



POLICY ON CAPITAL EQUIPMENT PURCHASES FOR SPONSORED PROJECTS

Policy Number: 5.0.9

Version Number: 001

Classification: Post-Award Administration

Effective Date: June 15, 2020

Responsible University Office: Vice President for Research

1.0 Purpose

The purpose of this policy is to ensure sponsor terms and conditions are followed when purchasing equipment on Sponsored Projects.

2.0 Applicability

This policy applies to all sponsored projects in the sponsored (Fund 20) project range.

3.0 Rules and Regulations

§200.313 Equipment

(c)(1) Equipment must be used by the non-Federal entity in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the Federal award, and the non-Federal entity must not encumber the property without prior approval of the Federal awarding agency. When no longer needed for the original program or project, the equipment may be used in other activities supported by the Federal awarding agency, in the following order of priority:

- (i) Activities under a Federal award from the Federal awarding agency which funded the original program or project, then
- (ii) Activities under Federal awards from other Federal awarding agencies.

(2) Use for non-federally-funded programs or projects is also permissible (*following the equipment use priority of (c)(1)(i) and (ii) above*).

NSF Proposal & Award Policies & Procedures Guide

IX.D 2. Conditions for Acquisition and Use of Equipment

- a. Grantee Assurance. The grantee will assure each purchase of equipment is:
 - (i) necessary for the research or activity supported by the grant;

- (ii) not otherwise reasonably available and accessible;
- (iii) of the type normally charged as a direct cost to sponsored agreements;
and
- (iv) acquired in accordance with organizational practice.

Please refer to the Federal [Research Terms and Conditions Appendix A Prior Approval Matrix](#) for more information on items of costs that require sponsoring agency prior approvals.

4.0 Definitions

Capital Equipment is tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost equals to or greater than \$5,000.

5.0 Policy

In general, the funding of items identified in the approved proposal budget constitutes authorization, provided there is not a specific limitation in the grant language and the costs are otherwise allowable, allocable, and reasonable in accordance with the cost principles contained in 2 CFR § 200, Subpart E. However, capital equipment to be purchased on a sponsored project that was not identified and approved in the awarded proposal must receive prior approval by the sponsor before initiating the purchase.

6.0 Sanctions for Non-Compliance

Disallowed equipment costs will be charged to the Principal Investigator or Department's E&G or discretionary funded project accounts.

7.0 Approval Signatures

This policy has been approved by:

Tanju Karanfil, Ph.D.
Vice President for Research

REVISION HISTORY		
EFFECTIVE DATE	VERSION NUMBER	MODIFICATION
June 15, 2020	001	Implementation