

# EASTERN WASHINGTON PARTNERSHIP

## WORKFORCE DEVELOPMENT COUNCIL

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WDC Policy #: 104  
Effective Date: 9/26/02  
Revision Date: 07/01/2015  
Subject: Property Management

### PURPOSE

This policy describes the Workforce Development Council's (WDC) system and procedures for management of property obtained through Workforce Innovation and Opportunity Act (WIOA) funds as well as property purchased with the Job Training Partnership Act (JTPA) and Workforce Investment Act (WIA) funds transferred to WIOA.

### POLICY

The Administrative Entity and its contractors will maintain detailed inventories of all assets purchased with WIOA funds that have a purchase or depreciated value of \$5,000 or more, and all small and attractive assets. WDC property will be identified with Washington WIA/WIOA tags, including property purchased with JTPA funds and WIA funds and transferred to WIA/WIOA.

Unless previously identified in a line item in an approved proposal, contractor purchases of assets with a unit cost of \$1,000 or more requires approval by the Administrative Entity. Upon receipt of all fixed assets needing to be inventoried, the contractor must provide the Administrative Entity with a copy of the invoice including cost, model serial numbers, and a description of property, manufacturer, location of the property, and contract(s) that was used to purchase the asset(s). Title to all property furnished by the WDC, or purchases by contractors for which the contractor is entitled to reimbursement with WDC funds, vests in the WDC. If a contractor's relationship is terminated with the WDC, the contractor is required to account for the status of inventoried property at the time of closeout.

WDC staff other than the property manager will conduct an annual physical inventory of fixed assets required to be inventoried. WDC contractors will be required to identify an individual responsible for WDC property inventory in each office. Contractors will conduct periodic physical inventories (by someone other than the property custodian) and report any discrepancy to the Administrative Entity. Contractors will maintain equipment records including:

- The serial number and model number or other identification number;
- Description of property and manufacturer's name;
- Unit acquisition cost and date and the source of funding including grant or agreement number;
- Whether the title rests with WDC, state or federal government, or other entity;

- Acquisition date and cost;
- Percent of federal participation in the project that purchased the equipment;
- Location, use, condition of the property, and the date the information was reported;
- Date of disposal

A copy of the inventory of property will be maintained on file and available for review. In addition, all contractors must:

- Keep property in good condition;
- Use procedures to gain highest possible return on sold items
- Retain all records for three years after disposal of property; and
- Tag all property purchased with WIOA funds that has a purchase or depreciated value of \$5,000.

For small and attractive assets, contractors will

- Perform a risk assessment (both financial and operational) of the assets to identify assets that are particularly at risk or vulnerable to loss. Such assets that fall below capitalization policies are considered small and attractive assets.
- Implement measures to control small and attractive assets in order to minimize identified risks. Periodically, contractors should perform follow up risk assessments to determine if the additional controls implemented are effective in managing the identified risks.
- Include as small and attractive assets all items in the commodity class code major group 10XX – Weapons, Firearms, Signal Guns, and Accessories.

Otherwise, grantees have discretion in setting their definition of small and attractive assets. However, absent a risk assessment and development of written policies for identifying and controlling small and attractive assets, grantees must include, at a minimum, the following assets with unit cost of \$300 or more as small and attractive:

- Laptops and Notebook Computers
- Tablets and Smart Phones

Contractors must also include the following assets with unit costs of \$1,000 or more:

- Optical Devices, Binoculars, Telescopes, Infrared Viewers, and Rangefinders
- Cameras and Photographic Projection Equipment
- Desktop Computers (PC's)
- Television Set, DVD Players, Blu-ray Players, and Home Video Cameras

Contractors will report lost, stolen, or damaged property to the WDC Administrative Entity within five days of the occurrence and notify the police and/or fire departments immediately. The Administrative Entity will forward a copy of these reports to the Employment Security Department. Damaged or missing property losses incurred through the negligence of the contractor must be paid for by the contractor from non-WIOA funds.

Contractors will contact the Administrative Entity to request disposition of irreparable equipment or excess property no longer needed. Disposition of property must be accomplished by the Administrative Entity in accordance with state and federal policies.

## DEFINITIONS

Equipment: Tangible, non-expendable personal property having a useful life of more than one year and an acquisition cost of more than \$5,000.

Supplies: All personal property other than equipment.

Fixed assets: Assets (normally tangible, but including several intangibles) acquired through donation, gift, purchase, capital lease, or self-construction with a life expectancy of more than one year.

Capitalized fixed assets: Includes all land, and all remaining fixed assets with a unit cost of \$5,000 or more.

Fixed assets required to be inventoried: Includes all capitalized fixed assets plus all fixed assets meeting the definition of small and attractive.

Small and attractive assets: Fixed assets with a unit cost (including sales tax and ancillary costs) of less than \$5,000 but more than \$1,000 which an agency considers particularly vulnerable to loss, thus subject to special property control. Such items may include laptops, video equipment, etc. In addition, all computer processing units less than three years old shall be considered small and attractive items.

Depreciation method: A straight line depreciation method is used over the estimated life of the capital assets.

The Administrative Entity and the WDC contractors will adhere to the state and federal fiscal policies and guidance letters regarding property management. These include:

Workforce Innovation and Opportunity Act, PL 113-128 Sec. 159(c)(2)

2 CFR Part 200, Subpart E; Cost Principals: Special considerations for States, Local Governments and Indian Tribes

2 CFR Part 200, Subpart D; Post Federal Reward Requirements: Property Standards

2 CFR Part 200, Subpart F; Audit Requirements: Management Decisions, Appendix XI to part 200-Compliance Supplement

Federal Register Vol. 65, No. 124, Resource Sharing for WIA One-Stop Centers

Generally Accepted Accounting Procedures

Washington State Employment Security Policy and Procedures

Washington State Office of Financial Management Policy and Procedures