



Policy TITLE:	Accounting Policies and Procedures for Administration of Assistance Agreements: Property Management and Control
Policy NO.:	1-117
REVISION NO:	1.2
Program	Administration

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I. GENERAL

The NELAC Institute (TNI) may acquire, maintain, protect, use, and dispose of property required to perform its mission. TNI property may be used only for TNI business. For the purposes of this policy, property is defined as moveable items such as equipment with an acquisition cost of over \$5,000 and a useful life of more than one year.

TNI property includes:

1. equipment purchased by TNI, regardless of the source of funds used to purchase the equipment;
2. U. S. Government-owned equipment used by TNI;
3. property donated to TNI; and
4. property loaned or leased to TNI by outside organizations.

II. ACQUIRING PROPERTY

All purchases of equipment are made according to the Procurement Policy. All purchases involving Federal funds must comply with the guidelines of each assistance agreement, and be approved by the appropriate Project Leader. The purchase of equipment must be necessary, in accordance with the terms of the agreement, and comply with U.S. Government regulations. The Project Leader must complete all required government forms.

III. USE, MAINTENANCE, AND SECURITY OF PROPERTY

Normally all property should be used for the purpose originally intended. However, a piece of equipment acquired for use on a Federally sponsored project may sometimes be used elsewhere after the project ends. The terms of the agreement must be complied with.

A control system is used to insure adequate safeguards to prevent loss, damage, or theft of the equipment. Any loss, damage, or theft of equipment shall be investigated and fully documented; if

the equipment was owned by the Federal Government, the recipient shall promptly notify the appropriate sponsor.

Adequate maintenance procedures shall be implemented to keep the equipment in good condition.

IV. SPECIAL REQUIREMENTS FOR GOVERNMENT PURCHASED PROPERTY

The Project Leader for government-sponsored projects is responsible for:

1. initiating requests to acquire property or use restricted or government excess property;
2. the proper use, maintenance, and security of assigned property;
3. maintaining inventory records on all property; and
4. disposing of property according to this policy.

The title to property purchased using government funds remains vested in the Federal Government. TNI shall submit annually to each sponsor an inventory listing of federally-owned property in their custody. Upon completion of the award or when the property is no longer needed, the recipient shall report the property to the sponsor for further utilization.

TNI shall obtain written approval from the sponsor for the use of real property in other federally-sponsored projects when the recipient determines that the property is no longer needed for the purpose of the original project. Use in other projects shall be limited to those under federally-sponsored projects or programs that have purposes consistent with those authorized for support by the original sponsor.

When the real property is no longer needed, TNI shall request disposition instructions from its sponsor.

Any government property must be monitored for a minimum level of use as required by Federal Acquisition Regulations (FAR) Subpart 45.902-2 and OMB Circular A-110. A physical inventory of all government purchased property will be conducted every two years.

V. INVENTORY CONTROL AND REPORTING

The following information is maintained for each item of equipment:

1. name or description of item;
2. manufacturer, model number, and serial number;
3. location where equipment is assigned;
4. cost;
5. government code (designates government-owned equipment);
6. source of acquisition; and
7. disposition record.

VI. DISPOSITION OF PROPERTY

When an item of property is no longer useful, it may be traded in on new equipment, or disposed of, subject to the special conditions for government purchased property.

Additional Related Policies:

Accounting Policies and Procedures for Administration of Assistance: Procurement (Policy 1-113)

Accounting Policies and Procedures for Administration of Assistance: General (Policy 1-111)

Accounting Policies and Procedures for Administration of Assistance: Reporting (Policy 1-118)

Accounting Policies and Procedures for Administration of Assistance: Recording Direct Labor Charges (Policy 1-119)

Accounting Policies and Procedures for Administration of Assistance: Conflicts of Interest (Policy 1-120)

Policy Approved Changes

Revision No.	Date of Change	Description of Change
1.1	3-10-12	Larger policy split into individual polices. Updated format.
1.2	7-30-15	Changed "SOP" to "Policy" in Related Policies