

# Alabama Workforce Investment System

Office of Workforce Development  
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October 18, 2004

## GOVERNOR'S WORKFORCE DEVELOPMENT DIRECTIVE NO. PY2004-08

**SUBJECT:** Workforce Development Division Recipient Property Operations Manual

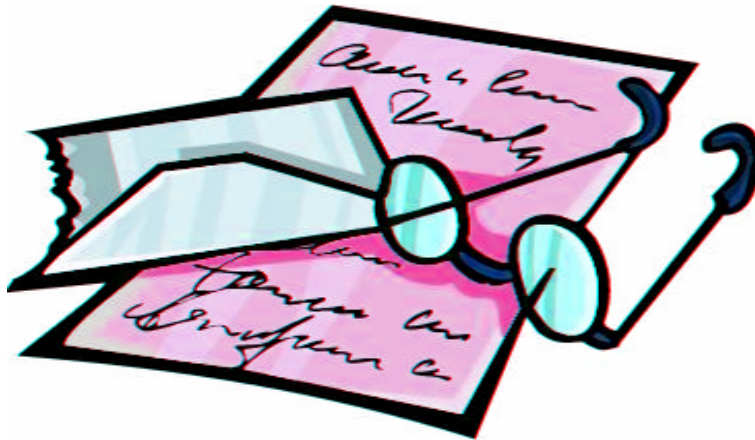
- 1. Purpose.** This directive transmits the **Workforce Development Division Recipient Property Operations Manual** to assist recipient and subrecipient staff in the administration of effective and efficient warehouse and property operations.
- 2. Discussion.** This manual will augment the general requirements of the **ADECA Recipient Property Management Manual** dated October 1989 (with Revisions). The **Workforce Development Division Recipient Property Operations Manual** contains terminology and changes due to the passage of the Workforce Investment Act of 1998 (Public Law 105-220). All Workforce Development Division recipients and subrecipients will use this manual. Following the procedures outlined in this manual will ensure proper management of property. **Biannually** the Workforce Development Division warehouse staff will inventory all items that have an acquisition cost of **\$500.00 or more**. In addition, the ADECA Administrative Division/Fiscal Services Section/Property Management Unit will inventory items that have an acquisition cost of **\$5,000.00 or more** every two years.
- 3. Action.** These guidelines are to be utilized to ensure that established procedures regarding recipient and subrecipient property are followed.
- 4. Contact.** Any questions should be directed to Ken Hollingsworth at telephone number (334) 242-5882 or Connie Nibler at (334) 242-5436 or Fax numbers (334) 353-4239 or (334) 242-5855.

  
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Steve Walkley, Division Director  
Workforce Development Division

**WORKFORCE DEVELOPMENT DIVISION  
RECIPIENT PROPERTY OPERATIONS  
MANUAL**

**FOR**

**STATE-LEVEL AND ALABAMA WORKFORCE  
INVESTMENT AREA  
RECIPIENTS AND SUBRECIPIENTS**



**ALABAMA DEPARTMENT OF ECONOMIC AND COMMUNITY AFFAIRS  
WORKFORCE DEVELOPMENT DIVISION  
MONTGOMERY, ALABAMA**

October 20, 2004

WORKFORCE DEVELOPMENT DIVISION RECIPIENT  
PROPERTY OPERATIONS MANUAL  
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## I. INTRODUCTION

### **100.00 -- General**

This manual contains the property requirements for Alabama Department of Economic and Community Affairs (ADECA), Workforce Development Division (WDD) recipients and subrecipients funded from funds received by ADECA/WDD. This manual is intended to augment the general requirements for the ADECA Recipient Property Management Manual. Compliance with the provisions of this manual will also ensure compliance with the ADECA manual. As such, WDD recipients and subrecipients must comply with the provisions of this manual. All references to recipients in this manual also include subrecipients.

### **101.00 – Authority**

This manual is promulgated by ADECA/WDD pursuant to the authority conferred by Public Law 105-220, known as the Workforce Investment Act (WIA) of 1998, School-To-Career, Alabama Career Center (One-Stop) System, Welfare-to-Work, Migrant Seasonal Farm Worker, Alabama Customized Employment Program, and other funding sources.

### **102.00 – Purpose and Scope**

The purpose of this manual is to assist ADECA/WDD staff and recipient staff in the administration of effective and efficient warehouse and property operations. The manual is not intended to cover all minute details of operations nor substitute for effective agency administration by a well-trained staff. It is however, intended to provide guidance/procedures for all property transactions regardless of fund source.

The overall system is predicated on the purpose of providing and maintaining a system of property management that will prevent loss, damage, or theft of property. Also, the system will assist appropriate recipient agencies with the physical transportation and storage of equipment.

## **II POLICIES, WORKFORCE DEVELOPMENT DIVISION SYSTEM**

### **200.00 – Registering New Equipment**

All WDD recipient personnel must adhere to ADECAs'/WDD policies and procedures when purchasing equipment in whole or in part with grant funds. Equipment is defined by WDD tangible, non-expendable personal property having a useful life of more than one year and an acquisition cost of \$500.00 or more per unit. Purchases under \$500.00 are considered supplies and are not subject to registration in the ADECAs'/WDD inventory system. Supplies are defined as tangible, personal property other than equipment with an acquisition cost less than \$500.00. Purchases of \$500.00 or more are governed by the following instructions.

**Once the equipment arrives, verify that the equipment received is what was ordered (compare to purchase order). If correct, prepare the material receipt (Property Management Unit 1 (PMU-1)). Once all items are accepted, forward a copy of the purchase order, material receipt, and the vendor invoice to the WDD Warehouse, unless otherwise notified. All recipients except the Alabama Skills Training Consortia (North, Central, South) should mail their completed paperwork to their particular grant administrator in the WDD. The appropriate WDD grant administrator will review the paperwork and forward it to the ADECA/WDD recipient property staff for processing. The Alabama Skills Training Consortia should mail their paperwork directly to the WDD Warehouse for processing. When the paperwork reaches the WDD Warehouse from a WDD recipients then the WDD Warehouse will issue property tags.**

The WDD Warehouse address is:

MAILING: WDD Warehouse  
P. O. Box 240726  
231 Northeastern Bypass  
Montgomery, Al. 36124-0726  
(behind Sears Roebuck warehouse)  
Phone (334) 277-5456 or (334) 277-5515  
Fax: (334) 279-1142

### **201.00 - Tagging Equipment**

The Workforce Development Division recipient property must have WDD property tags on all equipment purchased with funds obtained through the WDD. The WDD Warehouse staff will tag all equipment for WDD recipients. It is the responsibility of the recipient to ensure that tags are affixed to all property. The WDD recipient staff should set-up a regular review of all recipient property to ensure that is it properly tagged.

## **202.00 - Semiannual Inventory Reports**

On a semiannual basis, the WDD Warehouse will send each recipient a copy of their inventory listing by location. Recipient staff are responsible for verifying the equipment.

Discrepancies should be noted on a Semiannual Inventory Status Report (PMU-5) and submitted to the WDD Warehouse. If equipment has been transferred, attached a copy of the transfer form (PMU-3) to the PMU-5. If the equipment has been lost or stolen, attach a copy of the police report where the incident was reported. These police reports should list each item missing, its property number, description, and a serial number if available. If the stolen property has a current per unit Fair Market Value (FMV) of \$5000 or more, the Federal Bureau of Investigation (FBI) must be notified and a copy of that report or statement that the FBI was notified must accompany the Report of Survey, (PMU-4).

If equipment was destroyed in a fire, submission of a copy of the Fire Marshal's Report should be sent as soon as possible after the fire, with a list of equipment destroyed. Should the equipment be listed on your next printout, note the date of the fire report on your PMU-5.

If the equipment is to be cannibalized, a Report of Survey (PMU-4), should be completed to give justification for each action. Do not cannibalize any equipment until approval is obtained by completing the PMU-4 and forwarding it to the WDD Warehouse.

## **203.00 - Disposition of Property**

When equipment is no longer needed or is beyond repair, the WDD recipient should transfer same to the WDD Warehouse for reassignment or disposal.

The WDD Warehouse is responsible for the final disposition of all inventorable equipment through the Surplus Property Division of ADECA.

The equipment being sent to the warehouse for disposal is transferred using the standard transfer form (PMU-3). When possible, equipment that is known to be beyond repair should be identified by the recipient prior to shipment.

## **204.00 - Equipment Transfer**

The WDD recipient from time to time may need to relocate equipment in order to fully utilize it. When equipment is moved, a transfer form (PMU-3) **must be completed** and submitted to the WDD Warehouse within 10 (ten) calendar days of transfer. **Equipment not properly transferred in a timely and accurate manner will be considered lost and the property custodian will be held responsible.**

All available information must be included on the (PMU-3) transfer form including all property inventory numbers, complete description, serial number (if available), and the locations. **The WDD recipient should notify the WDD Warehouse (Telephone No. 334-277-5456), and the ADECA/WDD recipient property staff(Telephone No. 334-242-5436 or Fax Number 334-242-5855 or Fax No. 334-353-4239) of the new location address within ten (10) calendar days. The PMU-3 transfer form must be signed by authorized personnel and dated.**

Distribution of the PMU-3 is as follows:

White Copy (Original)	WDD Warehouse
Yellow Copy	Recipient's Adm. Office
Pink Copy	Property Receiving Office
Golden Copy	Property Releasing Office
Copy (Reproduced)	ADECA/WDD Recipient Property Staff

**SUBMIT THESE FORMS AT THE TIME OF TRANSFER IN ORDER TO MAINTAIN ACCURATE RECORDS AND PROPER DOCUMENTATION.**

When equipment acquired under an ADECA grant agreement (i.e., One-Stop, Welfare-to-Work, School-To-Career, WIA, etc.) is no longer needed for the original project or program, the equipment may be transferred to activities currently supported by WDD funds within the State of Alabama or returned to the WDD Warehouse (proper paperwork as previously described must be completed).

Transfers to other agencies **must** be approved by the WDD Warehouse Director and the WDD Chief. When transferring to other agencies , use the PMU-3 form and submit it to the warehouse office for processing.

Equipment may be loaned to other WDD projects within the State of Alabama for no more than three days. This loan is accomplished via temporary hand receipt by using the PMU-3 and noting in the "remarks" section that this is a loan of three days or less. If the loan extends, or is planned to extend beyond three days, a transfer must be completed and submitted for processing to the WDD Warehouse.

**WDD recipient equipment is not available for loan to individuals, students, or WDD recipient personnel for personal use. This is a violation of the State Ethics Law and violators WILL BE prosecuted to the fullest extent allowable under applicable laws.**

### **III. POLICIES, WORKFORCE DEVELOPMENT DIVISION WAREHOUSE**

#### **300.00 - Issuance of New Inventory Tags**

The WDD recipient staff should be sure to check all information including purchase price and serial numbers. Once copies of the invoice, material receipt PMI-1, and purchase order are received, all information will be checked and reconciled by the WDD Warehouse staff.

The WDD Warehouse staff will complete the ADECA Property File Input Document (PMU-2) using this information and completing all blanks. They will then issue the property number and tag for each item.

#### **301.00 - Data Entry and Record Retention**

The ADECA/WDD computer listing of inventory is the official list of equipment for all WDD recipient locations. All changes to the inventory of equipment must be made through data entry into the computer system by the ADECA/WDD recipient property staff for the property records maintained on ADECA's AS-400 computer files.

All documentation for changes in the computer inventory listing must be maintained by the WDD recipient, whether changes are due to transfer, deletion, additions, or description changes. Documentation should be checked for accuracy and a uniform description used for like equipment when possible.

All documentation for new purchases, transfers, deletion, or other changes is filed according to locations and WDD recipient by the WDD Warehouse staff. Copies of documentation must be forwarded to the ADECA/WDD recipient property staff in order to reconcile records and duplicate changes. The ADECA/WDD recipient property staff will input these records into the ADECA AS-400 computer files.

#### **302.00 - Coordination With Other Agencies**

The WDD Warehouse staff should maintain a working relationship with all or applicable recipient staff in order to elicit the cooperation required to keep the property system information current and accurate. The ADECA/WDD expects all recipients to ensure maximum use of equipment to the fullest extent possible.

The WDD Warehouse staff should also maintain a very close coordination with the ADECA/WDD recipient property staff at ADECA since they also maintain an inventory of property in the custody of recipients. This sometimes involves working with other ADECA staff to efficiently utilize and move property as needed.



### 303.00 - Procedures for Surplusing Property

WDD recipients should utilize the Surplus Property Division of ADECA for the disposal of obsolete equipment, equipment no longer needed, or equipment damaged beyond repair.

The WDD Warehouse staff will evaluate equipment on an as-needed basis to identify obsolete or damaged equipment for surplus. Items that are determined ready for surplusing should be listed by inventory number, description, and condition. This list is submitted to the ADECA/WDD recipient property staff for approval by the WDD Chief for disposition. Items that are not on inventory may be sent to the Surplus Property Division for disposal with the approval of the WDD Warehouse Director.

Items to be surplused that have a Fair Market Value (FMV) over \$5,000.00 at the time of disposition must be listed separately and this second list must be forwarded to the ADECA/WDD recipient property staff in order to obtain the US Department of Labor's approval to dispose of this property. ADECA's WDD staff should obtain the FMV from officials at the ADECA Surplus Property Division. If they cannot provide an estimate, then a vendor in the property proposed for disposition should be contacted for an estimated FMV.

Documentation of how FMV was obtained should be maintained for audit purposes. Once approval has been obtained to dispose of equipment, the ADECA Surplus Division-1 (SD-1) form is completed by the WDD Warehouse staff. All equipment being forwarded must be listed on the SD-1 form. The Surplus Property Division requires all information to be completed before they can process the paperwork.

When the SD-1 forms are complete, the WDD Warehouse staff should forward a copy to ADECA/WDD attached to a letter to the WD Division Chief. This letter is a request for the WDD Chief to approve the surplus of property as listed on the attached SD-1s. When approval is received, the SD-1 forms should be forwarded to ADECA's Surplus Property Division. This division will schedule a date for the WDD Warehouse staff to deliver the property. Equipment should be checked and verified with the SD-1 forms prior to loading and should again be verified when unloading at the Surplus Property Division.

The Surplus Property Division should send the appropriate forms back to the WDD Warehouse for processing. Equipment must not be deleted from the computer inventory until the SD-1 forms (2 copies) are sent back to the WDD Warehouse from Surplus Property with all appropriate signatures. The second copy is sent by WDD Warehouse staff to the ADECA/WDD recipient property staff. The SD-1 form, if property executed, authorizes WDD Warehouse and ADECA/WDD recipient property staff to delete the surplused items from their computer inventories.

#### **IV    CONTACT**

For further information contact:

Alabama Department of Economic and Community Affairs  
Workforce Development Division  
Administrative Section - WDD Recipient Property Staff  
401 Adams Avenue  
P. O. Box 5690  
Montgomery, Alabama 36103-5690  
Telephone No. (334) 242-5436  
Fax No. (334) 242-5855 or (334) 353-4239

**NOTE:**            **Property forms may be obtained through email. The email address is**  
**[connien@adeca.state.al.us](mailto:connien@adeca.state.al.us)**

## V. GLOSSARY

ADECA/WDD Recipient Property Staff	Staff located at ADECA in the Workforce Development Division (Telephone No. (334)242-5882 and Fax No. (334) 242-5855)
Equipment	Tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of \$500.00 or more per unit.
Inventory	Items of <b>property costing \$500 or more</b> at the time of acquisition and with a life expectancy of at least one year.
Non-Inventory	Items costing less than \$500.00 at the time of acquisition, items purchased as part of another piece of equipment, or items that are expendable.
Semiannual Reports	Computer print-outs of inventory that are sent to each WDD recipient (for all locations) to initiate the semiannual verification of equipment - that it is in the recipient's possession and that it is still at the stated location.
Supplies	Tangible, personal property other than equipment with an acquisition cost of <b>less than \$500.00</b> .
Transfer	Physical relocation of property from one location code to another. Such action <b>must be</b> accompanied by completion of a PMU-3 so that the inventory locations can be changed in the computer system.
Warehouse	The WDD Warehouse is located in Montgomery and operated by the Central Alabama Skills Center Training Consortium.
WDD Warehouse Director	Central Alabama Skills Training Consortium

## VI. PROPERTY MANAGEMENT UNIT (PMU) FORMS

PMU-1	Property Material Receipt- Submitted with purchase order and vendor's invoice in order to complete the PMI-2.
PMU- 2	Property File Input Document - Submitted to ADECA to provide information on adding an item of property to the inventory.
PMU -3	Property Custody Receipt - Used for transfer of property between recipients and other state departments. Release and Acceptance signature form.
PMU-4	Property Report of Survey - Used to report lost, stolen or destroyed property. (Must be accompanied by police report if the property is stolen and a fire report if property is destroyed by fire.)
PMU-5	Semiannual Inventory Status Report - Used to report changes or discrepancies on the inventory.
PMU- 6	Property Disposition Form - Used to report to ADECA on final disposition of property.
Surplus Div. (SD-1) Form	Must be completed for submission of equipment to the Surplus Property Division of ADECA for disposal.

**ALABAMA DEPARTMENT OF ECONOMIC AND COMMUNITY AFFAIRS  
PROPERTY MANAGEMENT UNIT  
RECIPIENT MATERIAL RECEIPT**

1. Recipient \_\_\_\_\_ 6. Vendor \_\_\_\_\_  
 2. Address \_\_\_\_\_ 7. Address \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

3. Phone No. \_\_\_\_\_  
 8. Date \_\_\_\_\_

4. Fund Source \_\_\_\_\_ Agreement No. \_\_\_\_\_

5. Property Location (if different from above) \_\_\_\_\_  
 Address \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone Number \_\_\_\_\_

9. Description	10. QTY	11. MFR.	12. SERIAL NUMBER	13. UNIT PRICE	14. TOTAL PRICE	15. FED. SHARE	16. COND

I hereby certify that I have received and checked the items listed above and that they are of the kind, quality, and condition noted.

17. Received by \_\_\_\_\_ 18. Phone \_\_\_\_\_  
 19. Signature \_\_\_\_\_ 20. Date \_\_\_\_\_

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ADECA  
PROPERTY MANAGEMENT UNIT  
RECIPIENT MATERIAL RECEIPT

**PURPOSE:** This form is to be used by ADECA recipients to document the receipt of non-consumable personal property.

Instructions for Completion:

1. Enter legal name of the recipient receiving property.
2. Enter complete mailing/street address of recipient.
3. Enter telephone number of the recipient.
4. Enter fund source and agreement number.
5. Enter **exact location** of the property to include **complete address, phone number** and the **person responsible for equipment**. ( If different from # 2).
6. Enter name of vendor.
7. Enter complete mailing address of vendor.
8. Enter date the property was received by the recipient.
9. Enter item description.
10. Enter number of units received.
11. Enter manufacturer of the property.
12. Enter serial number of the property.
13. Enter the unit price paid for the property.
14. Enter the total price paid for the item(s).
15. Enter percentage of Federal Participation in the cost of the grant.
16. Enter the condition of the property received.
  - a. Good- Enter **G** for good condition.
  - b. Fair- Enter **F** for fair condition.
  - c. Poor- Enter **P** for poor condition.
17. Enter the typed name of the individual certifying receipt of the property.
18. Enter telephone number of the individual cited in #17.
19. Signature of the individual certifying receipt of the property.
20. Enter date the certifying agent signs the document. (For recipient only.)



**ALABAMA DEPARTMENT OF ECONOMIC AND COMMUNITY AFFAIRS  
PROPERTY MANAGEMENT UNIT  
REPORT OF SURVEY**

1. ADECA Division/Grantee/Contractor or LWIA \_\_\_\_\_

2. Address \_\_\_\_\_  
\_\_\_\_\_

3. Property Custodian:  
\_\_\_\_\_

4. Telephone No. \_\_\_\_\_

5. Fund No./Agreement No. \_\_\_\_\_

6. Description	7. Acquisition Cost	8. ADECA Property No.	9. Reason (Describe on additional page as necessary)

10. ADECA Division/Grantee  
Contractor or LWIA Official \_\_\_\_\_ Date: \_\_\_\_\_

**To be completed by State Official Personnel:**

11. Division Chief Approval \_\_\_\_\_ Date: \_\_\_\_\_

12. Property Manager Acknowledgment \_\_\_\_\_ Date \_\_\_\_\_

13. DIRECTOR'S APPROVAL \_\_\_\_\_ Date \_\_\_\_\_

Comments \_\_\_\_\_