

Equipment and Other Capital Assets

To purchase capital assets (including equipment), the award recipient must submit a request and receive **prior written approval** from the Grant Officer as defined in the Uniform Guidance at 2 CFR 200.1 and 200.439. A request to purchase capital assets (equipment) will be reviewed and approved in an amendment to the award.

See 2 CFR 200.1 for the definitions of capital expenditures, equipment, special purpose equipment, general purpose equipment, and capital assets.

The capital asset of equipment is defined as tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost that equals or exceeds the lesser of the capitalization level established by the recipient or subrecipient for financial statement purposes, or \$10,000.

Being awarded this grant does not automatically mean that the equipment specified in the approved budget or SOW is approved by the Grant Officer, 2 CFR Part 2900. The recipient must submit a detailed list describing the planned purchases to the FPO for review within 90 days of the NOA date. Recipients are strongly encouraged to submit requests to purchase equipment as early as possible in the grant's period of performance with as many planned pieces of equipment as possible.

Recipients may not purchase equipment during the last year of the period of performance or the last year of full program service delivery (not follow-up activities), whichever comes first. If any approved acquisition has not occurred prior to the last funded year of performance, approval for that item will be rescinded.

Disposition. When equipment acquired under a Federal award is no longer needed for the original project, program, or for other activities currently or previously supported by a Federal agency, the recipient or subrecipient must request disposition instructions from the Federal agency or State if required by the terms and conditions of the Federal award. See 2 CFR 200.313(e).