Equipment Disposition Guidelines for Federally Funded Equipment

2 CFR, Part 215 establishes uniform requirements for federal grants and agreements awarded to institutions of higher education, hospitals and other non-profit organizations. In accordance with this circular and the sponsoring agency, UNLV is subject to certain federal controls on the acquisition, use and disposition of federal equipment.

Departments wishing to sell equipment that was purchased using application grant funds must follow the procedures outlined in the University’s Surplus Property Program and guidelines established by external sponsors in order to ensure compliance with 2 CFR, Part 215.

The following guidelines should be used when disposing of University equipment.

Departments should evaluate equipment that they are seeking to dispose of and assess the current needs of other departments and colleges to determine whether or not the equipment can be transferred to another UNLV entity before disposition procedures begin.

The Office of Sponsored Programs (OSP) should be consulted so that they can work with the Principal Investigator (PI) or other appropriate individual within the department. This may involve seeking approval from the appropriate sponsoring agency to ensure all necessary forms are prepared and clearances for the disposition are obtained from the Sponsoring agency. If a notification to the Sponsoring Agency is required, disposal of the asset cannot be completed until this approval has been achieved, so it is important that this process begin as soon as possible. In addition, the dean, chairman, or unit manager should be informed during this process, so as to not delay the disposal.

If federal terms and conditions require agency disposition approval, the Federal awarding agency will issue instructions to OSP or the PI. Equipment purchased with federal funds may not be surplused by the Department unless instructed to do so by the Federal awarding agency.

For further information please refer to the UNLV Surplus policy located on the Delivery Services website at: http://web.unlv.edu/depts/delivery/SurplusPolicy.pdf

To begin the process of declaring surplus property the department should complete a property movement request (PMR) located at http://delivery.unlv.edu/pmrform to notify Surplus Property of the disposal. The request should include:

- Description of the equipment
- UNLV bar code number
- Condition of the equipment
- Whether or not the equipment was purchased with Federal Funds
- The Fair Market Value (FMV) of the Equipment – The Fair Market Value is an estimate of the market value of a property, based on what a knowledgeable, willing buyer would pay to a knowledgeable, willing seller in the market. An estimate of fair market value may be founded either on precedent or extrapolation.
- The university account number that was used to purchase the equipment.

The department should work with the Surplus department staff to arrive at a reasonable FMV to ensure the maximum return for equipment that is being sold or traded in.
The sales potential and value of laboratory, computing, and other highly specialized equipment is generally much higher when the equipment is retained in its operating environment and when personnel familiar with its operation, capabilities, history, etc., are available for explanation and demonstration to prospective buyers. In order to ensure the maximum values as noted above and to avoid risking damage to the equipment during the storage process and to ensure that authorization for the sale has been approved, Surplus will not accept federally funded surplus property until disposition instructions from the sponsoring agency are received.