

	FA 602
	Fixed Asset Policy: Disposal/Transfer/Sale
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	Approved By: Kenneth Johnston
	Effective Date: 05/18/2016

<p>Purpose To properly account for the disposal, transfer, or sale of university owned equipment.</p>
<p>Policy The Controller’s Office is responsible for accounting for the disposal of all equipment at the time of disposal in accordance with federal regulations and generally accepted accounting principals.</p>
<p>Procedures The procedures below apply to tagged fixed assets. Untagged assets should be transferred to the Facilities department for evaluation of the best way to dispose of the asset.</p> <p>Disposal/Sale Process:</p> <ol style="list-style-type: none"> 1. If a piece of equipment is identified by the department administration responsible for the equipment as being obsolete, damaged beyond repair, completely depleted/used, or junk and the department wishes to dispose of the equipment the department must follow the below steps: <ol style="list-style-type: none"> a. Obtain written authorization to dispose of the equipment from the department chair or budget manager. b. The Facilities department will work with you to complete the Disposal/Transfer/Sale of Inventory Equipment form, and will transfer the completed form to the Controller’s Office. c. The Facilities Department will work with the Controller’s Office to review the request and ensure removal of all equipment tags from the asset. 2. The Facilities Department will determine the most appropriate disposition of the unwanted asset. First priority will be given to reuse of the asset by another university department. Assets may also be sold, donated, recycled or scrapped. Assets purchased with sponsored funding will be handled in accordance with the funding guidelines.

Transfer Process:

The transfer of equipment involves transferring equipment from one department/unit to another or from the university to another organization.

1. To request a transfer of equipment from one department to another or the relocation of equipment the department requesting the transfer or relocation must complete a [Disposal/Transfer/Sale of Inventory Equipment](#) form, and forward the form to the Controller's Office, Tech Central, 4th Floor, Room A2-1.
2. The Controller's Office will then record the transfer/relocation in the Banner system.
3. Transfer to another entity – Usually used when a researcher or faculty move to another university. The [Disposal/Transfer/Sale of Inventory Equipment](#) form should be completed and forwarded to the Controller's Office, Tech Central, 4th Floor, Room A2-1.
4. Transfer from another university - The department receiving the equipment must notify the Controller's Office in Tech Central, 4th Floor, Room A2-1. They must provide a description, original receipts and an estimate of the fair market value of the equipment. Inventory Control will enter the asset into the Banner system if the value is greater than \$2,500.00.

Guidelines

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References

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Responsibilities

Controller's Office – calculation of gain/loss and entry into the fixed asset system.

Departments – notification of disposal/transfer equipment

Required Forms