

UTAH STATE UNIVERSITY

EQUIPMENT MANAGEMENT SERVICES

PROCEDURE MANUAL

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Equipment Management Services

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Equipment Management Procedures

Section A: GENERAL

Purpose

The purpose of the following equipment management procedures is to establish procedures for the management and control of capital and non-capital equipment owned by, or in the custody of, Utah State University (USU, University). See Utah State University policy 344.2.

These procedures satisfy the requirements of government, both State and Federal, as well as good business practices. These procedures provide control over all equipment, as hereafter defined, for which Utah State University is responsible.

Title

Utah State University has title (ownership), and/or will receive title to all equipment purchased with USU funds, or received as gifts or donations to the University. This includes all equipment located at satellite campuses and locations. USU equipment will be titled and identified as USU equipment whether in the field or on loan at other institutions.

Title to equipment purchased with funds from a grant or contract will vest according to the terms and conditions of the grant or contract. In most instances, USU has title either immediately, or at the end of the contract or grant. Utah State University exercises the responsibilities of ownership for all equipment.

NO department, departmental unit, or member of the staff or faculty may hold proprietary interest in any piece of USU equipment. Regardless of which departmental unit ordered the item, the fund cited, or the budget expensed, the principle of USU ownership prevails.

Scope

The Equipment Management and Control System (Asset Tracking system(s)) applies to the equipment belonging to, or in the custody of, Utah State University, including equipment on loan to USU, government/contractor provided equipment, or equipment secured for completion of contracts and grants for research, training and public service.

Related Documents

- i. Federal Acquisition Regulations (FAR)
- ii. Government Accounting Standards Board Statements 34 and 35
- iii. Internal Revenue Service (donations)
- iv. National Aeronautics and Space Administration (NASA) Grant Handbook
- v. Department of Defense (DOD) Manual 4161.2-M, 5000.64
- vi. Department of Energy (DOE) – Management of Government Equipment in the Possession of Contractors
- vii. Health and Human Services (HHS) Contractors Guide for Control of Government Equipment
- viii. OMB Uniform Guidance (2014)
- ix. State of Utah Regulations
- x. State of Utah Board of Regents policies

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Definitions

Accessory Item - An item that facilitates or enhances the operation of equipment, but is not essential for its operation.

Acquisition Value - Acquisition value is a value assigned at the time of acquisition for equipment or other items donated to the University, or found through a physical inventory. University Advancement will provide the assigned value for items that are donated or gifted. If asset is found without acquisition documentation, value may be provided by department or researched through sites on-line.

Agency - An entity (e.g. organization, corporation, foundation, or person) from which USU derives external support through contract or grants.

AssetView Asset Tracking System – Software asset tracking system used by USU to manage assets determined by policy for University requirements or department needs.

Asset/Equipment/Item/Property – Terms are used interchangeably

Attachments - Equipment that is originally separate from the parent equipment item, but becomes a functional part of the equipment. The attachment is dependent on the parent item to function properly. Costs for attachments are included as part of the equipment at the time of purchase.

Auxiliary Item - An item without which equipment cannot operate.

Award - A legal document providing external support. Award includes grants as well as contracts.

Capital Or Depreciable Equipment - Equipment that has an acquisition value of \$5,000 or more, is freestanding, and has a normal life expectancy of one year or more.

Components - Equipment that could operate independently, but is working interpedently with another equipment item is considered a component of the parent equipment. Components of capitalized equipment are evaluated on a case-by-case basis to determine if the added item changes the use, length of life, or value of parent item. If found to add value or use, the equipment will be capitalized and depreciated along with the parent equipment.

Contract - An agreement with external sponsors for delivery of specific research results or deliverable item.

Contract Administrator - An authorized representative of the Contracting Office assigned to administer the contract requirements and obligations relating to government equipment. This person is normally an employee in the USU Sponsored Programs Office.

Contractor - Utah State University or Utah State University Research Foundation.

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Code of Federal Regulations 215 (OMB A-21) – Replaced by OMB Uniform Guidance.

Code of Federal Regulations (220 OMB A-110) – Replaced by OMB Uniform Guidance.

Cost – The actual, original cost paid for equipment. The cost of the equipment remains the same during the life of the equipment. Cost is not adjusted to book value or fair market value at any time in the life cycle.

Custodial Department - Department or unit of the University having physical control of equipment (e.g. Department possessing equipment or the sponsoring agency connected with a specific department for an award).

Department Property Administrator (DPA) - Person appointed by the dean, department head, or director to be responsible for records, inventory, and other duties pertaining to capital and non-capital equipment belonging to the department or unit.

Departmental Equipment - Equipment with an acquisition value of less than \$5000, is freestanding. Departmental equipment required to be tagged and tracked at the department has an acquisition value between \$3000 and \$4999.99, and equipment that can contain PII information as outlined by the Department of Homeland Security. Other departmental equipment may be tracked as deemed necessary by the dean, department head, or director.

Equipment Manager - Duly authorized representative of the University delegated the responsibility for the Asset Tracking System(s), and the identification and tracking of all University inventoriable equipment.

Fabricated Equipment - Equipment constructed by combining or assembling modular components and/or materials into one identifiable unit. When completed, each component loses its individual identity and the end product becomes an identifiable single unit. Typically, such equipment is constructed and designed in-house for a specific purpose or for research. In order to capitalize this equipment, the finished product must have a unit cost of \$5,000 or more and a life expectancy of more than one year – fabricated equipment will be recorded as departmental equipment if the cost is between \$3000 and \$4999.99.

Federal Acquisition Regulation (FAR) - The Federal Acquisition Regulation (FAR) is the primary regulation for use by all Federal Executive agencies in their acquisition of supplies and services with appropriated funds. It is issued within applicable laws under the joint authorities of the Administrator of General Services, the Secretary of Defense, the Administrator of the National Aeronautics and Space Administration (NASA), Office of Federal Procurement Policy, and the Office of Management and Budget. The portion of the FAR that relates to government equipment is FAR Part 45 – Government Property. This has been included in the new OMB Universal Guidance.

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Found Equipment - Equipment found by departments or Equipment Management Services (EMS) personnel. Found equipment will be included in the asset tracking system if the value is within prescribed levels for departmental or capital levels.

Government - United States of America or the Federal government, unless otherwise specified as "State government".

Government/Contractor Equipment - Special category of equipment defined in FAR Part 45 and Uniform Guidance 200.33 Government Property is considered as all equipment owned or leased by the Federal government. Such equipment acquired under contract/grants (Federal awards) with the University includes:

Government Furnished Equipment - Equipment in the possession of, or acquired by, the government and subsequently delivered to, or otherwise made available to the University for use under specified contracts or grants.

Contractor Acquired Equipment - Equipment purchased by, or otherwise provided to, the University for the performance of a contract or grant. Title for this equipment vests with the government by virtue of its procurement with government funds.

Excess Government Equipment - Equipment no longer required by the current Federal contractor(s).

Federal Surplus Equipment - Equipment screened by all Federal agencies and generally made available to eligible institutions through the State Educational Agency for Surplus Property.

Government Specified Supplies- OMB Universal Guidance language allows computers and computer related equipment to be listed as supplies if the value is less than \$5000.

Grantee - Utah State University.

Insurance - Provides funding, in part, for the cost of replacing lost, damaged, destroyed or stolen equipment. Utah State University is self-insured by the State of Utah.

Inventoriable Equipment -

University Capital Equipment - Equipment that has an acquisition value \$5,000 or more, is freestanding, and has a normal life expectancy of one year or more.

Government Inventoriable Equipment - Equipment provided by contract or grant that has an acquisition value of \$5,000 or more and a normal life expectancy of one year or more. This may include government property less than capital thresholds but required to be identified as assets by contract or grant specification, or if required by the

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University. Government equipment does not lose its identity as inventoriable equipment because of affixation to real property.

Loaned Equipment - Equipment loaned to the University by an external agency, from one University department/unit to another, by the University to an external agency or individual, or from one University to another University. If the University is liable for care and custody, loaned equipment will be marked or identified so that it can be tracked for information. **NOTE:** Tagging loaned equipment **does not** denote that the University takes possession. Tagging loaned equipment is for information and insurance purposes only.

Motor Vehicle - Any motorized carrier designed primarily for the transportation of persons or property, which is operated on a public road.

Departmental Equipment - Equipment that has an acquisition value less than \$5000, is freestanding, and has a normal life expectancy of one year or more. Policy states Departments/Units are required to track all equipment with a cost of \$3000 to \$4999.99, and equipment capable of holding PII information. (E.g. computers, tablets or external hard-drives). Departments may include items that are targets for theft such as digital cameras, camcorders, or items that may be used for illicit purposes, etc. The departments will be responsible for conducting the annual physical inventory of the departmental equipment.

Inventory Number - A unique number assigned to University equipment. An inventory number is also called an inventory tag, asset tag, barcode sticker, property tag or Ptag.

OMB Uniform Guidance - 2014 revaluation and combination of all previous OMB circulars.

Principal Investigator - The academic or administrative staff member responsible for initiating and conducting externally funded research, training, or public service project. The individual may be known as the project director, project administrator, responsible person, or P.I.

Personally Identifiable Information (PII)* - Information protected by federal and state laws and regulations, including federal regulations administered by the U. S. Department of Homeland Security (DHS), and is defined by DHS as “any information that permits the identity of an individual to be directly or indirectly inferred, which if lost, compromised, or disclosed without authorization could result in substantial harm, embarrassment, inconvenience, or unfairness to an individual.” PII must be protected prior to release in accordance with the Utah Government Records Access and Management Act or other disclosures required by law.

PII does not include “public information” as defined by the Utah Government Records Access and Management Act, or in the case of student records, “directory information” as defined by the Family Education Rights and Privacy Act.

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PII includes but is not limited to the following:

1. Full Social Security Number
2. Driver's license or State ID number
3. Passport number
4. Visa number
5. Alien Registration number
6. Fingerprints or other biometric identifiers
7. Full name in combination with:
 - a. Mother's maiden name
 - b. Date of birth, last 4 digits of SSN
 - c. Citizenship or immigration status
 - d. Ethnic or religious affiliation
8. Protected Health Information as defined by the Health Insurance Portability and Accountability Act of 1996

Special Test Equipment - Either single or multipurpose integrated test units engineered, designed, fabricated, or modified to accomplish special purpose testing in performing a contract. It consists of items or assemblies of equipment including standard or general-purpose items or components that are interconnected and interdependent to become a new functional entity for special testing purposes. The equipment does not include material, special tooling, facilities (except foundations and similar improvements necessary for installing special test equipment), and plant equipment items used for general plant testing purposes.

Special Tooling - Jigs, dies, fixtures, molds, patterns, taps and gauges, other equipment and manufacturing aids, including all components of this equipment, which are of such a specialized nature that without substantial modification or alteration use is limited to the development or production of particular supplies, parts thereof, or to the performance of particular services. It does not include material, special test equipment, facilities (except foundations and similar improvements necessary for installing special tooling), general or special machine tools, or similar capital equipment.

Sponsoring Department - The department or unit of the University responsible for the administration of an externally funded project.

State - State of Utah.

Titled Equipment – Equipment that by law has a title to determine ownership as required by State and Federal government.

University - Utah State University and all affiliates, satellite campuses, distance education centers, and extension facilities.

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University Equipment - Equipment to which title vests with the University, whether purchased with University controlled funds or acquired by bequest or gift.

Section B: INSURANCE

Policy of Insurance

The State of Utah may provide insurance to cover losses of University equipment. To acquire coverage at reasonable rates certain types of losses may not be insured. A deductible provision will normally be included in the insurance policy terms and will be applicable to most losses incurred. (See Risk Management office for details.)

Payment of Deductible Requirement

University departments and operating units have the primary obligation to defray any uninsured losses and to pay the deductible portion of losses of University equipment.

University equipment losses must be absorbed from the funds available to the department or operating unit that had management responsibility for the equipment concerned.

If catastrophic loss is the result of conduct that was not within University guidelines or not in compliance with University policy or procedures an additional \$100,000 amount may be required.

Exclusions

The University equipment insurance fund may not cover any part of the loss, damage, destruction or theft including:

- a. University equipment not properly recorded on the records of the Equipment Management Services office prior to the loss.
- b. Theft of University equipment not reported to the University Public Safety Department after discovery of the loss.
- c. Personal equipment owned by University personnel, students, guests or other individuals, even though said equipment was on University premises at the time of loss.

Procedures for Actions Required In the Event of a Loss

Upon the discovery of a loss of University equipment, the head of the concerned operating unit will:

1. Immediately notify the campus Public Safety Department or equivalent authority in the area, (e.g. Police) and Equipment Management Services of the loss by telephone or in person.
2. Advise the University Risk Management insurance coordinator of the loss in writing or via the link on Risk Management internet site with any other relevant circumstances, and send a copy of notification to Public Safety. If the loss does not

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occur in or near central campus, use the Risk Management internet link as soon as possible to apprise the insurance coordinator.

3. Prepare and supply a descriptive list of the lost or missing equipment, including the University inventory number(s) and serial number(s) to the responsible University officials, upon request.
4. Cooperate with investigations by Public Safety or appropriate authority and Risk Management.
5. Prepare and send a completed Request to Retire Asset form to Equipment Management Services.
6. Prepare and implement a plan of action to prevent the reoccurrence of loss in the future.

Section C: PERSONAL USE OF UNIVERSITY EQUIPMENT

Use of University equipment by employees for personal purposes is prohibited. University owned equipment is not, under any circumstances, used for private business or personal profit.

Section D: RESPONSIBILITIES OF DEPARTMENTS AND EQUIPMENT MANAGEMENT SERVICES OFFICE

Department/Departmental Unit Responsibility

Departments and Equipment Management Services (EMS) have the joint responsibility to track all required equipment.

Loss of any USU equipment including equipment containing any PII information is the responsibility of the department or departmental unit assigned.

EMS will assist departments/departmental units by providing USU inventory tags and training DPA personnel in the use of the AssetView fixed asset system.

AssetView will provide departments with relative information for any asset tracked, both capital and non-capital. Capital items are created in AssetView only by EMS. EMS will create records for required non-capital assets reported through the purchasing system. Departments may create records for non-capital essential equipment at the direction of the department head.

EMS will create an asset record with the following information:

- Purchase Order Number (if available)
- Invoice Number
- Description
- Make
- Model
- Original Cost
- Purchasing Index

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Additional information may be added to the asset record by the departmental DPA, such as:

- Location
- Responsible Person
- Serial Number
- Other helpful information

Maintaining an asset record of required non-capital and essential items gives departments' quick information in case of theft, changes or departures of responsible persons or purchases of similar equipment.

The head of the custodial department and the principle investigator have the primary responsibility for the care, maintenance, records, and control of equipment in custody; whether University owned, owned by a sponsoring agency or on loan to the University. If special contract/grant restrictions or conditions are involved, departments or DPA's initiate the forms or letters necessary to inform Equipment Management Services of all provisions respecting the care, custody, maintenance, records, control, and all transactions involving said equipment. After receiving the forms or letters, Equipment Management Services will carry out the functions respecting inventoriable equipment. The department head or principal investigator may delegate the responsibilities outlined above to the Department Property Administrator.

Deans/department heads/directors are responsible for assigning the Department Property Administrator (DPA) the responsibility as a primary contact for Equipment Management Services. DPA's will be responsible for all records of University equipment within the department or unit, including all capital and required non-capital and essential equipment.

To change departmental/unit DPA, complete and forward a Department Property Administer Change form at: http://controllers.usu.edu/files/dpa_change.pdf

DPA Responsibilities

- A. Maintaining all documents for departmental/unit equipment and initiating reports to Equipment Management Services regarding all changes to capital equipment.
- B. Updating Equipment Management Services on the location and responsible persons for departmental/unit equipment and initiating reports for all capital equipment.
- C. Support Equipment Management Services in the annual physical inventory of capital equipment assigned to that department/unit. (See Inventory Guidelines)
- D. Physical inventory and audit responsibilities for departmental/unit equipment. (See Department Audit Guidelines)

Location of Equipment

The location of each item of equipment will be in the Asset Tracking system records. Current records, including movement of equipment, will be maintained in such a manner that any item of equipment can be located for inspection, inventory, or audit purposes within a reasonable time. The custodial department or DPA will notify Equipment Management Services of any

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changes in the department regarding responsibility of capital equipment by submitting the Equipment Record Change form: http://controllers.usu.edu/files/equipment_record_change.pdf

Location codes have been assigned to all areas that pertain to Utah State University. New areas that are available will be assigned when documented.

Physical Security

The head of the custodial department, the DPA and the principal investigator, if a contract/grant is involved, will make adequate provisions for the physical security of the equipment in their custody. Areas containing equipment will be kept locked after business hours or when not in use. Special precautions are required to be taken in the case of high-value, portable equipment that is a target for theft. A responsible person is assigned to ensure the physical security and responsibility of equipment.

Utilization of Equipment

Annually, the head of the custodial department and the DPA will review the use of equipment in the custody of the department. Any equipment determined not needed should be reported to Surplus Sales for resale or reuse.

Storage and Movement

When equipment is temporarily idle, but required for authorized future use, it must be stored in accordance with sound business practices and adequate protection from corrosion, contamination, and damage to sensitive parts. Sludge, chips, and cutting oils will be removed from equipment.

Departments or DPAs must document equipment in storage. Equipment needs to be easily located upon request. This information is recorded on the Equipment in Storage form: http://controllers.usu.edu/files/equipment_in_storage.pdf. Departments should file this form for future inventories or audits. Forms with capital equipment listed is sent to Equipment Management Services for update of the storage location on the equipment records. Equipment must be adequately protected while being moved. This entails proper packing, covering, skidding, equipment handling techniques, and safety precautions.

Government equipment may be moved to an off-campus site only with the prior approval of the Contract Administrator. A shipping document, transfer document or similar instrument must be obtained and filed with Equipment Management Services.

Segregation and Commingling

Usually, government equipment is physically separated from University equipment. However, when it is consistent with the best use of said equipment in carrying out the terms of the contract/grant, the property may be commingled. This provision does not modify the requirement for identification and recording of the government equipment.

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University equipment used in the field, common areas of satellite campuses, distance education sites, and extension facilities will be identified as Utah State University equipment with the required entries made for location in the Asset Tracking system. At no time is Utah State University equipment to be gifted or loaned without proper paperwork. Commingling of equipment is allowed with proper documentation of title and when proper inventories are maintained.

Care and Maintenance

The custodial department shall provide the care necessary to maintain equipment in the condition received or better, normal wear expected to ensure that the most useful life is obtained. A maintenance program will be preventive in nature, providing lubrication, cleaning, calibration, and inspection on a regular schedule. Records of the maintenance program need to provide the description and date of maintenance actions performed, details of inspection, and deficiencies discovered or corrected. With respect to government equipment, such schedules are made available to the Contract Administrator. Equipment that is acquired under the auspices of Uniform Guidance must have auditable maintenance and calibration records that are easily available for review by auditing agencies. This feature is available in AssetView. (See Uniform Guidance section 200.313 d (4), 200.336 a, 200.508 d.)

Equipment Management Services Responsibility

Utah State University including all departments and departmental units are responsible for all of the equipment to which it holds title. Custodial responsibility for other equipment rests with Utah State University to the extent that it has explicitly agreed to accept responsibility therefore.

- A.** Responsible for the Banner Database or equivalent AccessView database referred to as Asset Tracking system(s), which lists all equipment. All changes to the database for capital equipment will be directed to Equipment Management Services for update. This will include any capital transfers between departments, colleges, and changes indicated on all departmental equipment inventories.
- B.** Generate inventory tags and audit to make sure tags are affixed on all inventoriable equipment. Equipment Management Services will issue Utah State University inventory number tags to departments to identify an asset as property of USU. EMS will create records in the Asset Tracking system of inventoriable equipment contingent that purchase of equipment has gone through accepted channels.
- C.** Advise all members of the faculty and administrative officers of their obligations for the use, care, maintenance, and safekeeping of all equipment under the control of their respective department or units.
- D.** Provide AssetView training to DPA's and other authorized department personnel.
- E.** Provide written instructions relating to the control of inventoriable equipment for which Utah State University is responsible.

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Section E: EQUIPMENT COST

Equipment Management Services records the cost of equipment acquired through purchase orders, on campus expenditures, P-cards, and check requests. It is important to use the correct account codes when purchasing equipment.

The cost of a piece of equipment includes the following: attachments, trade-ins (see below Section F), custom duty charges, freight charges, installation, and training costs.

Equipment accessories purchased for existing equipment, depending on the nature, will be entered on the records as separate items of equipment as a component, or added to the value of the original equipment as an attachment.

If equipment is acquired using purchase orders, the Asset Tracking system will record the invoice number(s), cost(s), index(s) and account(s) used on the purchase order.

When the University purchases equipment from another institution, the costs of dismantling for shipment and storage are not included in the cost of the unit unless it is included in the negotiated price.

Any custom duty charge shall be added to the value of the equipment.

Any cash discount shall be deducted from the value of the equipment.

Section F: ACQUISITION OF EQUIPMENT (Capital and Non-Capital)

Acquisition Date

The invoice date will be the date the equipment was acquired. This is the capitalization date and date that depreciation starts. However, if the equipment is placed in service before its cost is fully paid, the capitalization and depreciation start date will be the date the equipment is placed in service. Occasionally, items are invoiced before being received. Date for acquisition will be determined by department if this happens.

If an item of equipment was purchased using an incorrect account code, EMS will not have created an asset record for the equipment because EMS would not have known about the item.

If equipment is found at a later time without a tag, such as during an annual physical inventory, the original purchasing documentation shall be located to determine the date the equipment was purchased and placed into service. If no documentation can be located, then the acquisition date will be the date the equipment was located or the date the equipment users declare the equipment was placed into service.

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Acquisitions of University Inventoried and Non-Inventoried Equipment

Purchase Orders

Equipment purchased on a purchase order using the correct account codes will provide the information that Equipment Management Services requires to maintain the financial history of that item of equipment.

Equipment Account Codes To Be Used With Purchases

713200 – *Small Tools and Equipment Less Than \$2,999*

Items of equipment that have an acquisition value under \$2,999. These items are not capitalized, but may be entered into the Asset Tracking system at the discretion of the department making the purchase. Examples of equipment that may fall under this are computer related equipment, cameras, microscopes, telescopes, firearms, art and scientific objects, projectors, and scales.

713250 – *Pass through Equipment*

Equipment, regardless of value, purchased with special funds provided by other entities, usually a foreign government, to conduct research. This equipment is never intended to be titled to the University. Departments are responsible for making sure that all expenses posted to this account are offset by funds provided and that the account has a zero balance at the end of the fiscal year.

713300 – *Tools and Equipment Other Than Computers between \$3,000 and \$4999*

These equipment items have an acquisition value between \$3,000 and \$4,999. These items are not capitalized, but will have an inventory number assigned and entered into the Asset Tracking system, if the value is equal to or greater than \$3000 and less than \$4999.99. Departments are responsible for tracking, physical inventorying, and auditing these assets.

713350 – *Art and Collections Less Than \$5,000*

Used for purchasing art and/or collections, other than Library acquisitions, that has an acquisition value of less than \$5,000. These items are not capitalized, but will have an inventory number assigned and entered into the Asset Tracking system.

713500 – *Computer and peripheral Purchases Less Than \$5,000*

Computer and related peripheral component purchases that have an acquisition cost less than \$5,000. These items are not capitalized, but will have an inventory number assigned and entered in to the Asset Tracking system, for tracking PII data information.

713525 – *Software Less Than \$100,000.*

Software purchases costing less than \$100,000. Software will have an inventory number assigned and entered into the Asset Tracking system only if requested by the department for tracking purposes.

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772300 – Equipment Other Than Computers \$5,000 and Over

Equipment which have an acquisition value of \$5,000 or more. This equipment will be capitalized, have an inventory number assigned and entered into the Asset Tracking system for identification, depreciation and insurance purposes.

772350 – Computer/Peripherals \$5000 and over

Computer equipment and peripheral component purchases that have an acquisition cost of \$5000 or greater. These items are capitalized and will have an inventory number assigned and entered into the Asset Tracking System.

772700 – Art and Scientific Collections \$5,000 and Over

Items of art, scientific, or historical collections other than Library Special Collections, that are valued at \$5,000 or more. These items are capitalized and will have an inventory number or accession number assigned and entered into the Asset Tracking system for tracking and insurance purposes.

Purchase Cards (P-Cards)

Purchase Cards, or P-Cards, may be used to purchase equipment on a limited scope. Equipment that is purchased using a P-card should be approved through the P-card procedure and policies outlined by P-card services. If transaction is approved with the correct accounting, EMS will be notified and will enter asset records as necessary.

Gifts/Donations

Equipment acquired by gift/donation that meet equipment asset criteria is tracked. Assets are assigned an inventory number and entered into the Asset Tracking system with an acquisition code of "Gift/Donation". The date the gift is accepted and recorded with the University Advancement Office is considered the date of acquisition, unless a specific date is noted on the Gift in Kind form. Equipment Management Services will not record a gift until a Gift in Kind report has been processed through University Advancement. Gifts of scientific collections and art may be recorded on a multiple item or group basis. Gifts of bound volumes, pamphlets, documents, and other library collections are recorded by the Library and do not become part of the equipment asset record.

Fabricated Equipment

Fabricated equipment will be reported to Equipment Management Services with the Intent to Fabricate Equipment form to properly insure the equipment. Supporting documentation for fabricated equipment should include:

- A. Description
- B. Costs to fabricate equipment (labor and materials – provide copies of timecards, invoices, or a spreadsheet with the costs detailed)
- C. Equipment location
- D. Responsible person

Equipment Management Procedures

Once the fabrication is complete, provide Equipment Management Services with the final costs and indexes that paid for the fabricated equipment.

If the equipment was fabricated with contract funds, title may vest with the funding agency depending on the contractual agreements.

Found Equipment

Found equipment is recorded with an acquisition code of "Found". Custody is assigned to the using or custodial department. Every effort will be made to find the original documentation. If documentation cannot be found, the custodial department may estimate the value and the date the equipment was put into use. Research on similar equipment value by use of the internet or trade papers is also acceptable as a means of assessing value.

Acquisition of Surplus Equipment

If the cost is over \$1,000, equipment secured from the State Educational Agency for Surplus Property is treated in the same manner as equipment purchased through the Purchasing Department.

These procedures are used for all funds, including external funds, if the particular contract permits the acquisition of surplus equipment.

Equipment sold to departments from the University Surplus Sales will be re-entered into the system if the equipment is re-sold for \$3,000 or more, a titled asset, or is a computer, or an asset that may potentially hold PII data.

Equipment Sold By a Service Department or Service Enterprise

Equipment sold to a department by a Service Department or Enterprise, such as the Bookstore, even if it is a satellite area, is processed as a campus expenditure or pcard purchase. If re-allocated correctly, EMS will be notified and generate the necessary information for tagging if the asset is \$3000 or more or will hold PII data. The cost is the price charged to the department by the Service Department or Enterprise.

Trade-Ins

The inventory number of any equipment being traded is required be listed on the purchase order and on the invoice so that the equipment can be removed from the asset listing and for audit verification

To be considered a trade-in, the old equipment must be traded for a similar type of equipment. The trade-in allowance granted by the seller usually differs from the net carrying amount of the old equipment item. If the trade-in allowance is greater, it would appear as if a profit is being realized on the exchange, but the seller may also have an inflated list price for the new equipment. Therefore, reasonable objective evidence is required in order to account for the trade-in as an unrelated equipment disposal.

Because it is often difficult to determine the economic substance of the purchase price and the trade-in allowance separately, the cost of the new equipment item is commonly recorded as the

Equipment Management Procedures

amount of the monetary consideration paid plus the un-expired cost of the trade-in surrendered.

For example, a truck was acquired four years ago at a cost of \$10,000 and depreciated on a straight-line basis over an estimated useful life of five years. Now the old truck is traded in for a new model that has a list price of \$12,000, but the dealer allows a trade-in value of \$2,400 for the old truck. The cost of the new truck would be computed as follows:

cost of old truck	\$10,000
- acc. dep. (\$2,000 x 4)	<u>-\$ 8,000</u>
remaining book value	\$ 2,000
+ cost of new truck (\$12,000 - \$2,400)	<u>+\$9,600</u>
recorded book value of new truck	\$11,600

However, if a gain or loss is clearly indicated, the entire gain or loss on the exchange should be recognized. Thus, if independent appraisals determined that the new realizable value of the old truck is \$2,500, a gain of \$500 (the difference between that value and the net carrying amount) should be recognized. The new truck would then have a cost of \$12,100 (cash paid of \$9,600 plus market value of the old truck of \$2,500).

Equipment Management Services will remove the cost and accumulated depreciation of an equipment item traded in from the accounts in conjunction with recording the acquisition cost of the new asset.

Transfers from Other Institutions

Occasionally, new faculty will bring equipment with them from a former position. A list of the equipment along with the following documentation must be sent to Equipment Management Services to properly document the equipment and, if applicable, the funding sources for government contract/grant:

- Release of equipment from previous institution and contact information
- Original acquisition value and documentation from previous institution
- Title information or special titling restrictions
- Description
- Funding source (contract/grant information)
- Responsible P.I. and department

Acquisition under Contracts with External Sponsors

Records

The University records agency furnished and University purchased equipment acquired under a contract/grant in the proper category of the equipment inventory records during the life of the contract/grant. This facilitates a listing of equipment by category for fiscal and inventory reports to the agency.

Equipment Management Procedures

Upon completion or termination of the contract/grant, the equipment to which the University has acquired title is recorded by changing the title portion of the Asset Tracking system(s) record and documenting the date in the asset record.

If several contract/grants combine to purchase one item of equipment, the contract/grant with the greatest amount of funds paid will be accountable for the equipment. All contract/grant numbers and funds that contribute to the equipment is documented in the asset record.

To properly dispose of assets obtained by this method, a record check is required to ensure title has properly passed to the University **before** selling, transfer, or disposal. If title has not been passed to the University, permission from the sponsor is required **before** selling, transfer or disposal of the asset.

Responsibility of University Personnel

When an agency at the beginning or at any time during the performance of a contract, transfers title of equipment to the University or transfers accountability for equipment from one contract to another, the Sponsored Programs Office notifies EMS of the transfer and conditions pertinent thereto. Equipment Management Services institutes all actions necessary to ensure that the records reflect the transfer of title or accountability.

Acquisition of Government Equipment

Government Furnished Equipment

Government equipment may be shipped to the University from government installations or other government agency contractors. The University becomes responsible for such equipment upon delivery of the equipment into its custody or control. The department receiving the equipment shall furnish EMS with copies of documents necessary to allow University records to accurately reflect the transaction. When contractor acquired equipment is transferred from one contract to another within the University, it remains government furnished equipment. The Sponsored Programs Office should draw particular attention to transfers from one contract/grant to another contract/grant or to a similar contract/grant for those departments receiving government furnished equipment. Equipment Management Services is required to document all government furnished, contractor furnished, and loaned equipment. All government furnished property is tracked regardless of cost. Disposition of government furnished equipment is required through appropriate government entities. (See excess Government Equipment below)

Contractor Acquired Equipment

Direct purchases of equipment whose title vests with the government for the performance of a contract/grant are subject to approval by the contracting officer of the government agency involved. Equipment purchased by the University for which reimbursement is requested, becomes government equipment upon its receipt by the University.

Equipment Management Procedures

Excess Government Equipment

Equipment owned by the Federal government and no longer needed by the current Federal agency, but has additional useful life. Items are allocated on a first come, first serve basis.

The University may be authorized to receive such excess government equipment by a contracting agency when the equipment directly furthers an active award. Such authorization is dependent upon the terms of the award and the regulations of the specific agency involved.

The University may also acquire excess government equipment through the Stevenson Wydler Act. Title to equipment acquired by this act transfers immediately to the University.

The acquiring department shall notify Equipment Management Services by memo of acquired Federal excess equipment. This equipment is required to be properly accounted for and insured in case of loss, damage, destruction, or theft.

Cost – Excess government equipment is usually obtained without cost. However, the University specifies the method of shipment and pays all packing, transportation, subsequent installation, rehabilitation, and maintenance expenses.

Records – The University maintains suitable records showing the location, description and value of the equipment. Equipment is recorded at the original acquisition cost as indicated on the transfer document. If the value is not indicated on the transfer document, it is the responsibility of EMS to obtain the value. If the title to the equipment passes to the University, the recorded value should be the costs incurred by the University to acquire the excess equipment. The fair market value will be recorded in the Asset Tracking system. Expendable or consumable items are not subject to specific record keeping requirements.

Title to Equipment Acquired Under Contract or Grant

The specific provisions of the applicable contract/grant govern each instance.

The University may acquire title to equipment as a result of specific contract/grant provisions, issuance of change orders, or contract/grant termination. Such equipment, unless otherwise provided by the contract/grant, is considered University property.

The Contracting Officer may transfer the title of equipment to the University at the beginning, during, or end of a contract/grant. When title is transferred, the University has no further obligation to the government regarding the equipment unless specific provisions to the contrary are stated in the contract or transfer document.

These provisions hold true for any equipment that may contain PII data under the terms of a contract/grant or may be termed supplies. (E.g. computers, external hard drives etc...)

Equipment Management Procedures

Section G: Identification of Equipment

Identification of University Equipment

When inventoriable equipment is acquired using a purchase order on the correct equipment account code, an inventory number will be created and entered into the Asset Tracking system. EMS will send an inventory number tag to the DPA to affix to the equipment.

All inventoriable equipment is identified promptly upon payment of invoice and assigned an inventory number. It will be identified by the inventory number as long as it is in the custody, possession, or control of the University. Assigned inventory numbers and all pertinent information are recorded in the Asset Tracking system. License numbers, when available, will identify licensed, titled assets.

Equipment Management Services will send assigned inventory number tags to the department DPA to affix the inventory number tag to all equipment.

If the equipment is located at a satellite campus, distance education facility, or extension office, the inventory number tag will be sent directly to the person listed as responsible. The responsible person is notified to tag the equipment with the proper tag or tags, fill in the needed information on the equipment form and send, scan or fax the information to EMS.

The inventory number tag is applied to the equipment unless its size or nature makes it impractical. The inventory number tag should be placed on the equipment adjacent to the manufacturer's nameplate or in a position for easy sighting. If an inventory number tag will not remain legible after a short period (e.g. the weather wears away the tag) the number may be painted or etched on the equipment.

If an inventory number tag is removed, intentionally or unintentionally, Equipment Management Services shall be notified so that a new tag can be affixed to the equipment.

Equipment Pre-Tagging

Occasionally, equipment must be taken soon after acquisition to another location that prohibits Equipment Management Services or DPA from locating and tagging it. In this case, the DPA or principle investigator shall request that EMS come to the department to tag University equipment before the documentation or invoice has been received by EMS and before the equipment is moved to an inaccessible location.

Identification of Government Inventoriable Equipment

Departments will notify EMS promptly upon acquisition of government inventoriable equipment. For purposes of identification, EMS will assign the inventory number tag and a government tag for attachment to the equipment. The property remains identified as long as it remains in the custody, possession, or control of the University. All government-owned equipment will be marked "Property of the U.S. Government" unless the size or nature of the equipment makes it impractical; or the equipment is an accessory, an auxiliary, attachment, or

Equipment Management Procedures

otherwise a part of an item of equipment that is required for its normal operation. In the latter case, such equipment items are entered and described on the record of the equipment which it is attached, or of which it is otherwise a part.

If the University acquires title to government equipment, Equipment Management Services will remove the government identification tag.

Section H: EQUIPMENT REQUIRING SPECIAL HANDLING

Equipment Subject to Registration

Motor Vehicles Regardless of Price or Acquisition Method

Information necessary to record a motor vehicle is acquired from the purchasing document. If acquired in other ways, a representative of the custodial department supplies the information necessary to record the motor vehicle. Equipment Management Services then assigns an inventory tag number, or will use the license number as the asset number. MSO's or titles for fleet vehicles are the responsibility of Fleet Management.

Boats, ATV's, Trailers and Snow Machines

All information necessary to record boats, boat motors, ATV's, trailers, and snow machines is acquired from the purchasing document. An inventory tag number is assigned in the same manner as other equipment. All boat, ATV, trailer and snow machine MSO's or titles are sent to Equipment Management Services.

Collections, Art and Scientific Objects (Other Than Library Acquisitions)

Collections may be recorded as a group, (e.g. "COLLECTION TEA-SET"), and assigned one inventory number. The custodial department shall maintain detailed records for each item included in an art or scientific collection.

Acquisitions of a single work of art or a single scientific object, not added to collections, are recorded in the same manner as other equipment.

Equipment Rented or Leased With Option to Purchase

Equipment acquired by lease with an option to purchase or other types of installment purchases are recorded at total cost. (Interest expenses are not included in the value of the equipment.)

In the event the option to purchase is not exercised and the equipment is returned to the vendor, the equipment is retired from the records by submitting a Request to Retire Asset form to EMS.

Personally Owned Equipment

If a University employee keeps personally owned equipment on campus, it should be reported to the custodial department and it should be identified as the property of the owner. The University is **NOT** responsible for the loss of or damage to personal equipment. This will include any equipment from a previous employer that accompanies a new faculty member if equipment was not reimbursed or a letter of gift obtained from the originating institution.

Equipment Management Procedures

Loaned Equipment

Loan or use of equipment to other Universities, organizations, or individuals not affiliated with Utah State University is not allowed unless there is a contractual relationship with the organization or individual. Individuals without a contractual relationship must have at least an adjunct status to retain University equipment in their possession.

Loan of Equipment to Which the University Does Not Have Title

Equipment that is not owned or titled to the University cannot be loaned to other organizations or individuals without the specific written approval of the titleholder.

On-Campus Loan of University Equipment

If equipment is loaned to another department for a short period, a memorandum of the transaction should be filed in the lending and receiving department. If the period of the loan exceeds one year, it should be reported to EMS on an Equipment Record Change form by the lending department, giving the name of the borrowing department, the inventory number(s), and the new location of the equipment.

Off-Campus Use of University Equipment by University Employees

Equipment that is used off campus at an authorized research site is permitted and encouraged. Equipment that is used or stored off campus at a personal residence is permitted only with the approval of the department head or director and must directly benefit the University. Documentation of equipment that is off campus shall be listed on an Equipment Off Premise Use form that documents all equipment inventory numbers, location, and permissions. The form must be on file in the department/departmental Unit. Persons with equipment located off campus are **responsible for the safety and security** of the equipment and for PII data that may be contained on/with the equipment. Documentation of equipment off campus is required for insurance purposes and to ensure return at the end of use or employee termination.

Sub-Contractor Acquired Equipment

If a sub-contract has a budget for equipment, the Sponsored Programs Office will notify EMS with the sub-contractor property contact information.

Section I: PHYSICAL INVENTORIES

Physical Inventory of Capital Equipment

Physical inventory of all capital, government, contractor furnished, and loaned equipment, will be performed by Equipment Management Services. This inventory will be completed on an annual basis for all departments, according to State and Federal law to verify the existence, location, and current utilization of equipment for the Facilities and Administrative Rate study.

Approximately two months prior to the physical inventory date, Equipment Management Services will send an email to the DPA to review the requirements of the pending inventory. Shortly thereafter, the DPA should contact all persons within the department to whom equipment is assigned, notifying them of the date and approximate time when the physical

Equipment Management Procedures

inventory will be performed in their area. The DPAs help and assistance is required to complete a thorough inventory.

Departments will assist EMS in the annual physical inventory of capital equipment by:

- A. Informing the entire department of the upcoming inventory.
- B. Verifying the location of the capital equipment before the actual physical inventory.
- C. Providing an escort to accompany EMS personnel during the inventory. An escort who is knowledgeable about the location of the equipment is necessary in order to provide access to equipment that may be in locked or sensitive areas. This escort is to accompany the EMS personnel in case access to private offices and laboratories is required.

When the inventory is completed a memo with results will be directed to the department head or program Director.

Inventory with no Missing Equipment and/or Negative Findings

- Review listing
- Sign and Date Memo form
- Send dated memo to EMS

Inventory with Missing Equipment and or Negative Findings

- Review listing and missing equipment list and/or negative finding
- Document reason for missing equipment and/or negative finding in writing
- Include a corrective action plan for missing equipment and/or negative finding
- Sign and Date Memo
- Send dated memo to EMS

All documentation will be filed in the permanent records. If documentation is not provided, within 30 days, EMS will assume that results were accepted and no corrective action was deemed necessary by the department. Documentation will reflect this decision in the permanent records. If department continues to have losses with no corrective action plan, results of all audits will be directed to the dean for corrective action(s).

Terminated Employees

When an employee who is responsible for inventoriable equipment leaves the University, Equipment Management Services will conduct a physical inventory of their equipment. Departments will be liable for the equipment if Equipment Management Services is not informed of the departure before the employee leaves. When notified, EMS will send a list of equipment that was in the employees name to the department for verification and re-assignment.

Equipment Management Procedures

Contracts

In accordance with Federal Acquisition Regulation (FAR) Part 45.508, Universal Guidance Subpart F, physical inventories are required on the completion of any Federal contract. An exception to this requirement is when the equipment will be used for another approved government contract.

Grants

Any equipment purchased on a grant must be administered and controlled according to the Code of Federal Regulations 220 and Uniform Guidance 200.507 c.

Department/Departmental Unit Physical Inventory and EMS Audits

Physical Inventory of all departmental equipment with an acquisition cost between \$3000 and \$4999.99 and/or containing PII data will be performed by department/departmental units on an annual basis. These physical inventories will be audited by EMS to assure accuracy and compliance.

Section J: REPORTS AVAILABLE FROM EQUIPMENT MANAGEMENT SERVICES

Governmental – Contracts or Grants

Equipment Management Services shall report the total acquisition cost of Federally owned equipment for which the University is accountable under each contract, including Federally owned equipment in the possession of sub-contractors, to the cognizant Federal agency.

When special reports covering equipment are required by the agency, and/or requested by the Sponsored Programs Office, Equipment Management Services shall furnish whatever data is available from Asset Tracking system.

Equipment Management Services shall provide a list of equipment currently on the University's inventory pertaining to individual contracts or grants, as required. If equipment was purchased with more than one contract/grant, the equipment will be reported on the contract/grant that paid for the major portion of the equipment.

Additionally, Equipment Management Services shall furnish to the appropriate agency annual, semi-annual, and periodic reports of capital equipment contracts on the required forms. Other required forms referenced in the contract will be submitted upon request of the cognizant agency.

Other Reports

Other reports may be requested by contacting Equipment Management Services.

Equipment Management Procedures

Section K. DISPOSAL OR TRANSFER

University Equipment

Excess or Surplus Equipment

When equipment is deemed no longer needed or useful to a University department or unit then it is declared “excess”. All excess or surplus equipment is required to be handled by USU Surplus Sales. No sale or donation may be arranged or completed until USU Surplus Sales has been notified and a course of action initiated.

After determining title to excess equipment submit a disposal record to Surplus Sales. This includes all University property both inventoried and non-inventoried items. Once the Disposal Request has been approved and submitted, Surplus Sales will pick up the excess equipment and process it for sale to other departments, government entities, or the general public. In the case of large or complicated equipment items, Surplus Sales may elect to leave the equipment on site and invite bidders to inspect the equipment in place. Special arrangements for disposal of equipment from satellite or off-campus areas can be made by directly contacting Surplus Sales.

- Inventory numbers must be listed on the Disposal Record. If, for any reason the inventory number is not found, research on the equipment item can be performed by referring to previous physical inventory records which should be located in the department.
- If the inventory number is still not located, the serial number of the equipment item is listed on the Disposal Report. The serial number should be identified as a serial number so that Surplus Sales or EMS can search the database for that serial number.
- **Departments are required to keep a copy of the Disposal Record for a period of two years.** This is for audit purposes.
- Departments must contact Surplus Sales to pick-up excess items. Surplus will not remove items unless a copy of the Disposal Record is available to the Surplus Sale employee when the assets are picked up. The Disposal Records must be delivered to Surplus sale representative when excess equipment is picked up. Do not attach Disposal Records to the excess equipment or inside pallets or containers.
- Surplus Sales personnel will enter the information from the Disposal Records into their Surplus tracking system.
- Surplus Sales will provide EMS with a report of all items that have been picked up by Surplus Sales on a monthly basis
- The assets listed on the monthly reports from Surplus Sales office will be removed from the Asset Tracking system by EMS.

Equipment Management Procedures

- By ensuring the intended equipment items are disposed of and removed from the Asset Tracking system, we reduce insurance costs and labor time associated with trying to locate equipment that has been disposed of.

State of Utah Code prohibits donation of any public property except for computer equipment to public and/or charter schools. If a department elects to donate computers to public and/or charter schools then Surplus Sales is responsible and all local schools in the area will be given equal opportunity to the equipment. All other equipment items will be processed as per Utah State University Policy Number 503 for the disposal of University equipment.

State Code requires all equipment to be offered first to public schools and/or other government units for the minimum bid amount. In the case of computers, departments are urged to dispose of computers and other electronic equipment as soon as possible before the existing technology becomes too dated to be of any salvageable value.

Departments are also urged to leave as much of the computer intact as possible and not “mine” or remove parts that will make it unusable. Please send any applicable license or software along with the computer as well, to enhance resale value. All hard drives will be wiped clean and data destroyed before the unit is resold.

Surplus Sales will determine the final selling price based on “blue book” or recent historical value of like equipment as per Universal Guidance 200.312 d (5) “If the non-Federal entity is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.”

Departments may request or suggest a minimum salvage amount in coordination with Surplus Sales staff. All equipment, whether in usable condition or not, is sent to Surplus Sales to be sold or recycled in the event of salvage only items. Surplus Sales may retain a percentage of the sale price in order to cover their overhead costs as per University policy.

Destroyed or Cannibalized Equipment

On written notification from a dean, director, or department head that an item of equipment has been damaged or destroyed beyond repair, or is no longer useful, and/or is being cannibalized, it may be removed from the inventory records. Written approval from the dean, director or department head, to which authority has been delegated to control equipment, must be secured prior to cannibalizing or abandoning equipment. Authorization is made on the Request to Retire Asset form. Remaining parts must be sent to Surplus Sales/Recycling for proper disposal.

Equipment Management Procedures

Lost or Stolen Equipment

Lost or stolen equipment must be reported with 24 hours to the Department of Public Safety or the equivalent in the area or premise and to EMS. After a copy or notification of the police report is received by EMS, the lost equipment will be removed from the Asset tracking system. If equipment is subsequently recovered, notify EMS and the records will be reentered in the Asset Tracking system.

See Section B: Insurance

“Procedures for Actions Required in the Event of a Loss”

Missing Equipment Discovered During Physical Inventory

Capital equipment missing after a physical inventory shall be removed immediately from the Asset Tracking system with the written approval of the dean, director, or department head. Removal is authorized on the Request to Retire Asset form. Inventoriable Departmental equipment may be listed as lost for one physical inventory or audit. If not found by the next physical inventory/audit it must be removed from the Asset Tracking System. This is done in the same way as capital equipment by the use of the Request to Retire Asset form. A copy of this form must be kept at the department level for at least two years.

Transfer of Surplus or Excess Equipment

When equipment is transferred between departments, no change is made in the recorded value of the equipment. It is reported to Equipment Management Services by completing the Intent to Transfer/Sell Equipment form or the Equipment Change form prepared by the transferring department. The information provided must include the inventory number, a description of the equipment item, the name of the department receiving the equipment, the new location, with signatures of the responsible persons from both departments.

When faculty members transfer between campus departments, (e.g. from Engineering to Space Dynamics Lab), equipment can be transferred with the faculty member after the former department head, the new department head, and the Equipment Manager have authorized the transfer. Approval is made by signing the Intent to Transfer/Sell Equipment form or Equipment Change form.

Transferring Equipment to another University/Institution

If a faculty member accepts employment at another University, equipment **may** be authorized to transfer with the departing faculty member if the equipment is part of an active award and the sponsoring agency gives approval. If title to the equipment has passed to Utah State University, the department head must declare the equipment surplus and the equipment must then be reported to Surplus Sales. The departing faculty member and/or the University that the professor is transferring to will be required to follow all rules and procedures of Surplus Sales.

Equipment Management Procedures

Removal from Inventory Records

Equipment status is changed to “archived” in the Asset Tracking system after Equipment Management Services receives a record of Disposal from Surplus Sales, the Request to Retire form, or the proper forms and documentation for transferring to another institution from the retiring department as well as the acceptance documentation of equipment at the receiving

Excess Government Equipment

When government equipment becomes excess to the contract for which it was provided, it is screened against the needs of other contracts prior to being declared excess. If there is a need for the equipment, the Contract Administrator is asked for authority to use or transfer the equipment to other awards, requests title to the equipment, or disposes of the equipment according to the direction of the cognizant government agency.

Loss, Damage, Destruction, or Theft of Government Provided/Acquired Equipment

All cases of loss, damage, destruction, or theft must be reported to Equipment Management Services as soon as such loss becomes known. The report includes all factual data as to the circumstances surrounding the loss, damage, destruction, or theft. The extent of the University’s liability, if any, is subject to a written determination by the Contract Administrator. The determination and disposition of any equipment rendered unserviceable may relieve the University of liability. Shipping documents or other instruments evidencing disposal shall be appropriately cross-referenced on the determination document. It is the Contract Administrator’s responsibility to notify the Government Property Administrator.

Transfer to Another University/Institution of Government Provided/Acquired Equipment

If the University holds title to equipment acquired under a contract/grant with an external sponsor that includes recovery rights, and the funding agency requests transfer of such equipment to another institution, such equipment may be transferred to the designated institution. Before the transfer is initiated, a determination must be made as to who will be responsible for dismantling and shipping costs.

Government Contract Close-Out

When advised by the Sponsored Programs Office that a contract/grant has been completed or when an impending closing date is reached, Equipment Management Services will take the following action:

- A. Confirm that the contract/grant has actually closed. (Many times the award is extended and Equipment Management Services is not notified.)
- B. Check the contract/grant to make sure exactly what type of report is required. Complete any required reports.
- C. Check to see if the University has title. If not, request title.

Equipment Management Procedures

- D. After completion of the required reports and request for title, a suspense file is setup to make sure Equipment Management Services hears from the agency in a timely manner. If Equipment Management Services has not heard from the agency in 120 days, CFR 220 is referred to, the contract is assumed closed, and the University has been granted title.
- E. Once the University is awarded title, the title date is updated in the database. Equipment Management Services will advise the department and remove the US Government asset tag from the asset.
- F. If the University is not given title and it is requested that the property be shipped back to the government, the Sponsored Programs Office will be contacted and advised of the disposition.

Release from Responsibility of Government Provided/Acquired Equipment

The University is relieved of responsibility for government equipment, with the concurrence of the Contract Administrator or the duly authorized representative, by the following:

- A. Consumption of equipment in performance of the contract/grant
- B. Retention of the University for consideration given to the government
- C. Sale of equipment, the proceeds of the sales being received or credited to the government
- D. Shipment from the University premises or that of a sub-contractor
- E. Transfer of title to the University
- F. Abandonment in place by the government
- G. Loss, damage, destruction, or theft.