

# Federal Asset Management Policy and Procedures

*(approved 2/12/18)*

## **Purpose:**

The purpose of this policy is to provide guidance for managing federally-funded equipment and assets. Equipment acquired with sponsor funds must be managed in accordance with award terms and conditions, federal regulations, if federally funded, sponsor requirements, and school policies. OMB circular A-11, part 8 speaks to federal guidelines for such management.

## **Procedures:**

### **a. Roles and Responsibilities**

- The school will ensure the policy and procedures described in this document are followed.
- PSCS will ensure pre-acquisition screening of major equipment to avoid unnecessary purchases.
- The Business Office/ Finance Manager oversees the equipment and property administration function, including implementing processes, conducting physical inventory in tandem with administration at least every two years, and maintaining the official equipment and property records.
- The Business Office will tag and record property over the capitalization threshold (\$1,000) and significant technological items, regardless of threshold, into the Fixed Asset Record and identifies that equipment acquired with federal funding.
- Administration establishes and maintains equipment and property records (including inventory reconciliations) for their assigned areas in a timely, complete, and accurate manner. This includes reporting to the Business Office any loss, damage, or theft of equipment acquired with federal funding.

### **b. Asset Record and Tagging**

- Tagging and recording of equipment is the responsibility of the Business Office which records property over the capitalization threshold ( \$1,000) into the Fixed Assets Record and identifies the equipment with a unique tag number. A

property/equipment record should be maintained accurately and include the following data elements:

- i. Asset tag number (identifying number assigned to the asset)
- ii. Description of equipment
- iii. Manufacturer's serial number, model number, federal stock number, national stock number or other identification number
- iv. Source of equipment, including award/contract number
- v. Acquisition date and cost
- vi. Location (building and room location of asset) and condition of the equipment and the date the information was reported
- vii. Unit acquisition cost
- viii. Final disposition record, including the date of disposal and sales price or the method used to determine current fair market value where a recipient compensates the federal awarding agency for its share

### **c. Reporting Loss, Damage or Theft**

The Business Office will report to the Asset Management Office and the Office of Sponsored Programs (OSP) any loss, damage, or theft of equipment acquired with federal funding.

### **d. Physical Inventory**

#### **i. Biennial Inventory**

In accordance with Federal Office of Management and Budget Uniform Guidance (OMB Uniform Guidance) *Uniform Administrative Requirements for Grants and Agreements with Institutions*, PSCS will perform a physical inventory of equipment and reconcile with the inventory records every two years for each department. The Business office will verify the following information for each asset:

- Location
- Status
- Condition
- Description
- Manufacturer
- Model No., Serial No.
- Year Manufactured
- Purchase Price

The Business Office will prepare a report for each department which houses equipment purchased with federal funds. The inventory report shows the difference between quantities determined by the physical inventory and those shown in the inventory database. A typical report will include:

- A master list of all assets inventoried in departmental space by location (if requested);
- Assets Records;
- A list of assets found which belong to another department;
- A list of assets in the Fixed Asset Records, which were not located during the inventory.

#### **e. Ownership of Equipment Purchased with Federal Funding**

The title of ownership for equipment purchased on Federally-funded sponsored agreements typically rests with the school unless otherwise specified in the sponsor agreement.

During the award period, Federally sponsored or purchased equipment may not be used on another project without prior sponsor approval. It must be used for the awarded project or program until it is no longer needed. At such time, equipment may be made available for other programs funded by the same sponsor. If there are no other awards active from that sponsor equipment may be used by programs sponsored by other Federal agencies.

#### **f. Disposal**

If the school wishes to dispose of assets funded by the Federal government, restrictions must be researched and resolved. Sponsor approval may be required prior to sale. For disposal of federally -funded equipment, an Asset Surplus Form must be forwarded to the sponsoring agency before the Business Office authorizes disposal of the item.