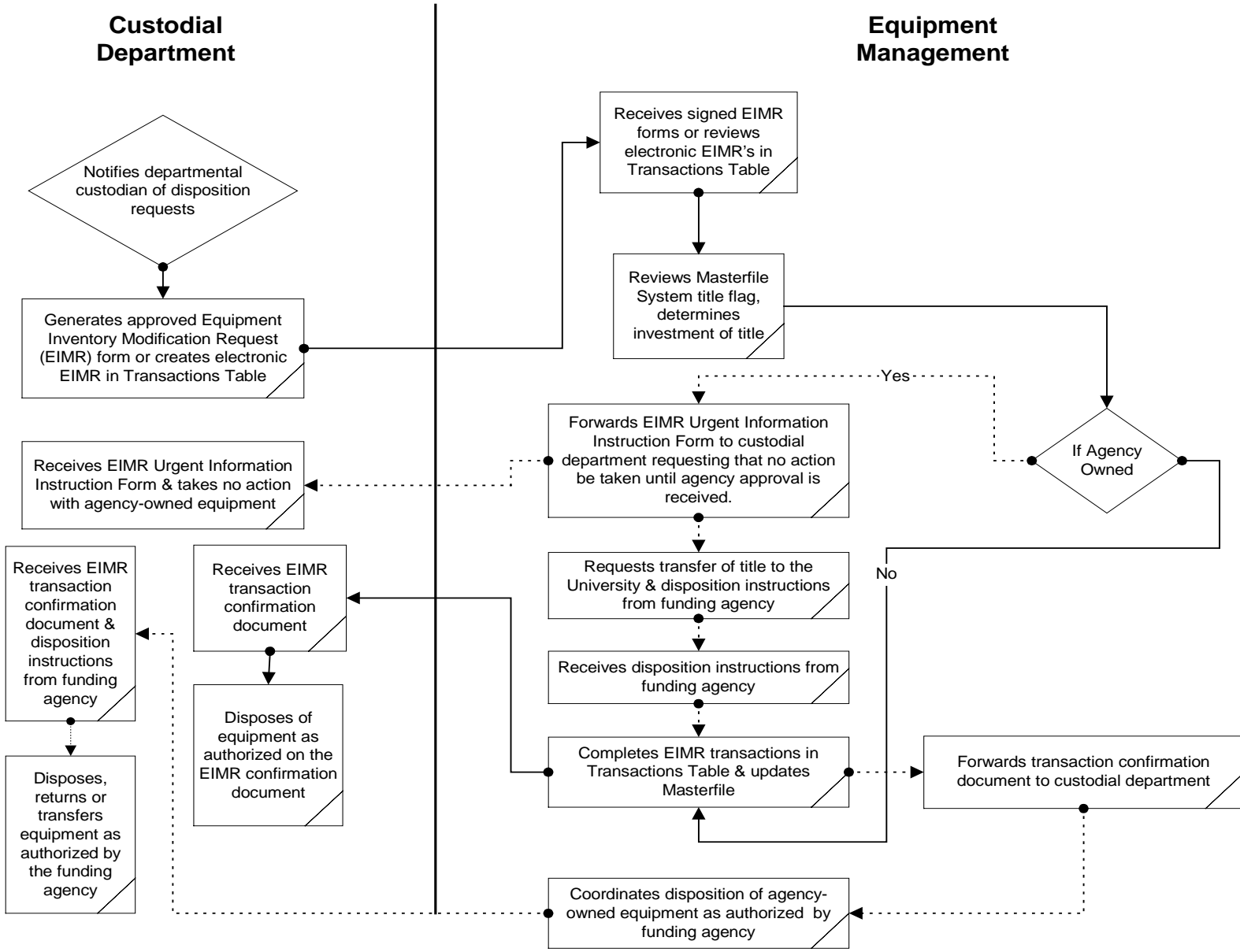


Process Map - Disposition of Capitalized Assets



METHODS OF DISPOSAL

When it has been determined that the excess equipment is of no immediate use within the University system, it may be disposed of in one of the following ways, whichever is considered to bring the highest net return or benefit to the University:

- A. Trade-in on new equipment;
- B. Public sale to the highest bidder;
- C. Sale on a "first come, first served" basis if a fair market value has been established by Equipment Management and the availability and the price of the items(s) are made known to the general public through newspaper advertising and/or other announcements;
- D. Private sale to an individual when the cost and effort involved in arranging for a sale by method A, B, or C would be disproportionate to the return expected, and Equipment Management has determined that the sale price is reasonable; or
- E. Donation of excess material to an organization outside the University if the market value of the excess material is below the costs required for handling, record keeping, storage, and other costs associated with trade or sale. *Donation of specific categories of excess material to educational institutions, other governmental bodies, or non-profit organizations require written approval from the Equipment Management Department.*

Sold or Traded-in Equipment

Excess University-owned material may be offered for sale, via the UCLA Dollar Saver, or trade in accordance with Business and Finance Bulletin BUS-38, Disposal of Excess Material and Transfer of Federally-Funded University-Owned Material.

Destroyed or Discarded Equipment

On written notification from a department head that an item of equipment has been destroyed or damaged beyond repair or is no longer useful and is being cannibalized, it may be removed from the inventory records. *Written approval from Equipment Management must be secured prior to discarding or abandoning equipment.*

Lost or Stolen Equipment

The loss or theft of equipment, when detected, must be reported immediately by the department head to the campus police and risk management as required by Business and Finance Bulletin BUS-28, Property Self-Insurance Program. Notice should also be sent to Equipment Management. After 90 days, if the equipment has not been recovered, it shall be removed from the inventory records. Equipment missing after a physical inventory check, either by the custodial department or the Equipment Management Department, is reported to the appropriate Department Head who reports to Equipment Management and shall be removed from the inventory records with the written approval of this office.

Transfer of Equipment

Equipment, inventorial or non-inventorial, which is declared surplus or excess by a department may be sold, traded-in, or transferred to another department on campus or at another University campus in accordance with Business and Finance Bulletin BUS-38, Disposal of Excess Material and Transfer of Federally-Funded University-Owned Material.

If the University holds title to property acquired under an award which includes recovery rights, and the funding agency requests transfer of such property to another institution, such property may be transferred to the designated institution. Before transfer is initiated it is necessary to determine who will be responsible for dismantling and shipping costs. *All transfers of extramurally-funded equipment must have prior written approval from the Equipment Management Department.*

Interdepartmental Transfer

When equipment is transferred between departments on the same campus, no change is made in the recorded value of the equipment. It is reported to the Equipment Management Department by the transferring department using an Equipment Inventory Modification Request. The signature of the department head receiving the equipment is also required. Custody of the equipment is transferred by the Equipment Management Department.

Release from Responsibility – Government Property

When government property becomes excess to the award for which it was provided, it is screened against needs of other awards prior to being declared excess. If there is a need for the property, the contracting officer is asked for authority to use or transfer. If there is no need, the property is reported as excess to the award in the manner prescribed by the funding agency.

In each instance that title to the equipment vests with the funding agency, the specific provisions of the applicable award govern.

The University is relieved of responsibility for government property with *the written approval of the contracting officer* or a duly authorized representative by the following:

1. Consumption of property in performance of the award.
2. Retention by the University for consideration given the government.
3. Sale of property, the proceeds of the sale being received by or credited to the government.
4. Shipment from University premises or that of a subcontractor.
5. Transfer of title to the University.
6. Abandonment in place by the government.
7. Loss, damage, or destruction.

Contact Gerry Wall at extension 43198 or via email at gwall@finance.ucla.edu for more information about equipment dispositions.