

**Southern Nevada Workforce Investment Board
General Policy
PROPERTY MANAGEMENT**

EFFECTIVE DATE : May 28, 2009

NUMBER: 2.5

**Supersedes SNWIB General Policies and Procedures
No. 2.5R#1 dated December 12, 2006**

Approved by the SNWIB on:

BACKGROUND:

The Southern Nevada Workforce Investment Board (SNWIB) 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 the SNWIB and SNWIB contractors and/or service providers.. State and federal regulations require that the SNWIB, 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 SNWIB 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: State Policy 3.11, 5.4; SNWIB 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 two (2) years 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 SNWIB property are as follows:

- A. All non-expendable personal property procured under the Job Training Partnership Act (JTPA) that has been deemed by the SNWIB to be useable and necessary (regardless of unit cost) has

been transferred to the SNWIB WIA program.

- B. The maintenance of all personal property, including intangible property procured under the WIA Title I shall be in compliance with federal, state and local board regulations and policies.
- C. The SNWIB 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. *[Unit cost is also applicable to identical items that are procured in lump sum quantities and the aggregate unit amount that exceeds \$5,000.00. These items will be cataloged in SNWIB inventory based on aggregate unit amount].* Non-expendable personal property that is in use by SNWIB contractors with a unit cost in excess of \$5,000.00 shall be monitored by the SNWIB property manager and MIS staff on an annual basis as to the location, use and condition of the property.
- D. The SNWIB subrecipients (*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.

When property and/or equipment is no longer needed, or the contract has ended for whatever rationale, all property procured with SNWIB awarded funds with a unit cost in excess of \$200.00 (two hundred dollars) and/or has a useful life of more than a year, must be returned to the SNWIB within a timeframe that is specified by the SNWIB.

III. GENERAL PROVISIONS FOR PROCUREMENT OF PROPERTY

In the following cases, written approval must be obtained prior to the acquisition of **non-expendable** and **real** property **procured with SNWIB 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. [State requirement]:**

- A. Written **prior** approval must be obtained from the SNWIB and the State when subrecipients use SNWIB awarded funds to remodel or make alterations to rented or leased property. Requests 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 five thousand** or more purchased by SNWIB and its subrecipients with WIA funds must have **State** and SNWIB's approval prior to the actual procurement of the property. **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, the SNWIB 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.**

- C. **The SNWIB and its subrecipients must obtain written prior approval for all lease/purchase agreements costing \$5,000 or more before entering into the agreement. [State requirement] The request may be made in the Plan or by letter to the State.**

IV. CATALOGING OF SNWIB PROPERTY

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

- A. All non-expendable personal property that is procured with SNWIB 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 maybe subject to pilferage and/or theft **may in some instances be tagged with a non-descript SNWIB decal.** [*e.g. cell phones, portable copy machines, fax machines, laptop computers*]. **All non-expendable personal property that is procured with SNWIB awarded funds with a unit acquisition cost that exceeds \$5,000.00 will be tagged by the SNWIB and cataloged as part of SNWIB assets.**

The following information must be provided to the SNWIB Property Manager and MIS staff at the time the personal property is procured with SNWIB awarded funds those items whose unit cost exceeds **\$5,000.00. These items will be subsequently tagged by SNWIB staff.**

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

V. GENERAL PROVISIONS FOR MANAGEMENT OF LOANED SNWIB PROPERTY

The SNWIB encourages subrecipients (*down to the lowest tier*) to expend, whenever appropriate, the majority of their SNWIB funds for direct client services. Based on this recommendation and Federal requirements, the SNWIB encourages subrecipients to consider the use of items that are available in the existing SNWIB assets’ inventory prior to the purchase of property with federal funds. [*Reference: 29CFR 97.36*].

SNWIB existing non-expendable property that has been deemed in good condition by the property manager and MIS staff shall be made available for use by SNWIB subrecipients under the following conditions:

- A. The subrecipient who is provided with loaned property, equipment is responsible for the cost of

maintaining and/or repairing (when appropriate) this property throughout the term of their contract.

- B. The SNWIB shall assume the responsibility of insuring all personal property, equipment in excess of a unit cost of \$5,000.00 (five thousand dollars) and/or aggregate unit cost that exceeds **\$5,000.00 that is loaned to a SNWIB subrecipient**. However, insurance coverage for vehicles purchased by SNWIB subrecipients with awarded federal funds, will be the responsibility of the subrecipient.
- C. All SNWIB loaned property cannot be transferred for use by a SNWIB subrecipient to another entity without prior SNWIB approval.

VI. GENERAL PROVISIONS FOR THE USE AND MANAGEMENT OF EQUIPMEN

Federal regulations define equipment as tangible, non-expendable personal property, [e.g. furniture, materials, etc] having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

- A. **Use - (1) Equipment shall be used by the SNWIB contractors in the program or 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 SNWIB.**
 - (2) The SNWIB 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) The SNWIB 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, the SNWIB has the option of using the equipment as a replacement for a trade-in or sell the property and use 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 SNWIB property manager and MIS staff.

(3) If SNWIB or a SNWIB 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 the SNWIB and/or a SNWIB contractor with SNWIB 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 \$500 may be retained, sold or otherwise disposed of, if it is determined no longer useful, upon approval of the SNWIB.

(2) Equipment with a current per unit fair market value in excess of \$5,000 may be retained, sold, or otherwise disposed of, if it is determined no longer useful. If sold, the SNWIB shall have a 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 a residual inventory of unused supplies exceeding \$5,000 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, the SNWIB or service provider has the option to compensate the awarding agency (the state) for its share and/or retain in a safe and suitable storage for use of future federally sponsored programs.

(4) Equipment with a current per unit fair market value of \$5,000 or more that is determined to longer be in need by the SNWIB or its contractors, can only be disposed of with the approval of the State.

D. **Ownership of Equipment:**

In the event the SNWIB, its contractors, and/or its subgrantees are provided and/or loaned equipment acquired under awarded federal funds, the follow regulations are applicable:

(1) Title will remain vested in the SNWIB, State and/or Federal Government.

(2) The SNWIB and its contractors shall manage and maintain the equipment in accordance with Federal, State and SNWIB rules and procedures, and submit an annual inventory listing of its status.

(3) When the equipment is no longer needed, the grantee or subgrantee will follow applicable SNWIB, 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 instruction 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 CFR29 Sec. 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 SNWIB ASSETS

On an annual basis, SNWIB property manger and SNWIB subrecipients are required to conduct an inventory of all property procured with SNWIB awarded funds, as well as loaned property whose unit value is in excess of \$5,000 (five thousand dollars) **and/or has a useful life of more than two years**. On-site review of SNWIB personal property and equipment shall be conducted by SNWIB property manager and MIS staff annually or more frequently if required.

A report of the SNWIB's assets is to be submitted annually to the SNWIB, which contains the following information: (reference: attachment A)

- A. Date of inventory and person conducting inventory (on a separate sheet).
- B. Name of property, description, manufacturer and unit cost
- C. SNWIB Tag Number (if applicable) and location of property.
- D. Condition of property (i.e. new, good, fair, lost, stolen, damaged, and/or determined no longer useful and is, with SNWIB approval, disposed).

Any and all noted discrepancies in a subrecipient's inventory when reconciled with the SNWIB's Master list will be noted and reviewed by the SNWIB property manager and MIS staff during on-site reviews. Applicable changes shall be made to ensure that the subrecipient's inventory reconciles with SNWIB's 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 not limited to the following:

- (1) SNWIB and its contractors are required to report within a designated time period any loss, damage, or theft which shall be investigated by SNWIB property manager and MIS manager.
- (2) SNWIB and its contractors are required to have adequate maintenance procedures and IT staff who are responsible for maintaining equipment in good condition.
- (3) SNWIB MIS 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) SNWIB Inventory Log document must be submitted to the SNWIB on an annual basis and reconciled with the SNWIB's Master list of assets.

VII. GENERAL PROVISIONS FOR THEFT OF PERSONAL PROPERTY

- A. All SNWIB personal property (purchased or loaned) whose unit cost is in excess of **\$500.00 (five hundred dollars)** that has been stolen requires an incident of theft report that must be filed with the local law enforcement agency. The police report and all the extenuating circumstances must also be documented and a copy of such submitted to the SNWIB immediately upon discovery of the theft. The SNWIB service providers are responsible for the replacement of the loss and theft of any equipment whose unit cost is in excess of \$500.00.

VIII. GENERAL PROVISIONS FOR DISPOSITION OF PROPERTY

- A. When equipment and/or property acquired with SNWIB 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 the SNWIB and **the State**.
- B. The SNWIB property manager must be contacted prior to the disposition of any equipment or property. The SNWIB property manager will coordinate with the State **if the unit cost exceeds \$5,000**, to determine the disposition of the property, and advise whether the property should be returned to the SNWIB or remain at its current location prior to disposition.
- C. When SNWIB property is not needed or used for the originally designated project and/or program, the SNWIB may loan usable personal property to other federally sponsored programs DOL funded programs shall take priority over all other federally funded programs.

IX. GENERAL PROVISIONS FOR PRINTED MATERIALS

The SNWIB 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 SNWIB subgrant, or contract under a grant or subgrant, and
- B. Any rights of copyright to which a SNWIB grantee, subgrantee or a contractor purchases ownership with funds awarded by the SNWIB. This also applies to software related source codes that are developed with SNWIB awarded funds

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* **Status Legend – E= Excellent Condition; G= Good Condition; F= Fair Condition and P= Poor Condition
D= Disposed**

** **This form must be used when reporting the status of SNWIB assets**