Workforce Connections funding source [percent of acquisition cost represented by WIA funds].
6. Location and condition of property.
7. Any additional information that Workforce Connections considers to be relevant to the efficient management of Workforce Connections’ assets.

#### V. **GENERAL PROVISIONS FOR MANAGEMENT OF LOANED WORKFORCE CONNECTIONS PROPERTY**

Workforce Connections encourages its funded partners (down to the lowest tier) to expend, whenever appropriate, the majority of their funds for direct participant services. Based on this recommendation and Federal requirements, Workforce Connections encourages funded partners to consider the use of items that are available in the existing Workforce Connections’ assets inventory prior to the purchase of property with Federal funds [29 CFR 97.36].

Workforce Connections existing non-expendable property that has been deemed in good condition by the fiscal department and the MIS-IT staff shall be made available for use by Workforce Connections' funded partners under the following conditions:

- A. The funded partner who is provided with loaned property or equipment, is responsible for the cost of maintaining and/or repairing (when appropriate) this property throughout the term of their contract.
- B. Workforce Connections shall assume the responsibility of insuring all personal property and/or equipment in excess of a unit cost of \$5,000.00 (five thousand dollars) that is loaned to a Workforce Connections' funded partner. However, insurance coverage for vehicles purchased by Workforce Connections' funded partners with awarded Federal funds will be the responsibility of the funded partner.
- C. No property loaned by Workforce Connections can be transferred for use by a Workforce Connections' funded partner to another entity without prior Workforce Connections approval.

**VI. GENERAL PROVISIONS FOR THE USE AND MANAGEMENT OF EQUIPMENT**

Federal regulations define equipment as tangible, non-expendable personal property [e.g., furniture, materials, etc] having a useful life of more than one (1) year and an acquisition cost of \$5,000.00 (five thousand dollars) or more per unit.

**A. Use:**

- 1) Equipment shall be used by Workforce Connections' contractors in the program project for which they have been contracted to perform for as long as needed, whether or not the project or program continues to be supported by Federal funds. When no longer needed for the original program or project, the equipment may be used in other activities currently or previously supported by a Federal agency with the approval of Workforce Connections.
- 2) Workforce Connections shall also make equipment available for use on other projects or programs currently or previously supported by the Federal Government, providing such use will not interfere with the work on the projects or program for which it was originally contracted to perform. First preference for other use shall be given to other programs or projects supported by the awarding agency. User fees may be considered if appropriate.
- 3) Workforce Connections shall not use equipment acquired with grant funds to provide services for a fee to compete unfairly with private companies that provide equivalent services, unless specifically permitted or contemplated by State and/or Federal statute.

- 4) When acquiring replacement equipment, Workforce Connections has the option of using the equipment as a replacement for a trade-in or selling the property and using the proceeds to offset the cost of the replacement property, subject to the approval of the State.

**B. Management:** Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part with grant funds until disposition takes place, should at a minimum, meet the following requirements:

- 1) Property records must be maintained that include a full description of the property, the applicable serial number or other identification numbers, the funding source of the property, the title holder, the acquisition date, and unit cost of the property, percentage of Federal participation in the cost of the property, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property if applicable.
- 2) A physical inventory of the equipment shall be taken and the results reconciled with the property records at least once every year by Workforce Connections' fiscal department and the MIS-IT staff.
- 3) If Workforce Connections or a Workforce Connections' contractor is authorized or required by the State to sell the property, proper sales procedures shall be established to ensure the highest possible return of funds on the property.

**C. Disposition:** When original or replacement equipment that was acquired by Workforce Connections and/or contractor with Workforce Connections awarded funds is no longer needed for the original project or program, or for other activities currently or previously supported by a Federal agency, disposition of the equipment will be made as follows:

- 1) Equipment with a current per-unit fair market value of less than \$5,000.00 (five thousand dollars) may be retained, returned to Workforce Connections or otherwise disposed of by Workforce Connections if it is determined by Workforce Connections that it is no longer useful. This procedure is upon approval of Workforce Connections.
- 2) Equipment with a current per unit fair market value in excess of \$5,000.00 (five thousand dollars) may be retained, sold, or otherwise disposed of, if it is determined no longer useful. If sold, Workforce Connections shall have right to an amount calculated by multiplying the current market value, or proceeds from the sale, by the awarding agency's share of the equipment.

- 3) If there is residual inventory of unused supplies exceeding \$5,000.00 (five thousand dollars) total aggregate fair market value upon termination or completion of the award, and if the equipment is not needed for any other federally sponsored programs or projects, Workforce Connections or funded partner has the option to compensate the awarding agency (the State) for its share, and/or Workforce Connections may retain equipment in safe and suitable storage for use in future federally sponsored programs.
- 4) Equipment with a current per unit fair market value of \$5,000.00 (five thousand dollars) or more, that is determined to no longer be in need or use by Workforce Connections or its contractors, can only be disposed of with the approval of the State.

**D. Ownership of Equipment:** In the event Workforce Connections, its contractors, and/or sub-grantees are provided and/or loaned equipment acquired under awarded Federal funds, the following regulations are applicable:

- 1) Title will remain vested in Workforce Connections, State and/or Federal Government.
- 2) Workforce Connections and its contractors shall manage and maintain the equipment in accordance with Federal, State, and Workforce Connections rules and procedures, and submit an annual inventory list of its status.
- 3) When the equipment is no longer needed, the grantee or sub-grantee will follow applicable Workforce Connections, State and Federal disposition regulations.
- 4) The Federal awarding agency may reserve the right to transfer title to the Federal Government or a third party named by the awarding agency when such a third party is otherwise eligible under existing statutes. Such transfers shall be subject to the following standards:
  - a) The property shall be identified in the grant or otherwise made known to the grantee in writing.
  - b) The Federal awarding agency shall issue disposition instructions within 120 calendar days after the end of the Federal support of the project for which it was acquired. If the Federal awarding agency fails to issue disposition instructions within the 120 calendar-day period, the grantee shall follow the provisions as stated in 29 CFR 97.32(e).
  - c) If title to equipment is transferred, the grantee shall be paid an amount calculated by applying the percentage of participation in the purchase to the current fair market value of the property.

## **VII. GENERAL PROVISIONS FOR CONDUCTING INVENTORY OF ASSETS**

Workforce Connections established that on an annual basis the property manager and sub-recipients must conduct an inventory of all property procured with Workforce Connections awarded funds, as well as loaned property with a unit value in excess of \$5,000.00 (five thousand dollars) and/or has a useful life of more than two (2) years. On-Site review/monitoring of personal property and equipment shall be conducted by Workforce Connections property manager and the MIS-IT staff annually, or more frequently if required.

A report of Workforce Connections assets must be completed and must contain the following information:

[See attachment **A**]

- 1) Date of inventory.
- 2) Staff name.
- 3) Property name.
- 4) Location.
- 5) Procured/loaned date.
- 6) Unit cost.
- 7) Serial number.
- 8) WC Tag number.
- 9) Status/condition (e.g., new, good, fair, damaged, lost, no longer in use, disposed) with Workforce Connections prior approval.

Any and all noted discrepancies in a sub-recipient inventory, when reconciled with Workforce Connections master list, will be noted and reviewed by Workforce Connections property manager and MIS-IT staff during the On-Site review. Applicable changes shall be made to ensure that sub-recipients inventory reconciles with Workforce Connections master list of personal property and equipment.

A control system has been developed to ensure adequate safeguards are in place to prevent loss, damage, or theft of the property which includes, but is not limited to, the following:

- 1) Workforce Connections and its contractors are required to report immediately any loss, damage or theft of the property which shall be investigated by Workforce Connections property manager and MIS-IT manager.
- 2) Workforce Connections and its contractors are required to have adequate maintenance procedures, and IT staff is responsible for maintaining equipment in good condition or repair.
- 3) Workforce Connections MIS-IT staff is required to conduct periodic on-site reviews of equipment to ensure applicable controls, as referenced in this policy, are always in place.
- 4) Inventory log document must be submitted to Workforce Connections on an annual basis, and reconciled with Workforce Connections master list of assets.

**VIII. GENERAL PROVISIONS – PERSONAL PROPERTY THEFT**

- A. All personal property (purchased or loaned) with a unit cost in excess of \$500.00 (five hundred dollars) that has been stolen requires an incident report that must be filed with the local law enforcement agency. The police report, and all extenuating circumstances, must also be properly documented; and a copy of all paperwork must be submitted to Workforce Connections immediately upon discovery of the theft. Workforce Connections' funded partners are responsible for the replacement of the loss and theft of any equipment with a unit cost in excess of \$500.00 (five hundred dollars).

**IX. GENERAL PROVISIONS FOR DISPOSITION OF PROPERTY**

- A. When equipment and/or property acquired with Workforce Connections awarded funds (including JTPA transferred property) is no longer useful, and the original unit cost exceeds \$5,000.00 (five thousand dollars), approval must be obtained from Workforce Connections and the State prior to disposal.
- B. Workforce Connection property manager must be contacted prior to the disposition of any equipment or property. Workforce Connections property manager will coordinate with the State if the unit cost exceeds \$5,000.00 (five thousand dollars), to determine the disposition of the property, and advise whether the property should be returned to Workforce Connections or remain at its current location prior to disposition.
- C. When Workforce Connections property is not needed or used for the original designated project and/or program, Workforce Connections may loan usable personal property to other federally sponsored programs, DOL funded programs shall take priority over other federally funded programs.

**X. GENERAL PROVISIONS FOR PRINTED MATERIALS**

Workforce Connections reserves a royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use:

- A. The copyright in any work developed under a Workforce Connections sub-grant, or contract under a grant or sub-grant; and
- B. Any rights of copyright to which a Workforce Connections grantee, sub-grantee or contractor purchases ownership with funds awarded by Workforce Connections. This also applies to software related source codes that are developed with Workforce Connections funds.



