

Davis Applied Technology College: A Utah College of Applied Technology Campus Property and Fixed Asset Disposal Procedure

**Effective Date: 28 February 2011
Administrative Services Division Policy**

1. Purpose

To define the procedure by which the institution may dispose of property and other items, ensuring that the Campus maximizes the return or benefit from such items and in accordance with State laws governing asset disposition. The Campus Property and Fixed Asset Accounting Policy section 4.4 authorizes this procedure.

2. Procedure

2.1. The department fills out and submits an equipment retirement request form signed by the employee and supervisor to purchasing.

2.2. Purchasing declares a value for the equipment utilizing a fair market value approach and will determine the storage location for the item until disposition is complete.

2.3. Purchasing will compile a list of items with per unit values greater than \$100 to the weekly President's Council as a consent item on their agenda. Once the list is approved the disposal process will continue.

2.4. Purchasing will notify State Surplus of the pending disposal of surplus at least 15 day prior to external sale. The item is also posted to the internal DATC "Bulletin Board" for possible internal transfers during the 15 day State Surplus notification requirement

2.4.1. Internal Transfers - The retirement form is resubmitted as an asset transfer form and sent to accounting for any departmental funds to be transferred. Any moving charges or additional costs associated with the moving of the equipment may be charged to the acquiring department.

2.5. Purchasing submits the retirement request to the Controller for final approval.

2.6. Once the (15) day requirement has passed, the equipment is then disposed of:

2.6.1. External/Public Sales – All public sales of items will be announced using the most cost effective method determined by purchasing, (such as local classified advertising, KSL, Ebay, etc.). Once sold, the retirement form is sent to accounting to allocate payment to proper account. Sales tax will be collected on all sales unless the purchaser produces the proper sales tax exemption form.

2.6.2. Employees of the DATC may purchase items only after they have been listed as for sale to the general public and at the same price the items were offered to the public as determined in paragraph 2.2 above.

2.6.3. A bill of sale will be issued for all items sold as surplus. The bill of sale must state that items are sold as is and with no warranty.

2.6.3. Unsaleable items - If the item is not sold within (3) month of posting, a compiled list of items will be submitted to state surplus for them to pick it up. Once picked up, the retirement form will be sent to accounting to retire the asset. Should state surplus refuse the items the Campus will dispose of the items in a manner that complies with any state environmental or other regulations.

2.7. Once the accounting department has retired the equipment, the retirement form, along with the bill of sale, receipts, or any other supporting documentation, will be archived according to the Fiscal Services document retention guidelines.