Texas Department of State Health Services

Office of Compliance and Accountability

Fiscal Support and Oversight

A STEP-BY-STEP GUIDE: COMPLETING THE GC-11

PROPERTY INVENTORY FORM

The GC-11 Property Inventory Form is required of all DSHS grantees. These step-by-step instructions are to assist grantees in filling out the form accurately and completely.

The GC-11 comes with an instruction page, an example page, and a tab titled "Page 1." The instruction and example pages are additional resources to aid in completing the form. The equipment information, as well as any additional important notes, are recorded on the "Page 1" tab.

DEPARTMENT OF STATE HEALTH SERVICES
CONTRACTOR'S PROPERTY INVENTORY REPORT (FORM GC-11)
For the period ending August 31, _____

Organization Name:		Prepared by:	
Vendor ID:		Preparer Phone Number:	Preparer Email Address:
Address:		Date Completed:	
		Alternate Contact:	
		Alternate Contact Phone	Alternate Contact Email Address:

*Due annually by October 15 via email to FSDequip@dshs.texas.gov*

Step 1. Complete the Header

All grantees must complete the information at the top of the tab labeled "Page 1."

- For the period ending August 31: The State fiscal year starts September 1st and ends August 31st. Grantees should reference the current calendar year in this space.

- <u>Vendor ID:</u> Otherwise known as TIN (Tax Identification Number), must be filled in matching the Organization's name.
- <u>Prepared by/Preparer Phone Number/Email Address:</u> Enter the name of the individual who prepared the document and who will be the point of contact for DSHS, if there are questions.
- <u>Alternate Contact/Alternate Contact/Email Address:</u> Fill in information for a second point of contact. DSHS strongly advises grantees to assign a second point of contact for equipment tracking and reporting.

Submit the form to FSOequip@dshs.texas.gov by October 15
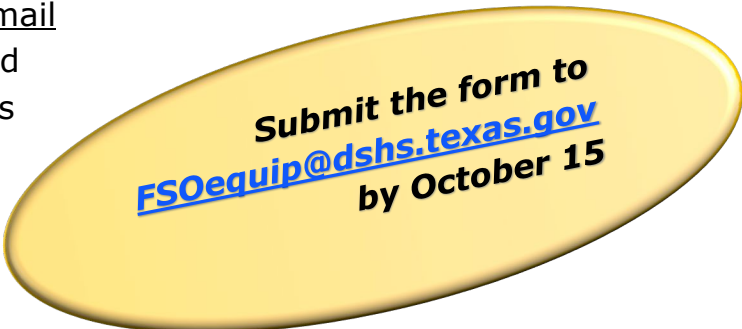
Organization Name:	AAA Health Department
Vendor ID:	17429XXXXXX
Address:	101 Texas Street
	Somewhere, TX 12345

No.	Item Type	Item Description/Specifications
1		No equipment

Step 2. No Equipment to Report

If Grantees do not have any eligible equipment to report, enter "No equipment" in red in any of the cells and submit the form to *FSOequip@dshs.texas.gov* by the October 15 deadline. The Header information must also be completed in full even if the grantee has no eligible equipment to report.

Eligible equipment includes any equipment or controlled assets purchased with DSHS funds that are $500 and over in value per single item and have a useful life of one year or more. These items include purchases made in the current or any past fiscal years, as well as items dispositioned during the reporting period. Items that were previously reported as dispositioned, not purchased with DSHS funds, or that do not meet the $500 threshold and have a useful life of at least one year do not belong on the GC-11.

Step 3. Complete the Form to Report Equipment

1. No: This column refers to the line-item number of a piece of inventory. The document is already pre-numbered from 1-10; however, if more space is needed, select the last row, and drag down. The additional rows will auto-populate with the next numbers.

Grantees must list multiples of the same item on separate lines, including make, year, color, and model number.

No.	Item Type	Item Description/Specifications
1	Desktop	Dell OptiPlex 960; Intel Core Duo Processor 3.0 GHz 160GB Hard Drive; 4GB DDR2 Memory; 17" Flat Panel Monitor with keyboard and mouse
2	Laptop	HP Elitebook; Intel Core Duo Processor 3.0 GHz 160GB Hard Drive; 4GB DDR2 Memory; 15" Monitor
3	Laptop	HP Elitebook; Intel Core Duo Processor 3.0 GHz 160GB Hard Drive; 4GB DDR2 Memory; 15" Monitor
4	Laptop	HP Elitebook; Intel Core Duo Processor 3.0 GHz 160GB SS Hard Drive; 4GB DDR2 Memory; 15" Monitor

2. Item Type: Indicate the type of item purchased with a brief description. For example: Laptop, Desk, Centrifuge, Generator, etc.

Serial # or Asset Tag #	Unit Cost (round to nearest $)	Acquired (date received)	% of DSHS Funding	Life # of years
XX8XXX8	$625	6/30/2020	100%	3
XX8XXX9	$675	10/31/2020	80%	5
XX8XX10	$500	9/15/2015	100%	5

3. Item Description/Specifications: Enter the item's description and relevant identification information such as manufacturer, make, model, color, and/or any other relevant specifications. Include as much information as is helpful to assist in locating and identifying the item.

4. Serial # or Asset Tag #: Enter the manufacturer's serial number located on the equipment or create a unique identifier.

5. Unit Cost: Round unit cost to the nearest dollar and only reflect the cost of each single item.

Model numbers must not be used as unique item identifiers.

6. Acquired (data received): Date item was received by the grantee.

7. % of DSHS Funding: Total percentage of cost assigned to DSHS grants.

8. Life # of years: Enter the estimated, generally accepted life expectancy of the item. DSHS recommends referencing the American Hospital Association (AHA) Estimated Useful Lives of Depreciable Hospital Assets. Other resources can be used such as, performing a search utilizing all product credentials, if the AHA is unavailable. The grantee may also use the useful life established by the vendor upon acquisition.

9. Acquired Under Program Attachment # (Contract #)/ DSHS Program: Enter the contract number that correlates to the program used to purchase the item. The contract number is located on the first page of the contract. If purchased through more than one DSHS program, list all relevant attachment/contract numbers and programs.

Update location on the GC-11 if item is moved.

Location of Item (address, building number, suite, etc)
Be Well Program Offices 101 Texas Street, Bldg. 3, Ste. 465, Office 5 Somewhere, Texas 12345
Be Well Program Offices 101 Texas Street, Bldg. 3, Ste. 465, Cubicle 3 Somewhere, Texas 12345
NA

10. Location of item: Enter the physical location where the property is in use or stored, including full street address, building number, room number, office name, and other relevant information useful in locating the item such as "cabinet in technology/server room" or "vendor where item is being repaired," if applicable.

For intangible property such as computer software, enter the main office or location where software was installed. For cloud-based or internet accessed software, specify how it is accessed.

Is the Item Currently In Use? (Select Yes or No)
☑ In Use / ☐ Not in Use
☑ In Use / ☐ Not in Use
☐ In Use / ☑ Not in Use
☑ In Use / ☐ Not in Use

11. Current Status/Is the Item Currently in Use or Not: Click the box that reflects the status of the property's use at the time the report is completed. The property may not be in use for various reasons:

- Broken, needs repair.
- In the process of being repaired.
- Retired, set aside for disposition.
- Staff vacancy

12. Date Disposition Approved: Enter the date the disposition was approved by the DSHS contract manager(s) for the grant(s) to which the item was charged. Approval from a DSHS contract manager must pre-date the disposition date of the item. Grantees must seek prior approval from their contract manager for disposition of all items listed on the GC-11, regardless of age or usage status.

13. Disposition Date: Specify date of disposition occurrence. This date should succeed the approval date.

14. Reason for Disposition or Reason item Not in Use: Enter the reason for disposing of the item or the reason that the item is no longer or not currently in use. Keep disposition information on file. For example, Contract Management Section's disposition approval or disapproval, receipts of salvage, sales, and donations, etc.

Disposition Information			
Date Disposition Approved	Disposition Date	Sales Price If Sold	Reason for Disposition or Reason Item is Not in Use
6/30/2023	7/30/2023	$10	Old technology, not able to be upgraded
N/A	N/A	N/A	Item is in the process of being repaired due to accidental damage. Somewhere County

Texas Department of State Health Services

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Property Inventory Report (Form GC-11)

Guidance and FAQs

The purpose of this guidance is to offer further clarification on the Texas Department of State Health Services' (DSHS) instructions on completing and submitting the Property Inventory Report Form (GC-11). This guidance includes definitions and addresses frequently asked questions. Grantees may submit additional questions to: FSTA@dshs.texas.gov for inclusion at the end of this document.

Definitions of Terms:

2 CFR 200 – The primary regulation for U.S. government grants and cooperative agreements, also known as the Uniform Guidance. 2 CFR 200 is a set of rules and regulations that establish uniform administrative requirements, cost principles, and audit requirements for federal awards, including state awards that originate with the federal government.

American Hospital Association (AHA) Estimated Useful Lives of Depreciable Hospital Assets - Reference guide developed in partnership with the Healthcare Financial Management Association (HFMA) providing estimates for the productive period for a wide variety of commonly used depreciable assets. DSHS recommends using this resource to estimate useful life of items purchased with DSHS funds.

Capital Assets – See Controlled Assets

Controlled Assets – Tangible personal property with a cost of $500 and over and less than $10,000 such as computers, printers, copiers (UTCs). DSHS may specify additional requirements for Controlled Assets, regardless of cost, with a high potential for loss (TxGMS). Used interchangeably with the term "property."

Control Systems – A methodology for tracking, safeguarding, inventorying, and managing equipment and controlled assets. Control systems are intended to prevent loss, damage, or theft of property funded with DSHS grants (UTCs).

Disposition - When equipment or controlled assets purchased with DSHS grant money are no longer needed for the program funded by the grant or are unusable, the grantee may release the property and must follow specific instructions (TxGMS) and other previously provided instructions.

Disposition may include returning an item to DSHS, selling it, donating it to another entity performing similar work, or using it as a trade in. Items may also be retired from use entirely and sent to salvage or be recycled. The item remains reportable on the GC-11 for one additional year.

Equipment – Tangible personal property having a useful life of more than one year and a per unit acquisition cost of $10,000 or the capitalization level set by the grantee for financial statement purposes, whichever is less (TxGMS). Used interchangeably with the term "property."

GC-11 – DSHS's mandatory form for grantee property inventory and reporting. Only items purchased wholly or in part with DSHS funds are to be included on the GC-11. Grantees must track and report both equipment and controlled assets.

Item – Used interchangeably with "property."

Property – Equipment or controlled assets purchased wholly or in part with DSHS funds.

Uniform Terms and Conditions (UTCs) – Requirements and conditions applicable to grant funds administered and passed through by both the Texas Health and Human Services Commission (HHSC) and DSHS. Grantees accepting State funds are subject to these standards.

Texas Grant Management Standards (TxGMS) – The Comptroller of Public Accounts Statewide Procurement Division (SPD) publishes the Texas

Grant Management Standards (TxGMS) to promote the efficient use of public funds in local government and in programs requiring cooperation among local, state, and federal agencies. Grantees accepting State funds are subject to these standards.

Frequently Asked Questions:

What is the threshold cost to report items on the GC-11?

Grantees must include controlled assets (items with a per unit acquisition value of $500 to $9,999). Grantees must also include equipment with per unit acquisition value of $10,000 or more or the capitalization level established by the non-state entity for financial statement purposes, whichever is lesser (TxGMS).

Should we be starting over with the new GC-11 form DSHS put out?

No, the new GC-11 published in July 2024 should include all items from the prior GC-11, any items purchased in the last fiscal year, as well as items that have been requested for disposition in the last fiscal year.

When do we submit the GC-11 to DSHS?

The GC-11 must be submitted by October 15th of each year to the FSO equipment mailbox at FSOequip@dshs.texas.gov.

How do we submit the GC-11?

The GC-11 must be submitted via email to FSOequip@dshs.texas.gov.

What if we do not purchase equipment or controlled assets with DSHS contract funds?

If the grantee has previously purchased items with DSHS funds, but no items have been purchased within the last year, the grantee should ensure

the GC-11 is updated to reflect the current location and condition of any previously purchased or newly dispositioned items. The grantee must submit the updated version of the GC-11 by October 15th.

If the grantee has never purchased items with DSHS funds, the grantee must fill out the top of the form completely and indicate "Not Applicable" on the form, which must be submitted to DSHS by October 15th.

How do I disposition an item?

Grantees must send an email to DSHSDocusign@DSHS.Texas.gov and CC their assigned contract manager requesting permission to dispose of an item. The request should include all information about the item included on the GC-11, the reason/s why the item is being dispositioned, and where the item will be going once it leaves the grantee. The grantee should keep the email from the assigned contract manager approving the disposition if the item is on the GC-11.

Under what circumstances would I disposition an item?

Items may be dispositioned when no longer needed for the program for which they were purchased or upon final termination of the State grant (TxGMS). Items may also be dispositioned when they no longer function, and repair is not feasible. When equipment is past its useful life it is often disposed of by the grantee.

What do I do with items I want to disposition?

The item can be returned to DSHS, used as a trade in for a newer piece of similar equipment, donated to an entity performing similar work, or sold. If the item is sold, proper sales procedures must be in place to ensure the highest possible return (TxGMS). Items may also be retired from use entirely and sent to salvage or be recycled. Items with memory and that may hold client information must be erased of all data.

Grantees must keep any records or documentation verifying the disposition, such as receipts for sales, donation, or recycling if the item is on the GC-11. The grantee should keep the email from the assigned contract manager approving the disposition if the item is on the GC-11.

What do we do with the funds from the sale or auction of an item that was approved for disposition?

Monies from the sale of any item (equipment or controlled assets) purchased with DSHS funds are considered Program Income. Proceeds must be reported on the GC-11 and on the FSR for the grant associated with the item. Funds must be expended and recorded in accordance with Program Income requirements for the grant.

How long do items stay on the GC-11 once disposition is approved?

The disposed property must be reported on the Contractor's Property Inventory Report (Form GC-11) for one year after it has been approved for disposal.

What contract number should we list?

Include the contract number that was active when the item was purchased by the grantee.

If a RAC purchases equipment to be used by another entity, who tracks the item until disposition?

The DSHS grantee purchasing the equipment with DSHS grant funds is the owner of the property, regardless of its location or use, and is required to track the equipment until proper disposition. The grantee may not transfer ownership to the entity using the item nor may it disposition the item specifically for the intention of transferring ownership.

How do we determine the useful life of an item?

DSHS recommends that grantees reference the [American Hospital Association (AHA) Estimated Useful Lives of Depreciable Hospital Assets](). Grantees may use DSHS grant funds to purchase the publication.

What if the American Hospital Association (AHA) publication does not list the item or we do not have access to it, how would we determine useful life?

The grantee may use the useful life established by the vendor upon acquisition. They can also use resources such as reviewing the common life of the item or comparable items online. Useful life of equipment can be found at the following link [SPA Process User's Guide – FPP N.005 (texas.gov)]().

What if an item has been lost or stolen?

If an item cannot be located, the grantee must investigate what happened to the item (TxGMS, 2 CFR 200.313). The investigation must be documented.

If the item cannot be located after completing an investigation or there is evidence that the item was stolen, the grantee must file a police report regarding the suspected theft. When requesting disposition approval for such an item, the grantee must inform the assigned contract manager approving the disposition that a police report was filed. On the GC-11, indicate that the item has been requested for disposition and that the reason is that the item was determined to be stolen and that a police report was filed.

If we cannot find an item, do we just disposition it?

No, an item may not be dispositioned because it cannot be found. The issue must be resolved with a documented investigation and filed police report, if the item is suspected to have been stolen.

Should we do a review of our own equipment?

The grantee should review equipment in accordance with their internal control policies, at minimum every two years (2 CFR 200.313). A best practice may be to review a sample of equipment regularly throughout the year to identify and correct discrepancies prior to equipment reviews and submitting the GC-11.

What do we do with equipment if our organization goes bankrupt?

The grantee shall sever DSHS property, equipment, and supplies from bankruptcy records and title will revert to DSHS. Property must be returned to DSHS by the end date of the Grant Agreement or upon DSHS's request, whichever is earlier (UTCs).

What do we do with property when the contract is terminated or expires?

The title to any remaining equipment and supplies purchased under a DSHS contract reverts to DSHS. Items must be returned to DSHS by the end date of the Grant Agreement or upon DSHS's request, whichever is earlier (UTCs).

Are items allowed to be transferred from one entity to another?

Transfer of ownership of equipment and controlled assets can only occur during disposition. The grantee may not disposition a working, useful item specifically for the intention of transferring ownership.

When intangible items have expired, and no renewal is necessary can we take it off our GC-11?

Intangible items, i.e., software services require a disposition request. Please follow the steps above.

Questions from the Field:

Grantees may submit additional questions to: FSTA@dshs.texas.gov for inclusion in this section.