Equipment

I. PURPOSE: To define the requirements for the classification, acquisition, valuation, depreciation, and disposal or transfer of PAVIR equipment.

II. POLICY: It is the policy of PAVIR to manage equipment acquisition and the related accounting in a responsible manner.

III. DEFINITIONS: For the purpose of this policy equipment is defined as a durable, non-expendable asset(s) with an acquisition cost, including taxes, shipping and installation, of $5,000 or more and a useful life of more than a year. Valuation of donated capital equipment shall be fair market value as determined by a knowledgeable source external to PAVIR.

IV. ACQUISITION: The following conditions govern the acquisition of equipment:

1. Additional space or staff not belonging to the PI or any new utilities or renovations required to accommodate the equipment must be approved by Research Administration.
2. **PAVIR will not guarantee payment to vendors or reimbursement to any individual** for purchase of equipment acquired outside the Requisition/Purchase Order process.
3. Upon receipt of equipment the Principal Investigator must ascertain the item(s) are not damaged and are in working order and that the assets delivered match the information on the packing slip. Problems should be immediately reported to the Purchasing Agent for resolution.
4. Upon receipt a PAVIR inventory tag will be affixed to any equipment costing $5,000 or more. An inventory of this equipment will be maintained for each Principal Investigator who will be responsible for locating/producing the equipment for annual internal and other external inventories or audits. PAVIR administrative staff must be informed of any significant alterations to or change in location of equipment.
5. Title to equipment remains with PAVIR.

V. DEPRECIATION: Generally Accepted Accounting Principles require that long-term investments be depreciated over a reasonable term or the estimated useful life. PAVIR has set this term at three years for computers and seven years for all other equipment. We use straight line depreciation, mid-year convention.

VI. DISPOSITION OF ASSETS: Disposition occurs when a Principal Investigator leaves the VAPAHCS, the equipment becomes obsolete, or the Principal Investigator no longer has a need for it.

PAVIR retains the right to dispose of equipment (either by transferring to another investigator or another nonprofit organization) upon the departure of the investigator from the VAPAHCS.

When equipment becomes obsolete or is no longer needed by the investigator, PAVIR will request disposition instructions from the awarding agency if bought with federal funds. Equipment bought with non-federal funds may be disposed of as determined by PAVIR management.