

Sponsored Projects Property Management Training

- Justin Mack and Rebecca Stossmeister
- Office of Contracts and Grants (OCG): Compliance Team
- November 18, 2015

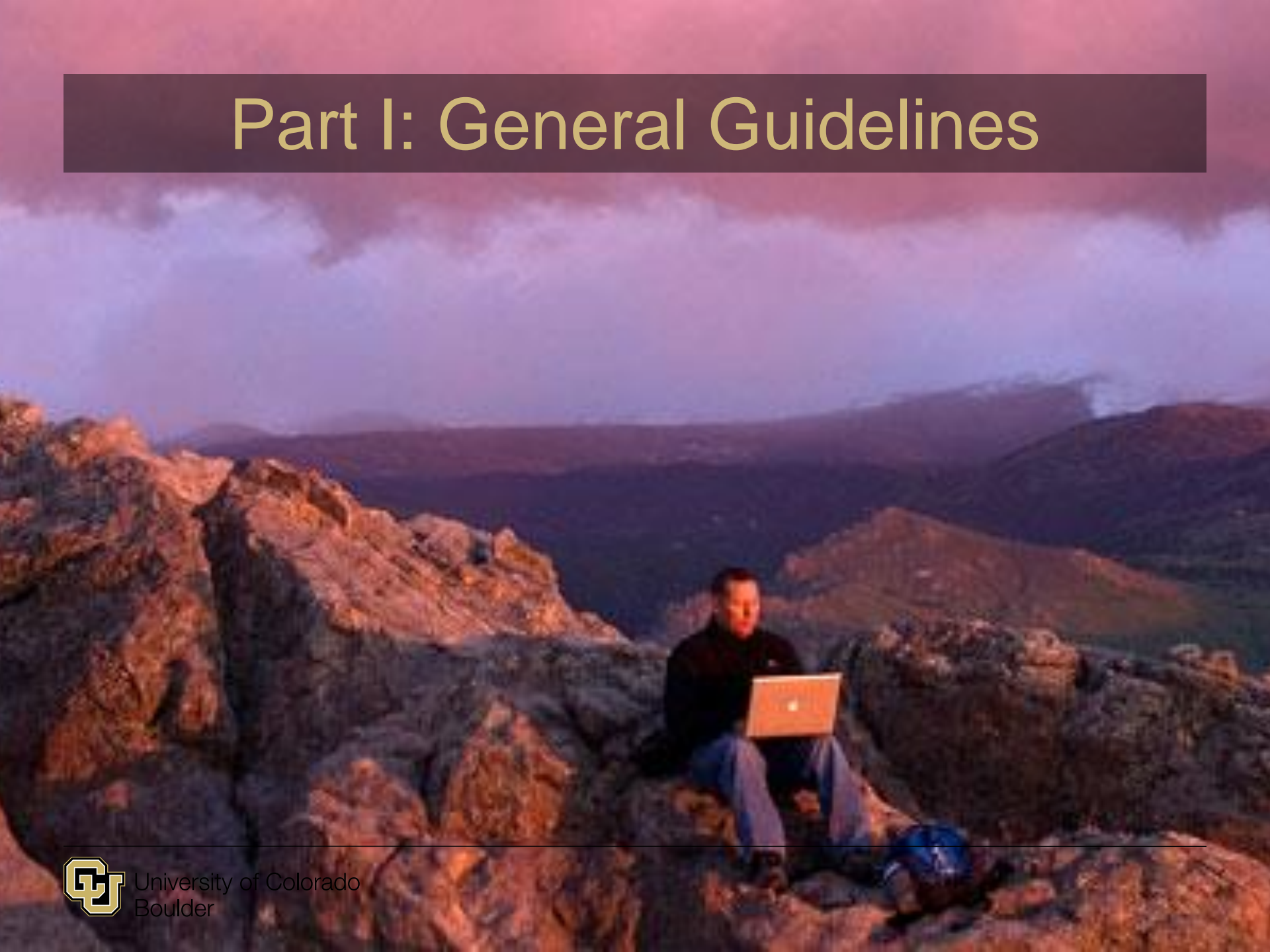


Session Training Goals

- **Terms and Conditions → What you need to know**
- **Definitions for Property → Applicability to our work**
- **Examples for Discussion**
- **Understanding the intentions of “additional clarification” requests**



Part I: General Guidelines



General – T&C

- **University, Government or Sponsor titled**
- **Prior Approval Requirements**
 - May vary by sponsor and award type (Grant versus Contract).
 - Requirements may not be specific to property but are still applicable. Examples:
 - *Budget deviations or revisions*
 - *Changes to the scope of work*
- **Reporting or Inventory Requirements**

Federal Grants – T&C

- **Previously:**
 - OMB Circulars A-21, A-110 and A-133
 - FDP Templates and Prior Approvals Matrix
- **Now:**
 - 2 CFR 200 “Uniform Guidance”
 - Agency-Specific Terms, Conditions and Guidelines

Contracts – T&C

- **Federal Acquisition Regulations (FAR)**
 - Agency-Specific FAR terms
 - *DFAR, NASA FAR Supplement, DODGAR etc.*
- **Common Restrictions**
 - Property may be Government or sponsor titled.
 - More rigid prior approval requirements.
 - Deliverables can include both reports and physical hardware delivery.
 - Flow-down provisions could apply.



Example 1: Terms and Conditions

- What kind of award do you think this is?
- What restrictions are implied by this term?
- How would this term affect how property can be managed on this award?



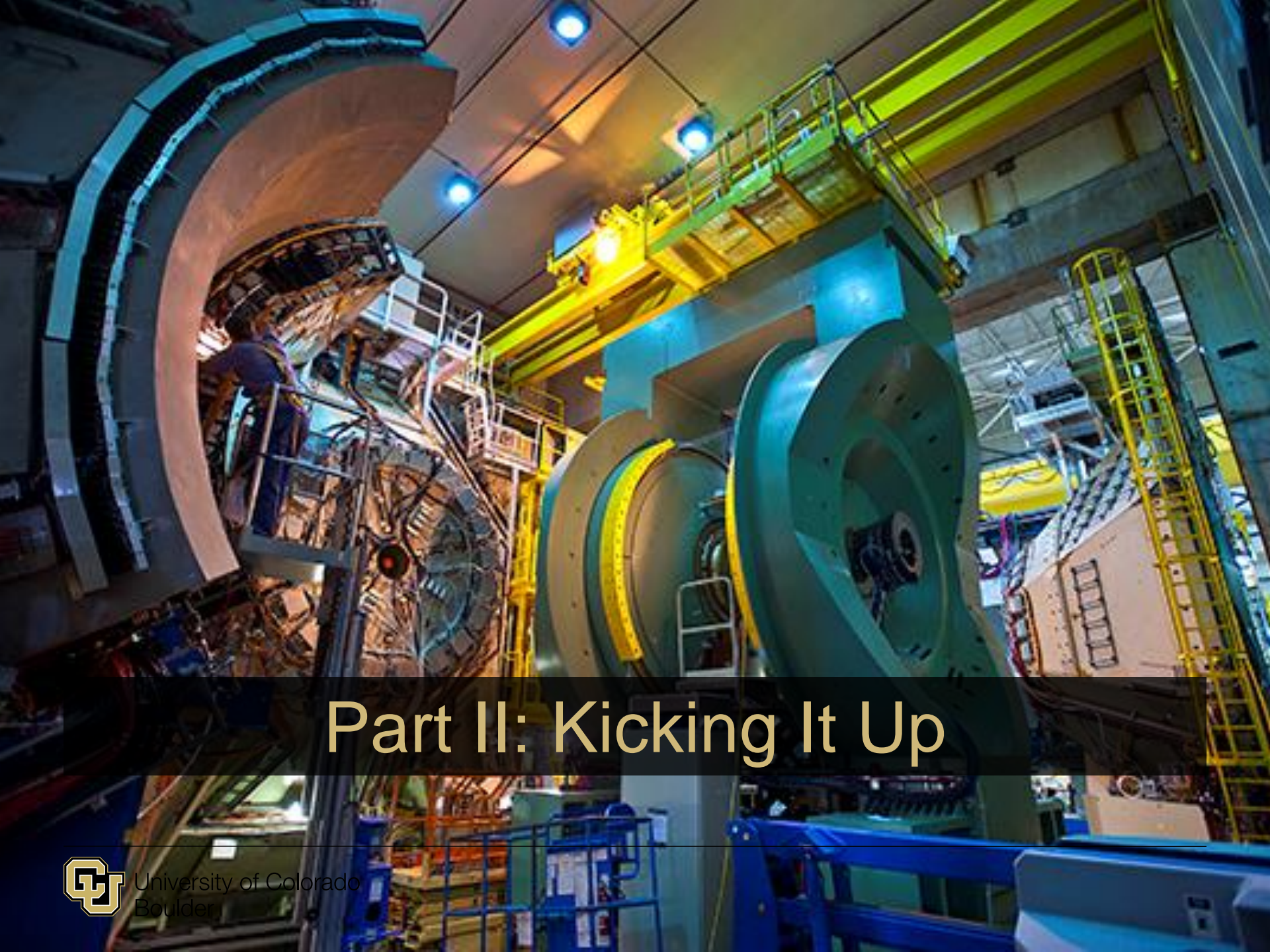
Help?

- How would you know what the restrictions are for your award?
 - **Currently:**
Award Documents, CFDA Number, Award Mechanism, conversations with OCG.
OCG Website and Property Manual
 - **Future:**
InfoEd and the Award Terms and Conditions folder.

Other Agreements

- **Other award mechanisms and sponsors**
 - Non-Federal grants and contracts
 - Cooperative agreements
- **Bailment or Loan Agreements**
 - Property may be loaned either to or from CU.
 - Agreement may or may not be associated with a specific sponsored award.





Part II: Kicking It Up



University of Colorado
Boulder

Definitions for Property

- **Property**

- Includes all items that are both tangible and intangible, such as materials, capital and non-capital equipment, computers and electronic devices
- University, Government or Sponsor titled
- General vs. Special Purpose

- **Capital Equipment/Permanent Equipment/Fixed Assets**

- Acquisition cost and useful life requirements
- Standalone Equipment
- Fabrication

Fabrication – Specific Requirements

Fabrication is the *transformation* of components into a one-of-a-kind piece of equipment that meets a unique research need.

- Every component of a fabrication must be essential and necessary.
- Costs may include: materials and supplies that are integrated into the fabricated unit; freight, construction, installation, training or assembly labor.

What about items that are not “integrated” into the permanent unit?

Example 2: Computer Cluster

- Can we consider the 13 Voyager Nodes permanent equipment? Why or why not?
- Would it be considered a fabrication?
- What questions could have been asked during the proposal budgeting stage?
- Should the budget have been different?

Definitions for Property

- **Non-capital Equipment**
 - Tangible items that are non-consumable, but do not meet the capitalization rules.
- **Supplies**
 - Consumable items that are used up during the course of a sponsored project.
- **Special Test Equipment**
 - Items or units that are engineered or built in order to perform special testing in the work of a contract.
 - Not considered permanent equipment. Why?

Example 3: Prototype

PI Explanation:

- What stands out? What is the most relevant information in the explanation?
- How would you define the items being purchased?

Cost Breakdown:

- How would you re-budget these items?

Definitions for Property

- **Upgrades**

- May be capitalized if they meet the requirements (acquisition cost and useful life).
- Provide a substantial increase in the functionality or enhance the performance of a piece of equipment beyond what was originally expected.

- **Repairs, Replacement Parts, or Refurbishments**

- Not capitalizable.
- Restore or maintain the equipment at its original performance levels.



Best Practices

- **Cost Principles**

- Consider whether the equipment costs being proposed are allowable, allocable, reasonable and necessary.

- **Indirect Cost vs. Direct Cost**

- Consider whether the proposed costs are categorized accurately
- Does the budget justification adequately support costs that seem a little “unusual”?

- **F&A Exempt Costs**

- Do the equipment costs being exempted from F&A make sense?

- **Let's take a break!**

Part III: Award Management



General Expectations

- **PIs**
 - Overall financial and programmatic award management.
- **Department Administrators and DPMs**
 - Providing guidance to PIs for acceptable purchasing, use, management and disposal of property.
 - Ongoing award management and oversight
 - Ex: Requesting Additional Justifications
- **OCG**
 - Provide guidelines and other support based on department and PI needs.
 - Ex: Interpreting Terms and Conditions



General Expectations

- **Federal Requirements**

- Property acquisitions meet the cost principles: allowable, allocable, reasonable, essential and necessary.
- Procurements follow Federal and university policies
- Property made available on other Federally-funded research projects.
- The university maintains adequate internal controls for acquisition, use, maintenance, inventory, reporting and disposal of property.

- **FAR**

- Apply to Government titled property.



Example 4: Buying a Car

- Is the car considered *general* or *special* purpose equipment?
- Does the PI explanation make sense? Does it adequately document the need for the car?
- What steps would need to be taken next?
 - Review of the award terms and conditions
 - Acquisition of the car
 - Closeout?

Fabrications





































- **Before Purchasing Components:**
 - Review award terms, award budget, and the specific details of the fabrication:
 - *Estimated cost and completion date*
 - *Final location and anticipated future use*
 - Request the fabrication ST from PAO
- **Managing the Expenditures**
 - Costs may include: materials and supplies that are integrated into the fabricated unit; freight, construction, installation, training or assembly labor.

Example 5: Fabrication Expenditures

- Which of these costs should be charged to the fabrication SpeedType?
- Which of these costs belong in Other Operating Expense account codes?
- How would you know to sort these out on an expense report?

Expenses

View <<

Date ▼	Expense Type	Reviewed	Amount	Approved
08/28/2014   	Freight (540100) ALLCABLE	N	\$34.45	\$34.45
08/27/2014   	Capitalizable Equipment Components (810700) SAINT GOBAIN PERF PLASTI	N	\$153.85	\$153.85
08/27/2014   	Lab and Tech Shop Supplies (530101) MCMASTER-CARR	N	\$428.68	\$428.68
08/25/2014   	Lab and Tech Shop Supplies (530101) OMEGA *ENGINEERING	N	\$880.00	\$880.00
08/25/2014   	Lab and Tech Shop Supplies (530101) OMEGA *ENGINEERING	N	\$67.00	\$67.00
08/18/2014   	Lab and Tech Shop Supplies (530101) ALLCABLE	N	\$205.00	\$205.00
08/14/2014   	Lab and Tech Shop Supplies (530101) DIVERSIFIED BIOTECH	N	\$124.00	\$124.00
08/13/2014   	Lab and Tech Shop Supplies (530101) USA SCIENTIFIC, INC.	N	\$68.85	\$68.85
08/12/2014   	Lab and Tech Shop Supplies (530101) USA SCIENTIFIC, INC.	N	\$65.65	\$65.65
07/31/2014   	Lab and Tech Shop Supplies (530101) MCGUCKIN HARDWARE, Boulder, Colorado	N	\$26.28	\$26.28
07/28/2014   	Lab and Tech Shop Supplies (530101) MCMASTER-CARR	N	\$286.46	\$286.46
07/11/2014   	Capitalizable Equipment Components (810700) SQ *TAINT PAINT POWDER CO	N	\$500.00	\$500.00
			TOTAL AMOUNT	TOTAL APPROVED
			\$3,717.17	\$3,717.17

Example 6: Cost Transfer

- What is this transfer trying to do?
- Is the header justification sufficient?
 - What kinds of information typically needs to be included in the header justification?
- Would additional justification or explanation be required? Why or why not?

Example 7: Budget Deviation

- What are the relevant award details?
 - Award type and sponsor
 - Period of performance and timeline of purchase
 - Total funding and cost of purchase (size the of the deviation from the budget)
- Is the justification provided by the PI sufficient? Why or why not?
- What documentation should be kept in the department award records for this purchase?

Part IV: Award Closeout



Department Closeout Property Report

- **Purpose**

- Requirements from the Uniform Guidance:
 - ***Continued use on other Federally funded programs or projects.***
 - ***Internal controls for the responsible use, management, disposal of property.***
- Timely reporting to the sponsor

- **Required Details**

- Account for the permanent equipment acquired during the award
- Provide a status of the equipment at closeout

Department Closeout Property Report

Updated By: Gregory Scott Bradley @ 26-Oct-2015 08:50:29 AM

CZMM Save * Table of Contents Quest Hist Form Hist Print	Award CloseOut CheckList <input type="checkbox"/> Complete
	-1- Proposal/Award Information Proposal Number : <input type="text" value="1012.00.2079B"/>
	--Department or PI--
	Final Technical Report [PI] Required ? <input checked="" type="checkbox"/> Due Date : <u>11-Feb-2017</u> Final Technical Report Done? <input type="text" value="No"/>
	Final Outcome Report for NSF [PI] Required ? <input type="checkbox"/>
Department Closeout Property Report[Dept Property Manager or Fiscal Manager] Required <input checked="" type="checkbox"/> Due Date : <u>11-Jan-2017</u> Project Property Report Done? <input type="text" value="No"/>	

Close-out Requirements Report

Award End Date between: Oct 27, 2015 and Oct 27, 2016
 Requirement: Project Property Report

Institution Number	Primary Project	Award No.	Awarded Project Period End Date	Department	PI	Sponsor	Close Out Requirements	Date Complete	Due Date
0411.01.0593B	1549198	FA9550-12-1-0182	10/31/2015	10106 -- JILA	Lewandowski, Heather	Air Force Office of Scientific Research	Project Property Report		
0711.12.0895B	1548817	2011-10-02	10/31/2015	10163 -- MCDB-SPONSORED RSCH	Pace, Norman	Alfred P. Sloan Foundation	Project Property Report		
1011.05.1703B	1549620	ARC 1203945	10/31/2015	10103 -- INSTAAR-PAST GLOBAL CHANGE	Anderson, Robert	National Science Foundation	Project Property Report		
0401.11.0571B	1531699	DE-FG02-99ER14982	11/14/2015	10106 -- JILA	Kapteyn, Henry	Department of Energy	Project Property Report		
0409.11.0556B	1546307	DE-SC0001771	11/14/2015	10106 -- JILA	Becker, Andreas	Department of Energy	Project Property Report		

Other “Closeout” Issues

- **What are the options for disposing of property when no longer needed?**
 - Transfers
 - Surplus
 - Trade-In
- **How are these types of disposals handled?**
 - Can vary based on the circumstances...



Example 8: Property Transfers

1. Fellowship award with a computer purchase
 - Who has title to the computer?
 - What are the disposal options?
2. PI moving to a new institution
 - What are the options for “closing” the equipment?

Part V: Additional Information

Additional Information

- **Government Titled Property**
 - What is it and who has it?
- **Campus Self-Evaluation**
 - 2015-2016: Applicable to all departments with Government titled property
 - Future?
- **Department Property Management Plans**
 - Are departments working on developing these?
 - Why are they necessary and what value do they provide?

Resources

- **Property Control Manual**
- **OCG Webpage**
- **One-Page Guides**
- **Additional Trainings**

ocgproperty@Colorado.edu

Office of Contracts and Grants
Research Administration
UNIVERSITY OF COLORADO BOULDER

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\$425 M
in research funding for FY 2014-2015
[more research statistics](#)

Your partner in research funding

The Office of Contracts and Grants (OCG) works in partnership with CU-Boulder's faculty and staff to prepare and submit proposals, including budgets, for external research funding. OCG has the authorization to negotiate and accept sponsored research agreements on behalf of the Regents, monitor and provide guidance throughout the life of an award, and ensure final project closeout.

Frequently Needed Information

Prepare and Submit Proposals
Proposal budgeting, preparation and submission

Manage Awards
Award review, negotiation and acceptance and issue outgoing subawards.

Award Closeout
Ensuring that administrative reporting, deliverable and financial closeout requirements are complete.

Proposal Submission Request (PSR)
Proposal Preparation and Submission
Data Management Plan Assistance
Sponsor Resources

Incoming Awards
Outgoing Subawards
Property and Equipment
International Travel
Sponsored Projects Accounting (SPA)

Reporting and Deliverables
Award Closeout Tool
Department Closeout Property Report
Financial Closeout Questions (SPA)

News

Boulder eRA/InfoEd Open Lab and Training for Research Administrators
End Date Notifications in New Boulder eRA/InfoEd
CRA Study Group Begins August 4

Other Resources

Find Funding
Export Controls
Research Administrators Meeting (RAM)

Events & Trainings

CU@Lunch
12:00 PM • Thursday 10/29
RAM Meeting
1:30 PM • Tuesday 11/17
Managing Property Purchased on Sponsored Awards