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**Mike Chamness – Chair  
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## **ITTF POLICY STATEMENT 2009 (11)**

**TO:** U.S. Department of Homeland Security, Federal Preparedness Fund Sub-recipients

**FROM:** Mike Chamness, Chair *Mike Chamness*  
Illinois Terrorism Task Force

**DATE:** November 4, 2009

**SUBJECT:** Illinois Terrorism Task Force Policy Statement Regarding Equipment Purchased with Federal Funds

### **INTRODUCTION**

Governor's Executive Order 2003 (17) created the statewide homeland security advisory committee, the Illinois Terrorism Task Force (ITTF). The ITTF is responsible for developing and helping to implement the state's homeland security strategy as an advisory body to the Governor and overseeing the management and administration of federal preparedness grants. The task force continues to build upon a strong foundation of established working partnerships among its over 60 members, which represent all public safety agencies and associations and every community in Illinois.

### **GENERAL POLICY STATEMENT**

Sub-recipients shall inventory, dispose of, and manage equipment acquired through federal preparedness funds received through the ITTF in accordance with this policy and applicable federal and state rules, regulations and policies. Sub-recipients shall have adequate management systems in place for property control and disposition, regularly provide the ITTF with reports on inventory in accordance with this policy, and make equipment available for inspection as part of the ITTF's on-going sub-recipient monitoring program

### **SUB-RECIPIENT PROPERTY CONTROL POLICY REQUIREMENTS**

Sub-recipients that purchase equipment with federal preparedness funds administered by the ITTF will maintain a property control system consistent with this policy. The requirements that govern property control of state and non-state organizations are as follows:

1. State sub-recipients will continue to follow state inventory policies and procedures as outlined in the State Property Control Act (30 ILCS 605) and applicable Administrative Rules.

### **Members**

Adams/McDonough Counties  
American Public Works Assoc.  
American Red Cross  
Archer -Daniels-Midland  
Associated Fire Fighters of IL  
Central Management Services  
Cities of Bloomington-Normal  
Cities of Champaign-Urbana  
City of Aurora  
City of Chicago  
City of Joliet  
City of Naperville  
City of Peoria  
City of Rockford  
City of Springfield  
Cook County ESDA  
Dept. of Homeland Security/FEMA-Region V  
DuPage County OEM  
Federal Bureau of Investigation  
Governor's Office  
IL Assoc. of Chiefs of Police  
IL Assoc. of Public Health Administrators  
IL Assoc. of School Boards  
IL Attorney General's Office  
IL Board of Higher Education  
IL Campus Law Enforcement Administrators  
IL College of Emergency Physicians  
Illinois Community College Board  
IL Coroners Association  
IL Department of Agriculture  
IL Department of Corrections  
IL Department of Human Services  
IL Department of Military Affairs  
IL Department of Natural Resources  
IL Department of Public Health  
IL Department of Transportation  
IL Education Association  
IL Emergency Management Agency  
IL Emergency Services Management Assoc.  
IL Environmental Protection Agency  
IL Firefighters Association  
IL Fire Chiefs Association  
IL Fire Services Association  
IL Fire Service Institute  
IL Health Care Association  
IL Law Enforcement Alarm System  
IL Law Enforcement Training & Standards Bd.  
IL Municipal League  
IL National Emergency Number Association  
IL Office of the State Fire Marshal  
IL Public Health Mutual Aid System  
IL Public Works Mutual Aid Network  
IL Security Chiefs Association  
IL Sheriffs Association  
IL State Police  
IL States Attorneys Association  
Kane County ESDA  
Lake County ESDA  
Metro East (St. Clair-Madison)  
Mutual Aid Box Alarm System  
Quad Cities (Moline-E. Moline-Rock Island)  
Regional Superintendents of Schools  
School Crisis Assistance Team  
Secretary of State Police  
U.S. Attorney's Office  
U.S. Postal Inspectors  
Will County EMA

### **Committees**

Bioterrorism  
Chicago/Cook County UASI  
Communications  
Crisis Response & Prevention  
Elected Officials  
Emergency Management  
Fire Mutual Aid  
Information Technology  
Law Enforcement Mutual Aid  
Private Sector  
Public Information  
Science & Technology  
Training  
Transportation  
Volunteers and Donations

2. In accordance with the waiver granted by the Director of the Illinois Department of Central Management Services, non-state sub-recipients will use the definition of equipment and inventory procedures in accordance with the Financial Guide of the Department of Justice (before April 1, 2007) and 28 CFR 66 and 70 or the Department of Homeland Security (funds granted after April 1, 2007) 44 CFR13 and 2 CFR 225.

### Definition of Equipment

Equipment is defined as any item with a usable life in excess of one year and an acquisition cost of \$5,000\* or more. For accounting purposes, most types of equipment are considered to have a usable life of between five and 25 years. This policy establishes that most classes of equipment will have a usable life of seven years.

\*For state agencies, equipment is defined as having an acquisition cost of \$100.

### Property Control Documentation and Inventory Reporting

A physical inventory of equipment acquired under federal awards will be made by the sub-recipient no less than every two years. Annually, sub-recipients are required to submit an inventory report for all equipment purchased with federal preparedness funds. Each sub-recipient shall maintain complete and accurate property control records that contain the following information about the equipment:

1. Description (including serial number or other identification number)
2. Funding source
3. Entity in possession of the title/equipment
4. Acquisition date and cost
5. Percentage of federal participation in the cost
6. Location
7. Condition
8. Vendor/voucher number
9. Any ultimate disposition data, including the date of disposal and sales price or method used to determine current fair market value.

### Lost, Stolen or Damaged Equipment

If equipment purchased with federal preparedness funds is lost, stolen or damaged, the sub-recipient must notify the ITTF within 30 days and provide an explanation of the circumstances that resulted in the event. If equipment is damaged, the sub-recipient must include a plan for repair or replacement.

### Retention of Property Records

Records for equipment, non-expendable personal property, and real property shall be retained for a period of three years from the date of the disposition, replacement, or transfer. If any litigation, claim, or audit is started before the expiration of the three-year period, the records shall be retained until all litigations, claims, or audit findings involving the records have been resolved.

### Equipment Disposition

The ITTF has established the following disposition plan for equipment purchased with federal preparedness funds:

1. Equipment purchased with federal preparedness funds received through the ITTF will be considered to have a usable life of seven years. Powered vehicles will be considered to have a usable life of seven years or 120,000 miles, whichever comes first.
2. Sub-recipients in possession of equipment purchased with federal preparedness funds may determine when the equipment is no longer usable for the intended purpose.
3. Sub-recipients shall report to the ITTF when a powered vehicle reaches 60,000 and 90,000 miles. Mileage also will be reported on the biannual inventory form.
4. Straight-line method of depreciation shall be used to determine the residual value of any equipment purchased with federal preparedness funds.

For the purpose of this policy, the term “transfer” is defined as the documented movement of equipment that has residual usable life between jurisdictions or organizations. The term “disposal” is defined as the surrendering of unusable equipment.

OMB Circular A-87 Attachment B, Section 11d establishes that the period of useful service (useful life) for capital assets must take into consideration such factors as type of construction, nature of the equipment used, historical usage patterns, technological developments, and the renewal and replacement policies of the governmental unit for the individual items or classes of assets involved. Sub-recipients are required to maintain proper records of the acquisition and management of equipment according to the standards set forth above.

Disposition of the equipment will be made as follows:

1. Sub-recipients may relinquish the equipment when original or replacement equipment acquired through federal preparedness funds is no longer needed.
2. Sub-recipients must notify the ITTF when any item with a value of \$500 or more is to be discarded. If the sub-recipient has no need for the property and the property has further useful value, the sub-recipient shall request disposition instructions from the ITTF.
3. Although federal rules allow items with a current per unit fair market value in excess of \$5,000 to be sold, the ITTF will not approve the sale of any items purchased with federal preparedness funds except in very limited circumstances.
4. The ITTF must be contacted to approve the disposition or transfer of the following equipment types regardless of price:
  - a) Cameras
  - b) Computers
  - c) Interoperable Communications Equipment
  - d) Night Vision Equipment
  - e) Any equipment that stores sensitive data, has high theft potential or would be of potential use in a criminal or terrorist activity.

**EXCEPTION TO THE POLICY**

If there is an extenuating circumstance that would prevent a sub-recipient from adhering to this policy, a written request for exception must be made to the ITTF Chair or his/her designee.

**EFFECTIVE DATE OF THE POLICY**

This policy is effective as of November 4, 2009.