



Harbor District, Inc.

Property Management Policy

Adopted: September 1, 2020

I. INTRODUCTION

The purpose of this document is to establish the policies and procedures of Harbor District, Inc. (HDI) to ensure safeguards for and prevent loss, damage, or theft of its property. It is the responsibility of all HDI employees to comply with the policies and procedures in this manual. It is the responsibility of the Executive Director to ensure that these policies and procedures are implemented. If necessary, the Board of Directors may appoint a person (or persons) to investigate any loss, damage, or theft of property. Any such investigation shall be fully documented.

II. DEFINITIONS OF PROPERTY

A. Real Property

Real property means land, including land improvements, structures, and appurtenances thereto, but excludes movable machinery and equipment. The U.S. Environmental Protection Agency's (EPA) implementation (40 CFR 30, §30.32) of OMB Circular A-110 reads: "(t)itle to real property shall vest in the recipient subject to the condition that the recipient shall use the real property for the authorized purpose of the project as long as it is needed and shall not encumber the property without approval of EPA."

B. Personal Property

Personal property is any kind of property that is not real property. Personal property may be tangible with physical presence; or intangible with no physical existence, such as trademarks, copyrights, patents, or securities.

C. Equipment

Equipment is defined as having a useful life of more than one year and an acquisition cost of more than \$5,000.

D. Supplies

Supplies mean all personal property, excluding equipment and intangible property (e.g., personal property with an acquisition cost of \$5,000 or less).

E. Property Trust Relationship

Although title to equipment and most real property vests in the recipient (i.e., HDI) upon acquisition, this does not mean that HDI owns the property outright. Under OMB Circular A-110 (which applies to HDI whenever a federal funded grant or a cooperative agreement has been received), real property, equipment, intangible property, and debt instruments that are acquired or improved with federal funds should be held in trust by HDI as trustees for the beneficiaries of the project or program under which the property was acquired or improved. (See A-110 SUBPART C .37 and 40 CFR §30.37)

F. Non-HDI Property

Non-HDI property, in HDI's custody, will be identified in accordance with the terms and conditions of the applicable contract or grant. Any special inventory or reporting procedures specified will be brought to the attention of the Executive Director.

III. PROPERTY MANAGEMENT and RECORD-KEEPING

A. Responsibilities

The property recipient (see Sections VI and VII) shall be responsible for proper use, reasonable care, and maintenance of all accountable property. The Executive Director shall be responsible for maintaining a complete, up-to-date property control log of HDI-owned property.

B. Recordkeeping.

A property control log will be maintained in the HDI main office for each piece of real property or equipment that HDI owns or has under its care.

1. Real Property. For each piece of real property owned, leased, or held in trust (vested under a federal award), the property control log shall contain the following information:

- description of the real estate, with copy of the plat
- status of title
- date of acquisition and price
- location of real estate
- date of last inventory
- copy of insurance policy
- evidence of prior approval to use property acquired with federal funds on other federally sponsored programs
- for EPA awards, EPA shall prescribe requirements concerning the use and disposition of real property acquired whole or in part under awards
- status on disposition of the property

2. Equipment. For each piece of equipment owned, leased, or held in trust (vested under a federal award), the property control log shall contain the following information:

- Description of equipment
- Manufacturer's serial number, model number, or other identification number
- Source of funding the property, including FAIN number
- Who holds the title
- Procurement authorization

- Date of acquisition and price
- Current location and condition of equipment (and date this information was established)
- Copy of any warranty and maintenance agreements
- Any ultimate disposition data including date of disposal and sale price

IV. INVENTORY PROCEDURES

A. Frequency of Inventories

A physical inventory of all property maintained on the property control log shall be taken at least once per calendar year. Inventories may also be taken whenever an employee responsible for equipment is replaced, or an inventory is requested by the Board of Directors.

B. Responsibility for Inventories

The Executive Director shall be responsible for taking a physical inventory. The results will be reconciled with the equipment and financial records. If necessary, the Board of Directors may appoint a person (or persons) to investigate any loss, damage, or theft of property. Any such investigation shall be fully documented.

C. Property to be Inventoried

The inventory will include all property classified as real property, equipment, materials with an acquisition cost of \$5,000 or more, and any items designated by the

Executive Director (e.g., property that has been loaned and non-HDI property).

D. Current Utilization of Inventoried Property

The Executive Director shall be responsible for reviewing the current utilization and current need of all inventoried equipment.

E. Reporting Loss of Federal-Owned Equipment

If HDI has any equipment that is owned by the Federal Government and the equipment was lost, damaged, or stolen, the Executive Director will be responsible for promptly notifying the appropriate federal agency with whose funds the equipment was purchased.

V. MAINTENANCE

A. Policy

It is HDI's policy to implement adequate maintenance procedures to ensure that equipment is kept in good working condition in accordance with any manufacturer's recommendations, if applicable.

B. Responsibility for Maintenance

As necessary, HDI shall contract with maintenance companies to maintain its equipment in good working condition.

C. Documenting Maintenance

The Executive Director shall be responsible for monitoring equipment maintenance. The Executive Director shall ensure that a record is maintained and kept current of all maintenance performed, including ensuring that the maintenance repair-person leaves a written record of his/her work and/or signs a maintenance log.

D. Warranties

The Executive Director shall ensure that all warranties are kept current and a copy of the warranty is maintained in the property control log.

E. Insurance

It is HDI's policy to insure all property and equipment, as defined in this manual, whether purchased with non-federal or federal funds in accordance with 40 CFR 30.31 and 2 CFR 200.310)

F. Controls for Maintenance

HDI shall institute controls to safeguard against loss, damage, or theft of property. Any loss, damage, or theft shall be the responsibility of HDI to investigate.

VI. STAFF PROVIDED PROPERTY

HDI may provide certain property (e.g., desktop computers) to its employees to assist in HDI work-related business in the HDI office. Any provided property will be used and maintained in a proper manner.

VII. LOANED PROPERTY

HDI may loan certain property (e.g., laptop computer) to its employees to assist in HDI work-related business at home, on trips, or in the field. Any borrowed property will be used and maintained in a proper manner. HDI will generally not loan out its property for non-HDI business.

VIII. PROPERTY PURCHASED WITH NON-FEDERAL FUNDS

For any property purchased with donor funds, HDI shall observe the donor's terms and conditions governing the use and disposition of the property. These terms and conditions may occur during the grant period or after its expiration, and may include requirements and conditions for selection, purchase, use, and disposition.

X. PROPERTY PURCHASED WITH FEDERAL FUNDS

For any property purchased with federal funding, HDI shall adhere to its Procurement policy, any terms and conditions of the grant, and any applicable federal rules, including 2 CFR § 200.311.

X. PROPERTY DISPOSAL PROCEDURES

A. General Policy

It is HDI's policy to adhere to any special terms, conditions, and requirements for disposal of equipment purchased with donor funds.

B. EPA-Acquired Equipment

Whenever equipment is acquired by HDI through a federal grant, HDI shall submit a report to the federal Grant Officer within 90 days after the termination of the grant. The report shall include a list of purchased equipment, and state whether and how HDI plans on disposing of the equipment purchased under the grant. Disposition will be consistent with 30.32, 2 CFR 200.311. Per § 200.313 (a)(1), HDI may continue to use equipment as long as this use is consistent with the purposes of the project for which funding was awarded.

C. Transfer of Title

Under certain projects, HDI may transfer the title of all equipment and other property to Federal Government or a third party. Any such transfer shall be performed according to the terms and conditions of the grant used to acquire the property and applicable federal rules, including 2 CFR § 200.313.

D. EPA-Acquired Supplies

Supplies purchased by HDI with federal funds shall be retained by HDI,

E. Intangible Property

The relevant federal agency shall have rights to all intangible property generated through federally funded projects.