



TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER EL PASO

Operating Policy and Procedure

HSCEP OP: 72.04, Equipment Purchased for Sponsored Federal Projects

PURPOSE: The purpose of this Texas Tech University Health Sciences Center El Paso Operating Policy and Procedure (HSCEP OP) is to establish procedures for the procurement of equipment required in the conduct of sponsored federal projects and to insure that equipment purchases are made in accordance with federal regulation and agreement provisions. Failure to follow federal requirements can result in a liability for the TTUHSCEP. The term sponsored federal projects includes grants, contracts, and cooperative agreements for research, instruction and service projects. Federal policies require a survey to determine the availability of existing institutional equipment which can meet the needs of the project and limit equipment purchases during the last months of a project.

REVIEW: This HSCEP OP will be reviewed on October 1 of each even-numbered year (ENY) by the Directors of Sponsored Programs and Purchasing, with recommendations for revisions submitted to the Associate Vice President for Research and the Chief Financial Officer or designee by December 15.

POLICY/PROCEDURE:

1. Sources of Information.

- a. The TTUHSCEP Inventory Department will maintain at the <http://elpaso.ttuhscc.edu/> website a searchable property/equipment inventory, currently at www.fiscal.ttuhscc.edu/propinv/Home.aspx. Items which have a life expectancy of less than one year and/or less than \$5,000.00 are excluded from this list. This website is available to Principal Investigators and Project Directors (PI/PDs) for review.
- b. Sponsored Programs will maintain records on each sponsored federal project which can be used to determine whether or not the purchase of any item of equipment covered by this HSCEP OP is authorized.
- c. The Office of Accounting Services will maintain current expiration dates on all sponsored federal projects in the financial accounting system. This data is available via access to Banner.

2. Authority to Procure. Before making a procurement, a PI/PD of a sponsored federal project is required to:

- a. Have authority to purchase or rent equipment used on a project; and
- b. Conduct a search (See 1.a. above) to determine if a suitable item of equipment is already on campus and available for their use.

3. Timely Procurement. Equipment purchased should be necessary for and used during the project, therefore, it is TTUHSCEP policy that equipment for a sponsored federal project will not be purchased unless six (6) months or more remain until the final expiration date; exceptions to this policy will be made only in special cases, and then only with the approval of the Office of Sponsored Programs. Equipment received **after the expiration date** must be paid for **from another source**; it is the responsibility of the PI/PD to provide the alternate source of funding if the equipment is received after the expiration date.

4. Administrative Procedures. When PI/PD (Principle Investigator/Program Director) wish to purchase equipment covered by this HSCEP OP, the following actions are required:
 - a. **Property Inventory Search.** (See 1.a. above). The PI/PD will review the list of on-campus equipment which is suitable for use on sponsored federal projects to determine if similar type items are available. If they are, the PI will investigate and determine if the items are suitable for use and if satisfactory arrangements can be made for loan or transfer of the equipment.
 - b. **Federal Equipment Purchase Form. – Pre-Procurement Campus Search.** If the results of the review and investigation of on-campus equipment are negative necessitating purchase or rental, the PI/PD should complete the TechBuy “Federal Equipment Purchase Form.” The first section contains the Supplier, Purchase Category, General Item Information, and Other Information. The Other Information section includes the Prior PO Number if applicable, the Principle Investigator, the Grant Fund Number, and the Grant Expiration Date.
 - c. **Section A: Authorization.** Check if the grant specifically authorizes the purchase of equipment, and/or the fabrication of equipment.
 - d. **Grant does not specifically authorize purchase of equipment.** This section is to explain the reason for the purchase of equipment that is not specifically authorized by the grant.
 - e. **Section B: Authority to Procure Equipment in Final 60 Days of Grant.** The PI/PD must complete this section explaining the necessity of the purchase with less than 60- days left in the Grant. An alternate fund must be listed in the event the project expires prior to delivery, invoice, and payment of the equipment, and (1) the vendor will not restock the equipment and payment must be made, or (2) for shipping/returning the equipment to the vendor. The PI/PD’s Department Head is responsible for certifying the accuracy of the information in Section B.
 - f. **Ownership.** The ownership section states whether the equipment will be owned by Federal, Private, State/Other Agency, or TTUHSCEP.
 - g. **Additional Information/Comments.** Provide any additional information in this section.
 - h. **Proprietary Purchase Justification.** Complete this section only if the price of the equipment exceeds \$15,000.00 and there are no other sources available for procurement of the equipment.
 - i. **Routing to Sponsored Programs.** Upon completion and submission of a requisition that includes the completed Federal Equipment Purchase Form, the TechBuy requisition will be routed to the departmental approver for approval, and to the Office of Sponsored Programs for approval.
5. **Procurement Action.** The Purchasing Office will process purchase requests which have been approved by the Office of Sponsored Programs in accordance with the above procedures, Purchasing Policy and Procedures, and Board policies.