

UNIVERSITY OF DAYTON
AND
UNIVERSITY OF DAYTON RESEARCH INSTITUTE
Property Policies and Procedures

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**UNIVERSITY OF DAYTON AND UNIVERSITY OF DAYTON
RESEARCH INSTITUTE**

Property Policies and Procedures

Exhibits

- A. DD Form 1342 – DoD Property Record
- B. Notice of Government-Project Constructed Property
- C. Notice of Industry-Project Constructed Property
- D. Notice of UDRI Owned-Project Constructed Property
- E. Equipment Change Form
- F. Confirmation of Receipt of Government Property
- G. Property Loan Release/Receipt Document
- H. Report of Loss, Damage, Destruction
- I. Shipping Order/Return Authorization Form
- J. Utilization and Maintenance Log

1. GENERAL

The policies and procedures in this manual have been implemented by the University of Dayton (UD) and the University of Dayton Research Institute (UDRI) for all accountable property. Accountable property includes Government-furnished property and contractor-acquired and University-acquired articles of non-expendable tangible personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit (FAR 45.101 and OMB A-21, Part J.18.a(2)).

1.1 GOVERNMENT PROPERTY

When research and development are conducted under Federal Government sponsorship, the University agrees to maintain control over all Government property in accordance with Federal Acquisition Regulations and supplemental regulations as required by individual agencies (FAR 45.103, 45.105, 45.106, 45.107, 45.502).

1.2 LIABILITY

The University may be liable for shortages, loss, damages or destruction of Government property in its possession (FAR 45.104).

1.3 PROPERTY IN POSSESSION OF SUBCONTRACTORS

The Property Administrator (PA) is responsible for overseeing the use of Government property in the possession of subcontractors to ensure conformance to Federal Acquisition Regulations (FAR 45.103, 45.502).

1.4 SYSTEM AUDITS

UD will cooperate in Government audits of its Property Records Management System and make records and correspondence available upon request (FAR 45.105).

1.5 DEPRECIATION AND USE ALLOWANCE

Use allowance for equipment is in accordance with OMB A-21, Section F-2.

2. ADMINISTRATIVE RESPONSIBILITIES

The Property Administrator (PA) and Assistant Property Administrator (APA) assess University property policies and procedures annually. The PA and APA discuss the state of property system(s), resources, and processes as needed in the interim periods. The outputs become action items, improvement opportunities or long term goals. The Property Records Office and inventory records are subject to Financial Statement Audits and A-133 audits by the University's external audit firm.

2.1 PROPERTY ADMINISTRATOR (PA)

The University Property Administrator (PA) is also the UDRI Purchasing Agent.

The Property Administrator is responsible for supervising the acquisition of all property and its authorized use. The PA is also responsible for creating and maintaining records, identifying property, and submitting such reports as may be requested and required by UD, UDRI, or agencies that sponsor property acquisition (FAR 45.103,45.105,45.502).

The Property Administrator also must be aware of the insertion of applicable property clauses in prime contracts and subcontracts (FAR 45.107).

Responsibility for all property transactions rests with the Property Administrator. No actions can be taken regarding property without advance authorization of the Property Administrator or delegate.

2.2 ASSISTANT PROPERTY ADMINISTRATOR AND PROPERTY RECORDS CUSTODIAN

The Assistant Property Administrator (APA) and the Property Records Custodian (PRC) are members of the UDRI Purchasing/Property Records Management Office staff.

The APA and PRC are responsible for creating and maintaining property records, clearing payment of property invoices for both UD and UDRI Purchasing offices, and for affixing suitable identification to property.

2.3 UDRI SUPERVISORS, ACADEMIC DEANS, DEPARTMENT CHAIRS AND PROGRAM DIRECTORS

The individual responsible for each laboratory, office, and /or related area shall see that all property in his/her area is adequately protected from theft or abuse and that operating personnel are instructed in the proper use of equipment (FAR 45.104).

2.4 FOCAL POINTS OF CONTACT

One person in each laboratory, office, and/or related area is designated by the appropriate UD supervisor, academic dean, department chair, or program director as a Focal Point of Contact (FPC) to assist in property control.

3. ACQUISITION PROCESS

3.1 PURCHASE REQUEST (PR)

To begin the property acquisition process, a properly completed purchase request (PR) must be submitted to the appropriate Purchasing Office. See UDRI Purchasing Policies and Procedures, Section 5.

3.2 PRE-ACQUISITION SCREENING/CONSENT

Prior to acquisition, all property/equipment in excess of \$100,000 is subject to advance screening by the UD and/or UDRI Purchasing Agent; i.e., a search of existing UD property to prevent duplication.

Because individual agencies/sponsors have different screening requirements for procurement of accountable equipment, each sponsor's regulations must be considered. Some equipment acquisitions are subject to advance screening and Consent to Purchase from the Administrative Contracting Officer (ACO). See UDRI Purchasing Policies and Procedures, Section 5.B. (DoD FAR Supplement 245.302-1).

3.3 PURCHASE ORDERS/RECEIPT OF PROPERTY

Only the UDRI Purchasing Agent is authorized to obligate the Research Institute for UDRI activated purchases. Property shipments are to be directed to the person or location designated on the purchase request. Property correspondence is to be directed to:

Property Administrator
University of Dayton Research Institute
300 College Park
Dayton, Ohio 45469-0106

The PA will furnish records for contractor-acquired Government property when requested. Receipts for Government-furnished property will submitted to the ACO immediately upon receipt (FAR 45.107).

4. PROPERTY CONTROL

4.1 RECEIVING AND INSPECTION

Incoming orders are delivered to the University's Central Receiving (CR) area and are later distributed to the person or location designated in the Purchasing database. CR personnel will perform a limited inspection of the materials/property received. This inspection will include a check for evidence of outward damage and comparison of the packing slip or receipt document against the Purchasing database or other acquisition documents to ensure receipt of correct items and quantity ordered/shipped. CR does NOT unpack complex or delicate orders for close examination or to count large quantities of items.

If there is observable in-transit damage to an order, all paperwork and packing materials are saved so a damage claim can be filed. Claims for in-transit damage must be filed with the carrier within 10 days following delivery.

Packing slips for shipments are promptly returned to the appropriate Accounting office. The packing slip is maintained with the appropriate acquisition document(s) by the applicable Accounting Office as evidence of receipt. If the receipt completes the acquisition, the documents will be moved from the due-in file to a completed file. This completed file is the basis for property records for materials.

After processing, item(s) are delivered to the order initiator. Large shipments or heavy items usually are delivered directly to the laboratory or work area where they will be used/installed (FAR 52.247-14). The initiator/requisitioner is responsible for opening and inspecting orders immediately upon delivery. In the event an order has been received but is incorrect, the item(s) received do not function properly, or the item(s) do not meet specifications it may be desirable to withhold payment of the invoice. Both warranties and returns may be affected by delay. The appropriate Accounts Payable Office should be notified immediately of problems with an order.

If shortages, incorrect or inoperative item(s) are evident, return procedures should be initiated immediately (FAR 45-107). See Sections 5 and 6 in this manual; UDRI Purchasing Policies and Procedures, Section 9.4 and 9.5; or UD Purchasing Policies and Procedures, Exhibits K and N.

After examination/installation by the initiator proves the item(s) to be as ordered in good working condition and satisfactory to the purpose for which ordered, the initiator/requisitioner returns the packing slip to the appropriate Accounts Payable Office for filing.

4.2 MISDIRECTED SHIPMENTS

If a shipment of Government property is misdirected to University of Dayton, the recipient shall, upon authorization of the Property Administrator (PA) or delegate, submit the following information to the ACO, together with a request for return funding authorization:

- Shipping document or bill of lading
- Origin of shipment

- Content per shipping document
- Location
- Disposition

A copy of the above documentation shall be filed in the Property Records Management Office (FAR 45.107).

4.3 INVOICES

All invoices should be addressed to the appropriate Accounts Payable Office. Invoices determined by the UD or UDRI Accounts Payable offices to include accountable property are directed to the Property Records Management Office. The PRC or delegate will contact the initiator/requisitioner for approval to pay the invoice. This approval is contingent upon examination and/or installation by the initiator/requisitioner and proves the item(s) to be as ordered, in good working condition and satisfactory to the purpose for which ordered.

When the invoice is cleared for payment, the PRC will activate a computerized property record (see Section 4.4). The PRC will note the appropriate information on the invoice. Two copies of the invoice containing the property record information are made: one is retained for primary property records files, and one is sent to the cognizant Focal Point of Contact (FPC) for his or her records. The original is returned to the appropriate Accounts Payable Office for payment.

4.4 PROPERTY RECORDS

Records are maintained for all UD accountable property (FAR 45.105, 45.107).

A. Property Records Management Database

All active property records are maintained electronically. A separate property record is prepared for each item of UD accountable property from information contained on the invoice or other transfer documentation and entered in the property records management database. UDRI property records are filed and can be identified by account/contract/bar code numbers. A distinction is made between contractor-acquired and Government-furnished equipment. UD property records are similarly filed and can be identified by expense account/bar code numbers.

B. Location Code

A unique location code is assigned to each laboratory, office, and/or related area to facilitate property control. An individual at each location is designated Focal Point of Contact (FPC) to maintain limited property records and serve as primary source for information regarding current status of equipment assigned to a specific location. It is possible that more than one location may be assigned to a particular FPC. The Property Records Management office provides an inventory list by location code to each FPC annually, or as requested, as a control aid (FAR 45.107).

C. References/Audit Trail

Each property record in the property records database contains information required by the Federal Acquisition Regulation (FAR 45.107) plus other information that is of value. The property record for contractor-acquired equipment references the contract from which funds were utilized and the PO number. Property records for Government-furnished equipment also references the contract under which the equipment was obtained; however, "GFE" is entered instead of a PO number. Upon request, an audit trail can be generated listing all actions affecting each item of property on record.

D. Government Furnished/Contractor Acquired Equipment

For all accountable items, shipping/transfer documents are confirmed and items verified. After initiation of the property record, the shipping/transfer document for Government furnished property is placed in the appropriate contract correspondence file stored in the Property Administrator's office. As needed, a control number listing can be generated for UD property files.

E. Government Furnished/Contractor Acquired Materials

Materials furnished by the Government or acquired by UD are documented by evidence of acquisition and receipt (issue/receipt document or packing slip). See Section 4.1.

F. Materials Consumption

Government furnished/contractor acquired materials are issued directly to the initiator/user so as to be considered consumed under the contract (FAR 45.107).

G. Defense-Owned Industrial Plant Equipment (IPE)

The PA or delegate will generate a DD Form 1342 (Exhibit A) for Defense-Owned Industrial Plant Equipment (IPE) valued at \$15,000 or more. The form is sent to the ACO (DoD FAR Supplement 245.505-5, 245.505-6). One copy of the DD 1342 is placed in the appropriate contract correspondence file.

The DD Form 1342 and the subsequent property record will list the Federal supply code an classification, manufacturer's model or part number, serial number and year manufactured (if available), Government identification/tag number, acquisition and disposition document references and date(s) .

H. Lab-Constructed Equipment

Property records are not maintained for parts or components of lab-constructed equipment/systems regardless of unit cost. When the construction/development is completed, and upon receipt of a Notice of Constructed Property (Exhibits B, C, and D) from the responsible person, the Property Records Management office assumes accountability on the equipment/system based on the entire price. Notification of completion of a lab-constructed system is made to the ACO as necessary (FAR 15.407-2).

4.5 IDENTIFICATION

Accountable items of Government-owned property are tagged to indicate ownership and are assigned control number tags identifying the Government sponsor; e.g., USAF0023-0003. If a sponsor identification tag is affixed to the item, this may be used instead of a UD assigned control number. A bar code tag is also used. NOTE: Dual tagging of Government-owned property will continue until a UDRI bar code tag identification system acceptable to the ACO is adopted.

UD accountable property is bar coded for identification purposes: no control number is assigned or affixed.

A. Government Furnished/Contractor Acquired Equipment

Control number tags identify Government-furnished and contractor-acquired (under Government contract) equipment for which UD is held accountable even though title rests with the Government. Control numbered equipment is subject to:

- Transfer of accountability to another Government contract (follow-on or related).
- Transfer of accountability to the contract sponsor.
- Transfer of title to UD. Red tags identify former Government property for which title has been transferred to UD.
- Transfer of title to subcontractor.

B. UD Acquired Equipment

Bar code tags identify property purchased with University funds. Title is retained by UD.

C. Identification Tag Source

Bar code, black, and red tags are provided by the PRC. NOTE: the Property Records Management office also has a supply of tags showing UD or UDRI ownership of non-accountable equipment available upon request. These tags are suggested for use on pilferable items such as calculators, tools, etc.

D. Defense-Owned Industrial Plant Equipment (IPE)

Defense-Owned Industrial Plant Equipment (IPE) may have an additional diamond-shaped tag with an identifying number affixed by the Government prior to receipt.

4.6 INVENTORIES/REPORTS

Inventories of accountable property are conducted and submitted by the APA under the supervision of the PA (FAR 45.107).

Inventories are the basis for reconciling property records, auditing primary and secondary property records, and assessing the need for continued use of equipment. A listing identifying any discrepancies disclosed by physical inventories accompanied by a signed

statement declaring that a physical inventory of all Government property was completed on a given date will be provided to the Government Property Administrator upon request (FAR 45.105).

If Government property is no longer required for performance of a contract, the PA or delegate shall take steps to transfer or gain relief of accountability for said equipment.

A. Conducting Biennial Physical Inventory

The property records clerk (PRC) establishes a master schedule each year for scheduling physical inventories of each University department. The schedule lists dates and times for the inventories based on the size and complexity of the inventory. One week prior to the scheduled physical inventory, the PRC sends an e-mail notification of the date and time scheduled for the upcoming inventory to the focal point of contact (FPC) for the department. Also attached to the notification is a cover letter stating details of the inventory and a spreadsheet listing the department's fixed assets. On the designated date, time, and location, the PRC and the FPC verify and update the location and status of all fixed assets assigned to the department. Following the inventory, the PRC updates the Inventory Fixed Asset System to reflect any changes noted during the inventory.

B. Conducting Biennial Inventory Audit

The property records clerk (PRC) establishes a master schedule each year for scheduling inventory audits of each University department. The schedule lists dates and times for the audits based on the size and complexity of the inventory. One week prior to the scheduled physical inventory, the PRC sends an e-mail notification of the date and a deadline by which the FPC shall complete the inventory audit. Also attached to the notification is a cover letter stating details of the audit and a spreadsheet listing the department's fixed assets. The FPC is responsible for reviewing and updating the listing of fixed assets and then returning it to the PRC. The PRC will then reconcile the department list with the information in the Inventory Fixed Asset System to reflect any changes noted during the audit.

C. Inventory Reports

After the physical inventory and inventory audits are completed and reconciled, the Property Records Clerk submits an Inventory Report to the Focal Point of Contact that summarizes the findings of the inventory and contains the following specific information:

- Total inventory items
- Total inventory items counted
- Total inventory items missing
- Total inventory items re-allocated
- Total inventory items retired
- Total inventory items physically located in other areas
- Result percentage

D. Ad-hoc Inventories

Ad-hoc inventories are conducted and submitted as requested but usually not more frequently than once a year.

E. Final Inventories

Final inventories are conducted and reports submitted to the ACO at the termination of Government sponsored awards (FAR 45.600). Inventories also may be required and will be conducted for other awards as necessary.

F. Annual Government Property Reports

The University's property control system can provide an annual acquisition cost report by type of property. This report will be prepared by the PA and submitted on DD Form 1662 or NASA Form 1018 as of September 30.

4.7 TRANSFERS OF PROPERTY

A. UD-Owned Property

Transfer of UD-owned property is accomplished by completing an Equipment Change Form (Exhibit E).

B. UDRI Accountable/Government Owned Equipment

All transfers of Government property must be authorized by the ACO and are reflected/accomplished by supporting documentation; e.g., property records, correspondence, and shipping records. Requests for transfer or release/receipt of equipment to/from the contract sponsor must be referred to the PA to secure approval and obtain appropriate documentation. The applicable entry (deletion/addition) is made to the corresponding property record within the property records database. A copy of the transfer documentation is placed in the applicable contract correspondence file.

If Government property is delivered to UDRI without documentation, the recipient should notify the PA. After a reasonable period, the PA confirms transfer/receipt to the ACO by using the Confirmation of Receipt form (Exhibit F) designed for this purpose.

Deliverables. Items of equipment specifically identified in a contract, grant, etc., as "deliverables" to the sponsor may be delivered upon completion of the contract, or before as required (FAR 45.401, 45.402).

Relief of Accountability. Relief of accountability for items transferred to contract sponsors is requested by letter in the absence of other documentation (FAR 45.107).

Transfer of Title. In accordance with (FAR 35.014 and USC 31-6306) when title is transferred from the Government to UD, the Government tag is replaced by a red UD ID tag. The equipment usually continues to be used on Government-sponsored research as before. The Government holds first priority for use of such property.

4.8 LOANS

Internal temporary loans of all property are made on an Equipment Change Form (Exhibit E). A copy of the form is forwarded to the Property Administrator.

For loans of equipment made to organizations other than the University of Dayton a Loan Release/Receipt Document is used (Exhibit G). The following is noted on the Release/Receipt Document:

“Borrower assumes full liability for this property and will return it in good working condition.”

The Property Administrator must subsequently be notified upon return of the previously loaned equipment/property to the custody of UD.

4.9 EQUIPMENT DISPOSITION

It is the responsibility of the Property Administrator in conjunction with the Principal Investigator and FPC to determine when property becomes idle or when further use is not anticipated. Disposition of property is governed by individual contract terms. For Government-owned equipment the University requests disposition instructions from the Federal sponsoring agency (OMB A-110, N-3.c, FAR 35.014 and FAR 45.401, 45.402).

A. Determination of Excess

Where there exists no further contractual use or authorization, property is listed on appropriate schedules (as determined by the Property Administrator and the Plant Clearance Officer) in accordance with FAR 45.600. Disposal methods may allow property to be retained by UD, returned to suppliers (for reimbursement less restocking fees), screened for reutilization, donated to eligible donees, sold, donated to public bodies, abandoned or destroyed (FAR 45.600).

B. Submission of Inventory Schedules

Upon determination by the Property Administrator, FPC or responsible individual that property exceeds contractual authorization or need, the Property Administrator or delegate shall be notified as required. The Property Administrator is responsible for preparing inventory schedules as required. The Property Administrator shall execute the certification (included on the inventory schedule) and submit the schedule(s) to the cognizant Government Property Administrator for further processing (FAR 45.602-1).

C. Related Costs

Transportation costs for screened property which is selected by another Government agency will be paid by the Government agency (transferee). Related costs (packing, crating, preparation, loading, etc.) are chargeable to the contract and these costs may be included in the settlement proposal (FAR 45.602-4). Upon shipment of selected items all historical records (drawings, technical manuals, use and maintenance logs, etc.) shall be shipped with the property.

D. Sale or Return

In the event excess property is authorized to be returned to the supplier or sold, the UD Accounting office is notified and proceeds shall be credited to the United States Treasury or to the price or cost of work (FAR 45.604-4). As necessary, the purchaser is responsible for demilitarization in accordance with DoD Manual 4160.21-M-1. Property may not be removed until demilitarization is approved by the Property Administrator or delegate and the cognizant Government representative (DoD 245-7102-6(b)(ii)).

E. On-Site Abandonment

Excess property which cannot be reutilized or disposed of will be deemed salvage or scrap and may be abandoned on-site with the Property Administrator's approval (FAR 45.604.2).

F. UD-Owned Property

Accountable items of UD-owned property that will be traded in on new equipment, disposed of for salvage or as scrap, or for which individual identity has been lost because of integration as part of a major item of equipment are to be deleted from the property records by completion of an Equipment Change form (Exhibit E).

4.10 INTERNAL RELOCATION/MOVEMENT OF EQUIPMENT

The FPC or delegate is to be immediately notified in a timely manner of permanent or long-term (longer than one month) relocation of equipment by the initiator/user. The FPC must complete an Equipment Change form (Exhibit E). One copy is kept for the FPC's records and one is sent to the Property Administrator to update the applicable property records.

Temporary or short-term (less than one month) relocation or movement of equipment does not require completion of an Equipment Change form, but the initiator/user is responsible for locating equipment under his or her care in a reasonable period of time (within one business day or eight hours).

4.11 LOSS, DAMAGE, AND DESTRUCTION OF PROPERTY

The FPC will investigate and report (Report of Loss, Damage and Destruction, Exhibit H) to the Property Administrator in all cases of loss, damage or destruction (LDD) of Government property in its possession or control as the facts become known or when requested by the Property Administrator. The Property Administrator will promptly investigate and report findings to the Government Property Administrator (GPA) (FAR 45.107).

If it is suspected that missing property may be due to theft, the FPC or person assigned responsibility shall request immediate investigation by Campus Public Safety Office or, if property is located at a Government installation, the FPC request for investigation will be made to the activity's security police.

Minimally, any person who wishes to relocate or observes missing equipment should immediately contact the APA or PRC at (937) 229-3822 with the request/report.

4.12 PROPERTY RECORDS ADJUSTMENTS

Prior to final disposition of property (except when UD retains title) the UD bar code and control number tags are removed by the Property Administrator, FPC, or responsible individual and returned to the Property Records Management office. Copies of disposition documentation will be given to the FPC.

Original disposition documents will be used as source documents to post changes to the automated property records database. Records will reference disposal and appropriate document number(s) and date(s). Original disposal documentation will be maintained by the Property Records Management Office in the appropriate contract correspondence file.

Contract correspondence and associated property records documents will be retained for a minimum of four (4) years after contract close-out or documentation (FAR 4.705-3 (a-g)).

4.13 SUBCONTRACTOR PROPERTY

Subcontractors possessing or controlling property are required to account for and manage such property in accordance with FAR 45.

4.14 SPONSORED AWARD PROPERTY CLOSE-OUT

When federal awards are due to expire, the PA, APA, or delegate shall promptly perform a final inventory of all accountable property (Government furnished, contractor and subcontractor acquired equipment). The PA or APA will make inquiries to determine the desired or approved disposition. If necessary, the PA or APA will investigate, report, and secure closure of all loss of Government property. The PA or APA will request final disposition instructions from the ACO.

Upon receipt of final disposition instructions, the APA will complete the contract close-out process in a timely manner showing how the instructions were carried out. A final DD Form 1662 will be provided to the ACO to document award closure (FAR 52.245-1 (f) (1) (x)).

Contract correspondence and associated property records documents will be retained for a minimum of four (4) years after contract close-out (FAR 4.705-3 (a-g)).

5. SHIPPING POLICY

Shipping Order/Return Authorization Forms (Exhibit I) are available from the appropriate Accounting office or Central Receiving. Items to be shipped may be delivered, together with a completed Shipping Order, to Central Receiving. The FPC should maintain the goldenrod copy of this documentation.

If the initiator has had personal contact with an organization representative that person's name, title, and telephone number shall be noted. It is also helpful to note the pertinent information about that contact on the form. Adequate packing, particularly of delicate items, should be accomplished by the initiator. Costs are chargeable to the account indicated on the Shipping Order. Incoming boxes or crates should be saved if it is anticipated the item(s) will be returned to the vendor for repair, exchange or modification.

6. RETURN POLICY

Initiators/requisitioners and FPCs are responsible for notifying vendors of a necessary return and/or exchange, and for obtaining a Return Authorization number and/or name of person contacted. Include the return information obtained from the vendor on a completed Shipping Order/Return Authorization Form (Exhibit I) and deliver to Central Receiving along with the merchandise to be returned. Notify the appropriate Accounting Office of any changes in price from the original purchase request to insure proper credit.

For additional information see previous Section 5, Shipping Policy.

7. EQUIPMENT USE, MAINTENANCE AND STORAGE

7.1 USE

The individual responsible for each equipment item shall ensure that the equipment is adequately protected from theft or abuse and that operating personnel are instructed in the proper use of equipment (FAR 45.104). This individual shall maintain manufacturing and assembly drawings; installation, operation repair and maintenance instructions (and records) and all technical data pertaining to each equipment item (FAR 45.107). Additionally, Government property may only be used for those purposes authorized in the applicable Government contract (FAR 45.301, 45.303).

With respect to plant equipment having an acquisition value greater than \$5000, an accounting must be maintained (Exhibit J.1 – suggested format) to record actual use of the item. This utilization log will be reviewed periodically (at least once a year upon inventory of the asset) to ascertain need for continued retention of the asset (FAR 45.107).

7.2 MAINTENANCE

The individual responsible for the equipment item, in conjunction with the FPC, is to establish and maintain a program for maintenance, repair, protection, and preservation of Government property. Maintenance plans should include disclosure of the need for maintenance, performance of preventive maintenance, and recording of maintenance performed (Exhibit J.2 – suggested format). Preventive maintenance includes inspection to detect need for repairs, lubrication, adjustments, cleaning, and calibration as appropriate. The need for major repair should be reported to the Property Administrator for disclosure to the appropriate Government functionary(ies) (FAR 45.107).

Maintenance agreements must be negotiated by the appropriate Purchasing office. If an item of equipment is under a maintenance agreement, the service call is to be placed directly to the vendor by the user. A new PO number is not required for service performed under existing maintenance agreements.

To obtain service on equipment not covered by a maintenance agreement, the appropriate Purchasing office will assign a PO number prior to contacting the service organization so that the number will appear on the invoice for services. The PO number can be obtained by contacting the appropriate Purchasing Office. A purchase request bearing the PO number is to be forwarded to the appropriate Purchasing Office.

7.3 STORAGE

Proper protection of equipment includes, but is not limited to security from pilferage; adequate prevention of handling damage; protection against water damage, insects and rodents, or from deterioration due to dust, temperature and humidity. Storage of sensitive equipment, items with a shelf life and classified equipment should be coordinated with the Property Records Management office to ensure appropriate controls and handling.

8. KEY CONTROL

The Property Administrator's responsibilities include the issuance and control of keys to Research Institute facilities. Orders for new/additional keys are placed to the Key Shop by the Property Administrator or delegate. Keys may only duplicated by the University's Key Shop.

8.1 ISSUANCE

Each key that is issued must be signed for in the Purchasing Office by the individual to whom it is issued. That individual bears responsibility for the safe keeping and proper use of the key. Students and graduate assistants may obtain keys upon written request of their supervisor.

When a key is no longer needed by the individual it is to be returned promptly to the Purchasing Office.

8.2 RECORDS

A record is created and maintained for each key issued. Appropriate procedures are implemented when a key is returned because of relocation or termination of employee.

Periodic inventories are conducted during which individuals may be requested to verify possession of keys for which the records indicate they are responsible.