WVSU Research & Development Corporation

Operation Handbook

The Research & Development Corporation serves as the fiscal agent of West Virginia State University to allow greater flexibility in managing federal, state and private funds in contracting for research support and public service activities. The Research & Development Corporation became operational in 1991.

This handbook provides program administrators, staff and faculty a framework for the disbursement of funds administered through the WVSU Research & Development Corporation. It describes the basic forms, procedures and flow of documents utilized by the West Virginia State University Research & Development Corporation.

There will be situations that arise from time to time that are not covered specifically in this handbook. When these occur, please feel free to contact the staff of the Research & Development Corporation with your questions. The Research & Development Corporation has the sole discretion in making any exceptions to the policies included in this manual under special circumstances that the Corporation alone deems necessary. The Corporation reserves the sole discretion in making any future revisions to the policies stated in this manual.

All forms named in this manual can be accessed by clicking on the Research & Development Corporation link on the **wvstateu.edu** website, or by contacting the Business and Finance Services (B&FS) office.

– TABLE OF CONTENTS –

SECTION I

Purchase Orders 1

SECTION II

Quotes and Bids 3

SECTION III

Travel 4

SECTION IV

Consulting Agreement 11

SECTION V

Credit Cards 13

SECTION VI

Fixed Asset 15

SECTION VII

Personnel Issue 20

SECTION VIII

Forms 21

ADDENDUM

Mileage Reimbursement Policy 22

I. PURCHASE ORDER

The Research & Development Corporation requires that the purchasing process operates in the most effective and efficient manner possible within the constraints imposed by the various funding sources. The purchase order form is the first step in the purchasing process. Proposed purchases must be clearly allowable and identifiable under the terms and conditions of the funding grant, contract or agreement. All expenditures must be:

- Necessary, reasonable and allowable to the grant program or funding source.
- Designed to comply with the limitations of the grant or funding agency agreement.
- Allocated to the grant on a basis consistent with policies that apply to all activities of the grantor
- Accounted for consistently and in accordance with generally accepted accounting principles
- Not included in or allocated to the cost of any other privately or federally funded program.

The purchase order form shall originate in and be completed by the requesting department, division or unit.

The requirements for purchase orders are as follows:

- ALL purchase orders must be typed.
- The correct and complete Program Name is to be typed in the Program box.
- Vendor name and address is required. No campus address for employees or students. Please include fax number if available. The purchase order will be mailed if no fax number is clearly stated. No credit card purchases or phone orders are allowed for Title III purchases. It is the responsibility of the requester to verify that the vendor accepts purchase orders. It is the policy of the Research & Development Corporation that no payment will be issued before receipt of purchased items.
- A detailed description must be provided with all necessary specifications, quantity being ordered, unit price and total of order. Any item over $5,000 must have three valid bids attached to the purchase order. Please see section under Bids for more information.
- A short explanation or justification for the purchase must be provided in the space designated.
- The contact person [which will be the user or individual(s) in possession of equipment], phone number, building and room number(where the equipment will reside) must be noted in the space provided in case of questions or special delivery instructions. The contact person will be the responsible party in signing invoices as receipt of delivery and will be the contact person for fixed assets if the item is over $5,000.
- All specifications, as well as the purchase order, for computer equipment must be approved by Computer Services. Departments purchasing through the Research & Development Corporation are encouraged to contact Computer Services for a list of vendors for their computer purchases.

The purchase order should be forwarded to the Business and Finance Services office of the Research & Development Corporation. The purchase order will be reviewed for completeness, applicable regulations and program budget. Funds will be encumbered and the purchase order will be forwarded to the vendor. All requests are reviewed and assigned purchase order numbers before being forwarded final approval. Any Individual submitting a purchase order must take into consideration the required processing time in submitting any requests.

IMPORTANT:
Remember that the Research & Development Corporation's Business and Finance Services office is the ***sole*** unit authorized to make obligations for the purchase of supplies, equipment and other services under all grants, contracts and agreements administered by the Research & Development Corporation. Purchases cannot be made in the name of the Corporation without the purchase order being issued by Business and Finance Services. Failure to comply with procedures may result in a personal expense for the individual who makes a purchase that was not authorized by the Research & Development Corporation.

The WVSU Research & Development Corporation falls under both state and federal regulations and therefore is audited annually by an external auditing firm. Any programs and accounts managed by the Corporation are open for review by the auditing firm. All accounts must follow internal and external controls. All purchase orders must have attached supporting documentation (quotes, invoice and/or receipts) before they are processed by the Corporation. The Research & Development Corporation can process payments from memorandums, if determined by the Corporation to be acceptable, based on its rules and regulations, and the criteria set forth by its auditing firm. Memorandums must include invoices and receipts. A memorandum does not take the place of purchase orders when ordering supplies or equipment.

Payments

After the Corporation's Business and Finance Services office receives an invoice from the vendor, the "Certification of Receipt" stamp will be applied to the face of the invoice and sent to the originating department. Once all authorized department personnel sign the invoice, this will verify that the order has been received, is complete and ready for payment. (Any invoice signed that is not correct will rest with the initiating department, not the Corporation.)

II. BIDS AND QUOTES

Competitive bids are required for most purchases. Any purchase which cost is less than $4,999 only requires one quote from a vendor. Any individual item which exceeds $5,000 must be accompanied by quotes from three different vendors. It is recommended that the requesting department seek the best product at the lowest price. Business and Finance Services (B&FS) will make the final decision if it determines that a lower price at the same standard of quality can be obtained from a different vendor.

Purchases of individual items between $5,000 and $25,000 require **three (3)** valid bids attached to the purchase order. A "no bid" or non-response from a vendor does not qualify as a bid. The specifications on the bid should be generic so that multiple vendors can bid. In cases where there is a sole vendor, a memorandum addressed to the R&D Corporation's Executive Director explaining why no other vendors are available must be attached to the purchase order. If the purchase order's vendor is not the lowest price, an explanation must be provided as to why this vendor was chosen over a lower quoted vendor. The R&D Corporation has the sole discretion in awarding the purchase order.

Purchases over $25,000 per item require formal bidding. Specifications will be forwarded to B&FS, along with a written request with appropriate signature approvals. B&FS will then prepare all necessary forms for advertising, award and encumbrance. Both B&FS and the originating department will make the selection of vendor based on bid documents and other criteria. Allow sufficient time (approx. 45 days) for purchase order to be processed.

Departments purchasing through the R&D Corporation are encouraged to request vendors from WVSU Computer Services for their computer purchases.

III. TRAVEL

Travel must be for West Virginia State University or WVSU R&D Corporation official business. Please note that travel regulations are subject to amendment by the R&D Corporation. The Vice President or Dean of the traveler's department shall ensure that all travel rules are complied with and that all travel expenditures are within budgetary limits and authorizations. All travelers doing business on behalf of the R&D Corporation either as an employee of West Virginia State University or as an employee of the R&D Corporation shall be governed by the following policy:

It is the responsibility of each traveler to properly apply the travel rules and comply with all requirements and exercise the same care and judgment in incurring travel-related expenses on behalf of the WVSU R&D Corporation or West Virginia State University "as would a prudent person." Travel should always be arranged to serve the best interest of the University or the Corporation and must have a legitimate business purpose. The business expense must be incurred in connection with services performed as an employee. Employees are reimbursed for authorized actual transportation expenses and other reasonable expenses incurred while on travel status. Employees should use the most direct route and the most economical transportation, taking into consideration travel time, expense, absence time and convenience.

The stated travel regulations apply to all funds housed in the WVSU R&D Corporation. However, further restrictions may apply to certain grant and contract funds.

Personal Convenience

When travelers interrupt travel or deviate from their designated travel schedule for personal convenience or personal leave, they will be reimbursed only at the rate for uninterrupted travel by the most direct route.

When travelers must use premium transportation, such as business class instead of economy class, for medical reasons, the reasons must be affirmed in a doctor's certificate indicating the anticipated duration of said medical. If the condition is permanent or indefinite, the doctor's certification must be renewed and re-validated each year.

Air Transportation

Employees may use bonus points acquired through frequent traveler programs while traveling on official business, as long as the employee's participation in the program does not result in an additional cost to the Corporation.

Travelers should make advance bookings through National Travel to secure the least expensive airfare possible. Reimbursement may be made to traveler in advance for airfare if ticket is purchased at the traveler's expense. Receipt of purchased ticket must be submitted with travel authorization form and amount to be reimbursed is included in the cash advance total.

Employee Responsibilities

Employees are personally responsible for their travel arrangements and that their arrangements meet all travel regulations. The employees are responsible for submitting their travel settlements upon completion of their travel. Occupational leave must be submitted and approved before all travel.

Mileage Reimbursement

Employees using personal vehicles for business travel are entitled to reimbursement under specific conditions. See the Mileage Reimbursement Policy Addendum on page 22.

REIMBURSABLE EXPENSES

Examples of reimbursable expenses are:

- Transportation charges, such as airfare, rail, taxi or bus tickets, etc.
- Per diem allowances for meals
- Lodging
- Toll charges, parking fees, ferry fees, bridge, road and tunnel fees
- Baggage transfer and handling fees, including reasonable tips
- Business telephone calls and a personal call home to announce "safe arrival" (not to exceed $3 a day)
- Room rental for University/Corporation business
- Laundry and dry cleaning if on domestic travel status for at least seven (7) consecutive days
- Passports and visas (employees only)
- Registration fees, if the purpose of travel is attendance at conferences or official meetings
- Business Services, such as computer use, faxes and photocopying
- Taxis and shuttles, including reasonable tips
- Collision damage waiver insurance for motor vehicle rental

Employee travel expenses associated with one-day student field trips as long as the following three requirements are met:

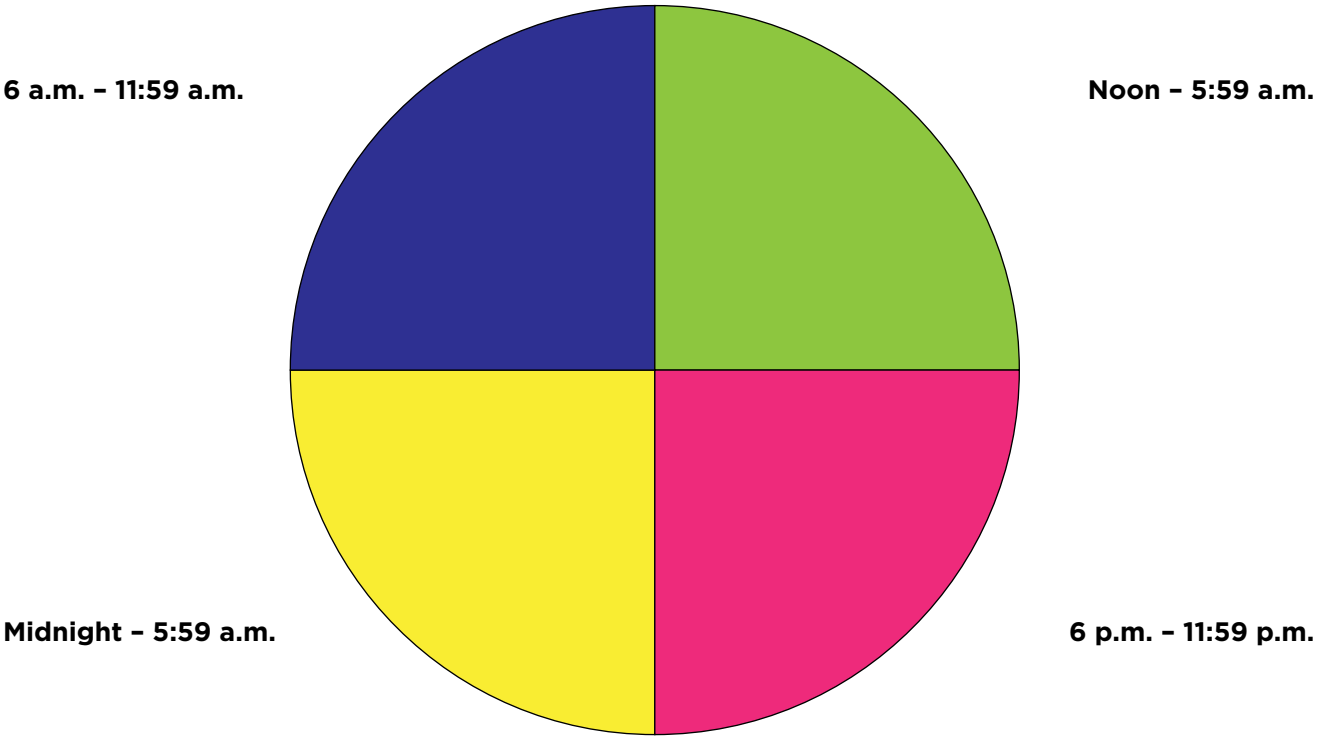
- The trip starts and ends at the WVSU campus
- The trip is part of the course requirements for every student in the course
- The trip is completed in one day (24 hours)

NON-REIMBURSABLE EXPENSES

Examples of non-reimbursable expenses are:

- Travel expenses incurred within 25 miles of the University campus or work headquarters
- Alcoholic beverages
- Commuting expenses between an employee's residence and their headquarters
- Personal entertainment charges such as movies, spa/health clubs, sightseeing, tours, etc.
- Keys locked in personal automobile
- Non-University/Corporation related expenses
- Parking tickets or other traffic fines
- Personal automobile accident insurance
- Spouse/family travel expense
- Tobacco products
- Towing of a personal automobile that is being used for University/Corporation business travel
- Travel insurance (exceptions may be requested for foreign travel)

PER DIEM/MEAL ALLOWANCES



Per Diem for Overnight Travel

Per Diem is to be paid for travel that includes overnight lodging. It is given in lieu of the meal allowance and is to cover the cost of meals and tips. Receipts are not required to support this allowance. The per diem allowance for in-state travel is equivalent to the current federal rate for Charleston, W.Va., and out-of-state is the current federal rate of the destination city.

Per Diem is based on the quarter system for computing the allowance for days or fractions thereof. Each quarter is 6 hours beginning at midnight, 6 a.m., Noon and 6 p.m. The traveler is allowed one fourth of the allowance for each period of 6 hours or fraction thereof. For example, if the current rate for travel is $28 and the out-of-state rate is $32, each quarter equals $7 for in-state travel or $8 for out-of-state travel. If the employee leaves home within a certain quarter, begin counting at that quarter. For example, if an employee leaves home at 7 a.m. on Friday and returns home at 2 p.m. on Saturday, the employee is eligible for six quarters or a per diem of $42 for in-state travel, or $48 for out-of-state travel.

Per Diem may be advanced to the traveler. Per Diem rates can be found on the US General Services Administration webpage at **www.gsa.gov** for the destination city. If the desired city is not listed, use the listed standard rate of the state in which the desired city is located.

Business Meals While In Travel Status

When the primary purpose of a meal is for conducting University/Corporation business with individuals not employed by the University/Corporation, the purpose of the meeting must be provided.

CONFERENCES/OFFICIAL MEETINGS

Heads of academic and administrative units determine whether attendance at a conference or convention is related to University/Corporation business or professional development of the employee. The extent of reimbursement for such travel is left to the judgment of the unit administrator. This approval is subject to any additional approvals that may be required by the University/Corporation.

Conference Lodging Definition

Sometimes an official conference* designates a hotel(s) as its official lodging site that charges more for rooms than is normally allowed under lodging allowances. In that case, those room charges may be reimbursed if the hotel is the official conference site or a hotel(s) designated by the conference hosts as official lodging. The unit's head that provided approval for employees to attend the conference provides approval for the exception to the lodging maximums.

A copy of the official conference brochure, registration form or other documentation of the conference, showing information about the designed conference hotel, must be attached to the Travel Authorization.

*Official conferences may be organized and named with an identifying term other than the word "conference." Examples of other terminology that may be used are symposium, seminar and consortium. Additionally, annual or official meetings sponsored by educational institutions or organizations with which the University/Corporation is associated may appropriately be categorized as "official conferences."

Other Conference Lodging Designations

Lodging and room charges may also be reimbursed as "conference lodging" if the following condition is met:

- There is no host hotel or no availability at the host hotel; lodging shall be of the least expensive single room rate.

If for any reason the employee chooses not to stay at the host hotel, other than cases out of the employee's control (i.e. no vacancies), the employee must pay in advance the difference of the hotel rate if it is of a higher rate than the host hotel. If accommodations are shared with other travelers their name(s) must be noted on the travel settlement. The traveler is responsible for any additional charges that occur while staying at the hotel. An itemized receipt from the hotel must be included when submitting a travel settlement.

CAR RENTAL

In cases where a car rental is required to attend a conference or conduct business on behalf of the Corporation or West Virginia State University in another city, the R&D Corporation is responsible only for the rental on the days of the conference and must be returned to the rental agency at the end of the conference. Extended use of the rental beyond the conference must be in the name of the traveler and is the responsibility of the traveler. The car must be returned to the agency and reissued in the traveler's name.

The traveler is responsible for any additional rental charges that incurred while the car is in his or her possession.

GROUND TRANSPORTATION

Land-Grant funded employees are required to use Corporation owned vehicles. Employees will be reimbursed only for fuel purchases, not mileage. Employees will be reimbursed for mileage for privately owned vehicle only if no Land-Grant (R&D Corporation) vehicle is available.

Mileage reimbursement for personal vehicles will be reimbursed at the prevailing federal, IRS, rate per mile. If traveling with another individual, the mileage reimbursement will be made only to the driver or owner of the vehicle. Mileage reimbursement is not allowed on rental vehicles, only the actually fuel costs and rental cost will be reimbursed.

TRAVEL AUTHORIZATION

A typed travel authorization form must be approved and submitted prior to all travel processed through the R&D Corporation. Funding source and a description and justification for the travel must be provided on the travel authorization. **A copy of the official conference brochure, registration form or other documentation of the conference must be attached to the Travel Authorization and Settlement when requesting reimbursement**. B&FS will process travel expenses up to the amount approved by the traveler's department head, Dean or Vice President; this includes travel advances and final travel settlement reimbursement.

Travel Advance

All travel advances are contingent upon the availability of funds within the R&D Corporation**.** A travel memo listing airfare, registration, hotel or cash advance needed before travel must be attached to the travel authorization. It is not the responsibility of the Corporation to predict what checks are needed prior to travel.

Travel Advances will be issued within **five (5)** business days prior to the date of the travel and shall be used only for the purpose of the travel. Transportation costs such as taxi/shuttle services and tolls can be requested as an advance; however, receipts must be submitted with the travel settlement. **Mileage will not be advanced for use of personal vehicles unless a printed online trip destination map is attached.** Any remaining funds must be returned to the Corporation upon returning, and advance must be noted on travel settlement.

FAILURE TO OBTAIN PRIOR APPROVAL OR FOLLOW THE ENCUMBRANCE PROCEDURE COULD RESULT IN DENIAL OF TRAVEL REIMBURSEMENT.

TRAVEL SETTLEMENT

It is the responsibility of, and mandatory that, the individual traveler complete and forward the Travel Expense Settlement form to the R&D Corporation's B&FS office along with all receipts, other documentation and necessary travel authorization approvals. Travel expenses cannot be reimbursed unless the Travel Settlement form is properly submitted and the necessary funds were encumbered in the Travel Authorization phase.

The employee must submit a typed travel settlement within five (5) days of completion of travel. A travel settlement shall be considered delinquent after the fifth day. Failure to submit a travel settlement can result in suspension of the employee's travel advance privileges (at the discretion of the Corporation).

In air transportation, a "Passenger receipt" must accompany the settlement in order to receive reimbursement. Employees traveling in a foreign country must report their expenditures in US dollars. The rate of conversion must be clearly listed on the expense settlement. Reimbursement may be made for visa fees, guides, interpreters and currency conversion, if expenses were accounted for prior to the travel. All advances before travel must be referenced in the final settlement and deducted from the total expenses incurred for the travel.

For reimbursement for conference registration, a receipt or invoice marked paid must be provided with the travel settlement.

DOCUMENTATION OF TRAVEL EXPENSES

Missing, Lost or No Receipts

If the traveler does not have a required receipt, one of the following processes must be followed:

- Obtain a duplicate of the original receipt from the hotel or vendor.
- Complete the Missing Receipts Affidavit Form including information on the type of expense, the date, the vendor, line item amounts and an explanation of what happened to the receipt (missing, lost, never issued, etc.). The traveler must certify that the amount requested on the missing receipts affidavit is exactly the amount that was paid for the item(s) that were purchased.
- In lieu of the Missing Receipts Affidavit form, a written statement, signed by the traveler, which includes all of the information requested on the Missing Receipts Affidavit form, is acceptable.

Settlement/Approval of Travel Reimbursement Requests

The traveler (payee) signs the travel settlement attesting to the accuracy and completeness of the claim for travel reimbursement.

Travelers may not approve their own travel reimbursement. Approval attests to the agreement by the University/Corporation that the travel was directed, necessary, and that the claim is complete, correct, and proper.

NON-EMPLOYEE TRAVEL EXPENSES

Travel expenses, such as transportation, meals, and lodging, for non-employees on official University/Corporation business, such as recruits, students, or guest speakers, may be reimbursed in accordance with University/Corporation travel regulations.

IV. CONSULTING AGREEMENT

There may be situations where the services of an outside consultant or a special service provider are necessary. The Consulting Agreement packet must be completed, signed by the contractor, and all departmental approvals obtained prior to submission to the office of Business and Finance Services. The Consulting/Contractual packets must include an Independent Contractor Determination Form, the Consultant/Contractual Agreement, Conflict of Interest form, federal W-9 and a Workers Compensation Certificate.

IRS tax issues and Worker and Unemployment Compensation concerns have made it a priority in identifying the correct classification for an Independent Contractor. It is the employer's responsibility to determine if the individual performing the service is classified as an employee or as an independent contractual. The Independent Contractual Determination Form will judge, based on answers, on three common tests: Behavioral Control, Financial Control and Relationship of the Parties. The supervisor or department head must complete this form before submitting the Consulting Agreement to B&FS. The answers to each section questions on the form will instruct the supervisor how to proceed. Either the individual will need to be processed as an employee or an independent contractor through accounts payable. The Independent Contractual Determination Form can be waived in cases where the contractor is a performer or has his or her own business license/FEIN number and is performing consulting/contractual services in their business field.

The Consulting Agreement must be typed and filled out completely, including the funding source. Consulting agreements must be signed by the contracted individual or representative of contracting company, the department head requesting the agreement, and the Department Dean and administrative area Vice President. If the consultant is a full-time employee of the State of West Virginia or of the WVSU R&D Corporation, his or her full-time supervisor or department head must sign a statement that services performed under the agreement will not interfere with or detract from their full-time duties. The consultant or contracting party must provide his or her tax identification number (social security or FEIN number) on the contractual form. Please be aware all consultants and contractors will receive a 1099 tax form in January for services paid for in the previous year. The address provided on the Consulting Agreement must be the official address where the consultant or independent contract receives mail. No campus addresses will be accepted.

If travel expenses are to be reimbursed as part of the agreement, the consultant must abide by the R&D Corporation's travel rules, and expenses must be submitted on appropriate forms along with supporting receipts and documentation. Travel expenses cannot exceed the rate of pay that was agreed upon in the Consulting Agreement.

Consultants and Contractors must complete a Conflict of Interest Statement.

Consultants and Contractors are required to have a W-9 form on file with the R&D Business Office. The consultants and contractors must provide tax identification number (social security or FEIN number) and business or residence address. All consultants and contractors will receive a federal 1099 form from the R&D Corporation the first of the following year, and a federal copy will be filed with the Internal Revenue Service. The Consultants and Contractors are responsible for any federal and state taxes on payments received. The Corporation will not deduct tax withholdings for consultants and contractual personnel. The name, address and tax identification number on the W-9 must be the name used when completing the Consultant Agreement, as well as when filing federal tax returns.

After the consulting services are provided, the Invoice for Work Performed must be submitted for payment. The form describing the service provided must be prepared by the consultant and signed. The invoice must be approved for payment by the Vice President or Dean with jurisdiction over the department supervising the contract or agreement. The completed invoice and all supporting documentation will be submitted to the R&D Corporation for payment. The invoice must be submitted in the same name as the consultant used on the original Consulting Agreement. The invoice cannot exceed the amount stated on the Consulting Agreement, including any submitted travel expenses. Payment will not be processed until the service is completed and Invoice for Work Performed is submitted to B&FS.

V. CREDIT CARD

The WVSU R&D Corporation's credit cards are available only for the day-to-day operation of Business and Finance Services. The credit cards are not available to all projects and accounts administrated by the Corporation. It is the ***sole*** discretion of the office of Business and Finance Services in allowing purchases to be made on the Corporation's credit cards.

The use of the credit cards are not an acceptable alternative to the normal purchasing process. Credit cards are limited for travel purposes and emergency situations, or when purchase orders are not an effective means of purchase. It is the ***sole*** discretion of the B&FS office to judge when the credit card is needed to make purchases or when a purchase order is needed. (Ordering regular office supplies, such as from Staples or Office Max, does not constitute an emergency.) The R&D Corporation is set up for online ordering, only through B&FS, at Staples at reduced rates and most orders are delivered the next day. Therefore, the use of the credit card at those vendors, for common office supplies, is not justified. Also, the credit cards are NOT to be used to make computer purchases.

Before a credit card is released, a credit card requisition form must be filled out and approved by the Executive Director. This form will serve as the credit card purchase order. The B&FS will not release ANY credit card without a written approval, in the form of the credit card requisition form, or a verbal approval from the Executive Director. The person requesting the card must sign out the card from the B&FS office and will be responsible for the card for the period he or she checks the credit card out. Credit cards are to be checked out and returned to the B&FS office on the same day of the purchase or the next business day, with the exception of travel, and they are to be returned as soon as the traveler returns from his or her trip. Upon returning the credit card, the user must sign the credit card in and submit the Credit Card Requisition with receipts and/or backup documentation of purchase.

Regular, full-time employees may apply for a corporate credit card but must obtain prior, written approval from their supervisor. To be eligible for a corporate credit card, an employee must travel frequently in the course of his/her duties, purchase significant volumes of goods and services for use by the Corporation, or incur other regular frequent business expenses of a kind appropriately paid by credit card.

The corporate credit card cannot be used to obtain cash advances, bank checks, traveler's checks,or electronic cash transfers for expenses other than those incurred by the assigned employee named on the card, or for personal expenses. Misuses of the card will result in cancellation of the card and withdrawal of corporate credit card privileges. If the card is used for an employee's personal expenses, the Corporation reserves the right to recover these monies from the employee cardholder. Cardholders will be required to sign a declaration authorizing the Corporation to recover, from their salary, any amount incorrectly claimed.

Credit Card Misconduct

Wherever a breach in this policy occurs, the Director of Business and Finance will assess the nature of the breach and, if significant, report the breach of the policy to the Executive Director. After an investigation of the breach, the following disciplinary actions will be implemented:

- In the first instance, counseling and or verbal warning (and/or file note created).
- In the second instance, a written warning.
- In the third instance, the card is to be immediately withdrawn.

Each card will be limited to a maximum of $15,000. Increases to the established maximum may be made on a case-by-case basis by the Director of Business and Finance.

Corporate credit card expenditures must be reconciled and submitted with original receipts to the Business and Finance Office within seven (7) business days of the statement date. Cardholders who have not reconciled and submitted their monthly expenditure within this period will be asked to reconcile and submit their monthly expenditure immediately. Continued or repeated failure to conform to this policy will result in cancellation of the card and such other actions as appropriate. If credit card expenditures are not reconciled and submitted within a month of the statement date or a plausible explanation has not been received by the Business and Finance Office, the employee's corporate credit card will be cancelled.

Lost or stolen cards must be reported immediately to the Director of Business and Finance.

VI. FIXED ASSETS

The WVSU R&D Corporation has a duty to safeguard the corporation assets and ensure the reliability of accounting data and compliance with management policies, as well as grant terms and conditions. The Corporation shall maintain operation, accounting and compliance controls by recording all assets purchased and keeping an inventory list in the R&D Equipment Inventory Office.

Definitions

Inventory/Fixed Asset: An item either purchased by or donated to the Corporation with a value of $5,000 or more and has a life expectancy of one year or longer.

Title or Ownership: Ownership of all assets acquired by or donated to the Corporation, regardless of physical location, shall vest in the Corporation, subject to the terms and conditions of a particular grantor or organization.

Purchasing Process

See Section I for Purchasing Process

Shipping

All asset purchases must be shipped to the West Virginia State University Physical Facilities Inventory Control Receiving Department. Should an error occur and the equipment is received by means other than through the Physical Facilities Inventory Control Receiving Department, please comply with the following:

1. Call the Physical Facilities Inventory Control Receiving Department and notify them of this delivery.
2. Arrange for an employee of the Physical Facilities Inventory Control Receiving Department to come to the office where the asset is located to:
    - Assign a WVSU asset tag number.
    - Assign a Title III or Land-Grant asset tag number.
    - Document asset item description, serial number, assigned tab numbers, location and responsible contact person, and send copy of this documentation to the R&D Business and Finance Services Office.

Receiving

The West Virginia State University Physical Facilities Inventory Control Receiving Department upon the standard arrival of an asset item will:

1. Unpack asset equipment and inspect for item validity and any obvious damages. (Inventory

control will only accept equipment if it conforms to the Corporation Purchase Order Specifications.)

2. Document item cost, serial number, description, destination and the contact/responsible person.
3. Assign applicable asset inventory control tags.

Delivery/Set up

Delivery of the asset equipment item to the designated department will occur in a timely manner, unless otherwise directed, and a department verification of delivery signature will be requested. Any Corporation equipment or purchase requiring special attention to become operational will be referred to or routed through the respective University personnel, such as Computer Services, for initial set up.

Upon receiving new equipment or computers, the contact person — the user or custodian of the equipment or computer — must provide the serial number, tag number and location of the fixed asset or Computer to the budget officer of the R&D Business and Finance Services Office.

Asset Location

For internal control purposes, the Corporation's B&FS office will maintain a record of the physical location of all equipment purchased by the Corporation. This inventory listing will enable Corporation personnel to conduct an annual physical inventory count of all the Corporation's assets and external auditors to conduct audit tests of the inventory records.

Stolen and Vandalized Assets

Corporation assets that are stolen, vandalized or otherwise intentionally damaged beyond repair must be immediately reported the B&FS office and to WVSU Campus Security. Proper record keeping should be maintained so the process of providing the tag number/s, model number, serial number and a brief description of the stolen/vandalized item will be made easier. Once proper reporting and recording has occurred, the appropriate offices will take action regarding the repair, replacement or final disposition of the asset.

It is the duty of all departments and employees to safeguard any and all Corporation assets. Proper safety and security procedures should be maintained at all times to ensure that the proper use and care of equipment is being upheld. Cases of misuse, abuse or security issues must be brought to the attention of the B&FS office and to WVSU Campus Security immediately.

Repairs and Maintenance

All necessary repairs and maintenance contracts of asset equipment purchased by the Corporation will be handled by the B&FS office in the same manner as all other maintenance agreements. Please request the costs of warranties and maintenance of all equipment prior to the purchase.

Note: All asset equipment outside repairs that require the item to be removed from the present physical location for a period of more than five (5) business days, shall be treated in the same manner as a temporary transfer. Please make the proper notations when filing applicable forms.

Inventory Transfers

Each time equipment purchased through the Corporation is transferred from one location to another, whether temporary (one week up to one year) or permanent, the Corporation Inventory Transfer Form must be completed and sent to the Corporaton Business and Finance Office, the same day the transfer is completed.

EQUIPMENT DISPOSAL OVERVIEW

Definition

Equipment disposal refers to both physically removing properties from a department and to the removing of the item from a department's active inventory, relieving the department of accountability for reporting and tracking. The terms disposal and surplus are often used interchangeably.

Benefits to the Department

Your department benefits from timely proper disposal of excess property because:

- Timely disposal makes property available to the entire campus.
- One may be able to reduce costs by using other departments' idle equipment.
- Disposal of excess equipment reduces the time needed to locate unused equipment during required inventories.
- Departments are properly prepared for any audit.
- One may lose federal funding if your department is not in compliance.

Applicable Law

State: State law requires that University-owned property should not sit idle for lengthly periods of time. In a timely and appropriate manner, departments should dispose of items they no longer need.

Federal: It is a contractual commitment that federally owned equipment be in active use while in custody of a campus department, and that disposal action be taken in a timely manner if it is not.

TYPES OF DISPOSAL

Appropriate Disposal Methods:

- **State Disposal:** disposes of equipment, materials and supplies, whether inventorial or not, through the established procedure facilitated by the Physical Facilities Inventory Control Department. The Corporation Business and Finance Office remove record of equipment from the department's inventory. (The terms *disposal* and *surplus* are often used interchangeably.)
- **Trade-In:** exchange equipment for credit toward a new purchase and remove it from your department's records.
- **Return to Vendor:** return tagged and inventoried equipment to the vendor and remove it from you department's records.
- **Cannibalize:** delete the record of the original equipment after you remove serviceable parts to repair or enhance the capabilities of other equipment.
- **Internal Transfer:** transferring equipment from your department to another within the Corporation and remove it from your department's records. (You may give or sell it to the other department.)
- **Transfers Leaving the Corporation:** transfer equipment ownership to another non-profit (according to IRS standard, tax code 501) institution within the United States and remove it from your department's records. You must get prior approval. (Only property acquired from federal grants and contracts may be transferred out of the Corporation, regardless of who approves it.)

Lost/Stolen Equipment

Lost: Remove equipment form your department's records if you are unable to locate it after applying a good faith effort. (This usually occurs during a physical inventory.) If the item is found, the Corporation Business and Finance Office can re-activate the item in the database.

Stolen: remove property from your department's records if it was taken from the University without permission. You must file a police report.

Inappropriate Disposal Methods

- Throwing equipment and materials in the trash.
- Putting equipment in the hall under a sign saying "Free."
- Taking equipment, materials, supplies and unusable parts home for personal use.
- Donating equipment without appropriate approval.

Process Overview

1. The **custodial department** ("the department" that wants to get rid of the equipment) **initiates**

request for disposal/surplus of all property (equipment and material) by **submitting an Inventory Transfer Form to the Corporation's Business and Finance Services Office** using the using the established WVSU R&D Corporation's disposal methods for type of disposal they have chosen.

Note: If the property is federally owned or funded by current awards, the department must request written permission from the sponsor prior to any surplus, movement, transfer or disposition and then submit the permission along with the Transfer Form. (Call the Corporation's B&FS office if you would like help obtaining written permission from the sponsor.)

2. The **Physical Facilities/department arranges for the physical disposition of the assets**. The Corporation's B&FS office is responsible only for processing the forms and the removing of the item from you inventory list. Scheduling transportation and pick is the responsibility of the custodial department.

3. **The Corporation's B&FS office verifies** that the Inventory Transfer Request form **is complete** and if not, returns the forms that are missing the necessary information and signatures to the department for completion.

4. **The Corporation's B&FS office processes the completed form, removing the equipment from the department's inventory.**

5. **The department and the Corporation's B&FS office each will maintain their copy of the inventory transfer form for six (6) years**.

VII. PERSONNEL ISSUES

All personnel issues and questions must be referred to the Human Resources Office.

VIII. FORMS

All forms must be typed. Use only current forms found on the Research & Development Corporation link of the **wvstateu.edu** website. All outdated on incorrect forms will be returned.

ADDENDUM: MILEAGE REIMBURSEMENT POLICY

Effective Date: Immediately
Revised: 3/10/2015

Purpose:
To provide for the appropriate reimbursement to employees for expenses incurred in the use of personal vehicles on the West Virginia State University Research and Development Corporation.

Policy:
This policy and its related procedures are applicable to all Corporation /University faculty and staff regardless of the source of funds supporting such expenses. If such expenses are to be charged to a sponsored program, the terms of the grant or contract will take precedence if they are more restrictive than the Corporation policy.

The Internal Revenue Service has issued a standard mileage rate used to calculate the deductible costs of operating a personal car for business use. Please contact the Business and Finance office the current rate.

The Corporation will reimburse employees for the use of their personal vehicle used for Corporation business. Reimbursement will be at the effective date and rate published by the Internal Revenue Service.

Travel expenses incurred within 26 miles of the University campus or work headquarters including commute to and from work will not be reimbursed. Under IRS Reg. § 1.262-1(b)(5), costs of commuting to the place of business or employment are personal expenses You cannot be reimbursed for commuting expenses even if you work during the commuting trip. Reimbursement requests should indicate the points of travel and the miles eligible for reimbursement. Travel mileage to and from the airport will not be reimbursed. Mileage reimbursement requests should be sent the office of Business and Finance.

The traveler must document business miles using an internet supported document (i.e. MapQuest, Randmcmally, etc.) with exact mileage to determine the total mileage for the trip. The business mileage rate covers all costs of operating the vehicle including gasoline, oil, insurance and repairs. Receipts for tolls and parking fees are reimbursed separately and not included in the business mileage rate. Additionally, if business travel is conducted to purchase program supplies a copy of the receipt must be attached.

What is not… The Corporation will not reimburse individuals for the cost of auto insurance or for other expenses including, but not limited to, driving or parking violations, fines, gasoline, automobile repairs, vehicle damage or insurance deductibles as a result of an accident, break down, tow or resultant meals and lodging.

For full details, see pages 4-10 of the Operations Handbook