



Policy: Property Management for Federally Sponsored Programs	Policy No: S5.3
Policy Developer(s): Office of Sponsored Research	Original Date: May 18, 2018
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- I. **POLICY:** John Carroll University (“the University”), upon acceptance of a contract/grant, is directly responsible and accountable for all government property in accordance with the provisions of the contract/grant, including property provided under such contract/grant which may be in the possession or control of a subcontractor.
- II. **PURPOSE:** The government requires that adequate records and control procedures are established to provide a consistent and effective method of control.
- III. **SCOPE:** These guidelines are based upon [45 CFR 75 Uniform Administrative Requirements, Cost Principles and Audit Requirements for HHS Awards](#) and [2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](#). These policies and procedures apply to all real property (land) and equipment items that are purchased with Federal funding provided from grants, cooperative agreements and contracts. Property furnished directly to the University by a government agency under the terms of a grant, contract or cooperative agreement is also covered by this policy. All University personnel involved with the purchase, use, maintenance, protection, transfer and/or disposition of this type of property must follow these guidelines.
- IV. **PROCEDURES:**
- A. **Acquisition:** In addition to the University’s procurement policies and procedures, property acquired with government funds may require additional justification (see Federal awarding agency guidelines for specific agency requirements). Prior to acquiring property with Federal funds, it must be determined if awarding agency prior approval is required. Generally, unless specified in the Terms and Conditions of the grant or contract agreement, prior purchase approval is not required if the items have been identified in the awarded budget. Prior approval is required if the purchase of an asset would cause a change in scope. The Principal Investigator (PI) is responsible for contacting the Office of Sponsored Research (OSR) for any sponsor approval that may be needed.
- B. **Receipt, Identification & Record Keeping:** When equipment purchased with federal funds is received, the PI will keep a record of the equipment and will contact the Director of Sponsored Research with the following information:
- Equipment name
 - Manufacturer (if applicable)
 - Model and Serial number (if applicable)
 - Government assigned number (if applicable)

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- Quantity
- Date of receipt (or fabrication)
- Disposition date and method
- Where the equipment will be located
- Approximate cost of equipment
- Information on project and award (including Banner Fund number) for which the equipment will be used.

All items, regardless of cost, will be tracked if they are on the equipment list from the federal agency. Only those items which are appropriate to be tagged will be issued ID tags (for example, nuts and bolts do not need to be tagged given the limited cost and awkwardness of placement). The OSR will issue an ID tag that differs from the tags indicating University-owned equipment, will place the tag on the equipment, and will maintain a running inventory of tagged equipment.

Any changes to inventory, researcher, use, or location must be reported to the OSR.

Any use of government property by subcontractors must be discussed with the OSR regarding policy and procedures.

The OSR shall conduct an inventory of government property on an annual basis. The inventory will be used to generate reports to the federal agency.

- C. Maintenance & Storage of Government Property:** Like University-owned equipment, government property should be maintained, repaired, protected, and preserved in accordance with normal business practices. Maintenance plans should follow manufacturer recommendations. The researcher will keep a record of repairs to the equipment. The government agency should be contacted prior to initiating a repair; damaged parts will be disposed of upon approval of the government agency.

Government property should be stored to provide security and protect from damage by water, insects, and rodents, and deterioration by dust, temperature, and humidity. Equipment should be able to be located in a reasonable amount of time upon request.

- D. Security, Theft Control, Loss and Damage:** The University must maintain adequate safeguards to secure, protect and prevent the loss or theft of equipment. The following actions provide for the protection of sponsor-owned equipment:
1. All sponsor-titled equipment received by the University shall promptly be recorded by the OSR as listed above in *Receipt, Identification & Record Keeping*.
 2. Secure capital equipment to floors or work surfaces where practical.
 3. Lock and secure all areas where capital equipment is located when employees are not present in the area.
 4. Complete all capital equipment inventories within the required time frame and verify that all capital equipment has a property tag number.
 5. Movement of sponsor-owned equipment is to be documented by the OSR. The movement of equipment by non-recognized individual(s) should be reported immediately to the John Carroll University Police Department.

Any loss, damage, or theft of equipment shall be investigated, fully documented and reported immediately to campus police and the OSR. A delay in reporting loss, damage, or theft may jeopardize insurance recovery. If the equipment is owned by the Federal

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Government, the Principal Investigator must promptly notify the OSR so the original awarding agency may be promptly notified. Property inventory records also must be updated.

- E. Consumption of Government Property:** Occasionally, government property will be incorporated into an end item or consumed in the performance of the contract. Should this occur, the researcher will keep a record of the event and send such information to the OSR.
- F. Disposition of Government Property & Closure:** Upon termination of award, if there are no plans to extend or renew the project by the agency, a physical inventory of property will be performed by the OSR. The researcher should contact the OSR to provide information and set up an appointment to perform the inventory in accordance with existing federal guidelines. The federal agency will be contacted to request disposition instructions.
- G. Responsibility:** The Principal Investigator named in the contract/grant is responsible for the care, control and custody of government property. Administrative responsibility for the management of government property centers in the OSR. The OSR is responsible for establishing uniform property control procedures, maintaining central property records for all government-sponsored projects, preparing inventories, and handling all paperwork pertaining to government property.
- H. Sanctions:** Failure to adhere to this policy and procedures may result in the administrative suspension and/or termination of a sponsored program agreement and other appropriate corrective actions.

V. CROSS REFERENCES:

- A. [University Policies](#)**, including but not limited to
 1. Sponsored Research Policies
 2. Bank Account Reconciliation
- B. Federal Regulations, Statement, and Mandates**
 1. [45 CFR 75.320](#)
 2. [45 CFR 75.439](#)
 3. [2 CFR 200.313](#)
 4. [2 CFR 200.439](#)
 5. [HHS Grants Policy Statement](#)
 6. [HRSA Legislative Mandates in Grants Management for FY 2018](#)
 7. [NIH Grants Policy Statement](#)
 8. [NSF Proposal and Award Policies and Procedures Guide](#)

This policy will next be reviewed five years from the date of last review.