### Purpose
To properly account for the disposal of university owned equipment.

### 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.

Department administrators are responsible for the safeguarding, maintaining and utilizing all equipment it acquires.

### Procedures

**Disposal Process:**

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:
   a. Obtain written authorization to dispose of the equipment from the department chair.
   b. Complete the Disposal/Transfer/Sale of Inventory Equipment form. transmit the completed form to the Fixed Asset Department.
   c. The Fixed Assets Department will review the request and if approved they will request the department to remove all equipment tags from the equipment and send the tags to the Fixed Asset Department.

**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 Fixed Asset Department MB 201.

2. The Fixed Asset Department will then record the transfer/relocation in the Banner.
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 Fixed Asset Department, MB201.

4. Transfer from another university - The department receiving the equipment must notify Fixed Asset in MB 201. 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.

**Sale Process:** Equipment will only be sold once it is determined that the equipment has no value to any department within the university. Sale proceeds will be recorded to the university general funds, or to sponsored projects if applicable.

1. Before any equipment is sold, the procedures for disposal of equipment must be followed.
2. The department requesting a sale must complete the Disposal/Transfer/Sale of Inventory Equipment form and forward to Inventory Control.
   A. For the sale of inventory equipment purchased with sponsored funding see policy on disposal for equipment purchased with federal funds.

### 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
http://www.iit.edu/policy_procedures/forms/ga_equipment_acquisition_request.xls