

# PROPERTY CONTROL MANUAL

**TABLE OF CONTENTS**

- I. **PROPERTY CONTROL - ROLE & SCOPE**
- II. **DEFINITIONS – PROPERTY**
- III. **PROPERTY IDENTIFICATION**
- IV. **RESPONSIBILITIES AND DUTIES - GENERAL**
- V. **GENERAL POLICIES AND PROCEDURES**
- VI. **PROPERTY INVENTORIES**
- VII. **PROPERTY SURVEY BOARD**
- VIII. **FEDERAL CONTRACTS AND GRANTS**
- IX. **PROTECTION OF UNIVERSITY PROPERTY**

## ***I. Property Control - Role & Scope***

The role of the Property Control Office at Florida International University is to establish guidelines and procedures governing the accountability, control, transfer, and ultimate disposal of tangible personal property acquired by Florida International University. The scope of our responsibility ensures that these procedures are applicable to all accountable property owned or controlled by the University and apply to all personnel responsible for the accountability, control and safeguarding of this property.

## ***II. Definitions - Property***

- A. Accountable Property – Tangible, movable, personal property of a non-consumable, non-expendable nature, with a value of \$5,000 or more and which has a normal expected life of one year or more. Accountable property may also be referred to as Other Capital Outlay (OCO).
- B. Attractive Property – Attractive items are University property costing less than the threshold amount of \$5,000, but which are particularly vulnerable to theft and misuse. “Attractive” items will vary from department to department, but might include such things as laptops, iPads, or video recorders. Departments should evaluate “attractiveness” in the context of their own environment. Factors they should consider include the security of the property location, the size and portability of the item, and its potential resale value if stolen. These items should be marked as University property and catalogued by the user department. Special property tags are available upon request from Property Control.
- C. Computer Software and Related Equipment – Computer software programs valued \$5,000 or more are listed in the property record with a special code. Computers and their associated hardware equipment, such as monitors, modems, disc drives, etc., are normally assigned tags which can be physically affixed to an exterior panel. However, there is a multiplicity of accessory hardware, such as boards, chips, interfaces, modules, etc., that although having a physical form which cannot be individually tagged, are assigned a tag number and the tag is placed on the frame in which the board is installed and connected. The transfer of these items to another location shall be reported first to Information Technology Security and then to Property Control so that a "Transfer" of tag can be completed (Refer to Section V.D. – Property Transfers).
- D. Library and Media Property - Books – Library books, films, tapes, disk records, bound periodicals, and maps, although classified as personal property (OCO), are the responsibility of the University's Libraries for accounting and inventory control.

## ***III. Property Identification***

- A. Taggable Property – Each item of Accountable Property shall be physically marked with a bar-coded tag bearing a consecutive number identification. Items, which by their shape or composition do not permit tag identification, will be marked by stylus, pen, or any other practical permanent inscription. The assigned tag number will identify these items in the Master Property Record. (BOG Regulation 9.002)
- B. Non-Taggable Property – Property Control shall not tag items, such as chairs, tables and other pieces of equipment, whose cost falls below \$5,000. If the

department decides that these items are attractive, special property tags are available upon request from Property Control.

#### **IV. Responsibilities and Duties - General**

- A. Senior Vice President and Chief Financial Officer of Business and Finance – Management of accountability, transfer and disposal of state-owned property for which the University has custodial responsibility under Board of Governors Regulations is delegated by the University President to the Senior Vice President and Chief Financial Officer (SVP/CFO). Although the SVP/CFO has the delegated responsibility for all University property, the custodial accountability and responsibility is actually that of the administrative head (accountable officer) of an operating department to which the property is assigned. This accountable officer may delegate custodial accountability and responsibility to selected members of the unit, but the administrative head remains the responsible accountable officer. Property acquired through Federal Contracts and Grants is the accountability and responsibility of the Principal Investigator (PI). The Principal Investigator is the accountable officer until such time as title to the property is transferred to the University or other agency under terms of the grantor (see section VIII of this manual). At this time, the accountability and responsibility is assigned to the administrative head of the department to which the property is transferred, or to the other agency with the approval of the Office of Research and Economic Development (ORED) and the Board of Survey (see section VII of this manual). The SVP/CFO shall approve all Reports of Survey as submitted by the University's Board of Survey for disposition of University property.
- B. Assistant Controller/Asset Management & Property Control – Duties of the Assistant Controller are as follows:
1. Responsible for the operation of the University's Property Control Office, which monitors all acquisitions, inventories, and disposal of State property on all FIU campuses and numerous off campus locations, including foreign country grants.
  2. Meets with top level management to discuss problems regarding their respective department inventories and briefs University personnel as to property policies and procedures pertaining to more effective University property control practices.
  3. Is Responsible for the Property Master File.
  4. Ensures that a complete physical inventory of all accountable property is taken each fiscal year as required by State law (BOG Regulation 9.003).
  5. Upon request, informs Internal, State, or Federal Auditors of the status of property items.
  6. Submits Report of Surveys approved by the Board of Survey to SVP/CFO to obtain permission to remove property items from the Property Master File.
- C. Department's Accountable Officer – The responsibilities of the Department's Accountable Officer are as follows:
1. Has the custodial accountability for all University property assigned to the department.

2. Prepares and submits a "Request for Transfer" form to Property Control for property transfers or the moving of property to another assigned location.
3. As necessary, submits to Property Control a "Report of Survey" (ROS) form whenever property is lost or stolen. No property may be sold, surplused, cannibalized or otherwise disposed of until a request for disposal is made and approved by Property Control.
4. Notifies the Florida International University Police Department (FIUPD) or appropriate law enforcement agency of any lost or stolen property. Notification should be confirmed by submitting to Property Control a copy of the Police Report with a brief memo indicating corrective action to be taken to prevent future losses. All facts should be included so that the Property Survey Board may relieve the accountable officer of the property.
5. Yearly, verifies the Department's Inventory Report list for Accountable Property which is available through FIU's Financial Asset Management Module. The Accountable Officer is responsible for locating items that have not been found each fiscal year.

D. Procurement Services – Duties include:

1. Issues Purchase Orders for the procurement of accountable property, also referred to as Other Capital Outlay (OCO). Departments are responsible for selecting the correct OCO asset category to properly identify and ensure that the OCO item being purchased, is assigned an asset profile in the financial system.
2. Advises Property Control of any requests for "trade-in" of accountable property.
3. Advises Property Control of procurement of "used" equipment coded as OCO.

E. Florida International University Police Department (FIUPD) – Duties include:

1. Prepare reports and conduct criminal investigations of FIU accountable property reported lost/stolen.
2. Impound and retain recovered accountable property, when necessary to proceed with a criminal prosecution.
3. Impound and/or return accountable property not needed in criminal prosecutions.
4. All found accountable property recovered by the FIUPD will be stored for ninety (90) days or until returned to the rightful owner. After the ninety day period, the accountable property will be transferred to Property Control for further action.

F. Facilities Management

Campus Services of Facilities Management and Operations will pick up from or drop off to the Surplus Warehouse (W7) once Property Control has approved and sent a requester's Surplus Form to Work Management. Work Management will generate a work order for Campus Services to perform the work. All media storage devices must have an Information Technology assigned Media Sanitation Compliance Identification (MSCID) number.

G. Academic Space Management

Academic Space Management advises Property Control of all property moves related to department relocations.

H. Information Technology Security – Responsibilities include:

1. Sanitizing all media storage devices (Accountable Property and Attractive Property) prior to being surplus, donated, transferred or discarded.
2. Assign a MSCID number for each media storage device for proof of sanitation compliance.

(For detailed information related to Media Sanitation Procedures visit **IT Security's Website.**)

I. Surplus Property and Receiving – Duties include:

1. Manages the Surplus Property warehouse operation for redistribution of property to the University community and the disposal of the property according to state law.
2. Arranges and supervises all surplus disposals in compliance with state regulations. (BOG Regulation 9.0031)

**V. General Policies and Procedures**

A. Property Acquisitions

1. Donations - Property, which is acquired by donation through the University Foundation's, Gift-In-Kind (GIK) Section, shall be reported to Property Control along with its receipt and special conditions, if any. This property shall be accompanied by an independent appraisal attesting to its fair market value and, if applicable, added to the Property Master File.
2. Fabricated - Equipment fabricated by individuals or departments, that is assembled from parts or basic materials with an aggregate cost equal to or greater than \$5,000, is considered OCO and must be reported to Property Control. Detailed records shall be kept of materials and labor used in the manufacture of such equipment in order to determine the fair market value. The finished piece of equipment will be accounted for in the same manner as any other accountable University property.
3. Purchase
  - a. Operating Capital Outlay (OCO) and Fixed Capital Outlay (FCO) appropriations are used for the purchase of Accountable Property. The department, activity or project ID used to purchase the item will be considered the custodial department, unless otherwise notified.
  - b. Accessory parts, additions to equipment, initial freight, training and installation costs are also part of the equipment cost and are paid for from the OCO or FCO funds.
  - c. Replacement parts, repairs, and service contracts are items of expense and are not to be included in the cost of the equipment.
  - d. Used equipment purchases must include a "Request to Categorize Acquired Used Equipment as Other Capital Outlay" form.
  - e. Accountable Property (OCO) shall not be purchased on a Blanket Purchase Order.

B. Abandoned Accountable Property – Refer to Section IV.E - Florida International University Police Department (FIUPD).

C. Property Relocation - If property is moved and remains under the control of the same Accountable Officer, a Property Control Asset Transfer Form must be

completed and submitted to Property Control prior to the relocation. All media storage devices relocated (and are to be used by a different employee) must be cleared by Information Technology Security prior to the relocation.

D. Property Transfers (all media storage devices must be cleared by Information Technology Security prior to transfer)

1. Departments must complete and submit a Property Control Asset Transfer Form to Property Control prior to transferring any accountable property to another department.
2. Departments must complete and submit a Property Control Asset Transfer Form and a Report of Survey (ROS) Form to Property Control prior to transferring any accountable property to another institution or agency for any reason. The completed Property Control Transfer Form will be presented to the Property Survey Board and SVP/CFO of Business and Finance.
3. Any request to receive accountable property transferred from other institutions or agencies must be approved by the University Foundation's - Gift-In-Kind (GIK) Section prior to the transfer. Once approved, GIK will notify Property Control. Transfers related to Federal Contracts and Grants must be approved by the Office of Research (ORED) prior to the transfer.

E. Property Trade-Ins (all media storage devices must be cleared by IT Security prior to trade-in)

1. A Property Control Asset Trade-In Form must be completed and submitted to Property Control and IT Security (if the request includes media storage devices) for approval prior to completing the trade-in process. An approved Property Control Asset Trade-In Form must be attached to the Procurement Services Requisition for the purchase.
2. University identification numbers (tags) must be removed from the property before it is shipped to the vendor.
3. The completed Trade-In Form will be presented to the Property Survey Board and SVP/CFO of Business and Finance.

F. Cannibalization – the use of working parts of an otherwise inoperative or obsolete asset to repair or prolong the useful life of another existing asset.

1. A Property Control Cannibalization Request Form must be completed and submitted to Property Control for approval prior to cannibalizing accountable property. Principal Investigators (PI's) should refer to Section VIII for additional guidelines for federal contracts and grants accountable property.
2. If approved for cannibalization, a copy of the form will be returned to the department unless the property is a media storage device. If the cannibalization request includes a media storage device, the Controller's Office Property Manager will sign the form and forward the form to IT Security. Once the form is signed by IT Security, a copy will be returned to the department. The department will be responsible for removing the property tag and returning the tag with a copy of the form to Property Control.
3. If the initial request for cannibalization is denied, the Controller's Office Property Manager may request additional information. Reasons for denial may include

the determination that the property is still useful in its present state or it has value as a trade-in.

4. All approved cannibalization requests will be presented to the Property Survey Board and SVP/CFO of Business and Finance.

G. Replacement of Stolen Property

The Property coverage provided by the State of Florida - Division of Risk Management that covers FIU (State) owned property – does **not** include coverage for theft related losses. University Departments should take appropriate steps to protect (equipment/etc.) against theft. You may contact the FIU-Facilities Management Department - Analysis, Assessment and Risk Management (AARM) team for questions about insuring FIU property (equipment/etc.) or to get information about insurance in general.

H. Off Campus Use

1. Accountable property may be used off campus only if such use will further the Mission of the University. Such removal must be authorized by the Department's Accountable Officer. An Off-Campus Form must be submitted to Property Control each year that the property remains off campus for accountability. Failure to renew the Off-Campus Form may result in permission for off campus use being revoked. Property Control shall be notified when off campus property is returned to campus.
2. University personnel using accountable property off campus shall be informed as to the measures to be taken when an item in their custody is lost or stolen, otherwise they may be held personally liable (see statement on Off-Campus Form). They may use their personal copy of the Off-Campus Form as their receipt of permission to remove property from campus. If property is lost or stolen:
  - a. Notify the Florida International University Police Department (FIUPD) or the appropriate law enforcement agency.
  - b. The user of the property shall send a memorandum of the theft and a copy of the police report to the Accountable Officer charged with the property.
  - c. The Department's Accountable Officer shall report the loss to Property Control by submitting a Report of Survey (ROS), along with the copy of the police report, and a brief memo indicating corrective action to be taken to prevent future losses.

I. Surplus Property

1. The Department's Accountable Officer may request, in writing, that property in their department be declared surplus because it is obsolete, inoperative, unserviceable, and that the continued use is uneconomical or inefficient, or serves no useful function to their department's activity. Principal Investigators (PI's) should refer to Ch. VIII of this manual for surplus of property acquired through federal contracts and grants.
2. If any of the reasons stated in Section J.1. above apply, the Department's Accountable Officer shall complete a Property Control Request For Surplus/Pick-Up Of Equipment Form. The item(s) will be moved by Campus Services or the department to the Surplus Warehouse (W-7) for redistribution.



Property item(s) will be removed from the Department's Property Record and transferred to the Surplus Account (BOG Regulation 9.0031- Disposition of Property).

3. Surplus Property and Receiving may dispose of property certified as surplus by (BOG Regulation 9.0031):
  - a. Selling or transferring the property to any other governmental entity;
  - b. Selling or donating the property to any private nonprofit agency;
  - c. Selling the property through a sale open to the public; or
  - d. Entering into contractual agreements with other entities, including, but not limited to, other governmental agencies or other private vendors, which facilitate the final disposition of the property. Such agreements may include, but are not limited to, the leasing of storage space or arrangements for the disposal of scrap property.
  - e. Scrap or repurposing of the property.
  - f. Abandon the property in place upon determination that the cost of return or repair exceeds the value of the property.

## **VI. Property Inventories**

- A. A yearly inventory of the University's Accountable Property shall be conducted by Property Control. The Department Inventory Record lists all the Accountable Property assigned to each department. It includes the following information for each item: Tag Number, Description, Department, Activity or Project, Building and Room Number where the item is located, Purchase Order Number, Cost, and Date Acquired. This report is available through the Asset Management Module of the University's financial systems.
- B. The University's Controller's office shall maintain an accurate current listing of all Department and Project (PIs) Accountable Officers.
- C. Departments shall grant access to Property Control personnel to conduct the annual inventory. If a department has special needs, such as security in sensitive areas, arrangements with the Department's Accountable Officer will be made to schedule access to those areas.
- D. Unscheduled inventory verifications may be made by an Internal, State, or Federal Auditor and Property Control. The inventory may be of the total listing or a spot check of a certain category of equipment, such as computers, microscopes, cameras, etc. It is the accountable officer's responsibility to locate the property requested by the auditors and/or Property Control.

## **VII. Property Survey Board**

- A. Purpose – To establish a standard practice for the reviewing, interpreting and recommending to the SVP/CFO of Business and Finance, the disposition of all Report of Survey Forms submitted by Property Control.
- B. Policy
  1. The Property Survey Board (Board) shall review, interpret and recommend to the SVP/CFO of Business and Finance, the disposition of all "Report of Survey" items submitted by Property Control.

2. The Board is responsible to the SVP/CFO of Business and Finance for the execution of all duties as described herein. The Board is responsible for the lawful application of regulations and statutes.

C. Scope

1. Membership

- a. The University President will appoint the members of the Board.
- b. The Board will consist of seven members from the University community, one from each of the four areas listed below plus three ex-officio members.  
 A&P Representative  
 USPS Representative  
 Faculty Representative  
 Student Representative  
 The SVP/CFO for Business and Finance will recommend a nominee from each group and submit the names to the University President for approval.
- c. The three permanent ex-officio officers are: FIUPD Investigator, Assistant Controller (Controllers Office), and Property Manager (Controller's Office)
- d. The Controller's Office Property Manager will act as Secretary of the Board.
- e. All members of the Board including ex-officio officers, except for the Controller's Office Property Manager, will have voting power.

2. Meetings

The Controller's Office Property Manager will call meetings of the Property Survey Board as often as deemed necessary, but not less than once a year.

3. Reports

- a. The Property Survey Board will receive, review and recommend to the SVP/CFO of Business and Finance action on Reports of Survey (ROS) which are submitted by the Controller's Office Property Manager.
- b. The SVP/CFO of Business and Finance will forward the approved ROS forms to the Controller's Office Property Manager.

D. Action

1. The Controller's Office Property Manager will submit to the Board, ROS forms initiated by the Department's Accountable Officers requesting relief of accountability for items lost, stolen, missing on inventory for more than two years, scrap, cannibalizations and trade-in.
2. The Board will review the requests and recommend any justified release from accountability. When loss or damage has been determined as having been caused by gross negligence or lack of due care, the Board may recommend corrective action.
3. In case of loss or damage to property that is covered by private insurance, such as articles taken off campus and stolen from cars or homes, a memo stating these facts shall have a local police report substantiating evidence of loss as well as the name of the insurance company having coverage. Claims that are reimbursed will be credited to the University's department.

E. Secretary of Board (Controller's Office Property Manager) - Duties

1. Record documents received from the departments, FIUPD or other appropriate law enforcement agencies, State agencies and all documents from outside sources pertaining to accountable property. Review and list each ROS form and all back up documentation prior to submission to Survey Board for recommendation.
2. Submit a list of ROS forms by disposition to the Board.
3. Maintain a file of all pending and approved ROS forms (this includes all support documentation).
4. Schedule Survey Board meetings as necessary.
5. Maintain a file of all meeting minutes, reports and recommendations of the Board.
6. Submit Survey Board approved, ROS forms to the SVP/CFO of Business and Finance for approval with the following information:
  - a. Total Dollars to be approved for ROS requests. Reports should indicate reason for surveyed amounts.
  - b. Total cost recommended to be disapproved with appropriate supporting documents.

### **VIII. Federal Contracts and Grants – Equipment Management**

- A. Definition of “Equipment” for Sponsored Projects Pursuant to 2 CFR 200.33, “Equipment” for purposes of this section VIII of the Property Control Manual relative to federally sponsored projects means “tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000. The acquisition cost for Florida International University is set at \$5,000. This threshold applies to federal, state and privately funded awards. Any purchase of tangible items not meeting the definition of “equipment” as set forth above for each sponsor type is considered “supplies” and need not be processed pursuant to this Section VIII of the Property Manual.
- B. Title to Equipment
1. Equipment purchased with non-federal funds. Title to equipment purchased with non-federal funds for a sponsored project shall vest according to the sponsor guidelines or award document. For State of Florida awards, title shall vest with the recipient, Florida International University, upon acquisition.
  2. Equipment purchased with federal funds. Pursuant to 2 CFR 200.313, “title to equipment acquired under a Federal award will vest upon acquisition in the non-Federal entity” subject to the conditions in 2 CFR 200.313. However, particular sponsor guidelines or the award documentation itself may provide that title shall vest in the federal government, in which case such guidelines or award documentation shall prevail, and the equipment shall be handled as owned by the federal government.
  3. Equipment Provided by Federal Government. Pursuant to 2 CFR 200.312, title to federally-owned property provided to FIU remains vested in the Federal Government.
- C. Tagging and Tracking Equipment Purchased with Federal Funds or Provided by the Federal Government
1. Upon receipt of federally-owned equipment at FIU, Property Control shall affix a serially numbered decal on such equipment identifying ownership of the equipment in the federal government. In those instances in which the equipment is remotely located, it shall be the ultimate responsibility of the PI to obtain the needed tags from Property Control and ensure that he or she tags the equipment as required by law.
  2. Pursuant to the requirements of 2 CFR 200.313, regardless of whether title to the equipment vests in the federal government or FIU, FIU Property Control shall maintain a record of all equipment purchased with federal funds or received from the federal government, which shall include the following information:
    - a. A description of the equipment.
    - b. Manufacturer's serial number, model number, Federal stock number, national stock number, or other identification number.
    - c. Source of the equipment, including the award number.
    - d. Whether title vests in the recipient or the Federal Government.

- e. Acquisition date (or date received, if the equipment was furnished by the Federal Government) and cost.
  - f. Information from which one can calculate the percentage of Federal participation in the cost of the equipment (not applicable to equipment furnished by the Federal Government).
  - g. Location of the equipment and the date the information was reported.
  - h. Unit acquisition cost.
  - i. Use and condition of the equipment.
  - j. Ultimate disposition data, including 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.
3. Property Provided by Federal Government to FIU. In accordance with the requirements of 2 CFR 200.312, ORED shall submit annually an inventory listing of federally-owned property in FIU's custody to the Federal awarding agency.
4. Property Purchased with Federal Sponsor Funds where ownership is vested in FIU. In accordance with the requirements of 2 CFR 200.313, Property Control shall take a physical inventory of equipment purchased with federal funds, but owned by FIU, and reconcile results of that inventory with FIU equipment records at least once every two years. Property Control shall notify the principal investigator, department and dean or center director of any differences between quantities determined by the physical inspection and those shown in the accounting records. The principal investigator, department and dean or center director shall conduct an investigation with the assistance of Property Control in order to determine the causes of the difference. The PI shall, in connection with the inventory, verify the existence, current utilization, and continued need for the equipment.
- D. Tagging and Tracking Equipment Purchased with Non-Federal Funds. Equipment purchased with non-federal funds, including equipment purchased with State of Florida funds, shall be processed in accordance with the provisions set forth in this Property Manual for equipment purchased by FIU, unless the sponsor guidelines or award document contains other requirements that may derive from the nature of the equipment or other specific tagging and tracking needs. In such rare cases of specific tagging or tracking needs, the PI will be the person with the most knowledge regarding these requirements. The PI must inform ORED and Property Control of the specific tagging and tracking requirements. It shall be the ultimate responsibility of the PI to follow up on these specific requirements with the assistance of ORED and Property Control, as needed.
- E. Loss Prevention for Equipment Purchased or Provided for a Sponsored Project
- 1. As stated in Section V – chapter G. of the FIU Property Manual, Property coverage is provided to FIU via the State of Florida – Division of Risk Management (self-insured) Property Trust Fund. It provides named peril coverage to FIU-owned property. Theft is **not** a covered cause of loss under the State Property Trust Fund. Therefore, the cost to replace equipment and

any other property lost as a result of theft will be the PI's department's/center's responsibility. FIU Departments interested in purchasing insurance coverage for equipment and other property can contact the FIU-Facilities Management Department – Analysis, Assessment and Risk Management (AARM) team for assistance in getting a quote for coverage.

2. In the event that there is theft, loss or damage (other than normal wear and tear) to any equipment purchased with federal funds, the PI must promptly advise Public Safety or appropriate law enforcement personnel (for property located outside of the University campuses), the AARM and ORED Post-Award. If equipment is stolen, lost or damaged, the PI and his/her chair must sign the appropriate Property Control form and forward a copy of this form to ORED Post-Award. ORED, in turn, shall forward the approved form to Property Control. The PI shall cooperate in any investigation conducted by law enforcement and/or the University regarding the loss, damage or theft of equipment. If the equipment was owned by the Federal Government, ORED Post-Award shall promptly notify the Federal awarding agency.
- F. Principal Investigator's Responsibilities and Duties Regarding Equipment on Sponsored Accounts. The Principal Investigator is the accountable and responsible officer of record for inventory control and maintenance of grant equipment. The PI is responsible for:
1. Before purchasing any permanent equipment, the PI should check with the Property Control Surplus Warehouse and other departments that are conducting similar type of research to ensure that the equipment needed for the project is not already reasonably available and appropriate for the proposed use within the University.
  2. Advising Property Control of the receipt of equipment purchased with federal funds or provided by the Federal government, that have not been tagged, so that Property Control may tag and inventory the equipment as required by this Manual.
  3. Ensuring that equipment in his/her control or custody is properly tagged.
  4. Maintaining a historical file of the sponsored project which must be available for audit by the Government Property Administrator containing:
    - a. A copy of the Contract or Grant and all supplements.
    - b. All copy of shipping documents covering equipment acquired from or supplied by the U.S. Government.
    - c. Copies of all papers pertinent to conversion, major repairs, modification, loss or damage, and other conditions of all government equipment acquired through the contract or grant.
  5. Ensuring that adequate maintenance procedures are implemented to keep the equipment in good condition.
  6. Promptly informing EH&S, Property Control Department and ORED Post-Award of the occurrence of any loss, damage or theft of any equipment purchased with federal funds or provided to FIU by the federal government.
  7. Promptly advising Property Control and obtaining prior approval from Property Control, as necessary, for any of the following:

- a. Government equipment is to be shipped outside of FIU. The PI shall maintain a copy of the transfer or shipping document and notice of authority for shipment from Property Control in the sponsored project file.
  - b. Equipment is to be cannibalized. No equipment purchased on a sponsored project account may be moved, transferred or cannibalized without first informing Property Control and obtaining approval for such according to Property Control policies and procedures. Additionally, the PI must obtain the approval of his/her supervisor before any equipment is moved from one location on University campus to another location on University campus. If the equipment is to be moved outside of the University, transferred or cannibalized, the PI must first obtain the written approval of his/her chair and the Vice President for Research, or his/her designee. In addition, the approved form must be submitted to Property Control before the move, transfer or cannibalization takes place.
8. Upon termination of the contract or grant, reconciling the inventory listing for the equipment against the physical inventory of the equipment.
  9. Upon termination of the contract or grant, advising Property Control and ORED Post-Award of any equipment purchased with federal funds or provided by the Federal government, the location and condition of such equipment and whether the equipment is owned by FIU or the Federal Government.
- G. Additional 2 CFR 200 Requirements for Equipment Purchased with Federal Funds Provided by the Federal Government. The PI should ensure that the following 2 CFR 200.313 requirements are followed:
1. The recipient [FIU] 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.
  2. 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, in the following order of priority: (i) activities sponsored by the Federal awarding agency which funded the original project, then (ii) activities sponsored by other Federal awarding agencies.
  3. During the time that equipment is used on the project or program for which it was acquired, the recipient shall make it available for use on other projects or programs if such other use will not interfere with the work on the project or program for which the equipment was originally acquired. First preference for such other use shall be given to other projects or programs sponsored by the Federal awarding agency that financed the equipment; second preference shall be given to projects or programs sponsored by other Federal awarding agencies. If the equipment is owned by the Federal Government, use on other

activities not sponsored by the Federal Government is also permissible. User charges shall be treated as program income.

H. Disposition of Equipment upon Project Completion

1. For property provided by the Federal government to FIU, 2 CFR 200.312 provides that upon completion of the award or when the property is no longer needed, FIU shall report the property to the Federal awarding agency for further Federal agency utilization. If the Federal awarding agency has no further need for the property, it must declare the property excess and report it for disposal to the appropriate Federal disposal authority unless the Federal awarding agency has statutory authority to dispose of the property by alternative methods. Appropriate instructions shall be issued to the recipient by the Federal awarding agency.
2. Upon project completion, equipment purchased with federal funds where title vests in the federal government shall be returned to the federal government unless permission is given by the sponsor, in writing, for alternate disposition of the equipment. The PI should contact ORED Post-Award for a determination of how the equipment will be processed upon completion of the project. ORED shall, in writing, notify Property Control of the disposition of this property.
3. Upon project completion, disposition of equipment purchased with federal funds where title vests in FIU (except as provided in subsection G.2 above, where the equipment will be used on other federally sponsored projects at FIU) shall be in accordance with 2 CFR 200.313, which provides, in pertinent part:

When the recipient [FIU] no longer needs the equipment, disposition instructions must be requested from the Federal awarding agency if required by the terms and conditions of the award. If not required by the terms and conditions of the award or if the Federal awarding agency fails to provide the requested disposition instruction within 120 days, disposition of the equipment will be made as following, in accordance with Federal awarding agency disposition instructions:

- a. Items within a current per unit fair market value of \$5,000 or less may be retained, sold or otherwise disposed of with no further obligation to the Federal awarding agency.
- b. Items with a current per unit fair market value in excess of \$5,000 may be retained or sold provided that compensation is made to the original Federal awarding agency or its successor. The amount of compensation shall be computed by applying the percentage of Federal participation in the cost of the original purchase to the current fair market value of the equipment or proceeds from the sale. If the equipment is sold, the Federal awarding agency may permit the \$500 or ten percent of the proceeds, whichever is less, to be deducted for selling and handling expenses from the Federal share.
- c. The Federal awarding agency may reserve the right to transfer the title to the Federal Government or to a third party named by the Federal



Government when such third party is otherwise eligible under existing statutes. Such transfer shall be subject to the following standards.

- i. The equipment shall be appropriately identified in the award or otherwise made known to the recipient in writing.
- ii. The Federal awarding agency shall issue disposition instructions within 120 calendar days after receipt of a final inventory. The final inventory shall list all equipment acquired with grant funds and federally-owned equipment. If the Federal awarding agency fails to issue disposition instructions within the 120 calendar day period, the recipient shall apply the standards of this section, as appropriate.
- iii. When the Federal awarding agency exercises its right to take title, the equipment shall be subject to the provisions for federally-owned equipment.

***IX. Protection of University Property***

- A. The University issues special equipment to individual staff members for use in their particular activity such as firearms, pagers, cellular phones, and two-way radios. Since it would be impractical to return this equipment to the Department daily, it is essential for inventory purposes, that the custody receipt identifying the employee charged with the item, be maintained in the respective departments. Personnel leaving University employment, who have been issued special equipment, must have their custody receipt cleared upon return of the accountable and non-accountable equipment to the department. Failure to return property may subject their final paycheck to be withheld, pending a satisfactory explanation.

**POLICY REFERENCES**

Florida Board of Governors Regulations 9.001, 9.002, 9.003, 9.0031

Florida Statute 705.18

2 Code of Federal Regulations 200.312, 200.313, 200.33