STAR Program Logistics

- STAR Certificate consists of 11 courses. To obtain a certificate, you must complete all 11 courses within two (2) years.

- During this pandemic, the two year period has been extended.

  - Please reach out to training@research.ucsb.edu for any exceptions.

- For any STAR Program questions contact:

  - Hilda Vasquez and/or Clarissa Cabrera at training@research.ucsb.edu

- Zoom Classes will not be recorded for this 2023 series.

- Please remember to complete the STAR Evaluation emailed via UCLC.

- For questions during the presentation, please use chat and post to everyone.

  - Please do not use the "raise hand" feature.

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Post-Award Administration - STAR Class #8

Equipment Management

John Pavia – Equipment and FlexCard Manager: jpavia@ucsb.edu

Eva Cervera – Equipment Management Admin. Assistant: ecervera@ucsb.edu

Business and Financial Services - Procurement

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Overview

Equipment Management (EM) is a central business unit in the Procurement Office under the department of Business and Financial Services (BFS)

UCSB uses two UC policies as its local policy and the basis for procedures and internal controls for the management of equipment and other property.

1. **BUS-29, Management and Control of University Equipment**

2. **BUS-38, Disposition of Excess Property and Transfer of University-Owned Property**

Note: All property acquired with University funds or received as gifts by the University is University Property. Regardless of the value, no one has the right to remove any property from University premises, or employ it for personal use or gain.

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Roles and Responsibilities

Equipment Management (EM)

- Maintain property control records of all inventorial equipment.

- Review Gateway requisitions and process equipment acquisitions.

- Work with departments to ensure all equipment is identified, inventoried, and recorded.

- Confirm that University, State, and Federal regulations are adhered to.

- Submit all required annual and final property reports to extramural awarding agencies.

Custodial Department and/or Principal Investigator

- Responsible for care, maintenance, inventory and control of all property, regardless of title

- Inform EM of updates to existing asset records (e.g. serial numbers and location changes)

- Process EIMRs for loans, transfers, & transfer excess property to Surplus Sales for disposal or sale.

- Notify EM of PI transfers that include the transfer of equipment to another institution.

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Definitions

Inventorial Equipment

- Non-expendable, tangible, personal property, freestanding and complete in itself

- Normal life expectancy of more than one year

- Acquired for $5,000 per unit or more

  - Add-ons/upgrades are allowable if the value is $5,000 or more

  - *All firearms and Federal Property is inventorial equipment, regardless of value

Fabrications

- Meets all criteria of inventorial equipment

- Manual labor by University to construct

- Expected to be used by the University upon completion

- A product resulting from the simple assembly of various parts does **not** qualify as a fabrication

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Multiple Orders

Multiple orders totaling more than $5,000 are permitted as an add-on to an existing asset.

Multiple orders can be placed for one asset system. The orders must be placed at the same time, a request cannot be made retroactively.

- E.g. a $3,000 CPU order with a separate $3,000 order for two 30-inch monitors.

Contact Equipment Management before placing an order with any questions.

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Title to Equipment

The ORBiT record specifies title when equipment is acquired under an extramural award:

- Condition Code 24: UC Title

- Condition Code 25: Government (Federal) Title

- Condition Code 26: See award document (State, Other Agency)

With Uniform Guidance 2 CFR 200, Condition Code 24 almost always indicates that UC title is CONDITIONAL, subject to certain restrictions.*

- See Additional References at the end for more information

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Acquisition of Inventorial Equipment

Gateway Requisitions and Purchase Orders

Purchase Orders are initiated via the UCSB Procurement Gateway. When creating a requisition, provide all required information in the Equipment Management section or EM will follow-up with department.

For specific examples, refer to the Additional References at the end.

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Commingling Funds

- Not all funds are equal. When processing orders for new equipment or add-ons:
  - If the University holds title to the asset, but the new funding source requires that title vest with an external agency, you may be transferring title of the entire asset to the agency, unless you have prior written approval for title to remain with the University.
  - Even if title to only the new component remains with the agency, you need to be ready for the possibility that they will ask for the component to be sent to them upon completion of the contract, and you will be left with a non-functioning system.
- When a Purchase Order is split-funded, EM applies the most restrictive title to equipment, no matter how small a percentage of the funding has non-UC title.

Equipment Inventory Modification Request (EIMR)

EIMRs are used to record the acquisition of equipment in four situations:

- Equipment is loaned to the University

- A PI brings inventorial equipment with them at no cost
  - If UC pays for the equipment, a Purchase Order is created

- Title to equipment is transferred to the University from an awarding agency at closeout.

- The value of a fabrication crosses the $5,000 inventorial equipment threshold.

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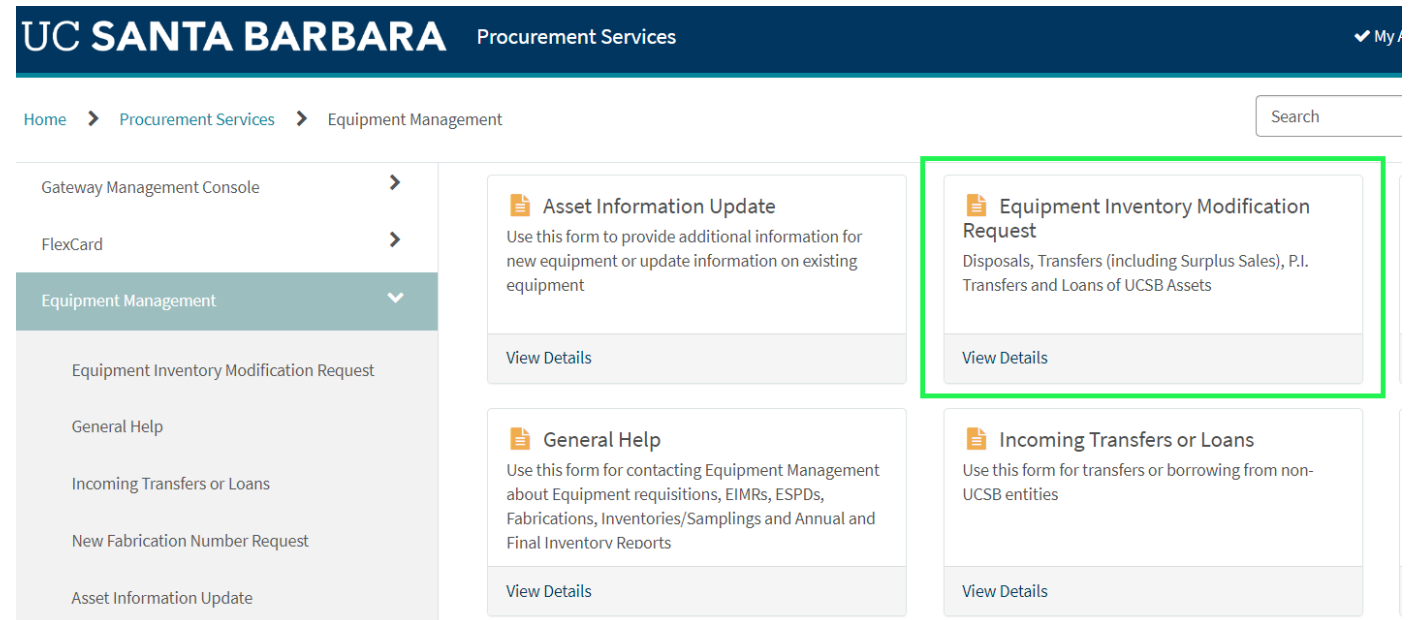
Gift Forms

- When inventorial equipment is donated, it is recorded on a Gift Form (UDEV 100-8).

- Departments must work with Development, since only that unit is authorized to receive gifts on behalf of the University.

- If Development determines the value of the gift item to be $5,000 or greater, forward the UDEV form to EM to create a new asset record.

NOTE: Occasionally, a "gift" may be recorded on a Purchase Order, as part of a "buy one-get one free" type situation, as a promotional item, or as an item provided at no cost by vendor as part of a high value order. This type of "gift" does not require processing of a UDEV form.

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Tracking and Managing Inventorial Equipment

Physical Inventory

University and Federal policy requires that all departments complete and return a Physical Inventory form every two years. If you have regularly updated your records, assets should be easily located and few changes required.

- The Physical Inventory is sent to Department Equipment Custodians, per the GMC.

Three categories of active inventorial equipment need to be physically inventoried and appear on the printed Physical Inventory:

- All assets with value of $5,000 or greater.

- **All** non-UC title assets.

- **All** firearms.

Record Updating

Use EM's Service Now catalog → Asset Information Update to record asset updates including:

- Location/Custodian changes
- Serial Number

Use EM's Service Now catalog → EIMR to record asset updates including:

- Outgoing loans of 6 months or more
- Permanent transfers to another dept

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Disposition of Inventorial Equipment

Disposition of Equipment

Disposal of University Property should yield the highest benefit to the University. The authorized methods of disposition include trade-in, sale, recycling, and donations.

Trade-In – Equipment traded in for the purchase of a new item should be included on the requisition, so the disposal and new acquisition are processed together.

- If a trade-in is omitted from the requisition, the disposal must be done via an EIMR.

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Disposition of Equipment

Loss or Theft – Any asset that cannot be located must be reported via EIMR.

- Police reports must be filed for stolen assets (include the report number in the EIMR).

- If assets are recovered, report it via EIMR and assets are re-included in inventory.

Destruction – Assets accidentally destroyed or cannibalized are reported via EIMR.

NOTE: If any asset purchased with extramural funds is lost/stolen or destroyed, it must be reported immediately to the funding agency. The asset may need to be replaced, generally with funds from an insurance claim, though the balance may need to come from University funds.

Disposition of Equipment

Sale (Surplus & Excess Property) – Only Surplus Sales can conduct sales of University Property. If a buyer has been found, the sale must be coordinated with Surplus. Report the details to EM via EIMR.

- When UC-title equipment is no longer needed, it should be disposed of. The quicker obsolete items are listed for sale, the higher the sale value.
  - **NOTE:** We cannot sell items with non-UC or conditional title. To sell these assets, request disposition instructions from the funding agency. In approved sales, the proceeds will usually go to the funding agency that holds title, not to the department.

- To dispose of equipment, submit an EIMR and a Furniture Service Work Request to schedule a drop off or pick up from Surplus. Include the EIMR number on the FSWR.

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Disposition of Equipment

Disposition of Federally Funded Equipment – Non-UC title equipment cannot be disposed of without written approval from the funding agency. Disposition of equipment with conditional UC title follows specific steps:

- Equipment with a fair market value of $5,000 or less may be retained, sold, or disposed with no further obligation to the Federal awarding agency.

- If the equipment has a fair market value of greater than $5,000, the University must obtain disposition instructions from the agency.
  - If instructed to sell the equipment, the University must remit to the Federal agency its share of the proceeds. Whether the University can retain a share of the sale proceeds to cover its costs is at the agency's discretion.

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Disposition of Equipment

Donations – BUS-38 does not allow for donations of University property unless:

- The fair value is below the costs required for disposal via Surplus processing.

- The donation is to an educational institution or non-profit organization.

Donations must be requested in writing by the receiving entity and can only occur after approval from the Equipment Manager and Department Chair.

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Disposition of Equipment

PI Transfer – BUS-38 defines the policies related to PI transfers to other universities.

- A sales/transfer agreement must be prepared by EM and approved by the Dean.

- Regardless of funding source, the University's default policy is that equipment transferred must be sold to the new institution.

- No property may leave campus until the sales/transfer agreement has been signed by all parties and payment (if applicable) has been received by the University.

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Disposition of Equipment

PI Transfer – Federally Funded Equipment

- If open awards move with a PI, all equipment acquired under those awards are transferred at no cost to the new institution.

- If closed awards move with a PI:
  - No cost transfers/sales can proceed with no obligation to the agency for equipment with a market value of $5,000 or less
  - No cost transfers must be approved by the agency for equipment with a market value greater than $5,000.
    - If a sale is approved, we must return the proceeds to the agency.
    - If a sale is not approved, we may have to return the equipment to the agency or sell it and return the proceeds to the agency.

Disposition of Equipment

Award Close Out

- Per 2 CFR 200, Equipment Management must consult with the department in all cases where items of equipment retain a value of $5,000 or greater.

- EM will create and submit Final Property Reports as part of the close out process.

Resources

Contact Information

- am@bfs.ucsb.edu – Email to create new ServiceNow help ticket
- John Pavia, Equipment and FlexCard Manager – jpavia@ucsb.edu
- Eva Cervera, Equipment Management Admin Assistant - evacervera@ucsb.edu

Websites and Policies

- UCSB BFS Equipment Management
- UCOP BUS-29: Management and Control of University Equipment
- UCOP BUS-38: Disposition of Excess Property and Transfer of University Property

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Additional References/Examples

Inventorial Equipment or Not?

INVENTORIAL EQUIPMENT (VALUE)	NOT INVENTORIAL EQUIPMENT (VALUE)
Taxes & Shipping	
Installation - Billed by vendor (including travel costs, calibration, etc.)	**Installation** - Billed by University (Facilities Management, etc.) – charges such as running water or power lines, structural alterations, etc.
Software - Not separately priced and/or the equipment will not function without it; if it cannot/will not be transferred to another asset	**Software** - If transferable to another piece of equipment, separately priced on the invoice and value < $5,000: sub 3-8085; if value ≥ $5,000, sub 4-9235.
Furniture - Stand-alone items (e.g. conference table) of unit value ≥ $5,000.	**Furniture** - Modular / Panel-Supported Furniture and Furniture Systems.

Inventorial Equipment or Not?

INVENTORIAL EQUIPMENT (VALUE)	NOT INVENTORIAL EQUIPMENT (VALUE)
Warranties/Maintenance Agreements If not separately priced on the invoice, included as part of the value of the inventorial equipment.	**Warranties/Maintenance Agreements** If separately priced on the invoice, not part of inventorial equipment value: paid on sub 3-7260.
	Infrastructure – E.g. built-in air conditioners, telecommunications systems, alarm systems, modifications to building structure.
	Repairs - If broken parts are replaced with like items (not upgraded), no new value is added and charges are to sub 3 and the appropriate object code, for parts or labor (7260).

Fabrication or Not?

Included in Fabrication Value	Not Included in Fabrication Value
Final value ≥ $5,000	Final value < $5,000
All materials, supplies and services from outside vendors and authorized internal recharge activities	Department labor (i.e., faculty and staff salaries), travel or other operating expenses
Items fabricated for University use	Items fabricated for delivery to an outside user (i.e., NASA, Army, JPL)
Charged to Sub 4	Charged to Sub 3

Consult with EM before beginning a fabrication. You must obtain a Fabrication ID Number (not the same as an Asset Number). To get a new Fabrication ID Number go to ServiceNow Procurement Services – Equipment Management – New Fabrication Number Request.

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Conditional Title

Conditional title means that the university must:

1. Use the equipment for the authorized purposes of the project until funding for the project ceases, or until it is no longer needed for the purposes of the project.*

2. When no longer needed for the original project, equipment may be used in other activities supported by the Government, in the following order:

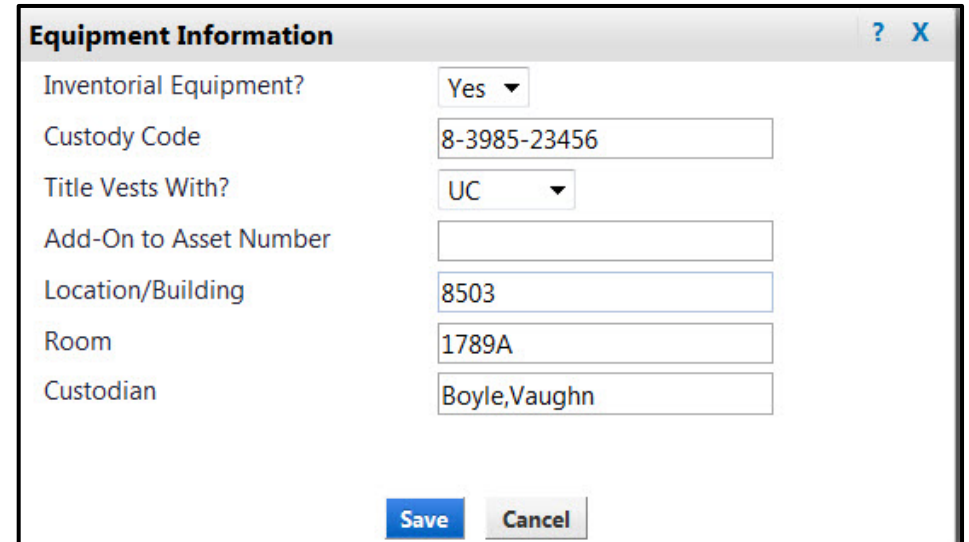   a) Activities under another award from the same agency.
   b) Activities under an award from another Federal agency.

*When under the original award, the equipment must be made available for use under other Federal awards and may be used for non-Federal projects (user fees should be considered when appropriate).

When equipment is no longer needed for activities supported by a Federal agency, disposition instructions must be obtained from the agency. This requirement applies even if the award has not yet terminated and research (and funding) is continuing.

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Gateway Requisition – New Equipment Purchase

1. Click the EDIT button next to the **Equipment Information** subsection of the box and enter:

   a. Inventory Equipment?: Select **Yes** from the drop-down menu
   b. Custody Code: enter with dashes, in format **8-3985-23456**
   c. Title Vests with?: (drop-down menu: choose UC, Federal, etc.)
   d. Location: enter separated by slashes (or dashes), in format – building number, room number, custodian name
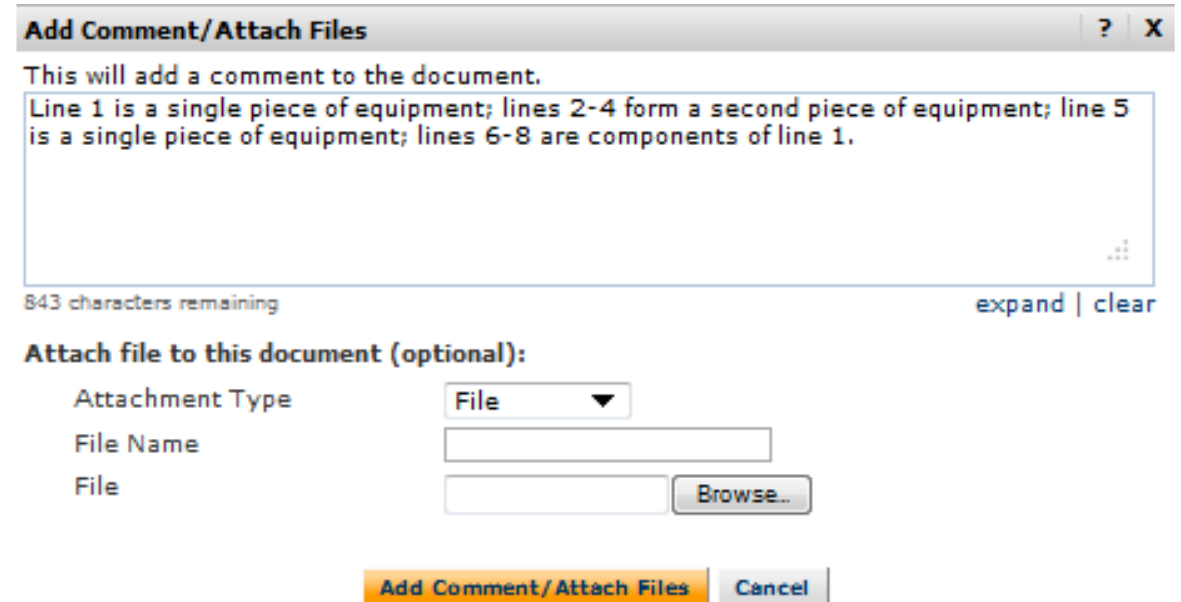
2. Click SAVE.

Equipment Information   ? X

Inventorial Equipment?	Yes ▾
Custody Code	8-3985-23456
Title Vests With?	UC ▾
Add-On to Asset Number	
Location/Building	8503
Room	1789A
Custodian	Boyle,Vaughn

Save   **Cancel**

Gateway Requisition – Multiple Equipment Orders

When ordering multiple items (especially of scientific equipment) on a single purchase order that includes multiple line items, it is very helpful if you indicate, under the COMMENTS tab, how the equipment will be configured.
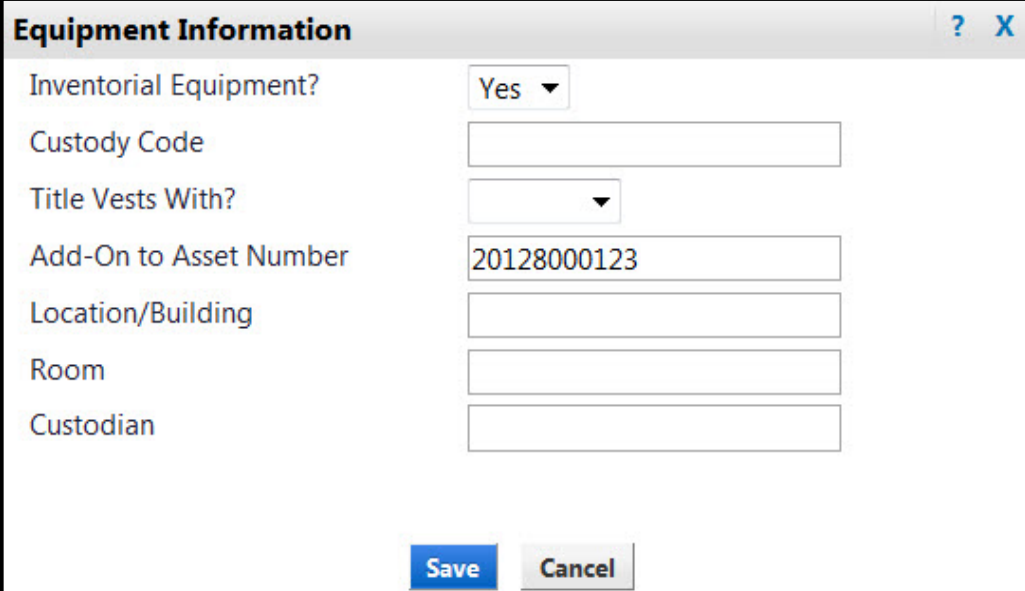
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Add-Ons

An add-on adds a component(s) to an existing asset, upgrading or extending its functionality. **Repair or replacement items do NOT count as add-ons.**

1. Click the EDIT button next to the **Equipment Information** subsection of the box and enter:

   a. Inventory Equipment?: Select **Yes** from the drop-down menu
   b. Custody Code, Title Vests with? and Location: not required (values are derived from the add-on asset number)
   c. Add-On to Property No.: enter the asset number of the existing piece of equipment – in this case, **20128000123**

2. Click SAVE.

Equipment Information	? X
Inventorial Equipment?	Yes
Custody Code	
Title Vests With?	
Add-On to Asset Number	20128000123
Location/Building	
Room	
Custodian	
	Save Cancel

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Fabrication – with Asset Number

1. Click the EDIT button next to the **Fabrication Information** subsection of the box and enter:

   a. <u>Fabrication</u>?: Select **Yes** from the drop-down menu
   b. <u>Fabrication Name</u>
   c. <u>Fabrication Property No.</u>: enter the asset number assigned to the fabrication if apply, in this case – **20138000123**
   d. <u>Fabrication ID No.</u>: Fabrication ID Number provided by Equipment Management.

2. Click SAVE.

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Equipment and Fabrication Object Codes

The following is the current list of inventorial equipment object codes. Each of these object codes has a corresponding non-inventorial object code, in the series 81nn.

Object Code	Description	Comments
9100	Inventorial Computer Equipment - $5,000 and greater per unit	Including Servers and Networking Equipment
9105	Inventorial Plant, Industrial, Grounds, Custodial and Household Equipment & Furniture - $5,000 and greater per unit	Including Furniture, Kitchen, Custodial and Housekeeping Equipment, Mowers and Landscaping Equipment, Engines, Pumps and Valves (non-scientific)
9115	Inventorial Motor Vehicles and Boats - $5,000 and greater per unit	Including drones
9120	Inventorial Scientific Equipment - $5,000 and greater per unit	
9125	Inventorial Medical Equipment - $5,000 and greater per unit	
9130	Inventorial IT Accessories and Peripherals and Instructional Equipment - $5,000 and greater per unit	Including Copiers, Printers, Scanners, Projectors, Screens, Speakers, Receivers, Radios and Other Audio/Visual Equipment
9135	Inventorial Equipment: Other - $5,000 and greater per unit	Including Art & Musical Instruments, Sports Equipment

- Object code 9610 is for purchased fabrication components.
- Object codes 9601-9603 are for various fabrication costs to UCSB recharge centers

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EIMR Form – Available Modifications

Transaction Type	Modification Type	Notes
Disposal	Cannibalized for Parts	
	Destroyed due to Accident (flood, fire, earthquake, malfunction, overboard at sea)	
	Direct Sale (Surplus Sales)	Requires proof of Surplus Approval submitted with ticket
	Lost/Unable to Locate	
	Scrapped	
	Theft	Requires attachment of Police Report
	Trade-in (not reported on requisition)	
Transfer	Intercampus	These options are for permanent, outgoing transfers only.
	Interdepartmental	
	Surplus Sales	Note in description field if you need a recharge pickup or prefer to deliver to Surplus
P.I. Transfer to Other Institution	No-Cost Transfer	These options are for permanent, outgoing transfers or sales only.
	Sale	
Loan (outgoing only)	Intercampus (exceeding 1 year)	To a department at another UC campus
	Intercampus Loan Termination	To report the termination of a loan to another UC campus
	Interdepartmental (exceeding 1 year)	To another UCSB department
	Interdepartmental Loan Termination	To report the termination of a loan to another UCSB department
	To non-UC Entity	To a non-UC agency or organization, or to a UCSB employee for off-campus use longer than 6 months, whether at home or abroad for research. Must be pre-approved.
	To non-UC Loan Termination	To report the termination of a loan to non-UC agency or organization, or UCSB employee off campus.
Borrow	Borrowed Status Termination	To report the termination of borrowed equipment only.

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Equipment Inventory Modification Request (EIMR)

EIMRs are used to record the acquisition of equipment in four situations:

1.	A granting agency or individual loans a piece of equipment to the University, during the course of the project or under other circumstances.	The DEPARTMENT prepares the EIMR and sends it to Equipment Management. Be sure to complete all necessary fields and attach a copy of the loan documents. This is critical because agencies do not always inform Equipment Management of loans; if the department does not, the asset is not added into the database and does not appear on any reports to the agency. Remember: the University is responsible for all loaned assets and must report them.
2.	An in-coming researcher brings inventorial equipment with him/her, at no cost (if UC pays for the equipment, a Purchase Order is issued).	THE DEPARTMENT prepares the EIMR, if the researcher is transferring from a non-UC; if the researcher is transferring from another UC, EQUIPMENT MANAGEMENT receives the EIMR from the originating campus and processes it.
3.	Title to equipment that originally vested with the awarding agency is transferred to the University at the end of the contract.	EQUIPMENT MANAGEMENT prepares the EIMR, after having received written authorization from the agency.
4.	The value of a fabrication crosses the $5,000 inventorial equipment threshold.	EQUIPMENT MANAGEMENT prepares the EIMR.

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Property Tag Distribution Report

PROPERTY TAG DISTRIBUTION REPORT

The property tags attached to this DISTRIBUTION SHEET are for the item(s) of inventorial equipment on this Purchase Order. When the equipment arrives, affix the property tag(s) to the corresponding piece(s) of equipment.

Write down the serial number(s) - if any - for entry into the ASSET INFORMATION UPDATE FORM. If any of the pre-printed information on this form (manufacturer, model number, building, room, custodian) is missing or incorrect, please also include it on the ASSET INFORMATION UPDATE FORM.

If this section is highlighted, the University does not hold title to the indicated item(s). Title vests with either the Federal Government, State of California or another external agency. In addition to affixing the UCSB property tag(s), please affix the additional non-UC title tags that are provided, in order to indicate clearly the non-UC title. If the Federal or other agency also provides you with its own tags, they must also be affixed to the equipment.

Department Name INST COLLAB BIOTECHNOLOGIES

Custody Code / Description 8-3830-59141   DCS CORPORTATION (DOD) APX03-S012 TASK ORDER 001 GR

Purchase Order Number GW0000116593

Asset Number	Asset Description	Manufacturer	Model Number	Serial Number	Asset Value	Building Number	Building Name	Room Number	Asset Custodian	Title	Alt Location
20158000425	Freezer-Lab, Upright, Isotemp, Ultra-low Temp, -86degC	Fisher Scientific	IU2886DRAK			8551	Psychology	3320		Federal	

NOTE: If title does not vest with UC, the third paragraph will be highlighted.

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