Ball State University
Department: Inventory Control and Moving and Storage
Policy: Trade In of Moveable Equipment
Policy -- PUR320

General

This procedure is to cover trade in of an asset on a new purchase. Periodically it will be advantageous to the University to trade in moveable equipment on a new purchase. In doing so, the custodial department will coordinate with the Purchasing Department if it desires to trade in an item on the purchase of a new item. The terms and conditions of the trade will be established and approved by the Purchasing department. When the trade in is approved by Purchasing, the custodial department generates a Purchase Requisition (PUR205). A B-450 capital Release/Move Form must also be completed by the custodial department. The B-450 form is available from the Inventory Control and Moving and Storage ("ICM") web site.

Procedure

Once an asset is approved for trade on a new purchase by the Purchasing Department:

A. The department will prepare a purchase requisition for the new asset to be purchased (PUR205). This requisition will include a line item credit and the following information for the asset being traded:

    1. BSU property tag number (if present)
    2. Description of the item
    3. Make
    4. Model
    5. Serial number
    6. Amount of trade-in allowance

B. The Department will also complete a B-450 Capital Equipment Release/Move Order form for the asset being traded with the same information described in section A above. The original B-450 will be forwarded to the ICM office and a copy will be forwarded to the appropriate purchasing agent in the Purchasing Office. Processing of the purchase requisition for the new equipment will not occur in the Purchasing Office until the B-450 is received.

C. A purchase order will be issued with all of the information in section A above being shown on the purchase order for the asset to be traded. Issuance of the purchase order by the Purchasing Office will signify final approval of the trade in.

D. ICM will remove from the FRS inventory system the item traded by using the information from the completed, signed B450 Capital Equipment Release/Move Order form from the custodial department.

E. Before releasing the trade in asset to the vendor, the department will remove the property tag. It is especially important that the property number be removed from all items leaving ownership of the University, since its presence identifies the equipment as "Property of Ball State University".

Responsibility:

Custodial Department
ICM
Purchasing

Other departments affected:

Controller's Office

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