

1103-013.01: Externally Funded Equipment & Property Management Procedure

This procedure implements CSU systemwide policy for Sponsored Programs Administration: [Externally Funded Equipment & Property](#) (ICSUAM #11003.13) and portions of University Enterprises Corporation (UEC) policies [435.0 Equipment Management](#) and [430.0 Surplus Property Disposal](#).

Summary

Sponsored Programs Administration (SPA) maintains procedures that are compliant with the CSU systemwide and Campus policies governing property and equipment management. Equipment and expendable materials or supplies purchased with federal or non-federal funds, through an externally funded award (grant, contract, cooperative agreement or other agreement) are managed in accordance with CSUSB and UEC policies and/or procedures, federal regulations (when applicable) and sponsoring agency restrictions.

Process

100 FEDERALLY FUNDED GRANTS

101 Equipment:

Equipment is defined as tangible property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. Purchases of equipment generally require prior authorization or approval from the funding agency or program.

Title to equipment purchased with Federal funds vests in UEC upon acquisition unless otherwise stated in the award.

Management of capitalized equipment (with a purchase price greater than \$5,000) will comply with 2 CFR 200.313 for the useful life of the equipment. Federally funded equipment must be used in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be funded by a federal award. When no longer needed for the original program or project the equipment shall be used in connection with other federally- sponsored activities in the following order of priority:

1. Activities under a federal award from the federal agency that funded the original project, then
2. Activities under a federal award from other federal agencies.

The PI is responsible for notifying their assigned RA to seek approval for using the equipment for any other purpose than those identified above.

102 Supplies:

Supplies are defined as all tangible property other than those defined as equipment. A computing device is considered a supply item if the acquisition cost is less than \$5,000, regardless of the length of its useful life. Title to supplies and materials vests in UEC upon acquisition. Supplies (including cost of computing devices) purchased on federally funded grants with a total aggregate residual value of \$5,000 or greater at the end of the project period will be handled in accordance with 2 CFR 200.314.

If there is a residual inventory of unused supplies exceeding \$5,000 in total aggregate value upon termination or completion of the project, the PI will continue to use supplies for other federally funded projects. If the

supplies are not needed for any other federally funded award, the PI will notify their RA to facilitate compliance with 2 CFR 200.314.

200 FUNDING OTHER THAN FEDERAL GRANTS

When purchasing equipment with funds from a federal contract or non-federal grant or contract source, the PI and RA will follow CSUSB and UEC policies/procedures regarding equipment purchase and disposition or the guidelines in the sponsor agreement, whichever is more restrictive.

201 SENSITIVE EQUIPMENT/SUPPLIES

Sensitive equipment is defined as items that may pose special risk of loss due to its marketability portability or the capacity to carry data. This includes items such as computing devices, printers, cameras, or video equipment. Purchases of sensitive equipment typically do not require prior authorization; however, justification can be requested to support the purchase at the discretion of the approver. Sensitive equipment with an acquisition cost of \$500 or more (inclusive of sales tax) but less than \$5000 will be tagged by CSUSB Property Management and recorded in the CFS Asset Module.

300 TRANSFER OF EXTERNALLY FUNDED EQUIPMENT FROM UEC TO THE UNIVERSITY

When allowable, UEC will seek the transfer of title to equipment to CSUSB for management and tracking. CSUSB manages capitalized equipment in the CFS Asset Management system. The RA will collaborate with the UEC Executive Director to facilitate the transfer. Equipment transferred to CSUSB from UEC will remain subject to the original funding source requirements and will be tracked accordingly in the university's fixed asset system, and remain subject to UEC equipment management policies and procedures, unless the funding source no longer has any interest in the equipment. UEC will notify the CSUSB Property Management office when the equipment is no longer subject to funding source requirements.

301 Management:

Property records will be managed and tracked by CSUSB Financial Services in the CFS Asset Module. Asset funding source information for capitalized equipment (over \$5,000) and "Sensitive Equipment" will be entered into the CFS Asset Module using the data elements specified in 2 CFR 200.313(d)(1).

CSUSB Property Management is responsible for conducting the bi-annual physical inventory of all capitalized equipment.

302 Disposition:

When a PI wants to transfer, sell, or dispose of an asset, they will contact their assigned RA to determine the appropriate disposition handling in accordance with this procedure and UEC Policy 430.0 Surplus Property Disposal.

If the equipment was acquired under a federal award, has a current value greater than \$5,000 and is no longer needed for the original project or program or for activities currently or previously supported by a federal awarding agency (as indicated above under Section 101), the RA will seek disposition instructions from the federal awarding agency if required by the terms and conditions of the federal award. If UEC is authorized or required to sell the property by the federal agency, proper sales procedures will be followed to ensure the highest possible return, in compliance with 2 CFR 200.313(e).

In compliance with the UEC Policies & Procedures, items of equipment with a current per unit fair market value of \$5,000 or less may be retained, sold or otherwise disposed of with no further obligation to the Federal awarding agency. Refer to 2 CFR 200.313(e)(1).

Roles & Responsibilities

Principal Investigator (PI):

- Responsible for initiating the purchase of equipment and supplies and adhering to the UEC procurement policy.
- Maintains adequate maintenance procedures.
- Makes efforts to safeguard equipment and property from theft, damages, or misuse,
- Manages the use of such equipment and supplies in compliance with this procedure and/or the UEC property management guidelines.
- Works with RA on disposition of equipment to ensure compliance with sponsor regulations.
- Complies with requests for updated physical inventory information.

SPA Research Analyst (RA):

- Reviews and approves the purchase of equipment and supplies.
- Ensures disposition of equipment and supplies is compliant with sponsor guidelines.
- Works with PI during project closeout process to identify any federally funded equipment and/or residual supplies that may be subject to 2 CFR 200.313 and 200.314.

Property Management (PM):

- Responsible for tagging equipment over \$5,000 and sensitive equipment in compliance with this procedure and UEC and CSUSB policy governing equipment and property management.
- Responsible for bi-annual inventory of all capitalized equipment.

Financial Services (FS):

- Input assets (with funding source information from the SP Mod in PeopleSoft or CFS Data Warehouse) into the CFS Asset Management system to maintain property records.
- Computing and recording of applicable depreciation entries in general ledger

Office of Research and Sponsored Programs (ORSP):

- Specifically identify necessary equipment in proposal budget

References

For definitions of key words in this procedure, refer to the CSU systemwide [Sponsored Programs Definitions Policy](#) (ICSUAM #11001.01).

Related Documents

- Campus Property Management Policies & Procedures
 - [CSUSB Property Management Procedures](#)
 - UEC Policies: [435.0 Equipment Management](#) and [430.0 Surplus Property Disposal](#)
- CSU Policy
 - Sponsored Programs: [Externally Funded Equipment & Property \(ICSUAM #11003.13\)](#)

- Finance: [Administration of University Property \(ICSUAM #0401.01\)](#)
 - [CSU Administration of University Property– Equipment Procedures](#)

Guidelines

Refer to CSU systemwide SP policy for additional useful guidelines:

<https://calstate.policystat.com/policy/6597062/latest/>

Other government funding guidelines:

- Equipment funded by a state contract may contain language that requires the equipment title to vest with sponsoring agency upon project completion, in accordance with the [State Contracting Manual \(SCM\)](#) Chapter 7.29 – Equipment Purchases
- When applicable, for regulations under Federal contracts, refer to – Federal Acquisition Regulation (FAR) – Part 7, [Subpart 7.4 Equipment Lease or Purchase](#); or the general [Acquisition.gov](#) web page for other related regulations
- Uniform Guidance – [2 CFR 200 Property Standards](#)