

**NOVA SOUTHEASTERN UNIVERSITY
OFFICE OF SPONSORED PROGRAMS
POLICIES AND PROCEDURES**

**AWARD MAINTENANCE
EQUIPMENT PURCHASE WITH SPONSORED PROJECT FUNDS
EFFECTIVE 12-01-08, REVISED 12-26-2014
POLICY #32
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PURPOSE:

To establish a policy and procedure for the acquisition of equipment under sponsored agreements to ensure compliance with sponsor requirements.

DEFINITIONS:

Acquisition Cost: The cost of the asset including the cost to ready the asset for its intended use. The acquisition cost of equipment is the net invoice unit price of the equipment including freight and installation charges of the item of equipment, and also includes the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make the item usable for the purpose for which it is required.

Equipment: Nonexpendable tangible personal property having a useful life of more than one year, an acquisition unit cost of \$1,000 or more, and an identity which is not altered materially through use.

General Purpose Equipment: Equipment which is not limited to research, medical, scientific, or technical activities. General purpose equipment includes such items as office equipment and furnishings, modular offices, telephone networks, information technology equipment and systems, heating and cooling units, reproduction and printing equipment, motor vehicles, etc.

Special Purpose Equipment: Equipment that is used only for research, medical, scientific, or other technical activities. Examples include microscopes, x-ray machines, surgical instruments, and spectrometers.

POLICY:

The university will purchase equipment with sponsor funds only if necessary for the project and permissible under sponsor terms and conditions. The OSP will review the agency guidelines during the proposal development phase to determine whether the university may retain property rights to equipment acquired in whole or in part under a sponsored project and will make the College/Center aware if sponsor regulations do not permit the university to retain property rights. The university will purchase equipment through the university's procurement system in accordance with Office of Procurement Management policies.

The allowability of equipment and other capital expenditures to a sponsored project will be determined in accordance with the specific policies, rules and regulations of the sponsoring agency.

REFERENCES:

- OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR Part 200, <https://federalregister.gov/a/2013-30465>

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- OMB Federal Awarding Agency Regulatory Implementation of Office of Management and Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, <https://www.federalregister.gov/articles/2014/12/19/2014-28697/federal-awarding-agency-regulatory-implementation-of-office-of-management-and-budgets-uniform>
- NIH Grants Policy Statement, <http://grants.nih.gov/grants/policy/policy.htm#gps>
- NSF Proposal and Award Policies and Procedures Guide, <http://www.nsf.gov/bfa/dias/policy/>
- HHS Grants Policy Statement, <http://www.hhs.gov/grants/grants/policies-regulations/index.html>
- Federal Acquisition Regulations (FAR), Title 48 C.F.R.
- NSU Office of Procurement Management Policies and Procedures, <http://nova.edu/procurement/policies.html>
- NSU Accounting & Financial Policies and Procedures Manual, Finance Policy 127 – *Administration of Sponsored Programs/Projects* and Finance Policy 115 – *Property and Equipment*, <http://www.nova.edu/fop/forms/policies.pdf>

PROCEDURES:

1. Equipment (general purpose and special purpose) should be justified in the proposal and provided for in the approved budget. If the equipment to be purchased was not included in the proposal, sponsor approval is generally required to be obtained prior to the purchase of the equipment, subject to the cost principles and sponsor terms and conditions. The PI/PD should contact the OSP for guidance and assistance with this process.
2. The PI/PD or designee initiates a purchase requisition for equipment through the Ariba system (refer to OSP Policy No. 28 – *Allowable Costs and Expenditure Control* for approval processes).
3. Purchases of equipment must adhere to university procurement policies, and the procurement standards under 2 CFR 200, where applicable.
4. Items of equipment costing \$1,000 or more with a useful life of more than one year will be recorded in the university's accounting system as capital equipment.
5. Refer also to Finance Policy No. 115 – *Property and Equipment* and Finance Policy No. 127.11 – *Equipment, Machinery and Furniture Purchased with Sponsored Program/Project Funds*.