

RESEARCH, EQUIPMENT: PROCUREMENT, MANAGEMENT, TRANSFER AND DISPOSITION

I. General Policy

Purpose of Research Equipment

The purchase of research equipment may be initiated only when the equipment is essential to a research project and is not already reasonably available and accessible elsewhere on campus. Rice University policy requires that all special purpose equipment be shared by investigators to the maximum extent possible, although this shared use must not, of course, interfere with regulations of the sponsors, the terms under which the equipment was acquired, or work on a project for which the equipment was acquired.

Definition of Research Equipment

Research equipment is apparatus used primarily for research that meets the definition of equipment found in Policy 809. It may be purchased as a complete unit, donated/loaned by a sponsor, or fabricated from component parts at Rice. Specifically not included in research equipment is computer software. Moreover, personal computers/printers are considered general office equipment and are not allowed unless a convincing case can be made to show that they are used directly in the conduct of the research. Report preparation is not sufficient justification for their purchase with governmental funds.

Individual Responsibilities

Several individuals/groups are responsible for the procurement, management, transfer, and disposition of research equipment. These include the following:

1. Principal Investigators are responsible for identifying the need for research equipment, determining if such equipment is available on campus, and (if appropriate) initiating purchase of new equipment. They must make sure that equipment under their jurisdiction is properly used and maintained.
2. Department/Center Chairs/Directors (or their designates) are responsible for seeing that research equipment in their department/center is accounted for and optimally utilized.
3. The University Research Accountant will maintain inventory control and assist in shared used of research equipment by identifying available items through inventory records.

Shared Use Priorities

Federal regulations (U.S. Office of Management and Budget Circular No. A-110, Attachment N, Paragraph 6b(2)) require that during the time nonexpendable property is held for use on government sponsored projects or programs funded through grants and other agreements, the recipient shall make that equipment available for use by other projects or programs if such use will not interfere with the work on the project for which the property was originally acquired. In accord with these guidelines, the priority for this shared use shall be:

1. Other projects/programs of the same federal agency,
2. Projects/programs of other federal agencies, and
3. Activities not sponsored by federal agencies (however, if the property is owned by the federal government, authorization of the federal agency concerned is required).

Purchasing Research Equipment

Once the need for research equipment is established and the funds are secured, one must complete a "Research Equipment Procurement Brief" (obtained from the Office of Sponsored Research - OSR) along with a purchase order. The former calls for three price quotes. An adequate explanation is required when fewer than 3 quotes are given or when the lowest bid is not accepted. These documents are processed through the OSR and forwarded to the accounting department for action.

Title to Research Equipment

Title to research equipment purchased with grant/contract funds may be either retained by the funding agency (sponsor-owned) or granted permanently to the University (University-owned). Except in very unusual circumstances, if any funds independently generated by the University are involved in purchasing research equipment (e.g. matching funds), the University retains title to the equipment.

Additional information concerning title to research equipment may be contained in property clauses of individual grants and contracts. All matters concerning title to research equipment are processed through the OSR.

Management of Research Equipment

Principal investigators are responsible for the custody, care, and maintenance of all research equipment acquired through or furnished to their grants, contracts, and other agreements. A laminated paper tag with adhesive backing shall be affixed to each item. This tag shows the property control number. A separate metal tag indicating government property shall be affixed to all sponsor-owned research equipment in addition to the paper tag. All these tags are available through the university property accountant located in the controller's office. A current and accurate inventory listing of all research equipment must be maintained with all equipment being physically inventoried at least biannually. The department/center chairs/directors (or their designates) are responsible for reporting significant changes in the location, condition, transfer, and disposition of research equipment. Details of these procedures are contained in Policy Memo No. 809-03 .

Shared Maintenance/Operating Costs

Maintenance and operating costs may be shared by investigators in proportion to shared use. These may be handled in any manner agreed to by the parties concerned.

Disposition of Research Equipment

Sponsor-owned research equipment that becomes unserviceable or is no longer needed by the principal investigator to conduct the sponsored research should be reported to the office of sponsored research. Arrangements should be made to dispose of the equipment, return it to the sponsor, or negotiate a title transfer to Rice University . Specific details are contained in Policy No. 809.

Following termination of a sponsored research program, property for which title has been granted to the University should be inventoried as belonging to the academic department/center concerned.

Specific Sponsor Regulations and Procedures

DOD and NASA

Two categories of equipment exist: Government-furnished (shipped or delivered directly to the University by a government agency) and grantee/contractor-acquired or procured (purchased or fabricated with grant/contract funds). Information about the former is normally obtained through the grant contracting office of the sponsoring agency. Research equipment may be purchased only when specifically authorized by a proper approving authority in DOD/NASA. This authorization may be included in the original grant/contract award document (or modification thereto) or in subsequent written correspondence.

The purchase of research equipment costing more than a minimum amount (e.g. \$5,000 for Air Force; \$10,000 for Office of Naval Research, with some exceptions, etc.) requires written authorization from the designated contracting officer regardless of its presence or absence in the approved budget. This authorization involves the following three steps:

1. Complete items 1-17 of a DOD Industrial Plant Equipment Form DD 1419, copies of which are available in the OSR;
2. Write a letter to the designated government contracting officer including the following information: a) the description and cost of the desired item; b) a request for authorization to purchase the item; and c) a request that, upon receipt of the item, Rice University be granted title. A signature line headed with "APPROVED FOR RICE UNIVERSITY" should be included at the bottom of the letter.
3. Forward the completed form and letter to the OSR for official approval. The processed letter will be returned to the principal investigator for mailing to the funding agency.

Title to all research equipment remains with the agency until a specific request is made by Rice University to be granted title. This can be done at the time of authorization to purchase (as described in the preceding paragraph), at the time a periodic report is submitted, or at the submission of the final report on a project. All matters concerning title to research equipment are processed through the OSR. Since procedures for monitoring research equipment are involved and require frequent reports, it is essential that principal investigators keep complete and accurate records of equipment purchased on research grants/contracts.

NASA Form 1018 entitled "Report of Government-owned/Contractor-held Property," obtained from the OSR, is due by July 31 each year and concerns purchased capital property.

DOD Form 1662 entitled "Reports of Government (DOD) Facilities," obtained from the OSR, reports the total acquisition costs of capital equipment.

ONR (Office of Naval Research) requires a special form called the "ONR Austin Purchase Request Form" that applies to different categories of equipment. This document must be completed and approved before equipment can be purchased with ONR funds. The forms can be obtained from the OSR.

NIH and NSF

Research equipment purchased with funds provided by the National Science Foundation (NSF) and the National Institutes of Health (NIH) is normally titled to the University upon acquisition. These items should be inventoried as belonging to the sponsored projects or renewals thereof as long as the project for which the equipment was purchased continues. Following termination of the sponsored project, inventories should reflect the transfer of the research equipment to the academic department/center concerned. Additional information about transfer of title to research equipment is contained in Attachment N to the Office of Management and Budget Circular A-110 (paragraph 6a).

DOE

There is no uniform policy regarding title of government property furnished by the Department of Energy or purchased with DOE grant/contract funds. For such information, one must refer to the terms of the individual research agreements.

Robert A. Welch Foundation

Since its beginning in 1954 the Welch Foundation retained title to all permanent equipment purchased with its research funds; it determined the ultimate disposition of such equipment on an individual basis when grants terminated. Beginning June 1, 1990, that policy changed. After that date, the foundation gives title to all research equipment to the University. Title to equipment purchased prior to that time and still in usable condition is transferred to the University on that date. Because such equipment is now owned by the University, it is subject to the usual University policies for management, transfer, and disposition.

Other Governmental and Private Sponsors

In addition to this general information, details about the handling of research equipment may be included in the grant/contract terms for sponsors not specifically referenced in this policy memorandum.

Release/Transfer of Research Equipment

For purposes of transferability to another institution, research equipment may be divided into two classifications: that which may be transferred and that which policy does not allow to be transferred.

1. Transferable Equipment - The transfer of research equipment to another institution with a transferring faculty member may be effected when:

a. The research equipment was brought to the University by the faculty member from a previous institution;

b. The equipment was purchased or built with sponsored research funds or was furnished by the sponsor who requests the transfer.

c. The steps listed below are followed:

(1) The faculty member concerned must initiate the transfer request.

(2) The request is reviewed by the department/center chair who may approve or deny it. Approval would

certify that the equipment is not needed in the department/center for teaching and/or research.

(3) The request is reviewed by the divisional dean who may approve or deny it. Approval would certify that the equipment is not needed in any other department in the school concerned.

(4) The request is reviewed by the director of sponsored research who determines the value of the equipment and prepares a recommendation for the Vice President for Research based on administrative and financial considerations.

(5) The Vice President for Research makes sure the equipment is not needed in any other department at Rice, then approves or denies the request.

2. Non-Transferable Equipment - It is the policy of Rice University not to approve requests to transfer research equipment to another education institution in the following situations.

a. The equipment was procured or built at University expense.

b. The equipment was procured or built using external funds and title has been vested in Rice University, if the equipment is needed for teaching and/or research anywhere at Rice.

c. The equipment was obtained from government surplus and titled to Rice University.

Any deviations from this policy require approval of the President.

Effect of Federal Demonstration Project

In the fall of 1988 Rice University became a participant in the Federal Demonstration Project (FDP) established to develop ways of streamlining and unifying government regulations for grant administration. The ultimate goal is to reduce paperwork and thereby increase productivity. Some of the proposed changes may have a significant impact on the procurement, management, transfer, and disposition of research equipment.

II. Responsible Official and Key Offices to Contact Regarding the Policy and its Implementation

Responsible Official: Vice Provost Research

Key Offices: Research Accounting
 Procurement

Signed David W. Leebron _____
President

Policy History

Clerical Change: January 8, 2018

Revised: February, 2003 {Combination of Previous Policies: 302-79: October, 1975; Revised 12/15/75 , 6/1/78 , 10/30/79; 309-71: August 5, 1971 }

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