

Fiscal Management : Equipment

Equipment

This section provides guidance on the steps necessary to purchase, register, track and dispose of equipment.

Definition

Equipment is defined as non-expendable property used to conduct allowable CalFresh Outreach (CFO) activities. The term equipment is used to describe items such as computers, monitors, scanners, printers, DVD players, cameras, calculators, office furniture and other office equipment necessary for contract fulfillment. Equipment shared with other programs must be prorated.

The definitions for Capital vs. Non-Capital equipment can be found in the Glossary of the [SNAP State Outreach Plan Guidance \(Food and Nutrition Services\)](#)

All equipment purchased solely or partially with contract funds belong to the state and may be retrieved upon termination of the contract.

Authority and Guidance

Equipment purchases are normally anticipated expenditures and are detailed in the Annual Budget Detail and allowed by your approved contract.

Prior Federal approval must be received before the prime contractor can procure or request reimbursement for equipment valued at more than \$5,000. Review and approval of equipment purchases are normally conducted during review of the proposed budget when the outreach plan is submitted to the appropriate Regional Office. Budget reviews ensure that proposed equipment requests do not duplicate the previous year's equipment purchases for the same project. Inventory records must be maintained for equipment that is paid for in full, or in part, with Federal funds. A physical inventory is required every two years.

Further, State guidance requires prior written authorization from your Program Analyst (PA) for any purchase order exceeding \$2,500 for any equipment. The request should include all particulars necessary for evaluation of the necessity or desirability of incurring such cost and the reasonableness of the price or cost. Three competitive quotes should be submitted or adequate justification provided for the absence of bidding.

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Documentation and Forms

Pre-Approval for New Equipment Purchases

Request written approval from your PA before purchasing equipment not approved in your CFO contract. Request shall include:

- Narrative justification detailing how the equipment will be used and the impact to CFO
- Quotes from three (3) different vendors

The PA will review the request and, if necessary, forward the request to USDA. Requests will be forwarded to USDA if:

- The item costs more than \$5,000
- The item is identified as theft sensitive
- There is a question about the allowability of the requested item

Your PA will contact you if additional information is required. Upon approval, please proceed with the procedure below.

New Equipment Purchases

Notify your PA of an approved equipment purchase by including a copy of the purchase order with the invoice for the month in which the equipment is purchased.

The purchase order must clearly show:

- Delivery or purchase date
- Item description
- Model number
- Serial number
- Price paid

A Property Transaction Record Form [AA 113](#) must accompany the purchase order when submitting an invoice. Complete the following fields:

- Delivery Date
- Item Description
- Model Number
- Serial Number

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Your PA will register the purchase with the CDSS Asset Management Section and will return the AA 113 and corresponding equipment tags to your Equipment Custodian. When you receive this information:

- Affix the barcode to the front right corner (if possible) of the new equipment
- Sign and email a copy of the AA 113 for your PA
 - The PA will keep a copy of AA 113 and forward a copy to the CDSS Asset Management Section

Transfer or Lending of Equipment

If equipment is to be transferred or loaned to another approved CFO contractor, complete the following:

- Notify your PA and complete the Equipment Transfer Notice Form [GEN 377](#) and email a copy to your PA
- Upon approval, the PA will keep a copy and forward a copy to the CDSS Asset Management Section

Disposal of Broken or Outdated Equipment

If equipment purchased under your CFO contract breaks or is past its useful life, do not dispose of the equipment until instructed to do so by your PA.

- Complete Proper Survey Report Form [STD 152](#) and return the form to your PA
- The PA will submit the STD 152 to the CDSS Asset Management Section
- The Property Unit will submit the STD 152 to the Department of General Services (DGS) Surplus Property
- Upon DGS approval, the STD 152 will be returned to the contractor
- Your EC will properly dispose of the equipment, sign the certification of disposition, and return the signed STD 152 and property tag(s) to the PA
- The PA will forward the STD 152 and property tag(s) to the CDSS Asset Management Section

Reporting Stolen, Lost, or Missing Equipment

As soon as your EC is aware of a missing, lost, or stolen item:

- Notify your PA immediately
- The PA will report to the [Health and Safety Section](#) using the [Incident Reporting Portal](#), along with an [STD 152](#), [GEN 1370](#), and STD 99 (the STD 99 is only accessible through the portal)

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- CDSS will determine next steps and will contact the contractor with additional instructions

Physical Inventory

Physical inventory must take place at the close of the Federal Fiscal Year every two years.

- Your PA will forward to your EC three documents generated by the CDSS Asset Management Section:
 - Equipment Transfer Notice – [GEN 377](#)
 - Property Transaction Record Form – [AA 113](#)
 - Property Survey Report Form – [STD 152](#) (you will need to right click and select “Open in App” to access)
- Current Inventory Form:
 - Your EC will locate each item on the database reports and check off items as they are found
 - Items not found by your EC should remain unchecked
 - Equipment and furniture previously missed or that has lost its barcode should be added to the Form AA 113
 - Following the inventory, return reports and Form AA 113 to your PA