



ADMINISTRATIVE POLICIES/PROCEDURES

Issuance No: A-14
Issuance Date: 7/1/2023
Subject: Property Management/Inventory Policy

Property means real or personal property. Uniform Guidance 2 CFR 200.310-316 shall be used for guidance on Property Standards.

Definition:

Equipment, as defined in 2 CFR 200.1, 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, or \$5,000.”

Supplies, as defined in 2 CFR 200.1, means “all tangible personal property other than those described in the definition of equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the non-Federal entity for financial statement purposes or \$5,000, regardless of the length of its useful life.” Thus, all tangible personal property acquired with a per-unit fair market value of less than \$5,000 shall be considered supplies.

Property Management:

The WDB will maintain a record of all property defined as ***equipment*** and tangible ***supplies*** with a per-unit acquisition cost of \$500 or greater. This is in keeping with the college’s policy on inventory which is identified in Section #6.5.00 of the NCMC Board Policy Manual.

All inventoried purchases will be labeled with a numerical tag and maintained on an Inventory listing to include: description of the item, manufacturer, serial number (if applicable), unit acquisition cost, acquisition date, location, funding source (to include FAIN), title of ownership, percent of federal participation in the equipment cost, condition at last inspection, date of last inspection, date of disposal, sale price if sold and method use to determine fair market value.

A physical inspection of inventoried items will be completed on an annual basis in conjunction with on-site sub-recipient financial monitoring visits and reconciled with WDB records. Inspections will be performed primarily by the WDF Fiscal Manager with assistance from sub-recipient and/or other WDB staff. During the physical inspection, any property that cannot be accounted for will become the responsibility of the last custodian, based upon the location of the item(s) from the prior year’s inspection. If the missing property is valued at less than \$100 or has exceeded its estimated life, no financial recovery will be implemented. However, the WDB may establish additional reporting expectations for the custodial vendor/subcontractor to reduce the likelihood of future loss. If the missing property is valued at \$100 or more and still has an expected useful life, the

custodial vendor will be asked to reimburse the value of the lost property to the Workforce Development Board.

Ownership and Authorization to Purchase:

Any **equipment** or tangible **supplies** purchased with an acquisition cost of \$500 or more will become the responsibility and ownership of the WDB. Purchases of **equipment** or **supplies** with an acquisition cost of \$500 or more by a sub-recipient must be approved in advance by the WDB Director while equipment or supply purchases of \$5,000 or more must have prior approval from the WDB as well as the DHEWD/OWD.

Disposition:

Equipment and inventoried supplies no longer being used will be included on a listing of surplus property to be reviewed and approved by the WDB and NCMC Board of Trustees. A fair market value will be established by an independent third party.

Disposition will be handled in the following manner:

- Individual items valued at \$100 or less will be recycled, donated or tossed.
- Individual items with a value over \$100 will be sold through public auction or disposed of by receipt of sealed bids.

In determining a method for disposition, priority will be given to cost-effectiveness, protection of confidential information, and conservation of natural resources.

The WDB will request prior approval from DHEWD/OWD to dispose of any “**equipment**” or “**supplies**” worth \$5,000 or more.

Transfers:

Equipment and supplies must be utilized for the program or project for which the equipment/supplies were acquired as long as needed, whether or not the project or program continues to be supported by the WDB/DHEWD OWD. Prior approval from the WDB/DHEWD OWD must be obtained before any other program can encumber the property.

Proceeds:

Uniform Guidance at 2 CFR 200.314(a) states, “If there is a residual inventory of unused **supplies** exceeding \$5,000 in total aggregate value upon termination or completion of the project or program and the supplies are not needed for any other federal award, the non-federal entity must retain the supplies for use on other activities or sell them, but must, in either case, compensate the Federal Government for its share.” **Equipment** or **supplies** with a per-unit fair market value of less than \$5,000 may be retained, sold, or otherwise disposed of with no obligation to the federal awarding agency.

While proceeds from the sale of equipment are not program income, they shall be reported to WDB/DHEWD OWD in a manner similar to that of program income which will be used to offset future equipment or program services.

The WDB shall ensure that DHEWD OWD has a right to an amount of the proceeds in proportion to DHEWD OWD's share (percentage of participation) in the cost of the original equipment.

The Workforce Development Board of North Missouri is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Missouri TTY users can dial 711. This information can be translated into another language if requested. Please contact the WDB Office for translation assistance.

Esta información se puede traducir a otro idioma si se solicita. Comuníquese con la Oficina de la Junta de Desarrollo de la Fuerza Laboral para obtener ayuda con la traducción.

Ces informations peuvent être traduites dans une autre langue sur demande. Veuillez contacter le bureau du Conseil de développement de la main-d'œuvre pour obtenir de l'aide en matière de traduction.