Inventory of Assets Accountable to Sponsored Awards

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Why is inventory of these assets important?

Required by sponsors to ensure University has appropriate measures to manage assets accountable to sponsored awards.
University Property System regularly audited

- State of Arizona Office of the Audit General (annual)
- Office of Naval Research (biennial)
- Sponsor (per request)
## Assets Accountable to Sponsored Awards

<table>
<thead>
<tr>
<th>UA Titled Assets</th>
<th>Sponsor Titled Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>• A Tags</td>
<td>• S Tags</td>
</tr>
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<td>• Unconditional Title</td>
<td>• Assets acquired with sponsor funds</td>
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- **UA Titled Assets**
  - A Tags
  - Unconditional Title
  - Conditional Title

- **Sponsor Titled Assets**
  - S Tags
  - Assets *acquired* with sponsor funds
  - Assets *furnished* by the sponsor via an award
Title vests with the University, the UA continues to have an obligation to adhere to award property provisions for the life of the asset.

- Uniform Guidance, FAR, sponsor specific terms and conditions
**Conditional Title:** Title to equipment acquired with sponsor funds shall vest with the University subject to certain conditions:

- Property is properly identified
- Hierarchy for use is adhered to
- Disposition is requested when needed
- Sales/Surplus is appropriate
- Assets meet transfer eligibility
Sponsor Titled Assets

- Assets **acquired** with sponsor funds, in which award property provisions indicated title remains with Sponsor
- Assets **furnished** under a sponsor award
Included in the biennial inventory due to the following:

**Federal Property Provisions:**
- Uniform Guidance – for UA Titled Assets
- FAR 52.245-1 – for Federally Titled Assets

**Administrative Purposes:**
- Verifies asset information required for:
  - Federal Property Reports – reported annually and/or at term of project
  - ONR Federal Audit – performed on a biennial basis
Office of Naval Research (ONR) audits the UA Property System to see if it meets the federal requirements regarding the control, protection and maintenance of government property.
If the UA Property System is deemed unsatisfactory by ONR

- potentially may decrease the University’s eligibility to receive government funding for the acquisition of equipment
- potentially add restrictions to equipment acquisitions
Main Component: Physical Inspection

The ONR audit involves **physical inspection** and verification of the accuracy and completeness of the University property records.
ONR Audit

ONR Audit consists of verification that:

• University records match physical asset with regard to:
  • property tag number, serial number,
  • model number, manufacturer, and location

• Equipment is in use and functional
ONR Audit consists of verification that:

- Off campus assets accounted for correctly
- Federal property is clearly distinguished by having a ‘Property of the Federal Government’ label
Department’s Role in Inventory

During biennale inventory process:

• Keep in mind Federal and ONR reporting requirements

• Report any discrepancies in order to avoid potential audit findings
Department Inventory Checklist

- Verify labels on assets:
  - remove inapplicable labels
  - missing label(s), especially ‘Property of Federal Government’, request replacement from FSO Property

- Verify the functionality of asset:
  - if asset is no longer in use or broken, contact SPCS Property
Department Inventory Checklist

• Verify for assets no longer at University:
  • if asset has been returned/delivered to sponsor, provide shipping documents to SPCS Property for proper removal from inventory system
• If asset is not located:
  • Contact SPCS Property immediately to start the request of relief of accountability process
Additional items to consider:

- Provide as much detail regarding asset at time of purchase
- Train departmental staff on how to administer Sponsor Titled assets (S Tags)
- Immediately notify SPCS Property when:
  - Assets are received from a sponsor – Sponsor or Government Furnished Assets (GFE) in order to add to inventory system
  - Assets are no longer of use or functioning
  - Assets have been returned or delivered to sponsor
ALL THOSE ASSETS ARE SPONSOR FUNDED

AND THEY WILL BE INVENTORIED