

**PROCEDURE FOR SELLING USED UNIVERSITY EQUIPMENT**

 For information on property disposal, recycling, or selling used equipment, contact the University of Minnesota Inventory Services at (612) 626-8222. They will advise you on various processes and other contacts when you have equipment that is no longer needed in your department.

 If you have items to offer for sale through a bid process, follow the process set out below. Any sale of items valued at $100,000 or more must be published through Purchasing Services. Departments may handle the sale themselves using a similar process and these templates for items valued under $100,000.

Step 1: Determine that the item can be sold. Make sure the University owns the item, not just lease it. If the item was acquired through a grant or a gift, make sure that the terms of the grant or gift do not prohibit selling it.

Step 2: Determine whether any laws or regulations may affect the sale. For example, there may be a prohibition against selling certain biological tissue or fluid specimens, or equipment that has been in contact with tissue or fluids, or they may need to be specially cleaned.

Step 3: Complete [Property Disposal/Off Campus Request Form (UM 1393)](http://www.policy.umn.edu/prod/groups/president/%40pub/%40forms/documents/form/propertydisposal.pdf) prior to offering any used equipment for sale. This form is required whenever University equipment will be removed from the Property Inventory. Forward the completed form to Inventory Services or call (612) 626-8222 if you have questions. Your department will be sent information regarding the sale.

Step 4: Determine whether the buyer should have certain insurance. For example, if the buyer is a business buying the used equipment from the University, insurance requirements should be put in the specifications which address property damage and workers’ compensation coverages. If the buyer is a private individual, there might be no insurance requirements necessary. Call Risk Management at (612) 625-0062 if there are any questions on insurance requirements.

Step 5: Complete the University’s [Request for Offer to Sell Used Equipment form (OGC-SC519](https://policy.umn.edu/sites/policy.umn.edu/files/contracts/ogc-sc519.doc)). If publishing through Purchasing Services, forward to Purchasing Services. Include the names and addresses of any interested buyers. This Request for Offer to Sell Used Equipment template can be modified to fit your sale needs. Contact Purchasing Services if you need help with the terms and conditions for the sale.

Step 6: Publishing the Offer through Purchasing Services. Purchasing Services will assign a number to the Request for Offer to Sell Used Equipment form and publish the form to the recommended buyers and other interested buyers. For expensive or unique items, the department may consider placing an ad in the local newspaper or other appropriate publications. Purchasing will collect the responses and forward them to the selling department.

Step 7: Awarding the Offer. After the selling department has evaluated the responses, use the Award Letter for Used Equipment Sold (see below) to notify the winning Buyer that the offer to buy is accepted and any other terms of the sale.

Step 8: Prepare the item for transportation. The notified buyer is responsible for the cost of packing and transportation, but the selling department must detach the item from any structure unless alternate instructions are agreed to, remove confidential information, and take any other steps necessary to put the item into removable condition on the University’s premises.

Step 9: Collect Payment. The notified buyer must pay for the item within ten (10) business days after receiving the award notice, and before removing it from the University. The selling department is responsible for collecting and accounting for the money from the sale. Contact Asset Management at (612) 624-5558 with any questions on the cash receipt process. Tax questions maybe referred to the University of Minnesota Tax Department at (612) 624-1053.

Step 10: Remove Sold Items From Inventory. After the buyer has paid for the item, forward a copy of the Cash Receipt (CR) and a copy of the [Disposal form (UM 1393)](http://www.policy.umn.edu/prod/groups/president/%40pub/%40forms/documents/form/propertydisposal.pdf) to Inventory Services. A list of the inventory number may substitute for the disposal form. This final step ensures the item is cleared from University inventory records.

Link to [Managing University Capital Equipment Policy](http://policy.umn.edu/Policies/Finance/Inventory/PROPERTY.html)

Link to [Selling Goods and Services to University Departments Policy](https://policy.umn.edu/finance/internalsales#formslink)

Link to [External Sales Policy](http://policy.umn.edu/Policies/Finance/Accounting/EXTERNALSALES.html)

 RE: OFFER TO SELL #:

Dear      :

 This is a Letter Award notifying you that the University has accepted your bid on the following items:

|  |  |  |  |
| --- | --- | --- | --- |
| **Item #** | **Quantity** | **Description** | **Bid Price** |
|       |       |       | $      |
|       |       |       | $      |
|       |       |       | $      |
|       |       |       | $      |
|       |       |       | $      |
|  |  | ***TOTAL:*** |  |

 This award is subject to the Terms and Conditions set out in the Offer to Sell. Payment must be received within ten (10) business days after the date of this Letter, and in any case before you remove the items. Payment must be by wire transfer money order, certified or cashier’s check, or cash (under $10,000). No personal checks will be accepted. Make out checks to Regents of the University of Minnesota. Deliver payment to the department selling the items. Remove purchased items from the University immediately after payment.

 Thank you for your interest in the University of Minnesota.

 Sincerely,