



Workforce Innovation and Opportunity Act (WIOA) Administrative Policy #114

Subject: Property/Equipment Management

Effective Date: August 14, 2020

References: Virginia Workforce Letter 16-08 and related federal citations

Purpose:

The purpose of the policy is to document matters relating acquisition, inventory and disposal of goods in Virginia's Capital Region for purposes of compliance with the WIOA and attendant federal and state requirements.

The Capital Region Workforce Development Board (CRWDB) follows all policies and requirements of Henrico County as the local area grant recipient and fiscal agent. The CRWDB's organized administrative entity is the Capital Region Workforce Partnership (CRWP), a department within Henrico County government.

It is also recognized that WIOA Section 184(a)(2)(A) requires each state, Local Workforce Development Board and service provider receiving funds under WIOA of 2014 to comply with applicable uniform cost principles, including Uniform Guidance of the federal Office of Management and Budget (OMB).

In general, the following rules apply to equipment and other capital expenditures in 2 CFR 200.439 and 200.313 for all sub-recipients:

- Capital expenditures for general purpose equipment, buildings and land are unallowable as direct charges, except with the prior written approval of the awarding agency or pass-through entity.
- Capital expenditures for improvements to land, buildings, or equipment which materially increase their value or useful life are unallowable as a direct cost except with the prior written approval of the awarding agency or pass-through entity.
- Use of the equipment is for the authorized purposes of the project during the period of performance, or until the property is no longer needed for the purposes of the project. Equipment must be used 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 the award.

- When no longer needed for the original program or project, the equipment may be used in other activities supported by the awarding agency, in the following order of priority:
- Activities under a federal award from the federal awarding agency which funded the original program or project.
- Activities under federal awards from other federal awarding agencies. This includes consolidated equipment for information technology systems.

Policy:

1) Purchasing

All purchases of goods or services follow Henrico County Code which is fully compliant with Virginia Public Procurement Act. (<https://henrico.us/pdfs/countyattonerney/Chpt016PublicProcurement.pdf>) CRWP contractors are required to follow public procurement in purchasing as well, and ownership of applicable items remains with CRWP regardless of the purchaser.

2) Requesting Purchase Approval

CRWP must submit to Virginia Community College System (VCCS) an Equipment Purchase Approval Request signed by an authorized signatory when a purchase triggers such requirement per Virginia Workforce Letter 16-08.

3) Inventory

The CRWP shall develop and maintain a control system to ensure adequate safeguards to prevent loss, damage, or theft of property. Any loss, damage, or theft must be investigated. Records will be available for monitoring by VCCS staff.

The CRWDB must maintain accurate equipment records that include the following information:

- i. A description of the equipment,
- ii. Acquisition Date
- iii. A serial number or other identification number,
- iv. Source of the equipment, including the award number,
- v. Titleholder,
- vi. Per unit cost of acquisition,
- vii. Percentage share of federal funds in the cost of the property,
- viii. Location, use and condition of the property and the date the information was reported; and
- ix. Any ultimate disposition data including the date of the disposal, sale price of the property, loss, theft, etc.

A physical inventory of the property and the results must be reconciled with the property records annually.

- i. 4. Small and Attractive Inventory, such as Laptops, desk top computers, tablets, Smart Phone, Projectors, Cameras, Webcam, Televisions etc., must be included a part of the small and attractive assets as inventory,

if the asset's unit cost is more than \$500.

- ii. CRWP must 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 Fixed Asset policies are considered small and attractive inventory.
- iii. CRWP will primarily control small and attractive assets in order to minimize identified risks. Periodically, review of such inventory in service provider's possession will happen to minimize risk and to assessment if additional controls need to be implemented.

5) Disposition of Property

When original or replacement equipment is no longer needed for the original project or program or for other activities currently or previously supported, the CRWP shall dispose of the equipment in accordance with the disposition policies of Henrico County. For equipment with a residual fair market value of less than \$5000, the CRWP may retain, sell or otherwise dispose of the equipment with no further obligation to the awarding agency. Except as provided in CFR 200.312, (b), or if the awarding agency fails to provide requested disposition instructions within 120 days, items of equipment with a current per-unit fair market value in excess of \$5,000 may be retained by the non-Federal entity or sold. The awarding agency is entitled to an amount calculated by multiplying the current market value or proceeds from sale by the awarding agency's percentage of participation in the cost of the original purchase. If the equipment is sold, the awarding agency may permit the non-Federal entity to deduct and retain from the Federal share \$500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.

5) Miscellaneous

The CRWP may permit partner agencies and employers to use WIOA-funded equipment and may on a fee-for-service basis to provide employment and training activities to job seekers and incumbent workers:

- i. When the equipment is not being used by eligible participants;
- ii. If organization's use does not affect the ability of eligible participants to use the equipment, and;
- iii. If the income generated from such fee is used to carry out authorized programs.