

Wyoming County Business Center (WCBC)

Equipment Purchasing and Disposal Procedures Regarding Federally

Funded Projects

Capital Equipment as defined by the Office of Business Management “OMB” is “tangible nonexpendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.” All capital assets are recorded at historical cost as of the date acquired. The acquisition cost includes installation charges and freight. All costs associated with making the asset serviceable are capitalized. Invoices substantiating the acquisition cost of each unit of property shall be retained for a minimum of three (3) years.

Equipment with an economic useful life of twelve (12) months or less are expensed for financial statement purposes, regardless of the acquisition or production cost. Equipment acquired with external support becomes the property of WCBC unless restricted by the funding organization. WCBC will obtain prior approval from the awarding agency prior to purchasing capital equipment.

The WCBC Procurement Procedure and Guidelines includes the organizations system for purchasing, managing, and tracking property including:

Procurement Approvals and Roles

1. Administrator: Submit purchase requisitions to the President/CEO
2. President/CEO Reviews requisitions, forwarding approved requisitions to the Administrator. During this review, duplicate and/or unnecessary items are eliminated from the requisition
3. Staff Clerk: Performs a final review, processes the requisition and submits order and payment to the vendor
4. Staff Clerk : Receives orders, checks to ensure all items purchased were delivered, tags inventory as appropriate, registers warranties and forwards packing slips and inventory information to President/CEO.
5. President/CEO approves and submits copies of documentation to the Administrator.

In order to ensure the proper receipt and tracking of equipment, the organization tags all equipment at the time of acquisition and performs a physical inventory of equipment purchased with grant funds every two years. The organization verifies the existence and condition of the equipment and the accuracy of records related to equipment. The organization establishes maintenance procedures and records of the operational condition of equipment. The President/CEO is notified of condition, location, loss or damage to equipment who then notifies appropriate Federal agency. Records are submitted to the President/CEO for review and approval.

WCBC maintains records tracking equipment including description, serial number, source of funding (including the Federal Award Identification Number, or FAIN), percentage of federal participation in the cost of the equipment, title holder, acquisition date and cost, location, use and condition status, and disposition data. This information is maintained by the Administrator.

Equipment procured with Federal funds will be insured the same as the WCBC 's other personal property.

Equipment Disposal

WCBC will request disposition of an item purchased with grant funds if it is determined to be obsolete, and the item's value exceeds \$5,000. If it meets these criteria, disposition rules are followed. This may include requesting disposition instructions from the awarding agency. Disposition practices require compensating the federal awarding agency for its proportion of the original cost applied to the fair market value. The President/CEO is notified prior to the disposal of an asset purchased with federal funds. Supplies less than \$5,000 are retained by WCBC.

Adopted September 21, 2022