

MISSISSIPPI
Policy Number 33
PROPERTY MANAGEMENT POLICY
Workforce Innovation and Opportunity Act
Office of Grant Management

I. PURPOSE AND SCOPE

To provide property management requirements for each grantee/subgrantee for all federal programs administered by the Office of Grant Management (OGM) under the Workforce Innovation and Opportunity Act (WIOA).

- A. All fiscal policies and guidance letters published for WIOA are governed as appropriate under:
 - WIOA Regulations at 20 CFR 663, et al
 - 29 CFR Parts 95 and 97
 - 48 CFR Part 31
 - OMB "Super Circular" 2 CFR 200
 - Generally Accepted Accounting Principles (GAAP)
 - Mississippi State Government Policies and Procedures
 - Mississippi Department of Employment Security/Office of Grant Management Policies and Procedures.
- B. All property purchased with WIOA Title I-B grant funds shall be maintained and managed in accordance with the federal regulations at 29 CFR Part 97.31 and 97.32 and 97.33, whichever is applicable. Additionally, where applicable, the provisions of 20 CFR Part 663 shall apply.

II. REQUIREMENTS

Equipment is defined at both 29 CFR 97.3 and 95.2 (n) as tangible, nonexpendable personal property having useful life of more than one year and an acquisition cost of \$5000 or more per unit, including all costs related to the property's final intended use.

A. Acquisition of Equipment

Equipment acquired either through purchase or lease-purchase, with a unit purchase price of \$5000 or more shall require prior approval from OGM. Standards used in determining whether to grant approval include the necessity of such purchases to achieve program goals and the planned expenditure for such purposes as compared to other available prices.

B. Inventory Control

OGM shall be responsible for inventory units of nonexpendable personal property with an acquisition cost of \$5000. Grantees/subgrantees shall provide inventory information to the division on the "Office of Grant Management Equipment Inventory Control Form" (Attachment A) within 30 days of the acquisition of the

property. Records shall be maintained in accordance with the federal regulations at 29 CFR Part 97.31 and 97.32 and 97.33 whichever is applicable. Additionally, where applicable, the provisions of 20 CFR Part 663 (c) shall apply.

C. Physical Inventory

The acquiring grantee/subgrantee must meet the following minimum management standards:

1. Property records must be maintained that include the following data on each piece of property: description; serial number; purchase date and cost; percentage of Federal participation in the cost; location, use and condition of the property; and any ultimate disposition data including date of disposal and sale price. (See Attachment B)
2. A control system must be developed to ensure adequate safeguards to prevent any loss (Including acts of nature such as floods, and earthquakes), damage, or theft of the property. Any loss, damage or theft shall be investigated and fully documented; if the property was owned by the Federal Government, the grantee/subgrantee shall promptly notify the Federal-awarding agency. (See Attachment C)
3. A physical inventory of the property must be taken, and the results reconciled with the property records at least once every two years. Any differences between quantities determined by the physical inspection and those shown in the accounting records shall be investigated to determine the causes of the difference. The grantee/subgrantee shall, in connection with the inventory, verify the existence, current utilization, and continued need for the property.
4. An adequate maintenance procedure must be developed to keep the property in good condition.
5. If equipment is sold, proper sales procedures must be established to provide competition to the extent practicable and result in the highest possible return.

D. Lost, Damaged, or Stolen Property

When loss, theft, or damage to grant property occurs, a Report of Lost, Stolen, or Damaged Property (Attachment C) shall be forwarded by the grantee/subgrantee to the OGM within 10 days to the discovery of loss. In the case of stolen property, a police report must accompany the report to the OGM, or a fire department report in the case of fire damaged property.

E. Disposition of Nonexpendable Personal Property

1. The **Office of Grant Management** should be contacted for disposition instructions for disposition of Equipment having an acquisition cost of \$5000 or more when the WIOA grantee/subgrantee, relationship ends, or the equipment is no longer needed. This notification shall be given via the "Report of Excess/Unserviceable Equipment" (Attachment D). In no event should equipment having an acquisition cost of \$5000 or more be transferred from control of the subgrantee without written approval from the OGM.
2. Equipment shall be used by the grantee/subgrantee in the program or project for which it was acquired 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.
3. The grantee/subgrantee shall also make property available for use on other project or programs currently or previously supported by the federal government, providing such use will not interfere with the work on the projects or programs for which it was originally acquired. First preference for use of the property shall be given to other programs or projects supported by the awarding agency. User fees should be considered if appropriate.
4. Equipment with an acquisition cost of less than \$5000 will be disposed of at the discretion of the grantee/subgrantee. Disposition options include:
 - a. Transfer of equipment to another federal grant grantee/subgrantees;
 - b. Sale of the equipment (net proceeds to be returned to the program as program income);
 - c. Donation of equipment to public schools or community-based organizations; and
 - d. "Junking" of equipment which is obsolete, unusable, or in a state of disrepair.

III. DEFINITIONS:

- A. Equipment** means tangible personal property (including information technology systems) having a useful life of more than one year and a per unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-

federal entity for financial statement purposes. The Local Workforce Development Area may use its own definition provided that such definition includes all tangible equipment covered by the above definition.

B. Fair market value means:

1. For currently used vehicles, the "low" Kelly Blue Book price, adjusted for vehicle condition;
2. For older vehicles, a quote from a dealer with the name of the dealership and price quoted submitted in writing;
3. For heavy equipment, the Green Book price or an oral dealership quote which will then be submitted in writing;
4. For real property, a written appraisal by a licensed appraiser;
5. For all other property, oral quotations by dealers which will then be submitted in writing.

C. Personal property is property of any kind except real property. It may be tangible having physical existence, or intangible, having no physical existence. Tangible equipment may be expendable or nonexpendable. For the purpose of this policy, a unit of property is defined as a single piece of equipment, except in the case where more than one piece of property is needed to make an entire system functional such as a computer or telephone system. For example, when purchasing a computer, the monitor, keyboard, printer, and hard drive are all to be considered as a component of the total system, with the total system defined as a unit of equipment. Likewise, with a telephone system, the switchboard along with all phones required to make up the system shall be considered the unit of equipment. After initial acquisition of such a system, any component part upon replacement shall be considered as a single unit of equipment for the type of transaction.

D. Real Property means land, including land improvements, structures and appurtenances thereto, but excludes movable machinery and equipment.

IV. EFFECTIVE DATE: This policy shall be effective immediately upon signature.

Attachments: Attachment A- Equipment Inventory Control
Attachment B- Comprehensive Equipment Inventory
Attachment C- Report of Lost, Stolen, or Damaged Equipment
Attachment D- Report of Excess/Unserviceable Equipment



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Date