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| Subject: (Policy Name)Sponsored ProgramsEquipment and Property Management Policy | Department Name:Grant Administration | Effective Date: PENDINGIssue Date: |
| New Policy:  | Approval: Joseph Sheley |

1. **Purpose**

At California State University, Stanislaus (University) all grant and contract awards are made to and accepted by the University. California State University (CSU) requires that each campus develop and maintain policies, procedures,and a management system for equipment acquired through grants and contracts for both federal and non-federal sources to ensure compliance with applicable regulations and agreements. This policy establishes compliance with this requirement by the University.

1. **Scope of Policy**

All University departments and organizations conducting research, instruction, and/or other sponsored work under grants, and other agreements are required to comply with the Equipment and Property Management policy.

1. **Definitions**

*Contracts:* A legally binding arrangement or performance agreement for carrying out a specific service or procuring a product that entails specific obligations for both sponsor and recipient. Generally, contracts will define specific details of the legal relationship between the participating entities and will incorporate the description and cost of the work to be performed either as a legally binding attachment or embedded in the contract document. Contracts are a more restrictive mechanism for securing services than grants, and may specify penalties for nonperformance.

*Cooperative Agreements:* A legal agreement between the federal government and any other entity. A cooperative agreement is when the federal government transfers something of value, usually money, to a state government, municipality or private company for a public purpose. In this type of agreement there is substantial interaction between the federal government and the other party. The main difference between a grant and a cooperative agreement is that in a grant there is not substantial interaction between the federal government and the awardee, whereas, in a cooperative agreement there is substantial federal involvement associated with the stated agreement.

*Government Grant/Contract-Furnished:* Property directly acquired by the Government and subsequently made available to the contractor.

*Grants*: A type of financial assistance awarded to an organization for the conduct of research or other program as specified in an approved proposal. The proposal typically defines a scope of work or performance. The sponsor makes an award, which may be based upon a competitive review, and establishes terms and conditions for performance.

*Grant Administration (GA)*: Grant Administration combines post award and grant accounting functions under one team. The GA team assists Principal Investigators (PIs) and their administrative staff in managing externally-funded projects throughout an award's lifecycle.

*Office of Management and Budget (OMB)*: United States Government office; the largest component of the Executive Office of the President. It reports directly to the President and helps a wide range of executive departments and agencies across the federal government to implement the commitments and priorities of the President.

*Principal Investigators (PIs)*: The University has the legal responsibility and authority for running the grant and expending grant funds. The University in turn grants to certain faculty and professional staff the authority to act as the Principal Investigator (PI) of a sponsored program.The primary responsibility of the PI is to ensure sponsored program success.

*Property Management:* The office responsible for recording, tagging, inventorying, disposing and selling of all the University and Foundation-Donated Property.

*Sponsored Programs*: Those activities, sponsored whole or in part, by sources external to the University, for which there is an expectation (implied or specifically stated) on the part of the sponsor for performance, deliverable(s) or outcome(s). Sponsored programs are generally conducted by faculty, but may be conducted by staff or members of the University administration. Sponsored programs are awarded through various mechanisms: grants, contracts, cooperative agreements, and/or other legally binding means of transfers.

*University*: California State University, Stanislaus and all of its auxiliaries and self-support enterprises.

*University Department*: Departments are the University’s organizational unit to organize people, functions, and reporting relationships in a way that best supports the accomplishment of the University’s goals.

1. **Policy**

Equipment purchased with federal or non-federal funds, through a grant, contract, cooperative agreement or other agreement is the property of the university or the auxiliary organization in accordance with University policies and subject to the following:

Federally-Funded Equipment (Grants)

When purchasing equipment or expendable property with federal funds, campus associates must comply with institutional policies related to fixed asset management and with federal regulations contained in OMB Circular A-110, Property Standards. OMB Circular A-110 requires recipients of federal funds to follow their institutional policies and to minimally tag, track, and inventory all equipment or equipment components with a purchase price of $5,000 or greater.

OMB Circular A-110, Section 34(f), specifically requires:

Equipment records shall be maintained accurately and shall include the following information.

* A description of the equipment.
* Manufacturer's serial number, model number, federal stock number, national stock number, or other identification number.
* Source of the equipment, including the award number.
* Whether title vests with the recipient or the federal government.
* Acquisition date (or date received if the equipment was furnished by the federal government) and cost.
* Information from which one can calculate the percentage of federal participation in the cost of the equipment (not applicable to equipment furnished by the federal government).
* Location and condition of the equipment and the date the information was reported.
* Unit acquisition cost.
* Ultimate disposition data, including date of disposal and sales price or the method used to determine current fair market value where a recipient compensates the federal awarding agency for its share.

A physical inventory of equipment shall be taken and the results reconciled with the equipment records at least once every two years. Any differences between quantities determined by the physical inspection and those shown in the accounting records shall be investigated to determine the causes of the difference.

Funding Other than Federal Grants

Equipment purchased with funds from a non-federal grant source will be managed according to University policies regarding equipment purchase and disposition or the guidelines in the sponsored agreement, whichever is more restrictive.

1. **Roles and Responsibilities**

Principal Investigator (PI)

* Notify Property Management when equipment is purchased with grant funds.
* When equipment has been purchased with federal funds, comply with federal regulations regarding fixed asset management contained in OMB Circular A-110, Property Standards.
* Ensure that equipment purchased with grant funds is being used exclusively for the designated purpose within the scope of the grant.
* Upon completion of the grant, the PI is to transfer or dispose of equipment according to contract documentation or contact the sponsor agency for instructions.
* Contact Property Management with equipment transfer or disposition instructions.

Property Management (PM)

* Comply with University policies and procedures related to fixed asset management or the guidelines in the sponsored agreement, whichever is more restrictive.
* Comply with federal regulations contained in OMB Circular A-110, Property Standards, in the management of federally-funded property purchases.
* Perform a physical inventory of grant equipment every two years and investigate the causes of differences.
* Dispose or transfer equipment in accordance with contract documents, University policies and procedures, and OMB Circular A-110.

**Post Award**

Grant Administration (GA)

* Request a copy of the transfer or disposition paperwork when grant has been completed.
* Maintain all reports in project files complying with the Record Retention Policy.
1. **Procedure**

Equipment and Property Management procedures and documents are identified below:

* CSU Stanislaus Property Control Policies and Procedures
<http://www.csustan.edu/PropertyServices/index.html>
1. **Laws, State Codes, Regulations and Mandates:**
* Federal guidelines related to property/equipment management – [OMB Circular A-110](http://www.whitehouse.gov/omb/circulars/a110/a110.html): Property Standards, Sections 30 through 37
* <http://www.whitehouse.gov/omb/circulars/a110/a110.html#30>
* [ICSUAM Policy Section 3000](http://www.calstate.edu/icsuam/sections/3000/) **–** [3150.01](http://www.calstate.edu/icsuam/sections/3000/3150.01.shtml) Administration of University Property and [3151.04](http://staging.test.calstate.edu/icsuam/sections/3000/3151.04.shtml) Equipment
* CSU ICSUAM Policy No. 11000.005.000 Equipment and Property Management http://www.calstate.edu/icsuam/sections/11000/11000.003.005.shtml
* **Resources and Reference Materials**

**Useful Guidelines:**

* Equipment funded by a state contract may contain language that requires the equipment title to vest with the sponsoring agency upon project completion, in accordance with the State Contracting Manual (SCM) Chapter 7.29.
* [http://www.ols.dgs.ca.gov/Contract+Manual/Chapters7and8.htm](http://www.ols.dgs.ca.gov/Contract%2BManual/Chapters7and8.htm)
* When applicable, for regulations under federal contracts, refer to – Federal Acquisition Register ([FAR](http://farsite.hill.af.mil/reghtml/regs/far2afmcfars/fardfars/far/Far1toc.htm#TopOfPage)) and Defense Federal Acquisition Regulation Supplement ([DFARS](http://www.acq.osd.mil/dpap/dars/dfarspgi/current/index.html))