

## Equipment Expenses

This section outlines the steps necessary to purchase, register, track and dispose of equipment, including any purchasing restrictions.

### Definition

Equipment is defined as non-expendable property used to conduct eligible CalFresh Program Access 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.

All equipment purchased solely or partially with contract funds belong to the state and may be retrieved upon termination of the contract. Any additional questions you may have concerning issues not covered in this section can be answered by your program analyst.

### Cell Phone Purchases

The purchase of cell phones is typically an unallowable expense. There are some exceptions allowed by USDA. If you are considering the purchase of cell phones, contact your program analyst to determine whether the purchase would be allowed.

### Authority and Guidance

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

[USDA Guidance](#) allows for the purchase of office equipment and gives the state authority to approve equipment costing less than \$5000.

The USDA Guidance further requires that inventory records be maintained for all equipment paid for (in full, or in part) with Federal funds. Equipment not approved during the contracting process must be pre-approved by your program analyst. Treatment and disposition of all equipment valued at less than \$5000 per item will be managed in accordance with CDSS property management requirements and procedures, except that the USDA requires a physical inventory every two years instead of every three years for CDSS.

State guidelines require registration, tagging, tracking and disposition of broken or outdated equipment. To meet state guidelines, each contractor must designate an Equipment Custodian (EC) to be responsible for implementing the procedures listed below:

## Documentation and Forms

### New Equipment Purchases

- Contact your program analyst to receive written approval before making a new equipment purchase not already approved in your contract.

- Notify your program analyst of an equipment purchase by including a copy of the purchase receipt with the invoice for the month in which the equipment is purchased. The receipt must clearly show:
  - Delivery or purchase date
  - An item description
  - A model number
  - A serial number
  - Price paid
- A Property Transaction Record [Form AA 113](#) must accompany the purchase receipt when submitting an invoice. Complete the following fields:
  - Delivery Date
  - Item Description
  - Model Number
  - Serial Number
- Your program analyst will register the purchase with the CDSS Property Unit and will return the Property Transaction Record Form AA 113 and corresponding equipment tags to your Equipment Custodian. When you receive this information:
  - Affix the bar code to the front right corner (if possible) of the new equipment.
  - Sign and email a copy of the Form AA 113 to your program analyst.
- The program analyst will keep a copy of Form AA 113 and forward a copy to the CDSS Property Unit.

### Transfer or Lending of Equipment

If equipment is to be transferred or loaned to a subcontracting agency for one month or longer:

- Complete the Equipment Transfer Notice Form [GEN 377](#) and return the original to your program analyst.
- The program analyst will keep a copy and forward the original to the CDSS Property Unit.

### Disposal of Broken or Outdated Equipment

If equipment purchased under your CalFresh Program Access contract breaks or is past its useful life, do not dispose of the equipment until instructed to do so by your program analyst.

- Complete only highlighted sections of the Property Survey Report Form [STD 152](#) and return the form to your program analyst.
- The program analyst will submit CDSS form STD 152 to the CDSS Property Unit.
- The Property Unit will submit the STD 152 to Department of General Services (DGS) Surplus Property.
- Upon DGS approval, the STD 152 will be returned to the contractor.
- Your EC must then properly dispose the furniture or equipment, sign the certification of disposition, and return the signed STD 152 and property tag(s) to the program analyst.
- The program analyst will forward the STD 152 and property tag(s) to the CDSS Property Unit.

### Reporting Stolen, Lost, or Missing Equipment

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

- Complete a CDSS Incident Report Form [GEN 1311](#) and e-mail a copy of the GEN 1311 to [CDSSADMMSSBSHS@dss.ca.gov](mailto:CDSSADMMSSBSHS@dss.ca.gov) and cc your program analyst.
- CDSS will determine next steps.

### Physical Inventory

Physical inventory must take place every other year.

- Your program analyst will forward to your EC three documents generated by the CDSS Property Unit:
  - Property Database Report—Equipment
  - Property Database Report—Furniture
  - Inventory Add Sheets
- 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 have lost their barcode should be added to the Inventory Add Sheets.
- Following the inventory, return reports and add sheets to your program analyst.