



Property

“Property” is typically the broadest way to describe the items acquired on a sponsored award for which the University is accountable. Property can include supplies and materials, capital equipment, and non-capital property such as computers and electronic devices.

Government Property is any kind of property to which the Government retains title. This property can be furnished to the University for use on a specific sponsored project or it can be acquired by the University during the performance of an award.

University Property is any kind of property to which the University retains title. All property acquired by the University using Federal funds or university funds, unless it is already owned by the sponsor or the Government, is titled to the University.

Capital Equipment

A tangible item that is durable, nonexpendable, meets the University capitalization rules and is by itself functionally complete for its intended purpose is considered Capital Equipment. Capital Equipment may also be referred to as either Permanent Equipment or Fixed Assets.

Capital Equipment can include both standalone equipment and fabrications that meet the University capitalization rules in order to be exempt from indirect costs. The *Capitalization Rules* are:

1. *The equipment must have a total acquisition cost greater than \$5,000.*
2. *Once in-service, the equipment must have a useful life of at least one year.*

Standalone Equipment = a non-expendable and commercially available item that meets the University capitalization rules in order to be exempt from indirect costs.

Fabrication = the transformation of materials, non-consumable supplies, and hardware into a one-of-a-kind piece of equipment that meets a unique research need.

- Every component must be necessary and essential for the function of the entire fabrication and the removal of a component would diminish the operation of the entire fabrication.
- Applicable fabrication costs may include materials and supplies that are integrated into the fabricated unit, freight, construction, installation, training or assembly labor.
- Materials and supplies that are necessary for the construction process or testing of the fabrication but are not integrated as final components of the fabricated unit must be charged as supplies and are not capitalizable fabrication costs. Examples of this would be fuels, gasses, or compressed air.

Supplies

Tangible items that are non-consumable, but do not meet the capitalization rules are considered non-capital property.

Tangible property that is not considered either capital equipment or non-capital property is considered supplies. Most supplies are consumable and are used up during the course of a sponsored project.

Computers and electronic devices are considered non-consumable supplies (or non-capital property) if they cost less than \$5000. They are considered capital equipment if they cost more than \$5000.

Sensitive Property

As defined by the General Services Administration, “sensitive property” includes all items—regardless of cost—that require special control and accountability due to unusual rates of loss, theft or misuse, or due to national security or export control considerations.

This property includes information technology equipment with memory capability, cameras, communications equipment, and other electronic and computing devices.

