



Policies and Procedures

SECTION: Finance	POLICY #: FIN-01	Page 1 of 5
TITLE: Accounting Reporting and Disposition of Property Policy	EFFECTIVE DATE: 11/1/2024	
SUPERSEDES: FIN 02 Accounting Reporting and Disposition of Property Policy	DATED: February 2017	

DISTRIBUTION: CSNCFL Staff, CSNCFL Sub-grant Recipients

PURPOSE

To establish the proper procedures for accounting, reporting and disposition of equipment, real and personal property used in the delivery of federal grant programs administered by CareerSource North Central Florida (CSNCFL) and its sub-grant recipients.

APPLICATION

This policy applies to CSNCFL and its sub-grant recipients.

DEFINITIONS

Equipment – per 2 CFR 200.313 is equipment, real or 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 \$5,000, the capitalization level established by the CSNCF governing boards for financial statement purposes.

Custodian - CSNCFL.

Excess/Surplus Property or Equipment - property or equipment that is obsolete or the continued use of which is not economical or efficient to keep or serves no useful function for any activity or is in excess of need at any location within the agency.

POLICY

CSNCFL is the designated property Custodian responsible for the proper accounting, reporting, use and disposition of all property or equipment acquired by CSNCFL or its sub-grant recipients with federal grant funds.

Title to Property Acquired with Federal Grant Funds

Title to equipment and property acquired with Federal grant funds award will vest upon acquisition in CSNCFL except where the federal awarding agency has indicated its intent to retain title to the property or equipment.

Allowability of Property and Equipment

1. Capital expenditures for general purpose equipment, buildings, and land require the prior written approval of FloridaCommerce or the federal awarding agency in the event of a direct award.
2. Capital expenditures for special purpose equipment with a unit cost of \$5,000 or more require the prior written approval from FloridaCommerce or from the federal awarding agency in the event of a direct award.
3. Capital expenditures for improvements to land, buildings, or equipment which materially increase their value or useful life, including property leased by CSNCFL are unallowable except with the prior written approval of FloridaCommerce.
4. When a capital expenditure is approved capital expenditures must be charged in the period in which the expenditure is incurred.
5. CSNCFL shall consult with the FloridaCommerce regarding whether approved capital expenditures for equipment or property must be charged as indirect or may be directly charged to the grant(s).
6. CSNCFL shall consult with FloridaCommerce regarding the write off of any unamortized portion of equipment of property with a unit value of \$5,000 or more.

Accounting And Reporting Procedure

1. CSNCFL as property and equipment custodian, is responsible for maintaining property records of all CSNCFL property and equipment valued at five thousand dollars (\$5000.00) or more.
2. CSNCFL shall maintain documentation of its property and equipment with a purchase price of \$5,000 or more and a useful life of one year or more as follows:

- a. A description of the property, including a serial number or other identification number
 - b. The source of funding for the property (including the FAIN)
 - c. The title or owner of the property which is generally CSNCFL unless a grant provides otherwise
 - d. The acquisition date and the vendor name
 - e. The acquisition cost of the property,
 - f. The percentage of the cost which was paid for with Federal funds for the program or project for which it was acquired
 - g. The location of the property
 - h. The purpose or use for the property
 - i. The condition of the property
 - j. Any ultimate disposition data including the date of disposal and sale price of the property.
3. CSNCFL shall be responsible for conducting a physical inventory of the property and the results reconciled with the property records at least once every two years.
 4. CSNCFL shall insure its property to safeguard against loss, damage, or theft of the property. Any loss, damage, or theft will be reported to the police and will be investigated.
 5. CSNCFL shall institute a control system consisting of affixing inventory tags to all property.
 6. CSNCFL shall enter into maintenance contracts or take such action as is fiscally efficient and responsible to keep property purchased in good condition.

Use of Property and Equipment

1. Equipment or property must be used for the program or project for which it was acquired and the use may continue for the program or project even when it is no longer supported with federal funds as long as it is on-going.
2. Equipment or property may not be encumbered without FloridaCommerce approval
3. When the property or equipment is no longer needed for the original program or project it can be used in other activities supported by the Federal awarding agency, in the following order of priority:
 - a. Activities under a Federal award from the Federal awarding agency which funded the original program or project.
4. Activities under Federal awards from other Federal awarding agencies. This includes consolidated equipment for information technology systems. Other uses

of property or equipment during the time the federal awarding agency still has an interest in this property or equipment:¹

- a. First preference: The property or equipment may be made available for use on other current or prior federally funded projects or programs as long as its use will not interfere with the projects or program for which it was originally acquired.
 - b. Second preference: The property or equipment may be available for programs or projects funded by other Federal awarding agencies.
 - c. Third allowable use: The property or equipment may be used for non-federally-funded programs or projects. In such instances, user fees should be considered if appropriate. Funds collected would be program income and would have to be accounted for accordingly. User fees may not be less than private companies charge for equivalent services as long as the Federal Government retains an interest in the equipment or property.
5. CSNCFL may use property or equipment as a trade in or may sell the property when the property needs to be replaced to offset the cost of the replacement property.

DISPOSITION OF PROPERTY

1. When property or equipment for which title is not vested in CSNCFL is no longer needed CSNCFL shall inquire of FloridaCommerce or the Federal awarding agency as applicable the appropriate disposition instructions. Disposition of the equipment will be made as follows:
 - a. Property or equipment with a value of \$5,000 or less may be retained, sold or otherwise disposed of by CSNCFL with no further responsibility to the federal awarding agency.
 - b. If the federal awarding agency has retained title to the equipment or property (ref: 2 CFR §200.312(b)) CSNCFL will follow instructions received from the federal awarding agency, however if the Federal awarding agency fails to provide disposition instructions within 120 days after notice, of a need to dispose of property or equipment, with a current per-unit fair market value in excess of \$5,000 then CSNCFL can retain or sell the property or equipment but must repay the Federal awarding agency the fair market value or percentage of the proceeds, in the event of a sale, equal to the federal awarding agency's portion of the purchase price minus \$500 or 10% of the proceeds, whichever is less, for CSNCFL's handling expenses.

¹ Once property or equipment has been fully depreciated there is no longer a federal interest in the property or equipment.

- c. For property in excess of a unit cost of \$5,000 in which a federal awarding agency has retained title, CSNCFL may transfer title of the property to the Federal Government or to an eligible third party. CSNCFL shall be compensated for the fair market value of its non-federal contribution to the property.
- d. Any sale shall assure sales procedures are established to ensure the highest possible return.

REFERENCE: 2 CFR 200.313, 2 C.F.R. 200.439, 2 CFR §200.312(b), CSNCFL Policy on Allowable and Unallowable Expenditures and Signatory Authority

OFFICIAL SIGNATURE

Phyllis Marty
Chief Executive Officer