Federal Grant Management Technical Assistance Training
Session 07: Equipment & Property Management – Frequently Asked Questions (FAQ)

Q1: Could you confirm that the purchase price (cost of the property) needs to be recorded and documented, and that it should be updated to reflect the fair market value upon disposition?

A1: Entities must record and retain the purchase price of each property, including all costs required to make the asset operational such as installation and delivery. Document the funding source, acquisition date, and intended use for each asset to ensure full transparency.

Whenever you sell, transfer, retire, or repurpose an asset, immediately update the property record to capture the disposition date, method, and fair market value at the time of disposition. Support these updates with robust documentation, including appraisals, market research, or bid responses. If the asset is part of a State-funded capital project or located on State-owned property, State agencies must coordinate with the Department of Administration before proceeding with disposition.

Statutory and Regulatory Requirements for State and Non-State Entities

- State agencies must comply with the Office of the State Controller's statewide policies, all relevant State laws and regulations (such as N.C.G.S. § 143-341 and 01 NCAC 06B), their own internal policies and procedures, and relevant provisions in the contract or grant agreement for the project.

- Non-state entities, including local governments and non-profits, must comply with 2 CFR § 200.311 (Real Property) and 2 CFR § 200.313 (Equipment) for State Fiscal Recovery Fund (SFRF) non-revenue replacement projects. For SFRF revenue replacement projects, the Treasury's Final Rule exempts non-state entities from 2 CFR § 200 equipment and property management requirements. Instead, non-state entities must follow applicable state laws and regulations, such as N.C.G.S. 143C-6-23, their internal policies and procedures, and relevant contract and grant provisions.