# Sponsored Program Equipment Management Policy

**Policy Number:** 600-028
**Effective Date:** April 3, 2007
**Last Updated:** April 18, 2007[1]
**Issuing Authority:** Vice President for Research and Compliance
**Responsible Offices:** Office of Sponsored Programs/Research Administration, Office of Sponsored Programs/Post Award services Unit, Materials Management Department

## Purpose:

To ensure equipment used for sponsored programs at Howard University and all related entities, business units, subsidiaries and affiliated organizations including, but not limited to, Howard University Hospital (hereinafter referred to collectively as "Howard University") is managed in accordance with sponsor or donor requirements and in a manner that maximizes its benefit.

## Policy:

All equipment at Howard University is managed in accordance with the Materials Management Department's Property and Equipment Management Policy. However, it is recognized that equipment used for sponsored programs may have additional requirements imposed by the sponsor. Howard University must ensure compliance with sponsored program requirements relative to equipment used for sponsored programs. Moreover, in instances where Howard University policies differ from sponsor requirements, sponsor requirements prevail if they are more restrictive.

Capital equipment is defined as equipment with an acquisition cost and life expectancy in excess of the thresholds established in the Materials Management Department's Property and Equipment Management Policy.

All equipment purchases charged to sponsored projects must be consistent with the Direct and Indirect Charging Policy.

Equipment used in sponsored programs may also include special reporting requirements. The Office of Sponsored Programs/Post Award Services Unit (OSP/PASU)[2] completes and submits any award specific equipment reports, in collaboration with the Materials Management Department (MMD), prior to sponsor deadlines. OSP/PASU coordinates with the PI/PD, MMD, sponsor, or other related parties to obtain the necessary documentation.

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[1] Minor changes to enhance clarity, assure consistency with other policies or correct misspellings and other grammatical errors have been made after the initial approval date.

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**Business Process Description:**

Upon receipt of a new sponsored award, the Office of Sponsored Programs/Research Administration (OSP/RA) sends notification to Grants and Contracts Accounting (GCA). GCA reviews and tracks all post award financial reporting requirements (e.g., equipment, invoices, financial reports) to ensure that reports are submitted to the sponsor as required. For equipment reports required for sponsored programs, OSP/PASU coordinates closely with MMD and the PI/PD. These reports may include, but are not limited to:

- DOD Contracts, DOD Property in the Custody of Contractors DD Form 1662
- DOD Grants, Grant Inventory List as required by DoDGARS 32.33(a)(1)No Prescribed Form
- NASA Contracts, NASA Property in the Custody of Contractors NASA Form 1018 *and* NASA FORM 1018 Supplemental Data -Depreciation
- NASA Grants, Grant Inventory List

The University delegates authority to the PI/PD's to exercise control of sponsor-funded equipment provided under the terms of the sponsored agreement. PI/PD's may delegate control to administrative personnel. However, the accountability ultimately rests with the PI/PD.

PI/PD's are responsible for ensuring that sponsored program equipment is used in accordance with Howard University policy and applicable sponsor requirements. For federal sponsors, this includes:

OMB Circular A-110 GRANTS AND AGREEMENTS WITH INSTITUTIONS OF HIGHER EDUCATION http://www.whitehouse.gov/omb/circulars/a110/a110.html, specifically sections 34
*"The recipient shall not use equipment acquired with Federal funds to provide services to non-Federal outside organizations for a fee that is less than private companies charge for equivalent services, unless specifically authorized by Federal statute, for as long as the Federal Government retains an interest in the equipment. (c) The recipient shall use the equipment in the project or program for which it was acquired as long as needed, whether or not the project or program continues to be supported by Federal funds and shall not encumber the property without approval of the Federal awarding agency. When no longer needed for the original project or program, the recipient shall use the equipment in connection with its other federally-sponsored activities... If the equipment is owned by the Federal Government, use on other activities not sponsored by the Federal Government shall be permissible if authorized by the Federal awarding agency. User charges shall be treated as program income."*

**Roles and Responsibilities:**

**Academic Departments**
- **Principal Investigator/Project Director:** PI/PD's are responsible for using equipment or property consistent with sponsor requirements and Howard University policies.

**Materials Management Department**
- **Materials Management Department (MMD):** All equipment at Howard University is managed in accordance with the MMD Property and Equipment Management policy.

**Office of Sponsored Programs/Post Award Services Unit (OSP/PASU)**
- **Accountant:** The Accountant prepares all sponsor-related Property and Equipment Reports on behalf of Howard University and coordinating as necessary with MMD and the PI/PD in the preparation of equipment reports required for individual sponsored programs,.

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- **Manager:** The Manager approves all sponsor-related Property and Equipment Reports on behalf of Howard University and delegates the preparation of equipment reports required for individual sponsored programs, coordinating as necessary with MMD and the PI/PD.
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**Related Processes/Events:**

- Property and Equipment Management, Purchasing Manual
http://www.howard.edu/administration/provost/materialsmanagement/bfppmanual/propequipmanagement.asp
- PI/PD Transfer Policy
- Direct and Indirect Charging Policy
- Program and Interest Income Policy

**Forms and Links:**

- Materials Management Department Website
  http://www.howard.edu/administration/provost/materialsmanagement/
- OVPRC Website: http://ovprc.howard.edu

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