

STATE OF ALABAMA
PROPERTY MANAGEMENT MANUAL
FOR VOLKSWAGEN SETTLEMENT BENEFICIARY
MITIGATION FUNDS AND ELECTRIC VEHICLE
INFRASTRUCTURE PROGRAM FUNDS



ALABAMA DEPARTMENT OF ECONOMIC AND COMMUNITY AFFAIRS
ENERGY DIVISION
Revised 2022

Table of Contents

I.	Introduction	3
A.	General Information	3
B.	Purpose	3
II.	Property Management Procedures	3
A.	Acquisition Procedures	3
B.	Equipment Registration	4
C.	Tagging Equipment	4
D.	Annual Inventory Reports	4
E.	Stolen or Destroyed Property	4
F.	Disposition of Property	5
G.	Equipment Transfer	5
H.	Record Retention	5
III.	Property Management Unit (PMU) Forms.....	6

I. Introduction

A. General Information

This manual contains the property management Requirements for Alabama Department of Economic and Community Affairs (ADECA) Energy Division subrecipients funded with Volkswagen (VW) Settlement Beneficiary Mitigation Funds and Electric Vehicle (EV) Infrastructure Program Funds. The Energy Division shall require subrecipients to comply with the standards and property procedures established in this manual for the first five (5) years after acquisition of equipment purchased with VW/EV Funds. The ADECA Property Manager shall provide overall management and oversight.

All subrecipients must adhere to the ADECA Energy Division policies and procedures when purchasing equipment in whole or in part with grant funds. Equipment purchased with VW Settlement Beneficiary Mitigation Funds or EV Infrastructure Program Funds is defined by the Energy Division as tangible, non-expendable personal property having a useful life of more than one year and an acquisition cost of \$5000.00 or more per unit. Purchases under \$5000.00 are considered supplies and are not subject to registration in the ADECA inventory system.

Equipment purchased with VW Settlement Mitigation Trust Funds or EV Infrastructure Program Funds must be used for the intended purpose and in the same geographic area for a minimum of five (5) years from the date of acquisition.

B. Purpose

The purpose of this manual is to provide property management guidance to prevent loss, damage, or theft of property purchased with VW Settlement Beneficiary Mitigation Funds and EV Infrastructure Program Funds. This manual helps to ensure the intended use of equipment to accomplish both the VW Settlement goal of reduced NOx emissions and the EV Program's goal of increased Electric Vehicle adoption in the State of Alabama.

II. Property Management Procedures

A. Acquisition Procedures

1. Each subrecipient is required to obtain prior approval for the acquisition of property, either by the budget agreement or specific written approval. The subrecipient is required to report the purchase of property to ADECA by submitting the *Property Management Unit Subrecipient Material Receipt* (PMU-1) form and a copy of the vendor invoice, along with any other required reports and documents, to the Energy Division Program Manager.
2. The Energy Division Program Manager is responsible for review of the PMU-1. This review shall compare the information contained on the material receipt with information contained in the agreement file and determine if the property purchased by the recipient is authorized and within the scope of the agreement. The resolution of any exception or deviation regarding the purchase is the responsibility of the program manager. Upon completion of the

review, the Energy Division Program Manager will forward the PMU-1 and a copy of the vendor invoice to the ADECA Property Manager.

B. Equipment Registration

Subrecipients should submit a signed *Property Management Unit Subrecipient Material Receipt* (PMU-1) form with any invoice requesting reimbursement for an approved equipment item(s). The completed PMU-1 verifies that the approved equipment has indeed been purchased and is currently in the subrecipient's possession. Upon receipt of the signed PMU-1 and a copy of the vendor invoice, the Energy Division Program Manager and ADECA Property Manager will review the paperwork and issue property tags to be affixed to the equipment listed.

C. Tagging Equipment

The subrecipient must have ADECA property tags affixed to all non-consumable personal property purchased with VW Settlement Trust or EV Infrastructure Program funds obtained through the Energy Division. ADECA will mail property tags to the subrecipient upon receipt of the PMU-1 and vendor invoice. The subrecipient will be responsible for ensuring that the tags are affixed to all property.

D. Annual Inventory Reports

Annually, the ADECA Property Manager will send each subrecipient a *Property Management Unit Inventory of Nonconsumable Personal Property* form (PMU-5) for the purpose of conducting a physical inventory of funded property. The subrecipient will be responsible for physically counting the items, noting any changes or discrepancies, and signing and returning the completed listing to the ADECA Property Manager within fifteen (15) days of receipt. If the 15-day deadline cannot be met, the subrecipient should notify the ADECA Energy Division Program Manager.

E. Stolen or Destroyed Property

If the equipment has been lost, stolen or destroyed, the subrecipient will complete the *Property Management Unit Report of Survey* (PMU-4) and submit the original and one copy to the Energy Division Program Manager along with the following:

1. A report detailing the history from the last inventory leading up to the determination that the property is lost. This report should also include a complete description detailing all safeguards exercised by the subrecipient.
2. If property was stolen, report the incident to the local authorities. The report should list each item missing, its property number, description, and serial number, if available. A copy of the police report should accompany the PMU-4.
3. If equipment was destroyed in a fire, submission of a copy of the Fire Marshal's Report should accompany the PMU-4. If the property is destroyed by other means, a detailed report explaining the incident should accompany the PMU-4. The ADECA Property Manager will review the PMU-4 and accompanying documentation to determine if the cause was the result of neglect or a willful act and arrange for any necessary approvals. If it is determined that neglect or a willful act by the subrecipient was the cause, appropriate action will be taken by ADECA which may require remuneration by the subrecipient in the amount of the fair market value of the property at the time of the loss.

F. Disposition of Property

Prior to taking any action to dispose of property within the first five (5) years of acquisition, the subrecipient must obtain the written approval of the Energy Division Director by submission of a written request. The Energy Division Director, after giving consideration to the circumstances and regulations governing the disposition of property, will coordinate with the ADECA Property Manager and issue disposition instructions to the subrecipient. Disposition will require completion of a *Property Management Unit Property Disposition Report* (PMU-6).

G. Equipment Transfer

It is expected that equipment purchased with VW Trust or EV Infrastructure Program Funds will be used in the same geographic area and for the intended purpose for a minimum of five (5) years from the date of acquisition. If, however, circumstances exist making it necessary to transfer the equipment to a different organization and/or geographic location, the subrecipient may submit a written request to the ADECA Energy Division Director explaining the special circumstances. Approval by the Energy Division Director is required for all such transfers prior to the transfer. If approval for transfer is granted, the releasing subrecipient must complete and forward a *Property Management Unit Property Custody Receipt* (PMU-3) form to the Energy Division Program Manager when the physical transfer is made. The Energy Division Program Manager will return a completed copy of the PMU-3 to the property custodians (both receiving and releasing).

H. Record Retention

All documentation for changes in the inventory listing must be maintained by the subrecipient, whether changes are due to transfer, deletion, additions, or description changes. Property/equipment records should be kept for three (3) years from the date of disposition.

NOTE: The loan of VW Settlement or EV Infrastructure Program funded equipment to individuals, students or subrecipient personnel for personal use is not permitted. To do so is a violation of the State Ethics Laws.

III. Property Management Unit (PMU) Forms

The following Property Management Unit forms can be downloaded in a fillable format from the ADECA Electric Vehicle Infrastructure Program and Volkswagen Settlement Program website at <https://adeca.alabama.gov/vwsettlementinfo/>.

- PMU-1** ***Subrecipient Material Receipt*** - Submitted with purchase order and vendor's invoice in order to verify possession of the property.

- PMU-3** ***Custody Receipt*** – A release and acceptance signature form used for transfer of property between subrecipients and other state departments.

- PMU-4** ***Report of Survey*** - Used to report lost, stolen or destroyed property. (Must be accompanied by police report if the property is stolen or a Fire Marshal's report if property is destroyed by fire.)

- PMU-5** ***Inventory of Nonconsumable Personal Property*** - Used to verify inventory and to report changes, updates or discrepancies on the inventory.

- PMU-6** ***Property Disposition Report*** - Used to report to ADECA on final disposition of property.