FEDERALLY PURCHASED EQUIPMENT

Federally purchased equipment is any equipment purchased with federal funds, including pass-through to the University. Equipment can be Federally Titled or Conditionally Titled with the University.

- Federally titled equipment (government property) is any equipment furnished to the university by the federal government, or equipment acquired or fabricated using funds from a federal sponsored project or contract where the agreement specifies that the title to the equipment remains with the government.
- Conditionally Titled equipment is items that were purchased on federally sponsored projects where the title conditionally vests with the University. In general, sponsored projects identify the title to equipment in the terms of the agreement while sponsored contracts retain federal ownership for all equipment with a cost of over $5,000.

The university is required to maintain a system to control, protect, preserve, and maintain control over federally titled and conditionally titled property. The Asset Management (PSAM) system, General Ledger, inventory procedures, and surplus property procedures provide these controls, and government equipment is subject to all university Property Management guidelines, policies, and procedures. However, there are additional requirements for government property:

- Identification of federally titled and conditionally titled property in PSAM.
- Requirements for all equipment purchased with federal funds, whether Federally Titled or Conditionally Titled with the University:
  - Conducting annual inventory
  - Ensuring that the equipment is used for award purposes until the award ends or the equipment is no longer needed.
  - Ensuring that equipment purchased with federal funds is made available for use on other federally funded programs
  - Ensuring that adequate records are retained, including:
    - Asset descriptions
    - Asset serial or identification numbers
    - Asset source of funding
    - Title holder
    - Acquisition data
    - Asset cost
    - Percentage of federal participation
    - Asset location
    - Asset use
    - Asset condition
    - Asset disposition data
  - Ensuring that disposals are conducted in accordance with federal requirements

- Requirements Specific to Federally Titled Items Only:
  - Identification of the Government Identification/Tag or National Stock number in PSAM.
  - Identification of the Federal Supply Code or Federal Supply Classification in PSAM.
  - Identification of the Federal Award Identification Number (FAIN) in PSAM
  - Marking government property as such.
  - Annual reporting on government property.

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Responsibilities for federally titled equipment:

1. Division of Research
   a. Identification of equipment that will be furnished by the federal government or situations when equipment acquired or fabricated using sponsored funds will be federally titled when they receive and agree to the terms of the sponsored award.
   b. Listing government equipment transfers and purchase requirements in the Notice of Award (NOA).
   c. Providing Property Management with the NOA as well as the name of the awarding agency, the Government ID/Tag or National Stock Number, the Federal Supply Code/Classification, and the Federal Award Identification number.
   d. Annually running PSAM reports and queries that identify government property and preparing annual reports for federal agencies.
   e. Ensuring that equipment is used for the program or project for which it was acquired; and made available to other federally sponsored programs and projects.
   f. Maintaining data on the percentage of federal participation on each sponsored project.
   g. Ensuring that equipment purchased with federal funds is not used to provide service center services for less than the cost for private companies.

2. Property Management
   a. Oversight of annual inventory.
      - Assets purchased with federal funds will be identified by the fund code of the procuring cost center.
      - Based on information provided by the Division of Research, Federally Titled equipment will also be designated in PSAM as Equipment Held in Trust (equipment not owned by the university).
   c. Issuing unique tags for all Federally Titled and Conditionally Titled assets
      - Conditionally Titled assets and Federally Titled assets will be issued PSAM tags that begin with the letter G.
      - Federally Titled assets will be issued additional tags to identify them as Federally Owned.
         1. The tag will read “Federally Titled Equipment, Govt. Tag No”.
         2. These tags will be in addition to the university’s property tags.
         3. These assets will be recorded as Equipment Held In Trust in the General Ledger using a distinct cost center for Federally Titled Equipment.
   d. Ensuring that items purchased with federal funds (those bearing G-Tags) are not transferred to other departments or accepted to the surplus warehouse for disposal without the prior approval from the Principal Investigator.
   e. Publication of a list of all university assets on the Property Management website. The list will be updated bi-annually.
   f. Assets in PSAM that are in use at the university utilize the status “In Service”. All in service assets are considered to be in good condition. It is the responsibility of the user department to provide notification to Property Management if equipment ceases to be in good condition. Property Management will update asset conditions accordingly.
   g. Updating PSAM records to identify assets in use by Service Centers, based on reporting from the Division of Research.
   h. Ensuring disposal of assets in accordance with federal guidelines.

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3. Departments with government property

   a. Compliance with all university Property Management guidelines, policies, and procedures.
   b. Placing the additional assets tags on government owned property.
   c. Ensuring that equipment purchased with federal funds is properly maintained and used for award purposes until the funding ends or the equipment is not needed.
   d. Conducting annual inventory
   e. Notify Property Management of impaired assets that require a change in condition from good to “fair” or “poor”.
   f. Obtaining Division of Research approval for all asset transfers and disposals.