



INDIANA
WORKFORCE
DEVELOPMENT
AND ITS **WorkOne** CENTERS

TO: All DWD Managers and Supervisors
Workforce Investment Boards
DWD Grant Recipients

FROM: Charles R. Gillespie *CRG*
Chief Financial Officer

DATE: July 9, 2013

SUBJECT: DWD Policy 2013-01
Property Management/Surplus Property Policy

PURPOSE

To formally establish policy and guidelines regarding management and surplus of all DWD property.

CONTENT

DWD's policy is based upon the requirements of the U.S. Department of Labor Capital Asset Policy for the State of Indiana and Department of Administration's Procedure for Surplus of State-Owned Property.

The guidelines and definitions (see attachment A) apply to the management and surplus of all property purchased with DWD funds.

Provisions that Apply to the Acquisition of Real and Personal Property

- In all cases, equipment purchases with a unit acquisition cost of \$5,000.00 or greater requires prior approval from the Chief Financial Officer of the Department of Workforce Development.
- Request to purchase real property must be directed to the Chief Financial Officer of the Department of Workforce Development.
- Title to non-expendable personal property, upon purchase and receipt, remains vested in the State of Indiana (DWD) or the U.S. Department of Labor. Title to property acquired as the result of a lease/purchase agreement and resulting in ownership is also vested to the State of Indiana (DWD) and will be included in DWD's Asset Management System.

- Grantees/Fiscal Agents will use the property in the project for which it was acquired unless otherwise provided in the grant agreement or in documents authorizing acquisition. When the asset property is no longer needed for the original project, the Grantee/Fiscal Agent must request disposition instructions from DWD Management Services, Property Officer.

Property management standards for non-expendable personal property

- All property with a unit acquisition cost of \$500.00 or more will be marked with a DWD asset tag within 30 days of acquisition and will be reported in a prescribed format using an Excel spreadsheet. Asset tags may be obtained from the DWD Management Services, Property Officer.
- Property with a unit acquisition of \$499.00 or less will not be tracked in DWD's Asset Management System. DWD tags will not be used to mark this equipment; however, **Fiscal Agents are required to maintain an asset log to track this property at the local level.** Asset logs are to be submitted to DWD Management Services, Property Officer by May 31st annually. DWD's asset manager will retain this log and perform partial inventory of the items during each location's annual asset property inventory.
- **A physical inventory is required on an annual basis for all property requiring a DWD Asset tag.** The results will be reconciled with the property records and submitted to the DWD Property Officer no later than October 31st each year.
- Any difference determined by the physical asset inventory inspection and those shown in the accounting records will be investigated by the DWD Department Manager or Fiscal Agent to determine the reasons for the differences. **It is the responsibility of the DWD Department Manager or Fiscal Agent to properly identify and provide documentation of any discrepancy between the actual physical inventory performed at each location and the official DWD Property Records.** All asset property will be accounted for, fully documented, or replaced by the responsible authority. Replacement value will be the un-depreciated value of the property. The Grantee/Fiscal Agent will certify a complete inventory from DWD's Asset System and submit along with required documentation to DWD Management Services, Property Officer.
- Examples of acceptable documentation include, police report of any stolen property, Insurance reports for casualty to property, signed approvals for property transfers to other units using State Form 2823 Notice of Property Transfer, signed approvals to transfer property to State Surplus or disposal using State Form 13812 Notification of Surplus State-Owned Property.
- DWD Cost Center Managers and Fiscal Agents should have a plan in place to ensure adequate safeguards to prevent loss, damage or theft of the property, i.e., storing unused laptops in a secure location. Any loss, damage or theft of non-expendable

personal property will be investigated, fully documented (including a copy of a police report where appropriate) and reported to DWD Management Services, Property Officer and DWD Investigations and Security within ten (10) working days of the loss.

- Adequate maintenance procedures will be implemented by Cost Center Managers and Fiscal Agents to keep the property in good working condition.
- Property purchased with Federal funds may not be used in Fee for Service programs to provide services for a fee to compete unfairly with private companies that provide equivalent services.

Disposition of Non-expendable Property

Upon notification of the end of a program or contract, disposition instructions must be requested from DWD Management Services, Property Officer for all non-expendable property, regardless of original cost or current value.

Surplus Property

The following provisions will apply to all surplus property disposal, with the exception of monitors and computer equipment with memory:

- Any **useable** property should first be offered to other DWD Departments in your Workforce Service Area. If there is no interest in the property, contact DWD Supply Services Supervisor, DWD Surplus, (317) 233-5548. If DWD Surplus is not interested in the property, it can then be offered to any other Workforce Investment Areas. DWD Form 2823, Notice of Property Transfer, must be completed if the property is transferred to any of these groups.

If there is no interest in the surplus property, contact DWD Management Services, Property Officer for further instructions.

- **Disposal:** All items requested for disposal must be determined by a Property Evaluator to be "broken beyond economical repair". Upon approval by State Surplus through the DWD Management Services, Property Officer, the property must be disposed within 30 days.

The following rules for disposal apply:

1. Remove all DWD tags.
2. The property cannot be given or sold to employees, the public or other entities. This would mean the property has market value and should be put through the sale process through the Department of Administration, Indiana State Surplus.
3. If instructed to dispose of locally, property may be placed in the local office dumpster. If a dumpster is not available, the property must be either

picked up by, or delivered to, a trash hauling firm, landfill, or dump. If there is a cost involved, the location with the surplus items will pay for the disposal.

4. After disposal, written verification as to the date and method of disposal must be submitted to DWD Management Services, Property Officer, which will be retained and recorded in the Asset Management System.
- **Monitors:** Monitors cannot be disposed as other property. Monitors contain an environmentally toxic material and state agencies are prohibited from putting monitors in landfills, dumpsites or dumpsters. After prior approval, monitors must be returned to DWD Supply Services or State Surplus for proper disposal.
 - **Computer Equipment with Memory:** Indiana Department of Administration has implemented a policy that all data and programs must be removed from electronic storage media, i.e., personal computers, electronic tablets, routers, firewalls, and switches, by State Surplus, IOT, therefore, after prior approval, this equipment must be returned to DWD Supply Services or State Surplus.
 - All costs associated with transportation of surplus property returned to DWD Supply Services or State Surplus is the responsibility of the requestor.

OWNERSHIP

DWD Management Services
10 North Senate Avenue
Indianapolis, IN 46204
dpalmer@dwd.IN.gov

EFFECTIVE DATE

Immediately

ENDING DATE

Upon rescission

ACTION

DWD Department Managers, Grantees, and Fiscal Agents should be familiar with this policy. Questions or requests for clarification of this policy should be directed DWD Management Services, Property Officer.

Attachments: Property Management Definitions
Notice of Property Transfer
Notification of Surplus State-Owned Property

Attachment A
DWD Property Management Definitions

Real Property: Land, buildings and improvements to building and structures, excluding movable machinery and equipment.

Personal Property: Personal property of any kind except real property. It may be tangible – having physical existence, or intangible – having no physical existence such as patents, inventions, and copyrights, software or licenses.

Non-expendable Personal Property: Tangible personal property having a useful life of more than one (1) year and a unit cost of \$500 or more per unit.

Non-expendable Personal Component Property: Any part, feature, device or constituent element, internal or external, whose function is designed to support and/or enhance the unit's performance and is necessary to the operation of the unit as a whole. For example, a personal computer (a unit) consists of the component equipment of a monitor, central processing unit, keyboard, and any internal features. A VCR has a monitor as a component part.

Acquisition Cost of Purchased Non-expendable Personal Property: The net invoice unit price of the property including cost of modifications, attachments, accessories, and auxiliary apparatus necessary to make the property usable for the purpose it was acquired and includes the cost of installations, transportation, taxes, and duty or protective intransient insurance.

Unit Cost of Purchased Non-expendable Personal Property: Same definition as Acquisition Cost of Purchased Non-expendable Personal Property but excludes cost of installations, transportation, and duty or in-transit insurance. Unit Cost is the figure to be used in the DWD Property (Asset) Management System.

DWD Asset Management System: People Soft Fixed Asset system used to track assets as required by U. S. Department of Labor and Indiana State Board of Accounts.

Tags: State of Indiana Fixed Asset Inventory tags with bar codes that are issued by DWD Management Services, Property Officer. Only tags beginning with '510' are to be used on new equipment.

Surplus Property: Any item of personal property, regardless of acquisition cost, that is no longer needed by a state agency or grantee. Disposition of such property must be obtained from DWD Management Services, Property Officer.

Property Evaluator: An employee identified by the Department of Workforce Development and trained in surplus property disposition.

Transportation Costs: The dollar amount to have equipment or furniture delivered to Department of Workforce Development, 10 N. Senate Avenue, Indianapolis or to State Surplus Property, 601 W. McCarty St. in Indianapolis.

Attachment B Notice of Property Transfer



NOTICE OF PROPERTY TRANSFER

State Form 536 (R2 / 7-05)
DWD Form 2823
INDIANA DEPARTMENT OF WORKFORCE DEVELOPMENT

Transferring Cost Center Name		Receiving Cost Center Name		
Transferring Center Code	Transferring Location Code	Receiving Center Code	Receiving Location Code	
DESCRIPTION OF ITEM	ITEM CODE	TAG NUMBER	SERIAL NUMBER	
Transferring Cost Center		Receiving Cost Center		
Date	Cost Center Manager (<i>signature</i>)	Date	Cost Center Manager (<i>signature</i>)	
DISTRIBUTION BY TRANSFERRING COST CENTER: White copy to Division Property Officer Pink copy to transferring Cost Center Yellow copy Receiving Center		DISTRIBUTION BY RECEIVING COST CENTER: White copy to Division Property Officer Pink copy to transferring Cost Center Yellow copy Receiving Center		



NOTIFICATION OF SURPLUS STATE-OWNED PROPERTY

State Form 13812 (R6 / 4-14)

Approved by State Board of Accounts, 2014

DEPARTMENT OF ADMINISTRATION

State Surplus Property
601 W. McCarty Street, Suite 100
Indianapolis, IN 46225

- INSTRUCTIONS:**
1. Complete all areas with the exception of "DO NOT WRITE HERE" section. Incomplete forms will not be approved and will be returned.
 2. When the number of line items exceed the space on this form, please indicate "SEE ATTACHED SPREADSHEET" and attach an Excel spreadsheet to include all required information as indicated on this form.
 3. When the property has no asset tag number, please indicate "none".
 4. The agency completing the form is prohibited from disposing of surplus property without authorization from Department of Administration, State Surplus Property Division.
 5. After authorization is given by Surplus Property Section, disposition agent(s) must make changes to inventory in Encompass.
 6. Detailed information is printed on the reverse side of this form.

Transferor (owning agency)	Account Number	Transferee (receiving agency)	Account Number
Address (number and street, city, ZIP code)		Address (number and street, city, ZIP code)	
Disposition Agent of Owing Agency	Telephone Number	Disposition Agent of Receiving Agency	Telephone Number

Request for Disposition to sell, transfer to Surplus, transfer between agencies, trade-in, recycle, or dispose

Quantity and Unit	Description of Item(s) (List Make, Model, Year, Serial Number or VIN)	Asset Tag Number	Item Condition (good, fair, poor)	Disposition(s) Requested	If requesting to SELL item(s), indicate name of contact, telephone number and minimum bid required.	Original Unit Acquisition Cost	Original Purchase Fund

If applicable, all data has been removed from the computer storage devices(s) (hard drives, PDA's, etc.) per the State of Indiana Enterprise Information Technology Security Policy Guideline. Yes No _____ Initials

When transferring property from one State Agency to another State Agency, the disposition agents of both agencies must sign below.

I hereby affirm that the above listed state surplus property is as described and has not been disposed of by this agency without proper authorization from the Department of Administration. All necessary changes will be made to our inventory records. All information listed on this form is true and accurate.

I hereby affirm that our agency as the transferee, accepts this property from the transferor agency and will adjust our inventory records to reflect receipt of all property. All information listed on this form is true and accurate.

Signature of Disposition Agent (transferor)	Date (month, day, year)	Signature of Disposition Agent (transferee)	Date (month, day, year)
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Distribution of Copies

DO NOT WRITE HERE – STATE SURPLUS USE ONLY

Original: Department of Administration (Surplus Property Division) Copies: Department of Administration (Procurement Division) Disposition Agent File Receiving Agency (for transfer only) State Surplus will distribute copies after approval.	State Surplus Signature of Approval	Date (month, day, year)
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NOTIFICATION OF SURPLUS STATE-OWNED PROPERTY INFORMATION

Please refer to the *Indiana Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, IV. Summary of Agency Responsibilities*. All transfers, sales, retirements and other disposals of capital assets must be processed through and approved by State Surplus Property division of IDOA by submitting Form 13812, Notification of Surplus State-Owned Property.

Each agency has one employee assigned as the Disposition Agent to keep track of their agency's state-owned surplus property. This employee is responsible for requesting disposition by completing this form before submitting it to State Surplus for approval. The disposition agent is also responsible for offering its agency surplus property to other division within their agency, (see Transfers Between Divisions of Same Agency) and offering the property to other State Agencies, (see Transfers from One State Agency to Another State Agency).

Transfers Between Divisions of Same Agency

A 13812 form has never been required to transfer property from one division to another division of the same State Agency. It is the responsibility of the disposition agent to keep an internal track record. Before requesting approval for disposition of property, the disposition agent should take a picture of the property and email it to all its divisions to see if they have another division in need.

Usable and Non-Usable Property

Use one form for both, but make sure to indicate the condition of the property beside each item. Example of conditions: good is reusable, fair is reusable but may need cleaned or minor repair, poor is non-usable and disposal or recycle should be requested. (See IC 5-22-21-6)

Multiple Property

Instead of using several forms for several items which exceed the forms allotted space, type on the form "SEE ATTACHED LISTING" and attach a spreadsheet which lists the property and the information required by State Board of Accounts. The 13812 can be scanned and emailed to State Surplus along with an Excel spreadsheet (not scanned), so we can copy and paste off the Excel spreadsheet to update our database instead of entering each line manually.

Sparse Property Forms

The agency should combine the property on one form or follow the procedures set forth under Multiple Property.

Transfers from One State Agency to Another State Agency

Before requesting approval for disposition of property, the disposition agent should take a picture of their property and email it to the disposition agents of other State Agencies within their county to see if another State Agency in that county has a need. State Surplus can provide the disposition agent email listing. If another State Agency accepts the offer, the "Letter of Acceptance" provided by the transferee is no longer required. The disposition agents of the transferor (owning agency) and transferee (accepting agency) are both required to sign the form as approval on their ends before the transferor submits the form to State Surplus.

Non-Usable Property

The letter of justification, method of disposal, and picture requirements are eliminated if "poor or broken" is indicated under Item Condition on the form. It will be the owning agency's disposition agent's* responsibility to keep internal records to present to State Board of Account as to why and how it was disposed of. When no other disposition is efficient or economical; contact the Recycling Program Manager in the Operations Division of the Department of Administration prior to disposal. (See 8.4.3 Retirement of Capital Assets and IC 5-22-21-6)

Property Located in Various Locations

A form for each location is not required and is discouraged. It is the responsibility of the owning agency's disposition agent to keep internal track records of that information.

Transfers to State Surplus

Only usable state-owned property that is in good enough condition to offer to other agencies will be accepted. Examples of state-owned property are: furniture, office equipment and machines, and items with an original acquisition cost of \$500.00 or more which require an asset number. Example of items State Surplus will not accept include, but is not limited to: used office supplies, State Agency manuals, State Agency books, State Agency videos, State Agency DVDs or CDs, mattresses, agency records, and broken or non-usable items. (see Non-Usable Property and IC 5-22-21-6)

Trade-In for New Purchases

Since a purchase is involved here, IDOA Procurement and Surplus property must be involved; requisitions for the new items must include the price without trade-in, the trade-in value, and the price with trade-in and must be attached to this form. (see 8.4.3 Retirement of Capital Assets)

Sale of State-Owned Surplus Property

If the owning agency request State Surplus to sell property located at their site, the owing agency must submit this form which lists a contact person, phone number, minimum bid required and pictures of the property in jpg form. State Surplus Property will conduct the sale by public auction, online auction, or sealed bid. The proceeds minus the fees will be deposited into the owning agency's account as per requirements of State Board of Accounts. The property may be offered to local units of government and/or the general public. (see 8.4.3 Retirement of Capital Assets and IC 5-22-21-10)

Technology Items

All computer equipment, usable and non-usable, is to be transferred to State Surplus for reconditioning or recycling. With the exception of transfer between divisions or other State agencies, all electronics are to be transferred to State Surplus or sent to a reputable recycle program. Please contact the Recycling Program Manager in the Operations Division of the Department of Administration prior to disposal and only after receiving approval from State Surplus. (See 8.4.3 Retirement of Capital Assets)