

**December 6, 2016 Webinar on Capacity Grant Equipment: Submitting Requests  
Transcript of the Q&A**

**(NOTE: The questions are exact transcripts from the webinar. The responses are not an exact transcript, but an after-the fact summary. For exact answers as stated on the webinar, please visit <https://nifa.usda.gov/program/capacity-grantee-resources> and review the recorded webinar.**

Sarah Lupis: Who is evaluating the "necessary" piece? [Program and OGFM joining review and evaluate prior approval for equipment request.](#)

Dr.Chandra Reddy: Do we need NIFA approval for buying equipment with state funds? [If they are being used to meet the matching requirement, yes.](#)

Laura: Just to clarify, the request to re-submit FY17 application is ONLY if there was a request for prior approval for equipment as part of that application? [We are requesting that you resubmit ONLY the prior approval for equipment request to \[capacityequipment@nifa.usda.gov\]\(mailto:capacityequipment@nifa.usda.gov\)](#)

Crystal D Clark: Regarding FY17 grants.gov submission; do we need to resubmit our RFA's? [Not unless you received an email from OGFM requesting you to resubmit.](#)

Ulises Toledo: I suggest an official receipt from the agency is emailed to AOR or approved submitter (when all documentation is received) as a way to ensure request receipt and tracking record. [Thank you for the suggestion. We will implement this.](#)

Ulises Toledo: Can you please refresh my memory as it relates to prior approval for capital expenditures (other than equipment) for these capacity grants which allow these types of expenses? Thank you. [Yes, capital expenditures \(major renovation and construction\) also require prior approval. Please see 2 CFR 200.439.](#)

Dr.Chandra Reddy: Equipment request to be signed by the PI/PD or AOR. that could be very confusing for some of us. Why do you need AOR; not PI/PD? Clarify please. [Because this is a formal request relating to the grant that becomes part of the official grant file, the request needs to be made by a person who is an authorized representative of the grantee institution. This may be the individual who signed the SF 425 or another authorized representative at your institution \(some institutions have multiple AR's\)](#)

Melissa Kelley - Clemson: If it has been 30 days since submission and we did not receive a response what is our next step? [Please contact OGFM – Brenda Barnett or Allison Owens.](#)

Laura: So, if we purchase a vehicle 100% state funds, but plan to use it as match against McIntire Stennis funds, we must get prior approval to be able to use it as match? [Correct](#)

UK-Chris: If we were purchase an item that will shared across multiple projects, do we need to make multiple requests? [Yes; each grant number would need a separate request. The content of the request could be the same – with a notation that it I being funded by multiple NIFA grants.](#)

Williett Hunt: Do you have to obtain prior approval for the purchase of office furnishings? Example ordering 7 desks, chairs and conference table. [Likely no. To be considered general purpose equipment, each item must be more than \\$5000 and have a useful life of at least one year.](#)

Dr.Chandra Reddy: What is the implementation date for this policy? It is effective for FY 17 – so your FY 2017 grants and funds.

Michael Christian: If you purchase special purpose who owns after the grants ends. Title vests with the grantee. The Uniform Guidance does contain disposition requirements 2 CFR 200.313:

Leonard Pavlov: Are NSF and NIH grants examples of competitive grants that are not subject to the prior approval requirement? Yes, I believe so – because those submit budgets and budget narratives with applications and use the research terms and conditions established by FDP.

Adonica Williams: If equipment is purchased to be used 100% for the project can it occasionally be used for classroom/lab instruction? This is a difficult one to answer generally. Equipment purchased for the grant must benefit the grant. If it is being used for other purposes, costs are supposed to be allocated. That being said, there can be deMinimis use for other activities, but be very cautious.

Dr.Chandra Reddy: Vehicles are considered as general items requiring prior approval when cost exceeds \$5k? Correct

Evans: Who has title to equipment purchased with Capacity funds? Title vests with the grantee. See 2 CFR 200.313(a)

Laura: Effective with the use of FY17 funds? (some of us are still using balance of FY16 award). The requirement applies to FY 17 funds only; FY 16 carry over is not subject to the requirement. However, any equipment purchased with FY 16 funds must be necessary, reasonable, and allocable to the grant. We want to remind grantees that purchasing equipment at the end of the grant or funding availability period, only for the sake of spending funds before they expire, is not allowable. To be allowable, equipment must benefit the grant and serve an immediate (not future) need.

Elizabeth Auchterlonie: Are the same prior approvals required on funds that are being used as cost sharing for capacity grants? Yes

ISU: Can an equipment item, such as combine, be considered special purpose equipment if used entirely for research? Special purpose equipment is defined as equipment which is used only for research, medical, scientific, or other technical activities. Examples of special purpose equipment include microscopes, x-ray machines, surgical instruments, and spectrometers. 2 CFR 200.89. As NIFA reviewed the regulation, it believes most farm equipment falls under general purpose equipment. If you have a question about whether a specific piece of equipment is research related, please contact OGF.

Dr.Chandra Reddy: Remodeling or construction falls under this category? Major renovations and construction fall under capital expenditures, which do require prior approval – please see 2 CFR 200.13, 200.12, and 200.439.

Leonard Pavlov: Typically, is the awardee of a grant considered the authorized representative to sign the prior approval request? Yes. Any other examples of someone authorized to sign? This will depend on your institutions policies regarding Authorized Representatives.

Cynthia Nichols 3:I am a little confused with the timing of the purchase of equipment at the end of a capacity grants. These are not like competitive grants and are used to fund ongoing work. [We understand. You may certainly purchase equipment at the end of the grant period or carry over availability for ongoing work. We just want to ensure that equipment is not being purchase for the sake of spending funds before they expire, when there is not a current need or benefit to the grant. To be allowable, equipment must benefit the grant and serve an immediate \(not future\) need.](#)

Dr.Chandra Reddy: What is the cost limits in defining something is a major or minor renovation or construction. [There is no dollar amount specified in the Uniform Guidance. The definition indicates it is when the expenditure is adding material value to the building.](#)

Campbell/AAMU: Will the complete dialog of today's session be available online in addition to the PowerPoint presentation? [The PPT and the recorded webinar will be available on the new capacity-grantee-resources website.](#)

Lois Burg: Can we print out the question and answers from this session. [We will post the webinar Q&A on the capacity-grantee-resource page as well.](#)