CHAPTER I BASIC ADMINISTRATIVE PROVISIONS

- 1. <u>Scope and Applicability.</u> This handbook contains property management procedures that all contractors with contracts issued by the United States Department of Labor (DOL), Employment and Training Administration (ETA) must follow. The procedures encompass acquisitions, administration, and disposition of Government-owned personal property. The applicable regulations which were followed in developing these policies include the Workforce Investment Act (WIA), Public Law 105-200; and the Code of Federal Regulation (CFR), especially 41 CFR 101 and 102 (i.e., GSA's Federal Management Regulations (FMR). These constitute the framework for the contractors' property control system that must be in accordance with the Federal Acquisition Regulations (FAR) (48 CFR Chapter 1 Subpart 45). All Department of Labor/Employment and Training Administration cost-reimbursement contractors are required to utilize a Property Management System to maintain computerized records of the Federal nonexpendable personal property under their control.
- 2. <u>**Responsibilities**</u>. Delegation of responsibilities is as follows:
 - a. <u>Department of Labor Responsibility</u>. The U.S. Department of Labor/Employment and Training Administration (DOL/ETA) is responsible for developing, implementing, and supervising national employment and training policies and programs authorized by the Workforce Investment Act.
 - b. <u>Employment and Training Administration Authority</u>. ET Order 2-87 delegates to the Assistant Secretary for Employment and Training Contracting Officer (CO) authority to procure program-oriented Federal property and services.
 - c. <u>Administration of Government-Furnished Property</u>. The Administrator for the Office of Financial and Administrative Management is delegated authority and assigned responsibility for the administration of Government-furnished property through the Division of Administrative Services. The National Employment and Training Administration Property Officer is responsible for:
 - (1) Implementing a comprehensive Government property management program.
 - (2) Ensuring compliance with contract provisions relating to property.
 - (3) Ensuring that contractors properly acquire, maintain, use, and dispose of Government property in accordance with the FAR and FMR.
 - (4) Providing Employment and Training Administration personnel concerned with contractor property with guidance, procedures, policies, and standards for managing and controlling Government property in the contractors' possession.

- 3. <u>Definitions</u>. The following definitions illustrate the general responsibilities of key personnel and the meanings of some of the terms this handbook uses.
 - a. <u>Contracting Officer (CO)</u>. The individual duly authorized to enter into, execute, and administer contracts and other legally binding agreements on behalf of the Secretary of Labor.
 - b. <u>Contractor</u>. The individual, firm, or organization with which the Department of Labor enters into a binding legal agreement.
 - (1) <u>Prime Contractor</u>. The individual, firm, or organization directly responsible to the DOL/ETA Contracting Officer for all phases of work required by the contract.
 - (2) <u>Subcontractor</u>. The individual, firm, or organization directly responsible to the prime contractor for the performance of specific phases of the contract in accordance with the terms of an agreement between the parties.
 - c. <u>National Employment and Training Administration Property Officer (NPO).</u> The Employment and Training Administration representative responsible for ETA property management. The National Property Officer provides guidance and assistance to ETA personnel and contractors in acquiring, controlling, maintaining, and disposing of property.
 - d. <u>Employment and Training Administration Project Manager</u>. The ETA representative (e.g. Project Manager (PM), Contracting Officer's Technical Representative (COTR), or Grant Officer's Technical Representative (GOTR)), who is the liaison between the contractor and the Contracting Officer throughout the contract period.
 - e. <u>Regional Project Manager (RPM).</u> The Regional Project Manager is the authorized representative of the DOL/ETA Regional Administrator (RA) in a designated Region responsible for Government property management.
 - f. <u>Appropriate Project Manager/Appropriate Department of Labor/Employment and Training Administration Property Officer.</u> These terms are used throughout this handbook to indicate the Federal Government official who is responsible for overseeing property management relative to a particular contract. If the Job Corps Regional Office issues a contract (e.g., a Job Corps Center operating contract), the appropriate PM is the DOL Representative. If the Employment and Training Administration Regional Office (other than a Job Corps Regional Office) issues the contract, the appropriate DOL Representative is the Regional Project Manager. If the Employment and Training Administration National Office and/or National Office of the Job Corps issued the contract, the appropriate Property Officer is the National Property Officer. Under no circumstances does the term "appropriate Property Officer" refer to a contractor's employee.

- g. <u>Federal Supply Service (FSS)</u>. The FSS represents the General Services Administration (GSA) in a designated geographical area on procedures necessary to acquire supplies and equipment through GSA-authorized and approved supply sources.
- h. <u>Regional General Services Administration (GSA)</u>. The Regional General Services Administration is the designated representative in a designated geographical area for the acquisition and disposition of Government excess property.
- i. <u>Government Property</u>. Property furnished by the Government or acquired with Government funds by a contractor for use in the performance of contractual obligations. Title to such property is always vested in the Government. Government property made available to contractors is classified as either "real" or "personal" property.
- j. <u>Government</u>. The Federal Government.
- k. <u>Real Property</u>. Parcel or parcels of land and land with improvements and structures thereon (excluding moveable machinery and equipment) under control of any Federal agency.
- 1. <u>Installed Equipment</u>. Any property that is wired, plumbed, or is otherwise fixed to a structure for an extended period of use. This property cannot easily be removed. Property of this nature will be excluded from tracking on an approved Property Management System.
- m. <u>Personal Property</u>. Any property not classified as real property is considered personal property. Personal property can be either expendable or nonexpendable. The following definitions are relevant for reporting purposes.
 - (1) <u>Expendable Property</u>. Expendable property includes supplies and materials that lose their identity in contract performance. Expendable property must be tracked utilizing an internal Property Management System or stock cards (Figure B-5) that have been approved by the ETA National Property Officer (NPO). The following are examples of such property:

ADPE Supplies (diskettes, printer cartridges, etc.) Batteries Bedding and Linens Books Bulletin Boards Camping Equipment Cassettes, CDs, and DVDs Clocks and Mirrors Clothing and Shoes Extension Cords Locks Mattresses

Office Supplies (paper, pens, paper clips, etc.) Pictures and Wall Hangings Rugs Saw Blades and Drill Bits Small Athletic Equipment Items (balls, tennis racquets, pads, etc.) Small Hand Tools (non-powered) Small Kitchen Items (dishes, silverware, pots, cooking utensils, etc.) Training Materials (maps, charts, films, etc.) Training Programs Waste Receptacles

- (2) <u>Non-expendable Property.</u> Nonexpendable property (owned, rented, and/or loaned) includes the classes and types of property listed below. This property must be tracked using a Government approved property management system.
 - (a) Furniture, which has a unit acquisition cost of \$100 or more.
 - (b) Any other property item, regardless of classification, which has a unit acquisition cost of \$200 or more.
 - (c) All power tools, regardless of cost.
 - (d) Tool "sets" and "kits" (SKs) regardless of cost.
 - (e) All property identified as Sensitive items.
- (3) <u>Sensitive Items</u>. Those items of property, regardless of value, which can be appropriated for personal use or which can be readily converted to cash. The following require special controls before and after issuance, regardless of acquisition cost:

Adding Machines/calculators Cameras, all (lenses, flashes, and related equipment) Central Processing Units (CPUs), External Modems Disk Drives CD Burners Laptops Monitors Printers Fax Machines Communications Equipment (radios, base stations) Microwave Ovens Televisions Tape Recorders Telephones, Cellular

Video Cassette Recorders/Players/DVDs Radios/Cassette Recorders/Players/DVDs

All items classified as sensitive, regardless of acquisition cost, will be entered on the Government approved property management system for tracking purposes.

Contractors must track all nonexpendable personal property items with unit acquisition costs of \$200 or more, including any property under this amount listed on the Sensitive Items list. Contractors must also track furniture items with an acquisition cost of \$100 or more, utilizing the same Government approved property management system.

Government property not assigned to a property management system will continue to be protected with the appropriate level of safeguards against theft and misuse. Property items in this category should be appropriately marked as Government property, but will not be tracked in the same manner as those defined as non-expendable.

Note: If uncertain as to whether an item is classified as expendable or nonexpendable, please contact the ETA National Property Officer. Expendable or nonexpendable reporting classification decisions are solely the responsibility of the National Property Officer; these decisions are not indicative of the dollar levels for obtaining approvals and/or the level at which property has depreciated for accounting purposes.