

### **III. RESPONSIBILITY OF THE HEAD OF THE CUSTODIAL DEPARTMENT AND THE PRINCIPAL INVESTIGATOR**

#### **A. RESPONSIBILITY**

The head of the custodial department and the Principal Investigator have primary responsibility for the care, maintenance, physical inventory, control, and disposition of inventorial equipment and other University or extramurally-funded property. They must maintain up-to-date departmental records that reconcile to the official records maintained by the Equipment Management Office, and if an award is involved, fully inform the Equipment Management Department as to all provisions of each award document regarding the care, custody, maintenance, records, control, and all transactions involving said property so that the Equipment Management Department may properly carry out its functions regarding inventorial equipment.

#### **B. LOCATION OF EQUIPMENT**

The location of each item of inventorial equipment shall be noted in the departmental records. Current records as to movement of equipment shall be maintained in such a manner that any item of equipment can be located for inspection or inventorial purposes within a reasonable time. The custodial department is responsible for insuring that the Equipment Management records reflect the current building location and room number of inventorial equipment.

#### **C. PHYSICAL SECURITY**

The head of the custodial department and the Principal Investigator shall make adequate provision for the physical security of the materiel in their custody. Areas containing equipment shall be kept locked after business hours or at other times when not in use. Special precautions shall be taken in the case of high value, portable equipment.

#### **D. DOD and NASA EQUIPMENT SCREENING**

These provisions apply only to DOD and NASA contracts.

##### **1. Department of Defense Industrial Plant Equipment (IPE) With a Cost of \$15,000 or More**

Prior to acquiring IPE having an item acquisition cost of \$15,000 or more, the DOD IPE Requisition (DD Form 1419) shall be submitted via the Property Administrator to the Defense IPE Center to ascertain whether existing re-allocable government-owned equipment can be utilized. If the requested equipment is numerically controlled, DD Form 1342, Section VI (page 2), shall be prepared and submitted with the DD Form 1419. No acquisition of any listed item shall be made until a Certificate of Non-Availability is received from the Defense General Supply Center (DGSC).

When warranted by the urgency of the situation, requests for screening may be submitted to the Property Administrator by whatever means determined expedient.

If DGSC does not have the item available, or cannot furnish the item within the time specified by the requester, DGSC will furnish a statement of non-availability including a certificate number. This statement will be the official Certificate of

Non-Availability and will confirm that the plant equipment item has been screened against the idle inventory.

2. DOD Automatic Data Processing Equipment with a Cost of \$25,000 or More

A proposed acquisition of Automatic Data Processing Equipment (ADPE) costing \$25,000 or more shall be submitted on Form DD 1851 via the Property Administrator to the Director, Defense Automation Resources Management Program Center.

3. NASA Equipment Screening

NASA contracts may require submission of DD Form 1419, DOD Industrial Plant Equipment Requisition. This is generally required when the project needs to obtain commercially available equipment capable of stand-alone use that will be government titled but is not listed as a specific deliverable in the contract.

E. UTILIZATION OF PROPERTY

1. When Title Vests in the University

Any property identified as not needed should be processed for disposal. In addition, every two years, the head of the custodial department shall review the use of University property in the custody of that department. Any equipment with a fair market value greater than \$10,000 which is available for shared use or is temporarily or permanently not needed shall be reported to the Equipment Management Department for inclusion in a list of excess material. This list shall be screened by the Equipment Management Department and the Materiel Management Department against local campus needs prior to being circulated to all campuses for the purpose of utilizing University property to the fullest extent (Reference [BUS-38](#)).

2. When Title Vests in the Government

The head of the custodial department and the Principal Investigator shall restrict the utilization of property acquired for use under a specific award to the purposes of the award. Precise current records of the authorized and current use of property shall be maintained. Current property needs shall be periodically reviewed so that excess items may be identified. The Principal Investigator shall report immediately to the Contract and Grant Officer, or other Chancellor's designee, who will then report to the contracting officer property for which retention is not justified. When it is desirable to use the property on another award, the Principal Investigator shall secure prior written approval from the contracting officer for such use.

3. Recording Equipment Utilization

Inventory records are to include equipment utilization and the date reported. (Utilization calculations may include the custodial department's requirements for immediate availability for use as a factor in the utilization figures indicated.) It is a campus option to record this information in the database. However, the custodial department shall indicate utilization on the Annual Register of

Inventorial Equipment or equivalent document, when the listing is reported to the Equipment Management Department.

F. STORAGE AND MOVING

When inventorial equipment is temporarily idle but required for authorized future use, it must be stored in accordance with sound business practices with adequate protection from corrosion, contamination, and damage to sensitive parts. Sludge, chips, and cutting oils shall be removed from equipment. Notation of the storage location shall be made on the records. The equipment must be adequately protected while being moved. This entails proper packing, covering, skidding, handling equipment techniques, and safety precautions. Government equipment may be moved to off-campus sites only with the prior approval of the Property Administrator. A shipping document, transfer document, or instrument must be obtained.

G. SEGREGATION AND COMMINGLING

The physical separation of government property from University property is strongly encouraged. However, when it is consistent with the best use of said property in carrying out the terms of the award, the property may be commingled but approval must be secured from the Property Administrator prior to commingling. This provision does not modify the requirement for identification and recording of the government equipment.

H. CARE AND MAINTENANCE

1. Inventorial Equipment When Title Vests in the University

The custodial department shall provide the care necessary to maintain the equipment in the condition received or better, normal wear excepted, in order that the expected useful life is met or exceeded.

Equipment records are to show equipment condition and the date reported based on the condition codes defined in section C. below. The custodial department shall indicate the condition code and date recorded on the Annual Register of Inventorial Equipment or equivalent document, when the listing is returned to the Equipment Management Department.

2. Inventorial Equipment When Title Vests in the Government

The custodial department shall provide the care necessary to maintain the equipment in the condition received or better, normal wear excepted, in order that the expected useful life is met or exceeded. The maintenance program shall be preventive in nature, providing lubrication, cleaning, calibration, and inspection on a regular schedule. Records of the maintenance program shall provide the description and date of maintenance actions performed, and details of inspection and deficiencies discovered or corrected, as well as equipment condition recorded based on the condition codes defined in section C. below. It is a campus option to record this information in the database. However, the custodial department shall indicate the condition code and date recorded on the Annual Register of Inventorial Equipment, when the listing is returned to the Equipment Management Department. With respect to government property such records are made available to the Property Administrator. Prior to effecting any major repair

or rehabilitation at cost to the government, the written approval of the Property Administrator must be obtained.

As stated in Contract and Grant Manual, [Part 15-310](#):

*The head of the custodial department [i.e. the department that has custody of the equipment] and the principal investigator have the primary responsibility for the care, maintenance, records, physical inventory, and control of inventorial equipment and other University or extramurally-funded property. They must maintain up-to-date departmental records and, if an award is involved, initiate such forms as are necessary to fully inform the Equipment Management Department as to all provisions of each award document respecting the care, custody, maintenance, records, control, and all transactions involving said property so that the Equipment Management Department may properly carry out its functions respecting inventorial equipment.*

3. Condition Code

A two-character alphanumeric code is to be used for recording equipment condition, e.g., E1 = used, reconditioned, excellent.

First Character	Second Character
N – new	1 - excellent
E - used, reconditioned	2 - good
O - used, without reconditioning	3 - fair
R - repairs needed	4 - poor

I. REPORTS

When special reports covering equipment are required by the extramural sponsor, and/or requested by the Equipment Management Department, the Principal Investigator or head of the custodial department shall furnish whatever descriptive and operating technical data may be necessary to enable the Equipment Management Department and other departments involved to meet the reporting requirements.