|  |  |  |  |
| --- | --- | --- | --- |
| **Guide for Review of RCB Equipment Management and Equipment Disposition** | | | |
| **Name of Recipient:** | | | |
| **Name of Subrecipient (if applicable):** | | | |
| **Name of Program(s) Monitored:** | | | |
| **Grant Number(s) Reviewed:** | | | |
| **Staff Consulted:** | | | |
| **Name(s) of Reviewer(s)** |  | **Date** |  |

**NOTE:** All questions that address requirements contain the citation for the source of the requirement (statute, regulation, NOFA, or grant agreement). If the requirement is not met, HUD must make a finding of noncompliance. All other questions (questions that do not contain the citation for the requirement) do not address requirements, but are included to assist the reviewer in understanding the recipient's program more fully and/or to identify issues that, if not properly addressed, could result in deficient performance. Negative conclusions to these questions may result in a "concern" being raised, but not a **"finding.**"

**Instructions:** The Exhibit is designed to assist the HUD reviewer in determining the recipient’s compliance with the equipment management and disposition requirements as described in 24 CFR Part 84 for grant agreements signed prior to December 19, 2014. The HUD reviewer should randomly select an appropriate sample (e.g., based on size of last grant, amount of time allocated for monitoring, results of pre-monitoring preparation) of equipment acquired with the Federal funds for the program(s) being monitored as a basis for completing this Exhibit. If the recipient’s accounting system includes information on equipment acquired with grant funds, the HUD reviewer may want to use this as a starting point for selecting the sample of equipment transactions. This Exhibit is divided into three sections: Sample; Equipment Use and Management; and Equipment Disposition. For grant agreements signed after December 19, 2014 and, therefore, subject to 2 CFR Part 200, use Exhibit 34-4 in this Handbook. Note that, in this Exhibit, the following terms are used interchangeably when referring to RCB grant awardees: program participant, recipient, non-Federal entity.

A. Sample

1.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Provide information on the selected sample of equipment transactions in the table below. If additional rows are needed, please attach an additional sheet. | | | | | | |
| **Item** | **Date Acquired** | **Acquisition Cost** | **Amount of Other Federal $ Used (if any)** | **Disposition Date**  **(if applicable)** | **Method of Disposition (if applicable)** | **Program Income Amount** |
| 1. |  |  |  |  |  |  |
| 2. |  |  |  |  |  |  |
| 3. |  |  |  |  |  |  |
| 4. |  |  |  |  |  |  |
| 5. |  |  |  |  |  |  |
| 6. |  |  |  |  |  |  |

B. Equipment USE AND Management

2.

|  |  |
| --- | --- |
| Based on the selected sample, does a review of the documentation show that the program participant maintains equipment records which contain the following information requirements:  [24 CFR 84.34(f)(1)] | |
| a. equipment description? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| b. identification? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| c. funding source (grant number)? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| d. title holder? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| e. acquisition date and cost? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| f. percentage of Federal participation in original acquisition cost? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| g. location and condition of equipment? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| h. unit acquisition cost? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| i. if, applicable, disposition data, including date of disposal and sales price? | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

3.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Has a physical inventory of equipment been taken and the results reconciled with the property records within the last two years?  [24 CFR 84.34(f)(3)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

4.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| a. Did the program participant use the equipment in the program or project for which it was acquired as long as needed, whether or not the project or program continued to be supported by the HUD award, and did the program participant obtain the prior approval of HUD if it encumbered the property?  [24 CFR 84.34(c)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |
| b. If the equipment is no longer needed for the original program or project, did the program participant use it in other activities in the following order of priority:  (i) Activities under another HUD award, then  (ii) Activities under Federal awards from other Federal awarding agencies?  [24 CFR 84.34(c)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |
| c. Did the program participant make equipment available for use on other projects or programs currently or previously supported by the Federal Government, if such other use would not interfere with the work on the projects or program for which it was originally acquired? Did the program participant give first preference for other use to other programs or projects supported by HUD awards and second preference to programs or projects under Federal awards from other Federal awarding agencies?  **NOTE:** Use for non-federally-funded programs or projects is also permissible, if authorized by HUD.  [24 CFR 84.34(d)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |
| d. If the program participant acquired replacement equipment and sold the equipment to be replaced (in lieu of using the property as a trade-in), did the non-Federal entity use the proceeds from the sale to offset the cost of the replacement property?  [24 CFR 84.34(e)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |

5.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| a. Does the program participant have a control system which adequately safeguards property to prevent loss, damage, or theft?  [24 CFR 84.34(f)(4)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |
| b. If a loss, damage, or theft of property acquired under the Federal award occurred, was it investigated?  [24 CFR 84.34(f)(4)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

6.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Does the program participant have maintenance procedures adequate to keep property in good condition?  [24 CFR 84.34(f)(5)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

7.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Has the program participant established proper sales procedures to ensure the highest possible return?  [24 CFR 84.34(f)(6)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |
|  | |

C. Equipment Disposition

8.

|  |
| --- |
| Describe the program participant’s procedures for equipment disposition. |
| **Describe Basis for Conclusion:** |
|  |

9.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Does the program participant request disposition instructions when original or replacement equipment acquired under the HUD award is no longer needed for the original project or program or for other activities currently or previously supported by HUD and, if HUD provided the requested instructions within 120 days, did the non-Federal entity follow the instructions?  [24 CFR 84.34(g)] | |  |  |  | | --- | --- | --- | |  |  |  | | **Yes** | **No** | **N/A** | |
| **Describe Basis for Conclusion:** | |