Grants - Equipment Transfers

Procedure #: 600.170
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1.0 Introduction

A. OMB 2 CFR 200 Subpart D §200.313 says that "title to equipment acquired under a Federal award will vest upon acquisition in the non-Federal entity [The Citadel]. Unless a statute specifically authorizes the Federal agency to vest title in the non-Federal entity without further obligation to the Federal Government, and the Federal agency elects to do so, the title must be a conditional title. Title must vest with the Citadel subject to the following conditions:

(1) Use the equipment for the authorized purposes of the project during the period of performance, or until the property is no longer needed for the purposes of the project.

(2) Not encumber the property without approval of the Federal awarding agency or pass-through entity.

(3) Use and dispose of the property in accordance with paragraphs (b), (c) and (e) of this section.

(b) A state must use, manage and dispose of equipment acquired under a Federal award by the state in accordance with state laws and procedures. Other non-Federal entities must follow paragraphs (c) through (e) of this section.

(c) Use. (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. This includes consolidated equipment for information technology systems.

(e) *Disposition.* When original or replacement equipment acquired under a Federal award is no longer needed for the original project or program or for other activities currently or previously supported by a Federal awarding agency, except as otherwise provided in Federal statutes, regulations, or Federal awarding agency disposition instructions, the non-Federal entity must request disposition instructions from the Federal awarding agency if required by the terms and conditions of the Federal award. Disposition of the equipment will be in accordance with Federal awarding agency disposition instructions.

B. If equipment is purchased on a non-federal grant, the sponsor would generally want the equipment to transfer with the PI since they are funding the PI's particular work and would expect that they would only have to buy a piece of equipment once for the person, no matter how many times the PI might change institutions. In order for PI to have this flexibility, the initial contract with the college must indicate that any equipment and supplies bought with the grant funds are to go with the Principal Investigator, should he go to another institution. In that manner, it becomes a requirement of the college's acceptance of the grant that it will permit the equipment and supplies to move. Without this requirement in the contract or grant, non-federally funded equipment will not be able to transfer to another institution.

2.0 *General Definition of Responsibility*

A. The PI of each grant is responsible for contacting the Director of Financial Services and Procurement Director when a move from The Citadel is contemplated in order that the appropriate support can be confirmed so that the property can be legally moved.

B. Principal Investigators reporting to the Citadel who are bringing equipment and supplies from another college or university are required to contact the Controller and Director of Procurement so that their grant (non personal) equipment may be entered into the property system, appropriately insured, and properly safeguarded and accounted for. Equipment being transferred to the Citadel becomes state property.

C. Departmental Property liaisons are required to inventory the equipment annually. The liaisons should not permit the equipment to be taken from the college without proper authorization from the Director of Procurement and the Director of Financial Services.
D. The College Property Manager is required to notify the property manager of the institution to which a PI may be moving, of the grant funded equipment being transferred with that person.

3.0 Background

With appropriate documentation and timing, equipment and supplies can be transferred from the Citadel to another nonprofit organization or college or university.

4.0 Policy

A. All equipment or supplies bought on a grant are property of The Citadel. They cannot be moved to another entity without following federal and state rules. A summary of these rules are:

- Written approval to transfer equipment and supplies purchased on a federal grant must be received while the grant is ongoing or within 120 days after the termination of the grant. Without this written authorization, federal equipment cannot be moved.

- For non-federal equipment and supplies, the granting or contracting documents awarding the grant to the college must indicate that, as a condition of accepting the grant or contract, the college must permit the PI to take the equipment or supplies at such time as they might leave the college.

- Without this documentation, equipment and supplies purchased on grants will remain at The Citadel and used on appropriate programs, or else they will be disposed of through the state procurement process as surplus equipment and supplies.