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PROGRAM MEMO

TO: Area Agencies on Aging and Multipurpose Senior Services Program Sites

NO: 20-05

DATE ISSUED: March 1, 2020

EXPIRES: Until Superseded or Rescinded

SUBJECT: Equipment/Property Justification and Reporting Threshold

PROGRAMS AFFECTED: Area Plan (AP), Title V (TV), HICAP (HI), Financial Alignment (FA), MIPPA (MI), MSSP (MS), and Fall Prevention (FP).

SUPERSEDES: N/A

Purpose

This Program Memo (PM) provides information on increased dollar thresholds regarding justification, approval, and reporting of equipment/property being purchased using federal and/or state funds.

Justification, Approval of Equipment/Property Purchases

California Department of Aging (CDA) has adjusted the requirement for justification and approval of equipment/property purchases. The threshold for equipment/property, originally set at $500 per unit cost, is now increased to $5,000 per unit cost. All computing devices, regardless of cost (including, but not limited to: workstations, servers, laptops, personal digital assistants, notebook computers, tablets, smartphones, and cellphones), and all portable electronic storage media regardless of cost (including, but not limited to: thumb/flash drives and portable hard drives) will still require justification from the contractor, and approval from CDA, and must be included in the contractor's approved budget.

The adjustment will take effect in all new contracts including, but not limited to AP-2021, TV-2021, HI-2021, FA-2021, MI-2021, MS-2021, and FP-1920, and is only applicable to the programs listed above.

Reporting Equipment/Property Purchases

CDA has adjusted the requirement for reporting equipment/property purchased as a part of one of the above referenced contracts to $5,000 per unit cost. All computing devices, regardless of cost (including, but not limited to: workstations, servers, laptops, personal digital assistants, notebook computers, tablets, smartphones, and cellphones) and all portable electronic storage media, regardless of cost (including, but not limited to: thumb/flash drives and portable hard drives) must still be reported.

The new property reporting requirements will be implemented upon execution of the following contracts and continue until rescinded: AP-2021, TV-2021, HI-2021, FA-2021, MI-2021, MS-2021, and FP-1920.

All prior equipment/property purchased by the contractor and any subcontractors with funds from any prior Agreement will remain on the Program Property Inventory List. Remaining property will be surveyed and disposed of over time and removed from the Program Property Inventory List through attrition.

Equipment/property remaining on the Program Property Inventory List that is less than $5,000 and does not meet the criteria for a computing device or portable electronic storage, will still require CDA approval for disposal prior to removal from the inventory.

Contract Language Updates

CDA will be updating language in Exhibit B and Exhibit D for all contracts listed above. Updates to the language will be distributed via the Summary of Changes document for each contract.

Inquiries

For questions regarding the justification and approval of equipment/property purchases for Area Plan, Title V, HICAP, Financial Alignment, MIPPA, email: fiscalteam@aging.ca.gov

For questions regarding the justification and approval of equipment/property purchases for Fall Prevention, email: fallpreventionprogram@aging.ca.gov

For questions regarding the justification and approval of equipment/property purchase for MSSP, email: msspservice@aging.ca.gov

For questions regarding the reporting and disposition of equipment/property purchases, email: property@aging.ca.gov

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