

Boston College

Office of the Financial Vice President

Capital Equipment Policy

University Policy Overview

Equipment is an asset of the University that should be safeguarded and used for University programs and purposes. Equipment must be depreciated according to useful lives established by the University.

Purpose

The University must properly classify, safeguard and depreciate its equipment, and must abide by federal guidelines and the terms of grants and contracts with respect to the purchase, use and disposition of equipment.

Scope

This policy covers:

- items that should be classified as moveable equipment,
- requirements regarding the purchase of new equipment,
- rules governing the transfer, release or sale of equipment,
- requirements for maintaining the University's equipment inventory system,
- factors used in determining useful lives and in calculating the depreciation expense for equipment, and
- guidelines for locating and using University equipment off campus or at home.

Definitions

Equipment: For University purposes, equipment is tangible non-expendable University property that has an estimated useful life of greater than one year and a unit value greater than the minimum set by the University.

Questions of classification should be referred to the Office of the Controller, (Plant Accounting).

University Policy Detail

Purchase Equipment

1. Equipment is normally paid in full upon receipt and inspection. When warranted, the University Operating Department should work with Office of Procurement Services to ensure that extended payment terms are negotiated and documented with the vendor, in advance of the purchase. For example: Withholding twenty-five percent of the final payment until acceptable operations have been determined or for a specified duration of time (e.g. 3 months).
2. The purchase or lease of equipment is to be made only when there is an approved budget to cover such purchase or lease.
3. Principal investigators planning to purchase equipment using sponsored project funds should refer to the specific terms of the sponsored agreement and contact the Office for Sponsored Programs for any necessary advance approvals.
4. The purchase of equipment should conform to University standards, whenever possible.

Government-Owned Equipment on Loan to Boston College

1. All government owned equipment loaned to Boston College must be tracked on the University Fixed Asset System regardless of value. The PI and custodial department should notify OSP upon receipt of government owned equipment. OSP should send the necessary documentation to Plant Accounting to record and track the equipment in the University Fixed Asset System.

Transfer, Release or Sale of Equipment

1. The University permits the sale, transfer from one department to another, or release (with Administration approval) to another institution, of equipment to which the University has title.
2. Equipment funded by grants or contracts and no longer required by the principal investigator should normally be made available to another investigator or department of the University at no cost other than the cost to disconnect and move such equipment. Such equipment may be sold or released to another institution with the appropriate University Administration approval.
3. Equipment to which the University does not have legal title may not be sold, transferred or released to other institutions or third parties without the written approval of the owner.
4. This policy does not apply to the sale, transfer or release of items of equipment or accessories which were acquired with operating funds. Disposition of such items shall be at the discretion of the school or department officer.
5. Observe standard policies regarding the transfer of safety-critical equipment, and especially any possible need for safety clearance(s) prior to releasing any potentially contaminated equipment for repair, service, transfer, or disposal.

Responsibility

1. The school or department officer should ascertain that the sale, transfer or release of equipment is satisfactory to the school or department.
2. The Office for Sponsored Programs is responsible for determining the rights of any sponsor; that the title to the property rests with the University; and that there are no limitations upon the University's right to dispose of the equipment.
3. Plant Accounting and the Office of Procurement Services shall be responsible for all aspects of an actual *sale* of a piece of equipment, including the negotiation of price. The Office for Sponsored Programs is responsible for executing the instrument of *transfer of title* (not involving a sale) of equipment to other institutions.

Transfer of Equipment to External Parties

In general equipment purchased with funds from a sponsored project account, becomes the property of Boston College when it is delivered. There are, however, some sponsored agreements under which the sponsor retains title to any equipment purchased with sponsor funds. When a faculty member or principal investigator moves to another institution, and requests transfer of equipment to a new institution the following standards will apply:

1. If an active grant is being transferred to another academic institution, then equipment purchased on that grant will be transferred to the new institution.
2. Equipment funded by a grant which is no longer active will be released only if department chair

certifies that the equipment is not needed by other Boston College investigators to complete research at Boston College.

Equipment purchased with University funds (such as Capital Equipment Pools, Capital Appropriations or departmental funds) must remain at Boston College, unless the department chair certifies that it is of no use to anyone here. In that case, it may be transferred to the new institution. In some cases the new institution will be asked to pay a fair market value for the equipment.

This policy covers all types of equipment, including laboratory equipment, office equipment, computing equipment, etc. A detailed list of equipment approved for transfer by the department chair must be submitted to Plant Accounting for approval. The list must show the source of funds used to purchase each item of equipment. Plant Accounting will forward the approved list to the Office for Sponsored Programs, who is responsible for:

- determining if Boston College or the awarding agency holds title to the equipment, and
- completing the documentation required by Boston College and the awarding agency for release or transfer of title.

In all cases, the policy of the granting or contract agency concerning the transfer of equipment will supersede University policy.

Maintenance of an Equipment Inventory

1. The University is required to maintain an accurate inventory of its equipment. In addition, federal regulations require that a complete equipment inventory survey be taken every two years or some other method to verify the existence of the equipment should be undertaken annually.
2. It is the responsibility of the Office of the Controller, Plant Accounting to maintain a Moveable Equipment Inventory which lists all equipment by department.
 - Departments are to notify Plant Accounting of any change in status of the equipment. A move from one laboratory to another within the same department is not considered a transfer for purposes of the equipment inventory.

Useful Life and Depreciation

1. Plant Accounting is responsible for establishing the estimated useful life of equipment as set forth in this section. A list of useful lives by class of equipment may be obtained from the Office of the Controller, Plant Accounting.

Off-Campus Use of Equipment

1. Individuals traveling on University business or performing University business while at home are responsible for the care and proper use of any equipment (e.g., laptops, etc.) that they may take with them to use for University business purposes.
2. Equipment may only be located in non-University space if the department chair or director has approved its off campus location, and the equipment has the standard Boston College issued capital asset tag (for equipment that meet the capitalization threshold) affixed to it. The department business manager must maintain a record of the location of such equipment in the official equipment inventory
4. Without advance authorization for off-campus use of University property, the employee will be personally responsible for the full cost of repair to or replacement of damaged, destroyed or lost property and for any injuries to others, or damage to the property of others resulting from the off-

campus use of University property. With advance authorization, and provided the equipment is used in accordance with instructions for proper use, the University's insurance would pay for any loss of or damage to the equipment, and any injuries to others or their property. The department would assume the Office of Risk Management's deductible allocation.

5. Under no circumstances will the University be liable for any loss or damage to the University property, property of others, or for any injuries to any persons if such loss, damage or injury resulted from the failure of the user to use the equipment in the manner in which it was intended, or to follow all instructions for proper use.

Disposal of Equipment

Departments are responsible for the equipment they acquire. This includes the proper disposal of equipment. Written departmental approval must be given before the equipment can be disposed of.

The Office of the Controller, Plant Accounting must be notified of plans for the disposal of a Capital Asset before its final disposition. This may be done via e-mail. The notification must include:

- 1.) the bar code number
- 2.) description, model and or serial number
- 3.) department, location and owner
- 4.) reason for the disposal
- 5.) the recommended method for removal from the university (sale, transfer, donation or trash)

Plant Accounting will initiate the disposal process, approve the request or make the department aware of any disposition limitations.

Discarding of assets should be done in an environmentally responsible fashion. Common items such as computers and refrigerators may be considered regulated waste and/or require special handling. Contact the Office of Environmental Health and Safety for guidance.

Equipment purchased with grant and contract funds must follow the guidelines as stated previously in section "Transfer, Release or Sale of Equipment". This includes consultation with Plant Accounting, Office of Sponsored Programs and the Office of Procurement Services.