

GRANT-FUNDED PROPERTY STANDARDS

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OUTLINE

- **Definition**
- **Types of Property**
- **US Laws**

WHAT IS PROPERTY?

DEFINITION

- Property is anything that can be owned by a person or an entity.
 - Example: Land, freezers, books, patents
- The owner may **possess, use, transfer, or dispose of** the property.
- What are the rules for grant-funded property?

TYPES OF PROPERTY

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- **Tangible vs. Intangible**
- **Private vs. Public**
- **Real vs. Personal**

REAL VS. PERSONAL

- **Real Property:** Land and items which are immovable by law (like structures or bridges)
- **Personal Property:** Anything that is not real property.
 - Equipment
 - Supplies
 - Intellectual Property

SUPPLIES VS. EQUIPMENT

■ **Supplies**

- Less than the lower of \$5,000 AND the capitalization threshold of the institution
- OR less than one year of life expectancy

■ **Equipment**

- More than the lower of \$5000 OR the capitalization threshold of the institutions
 - AND at least one year of life expectancy
- **At Morgan: The capitalization threshold is \$5,000**

TYPES OF EQUIPMENT

- **General Purpose Equipment**

- Telephone systems
- Copiers
- HVAC

- **Specialized Equipment**

- Spectrophotometers
- Microscopes
- MRI

- General purpose equipment must be paid for using F&A, whereas specialized purpose equipment may be paid for using direct costs.

**UNITED STATES
GRANT-FUNDED
PROPERTY
REGULATIONS**

REGULATIONS

- **2 CFR 200, SubPart D**

- §§ 200.310 – 200.316

- **Property Standards**

- § 200.310 Insurance coverage.
- § 200.311 Real property.
- § 200.312 Federally-owned and exempt property.
- § 200.313 Equipment.
- § 200.314 Supplies.
- § 200.315 Intangible property.
- § 200.316 Property trust relationship.

INSURANCE

- We must insure them to the level that the institution insures its other property.
- This applies to **real property** and **equipment**.
- In addition, if an institution is in a flood zone, there should be a minimum insurance.

USE

- **Real property**
 - Original purpose only
- **Equipment**
 - For the original use
 - Must be allocable to the grant during the period of performance, or as long as needed for that project.
 - May be used for other grants too but proportionally paid by them.
- **Supplies**
 - Allocable to the grant.

CAN WE KEEP THEM AFTER THE AWARD ENDS?

■ **Real property**

- **Grants:** Yes, as long as needed for the original purpose.
- **Contracts:** It depends.

■ **Equipment**

- **Grants:** Yes.
- **Contracts:** It depends.

■ **Supplies**

- **Grants:**
 - **Up to \$5,000:** Yes
 - **Over \$5,000:** Yes, but preferably spend it on other federal grants
- **Contracts:**
 - **It depends**

DISPOSE OF

■ Real property

- Use after the award ends for the original purpose
- When no longer needed, receive instructions from the federal government how to dispose of.

■ Equipment (States follow state guidelines)

- Grants: Use after the award for the original purpose.
- When no longer needed. receive instructions from the federal government on how to dispose of.
- Typically, if below \$5,000, it may be sold or disposed of w/o any questions. If above \$5,000, some money may be due to the agency. the

■ Supplies

- Grants:
 - Up to \$5,000: Keep it.
 - Over \$5,000: Some money may be due to the agency.
 - If can be used for other federal awards, do so.

DOCUMENTATION

- Documents related to any grants must be kept at least 3 years after the final federal financial report (Final FFR).
- For **equipment**, this will be at least 3 years after the equipment is disposed of.
- For **real property** this will be at least 3 years after the real property is disposed of.
- If the State of Maryland is asking for a longer period, we must comply.

QUESTIONS?

