

Departing Employee Request to take Capital Equipment to a New Institution Procedure

Procedure #: 110.11

Rev.: 0

Effective Date: January 1, 2017



Related Policy: [Capital Equipment Policy](#)

Functional Owner: Property Control, Business Services

Contact: Property Control Manager: (608) 265-7830
Property Control Mailbox: Property@bussvc.wisc.edu

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I. Procedure Statement

This document covers procedures to be followed when a departing employee requests to take capital equipment with them to a new institution. In all cases, [Form 110.11F Request for Authorization to Transfer/Sell University Property to a Departing Employee's New Institution](#) and an Agreement for Transfer/Sale of University Property must be completed and signed prior to equipment being shipped to the new institution. Please note, Departments and Divisions may require additional review, approval, and discussion with the Deans Office when a departing employee requests to take capital equipment with them to a new institution.

Criteria for Determining Authorization of Transfer/Sale of Capital Equipment

Department Chair/Deans Office/Director/Designee and Property Control may authorize departing employees to take University equipment if all of the criteria are met:

- The departure of equipment does not adversely affect instructional needs, graduate students or other research remaining at UW-Madison.
- Formal resignation has been submitted by the departing employee and received by the Department Chair/Supervisor.
- The departing employee was a permanent, University employee, including Faculty and Academic Staff roles. Student employees and zero-dollar appointees are excluded from this definition.

- The departing employee's role was directly related to at least one element of the University's core mission (instruction, research, or public service). This excludes administrative roles.
- The capital equipment will be used for the same purpose at the new institution.
- The new institution is another institution of higher education or academic research. Equipment cannot be transferred to a for profit or start-up business.
- Equipment does not contain any UW-Licenses, UW-Proprietary Software, nor any [sensitive data](#).

If all of the above criteria are met and the Department Chair, Dean/Director/Designee approves the transfer/sale of equipment, departments must complete Form 110.11F Request for Authorization to Transfer/Sell University Property to a Departing Employee's New Institution.

Criteria for Determining if a Transfer of Equipment is Acceptable

Equipment may be transferred to the departing employee's new institution under the following circumstances. The transfer of equipment is also referred to as a zero-dollar, cost transaction.

- The capital equipment item was solely funded by an active/on-going, sponsored research project AND the research project is moving with the departing employee to their new institution. Expenses for all packing, shipping and insurance costs are covered by the new institution.
 - Note: An active or on-going project is defined as a contract/grant/agreement having the same sponsor, that is currently in progress having not ended, and is being continued at the new institution.

Criteria for Determining if a Sale of Equipment is Acceptable

Equipment may be sold to the departing employee's new institution under the following circumstances.

- The sale is a negotiated exchange as part of the departing employee's recruitment between the UW department and the departing employee's new institution.
 - Departments may be allowed to sell equipment in situations involving departing employees and their new institutions. Sales involving departing employees may be granted, because such sales are customary exchanges in academia and are commonly negotiated as part of a larger recruitment/employment package offered to the departing employee. This circumstance does not meet the state's definition of surplus and therefore is an allowable sale. In situations where this is not the case, departments must coordinate sale through Surplus with a Purpose (SWAP). Please refer to [Procedure 110.7 Equipment Dispositions](#).
- Equipment was funded by a sponsored project, but the project is closed AND there are no sponsor restrictions on the award.

Criteria for Determining a Sale Price of Equipment

- Property Control provides a listing of the capital equipment and information including initial acquisition cost of equipment, acquisition date, and net book value (NBV) for which equipment is recorded in the University's financial sub ledger.
- Property Control does not require departments to sell at the NBV, but does ask for a brief explanation if there is a difference between NBV and sale price.
- **An employee's Department Chair and/or Dean/Director/Designee has the final authority to set the sale price of the equipment**, as they are most closely involved in situations when prices must be negotiated with a new institution.

- At their option, Department Chairs and Deans/Director/Designee may seek the advice of the Division of Business Services, Purchasing Services for a suggested sales price.

II. Who is affected by this Procedure

This procedure applies to all UW-Madison departments. It should be understood by Department Managers, DPAs, Department Chairs, Directors, Deans, Chief Financial Officers, Principal Investigators, and other employees responsible for equipment.

III. Procedure

The following steps represent the overall process:

1. Departing employee notifies their Department Chair and DPA of their pending departure, and that they are requesting permission to take capital equipment to a new institution.
2. The DPA contacts Property Control to request a list of capital equipment items associated with the departing employee.
3. Property Control provides a list of equipment to the DPA. The equipment list will include the asset tag number, description, acquisition date, acquisition cost, funding sources and percentages, net book value (NBV), etc.
4. The DPA provides the equipment list to the Departing Employee, Department Chair, Dean/Director/Designee for review.
5. The Department Chair, and/or Dean/Director/Designee determines that all eligibility criteria are met:
 - a. The departure of equipment does not adversely affect instruction needs, graduate students or other research remaining at UW-Madison.
 - b. Formal resignation has been submitted by the departing employee and received by the Department Chair/Supervisor.
 - c. The departing employee was a permanent University employee, including faculty and academic staff roles. Student employees and zero-dollar appointees are excluded from this definition.
 - d. The departing employee's role was related to at least one element of the University's mission (instruction, research, or public service). This excludes administrative roles.
 - e. The capital equipment will be used for the same purpose at the new institution
 - f. The new institution is another institution of higher education or academic research. Equipment cannot be transferred to a for-profit businesses or start-up business.
 - g. Equipment does not contain any UW-Licenses, UW-Proprietary Software, nor any [sensitive data](#).
6. The Department Chair and/or Dean/Director/Designee approves one or more items on the equipment list to be either transferred and/or sold to the new institution. The criteria listed for a transfer and a sale of equipment must be used to determine the treatment of each piece of equipment.

- a. If the equipment meets the criteria to sell equipment, the **departing employee's Department Chair and/or Dean/Director/Designee has the final authority to negotiate and determine the sale price of the equipment with new institution.**
7. Along with the DPA, the Department Chair, and Dean/Director/Designee, completes Form 110.11F Request for Authorization to Transfer/Sell University Property to a Departing Employee's New Institution.
 - a. Signatures from the Departing Employee, Department Chair, and Dean/Director/Designee represent an agreement to release the equipment to the departing employee's new institution and attests that the equipment does not contain sensitive data, UW-Licenses, or UW-Proprietary Software. (Examples of sensitive data: [UW-Madison Knowledgebase-Protecting University Data.](#))
8. After Form 110.11F Request for Authorization to Transfer/Sell University Property to a Departing Employee's New Institution is completed, the DPA sends the form to Property Control along with the approved list of equipment to be transferred and/or sold to the new institution.
 - a. Note: In cases when equipment is to be sold and the selling price exceeds the NBV, please include a justification along with the request form.
9. Property Control and Research and Sponsored Programs (RSP) reviews the terms and conditions of the grant or contract for restrictions that would prevent the departing employee from taking the equipment.
10. If restrictions do not exist, Property Control will prepare an Agreement for Transfer/Sale of University Property and will send it, along with a copy of the approved equipment list, to the authorized official at the new institution for signature. Property Control will notify the Departing Employee, Department Chair, DPA and/or Dean/Division/Designee of the action.
 - a. If equipment is being sold to the new institution, the sale price will be included in the agreement.
11. The authorized official of the new institution accepts the terms of the agreement, signs the Agreement for Transfer/Sale of University Property and returns it to Property Control.
 - a. Note that the new institution accepts responsibility for all packing, shipping, and insurance costs for the equipment.
12. Upon receiving the signed Agreement for Transfer/Sale of University Property, Property Control will authorize the departing employee to take or ship the equipment. Property Control will update the asset management system to show retirement of the asset. Property Control will also provide the Departing Employee, DPA, Department Chair and Dean/Director/Designee a copy of the fully-signed agreement.
13. The DPA or designee must remove and discard the asset barcode tag(s) prior to shipping the equipment.

14. If equipment was sold to the new institution, the Departing Employee’s UW department financial staff should prepare and send an invoice, along with a copy of the Agreement for Transfer/Sale of University Property, to collect on the sale price of the equipment. The invoice should reference the capital equipment description, amount billed, UW department financial contact, along with an appropriate funding string to which the sales amount should be credited. If necessary, check with your Deans Office for guidance on the appropriate funding string to use. The UW System Chart of Accounts revenue code specifically approved for this type of transaction is **account code 9939**.

IV. Contact Roles and Responsibilities

	Departing Employee	DPA	Dept Chair/ Dept Admin	RSP	Property Control	New Institution	Dept Fin Staff
Departing Employee Request							
1) Notifies Department Chair and DPA of departure and request to take capital equipment to a new institution.	X						
2) Request equipment list from Property Control.		X					
3) Provide list of equipment with NBV to DPA.					X		
4) Provide list of equipment to Department Chair, Dean/Director/Designee and Departing Employee.		X					
5) Confirm all eligibility criteria are met			X				
6) Determine and approve equipment based on criteria related to transferring and/or selling equipment. Sale price determined when applicable.	X (provides input)		X				
7) Complete Form 110.11F Request for Authorization to Transfer/Sell University Property to a Departing Employee’s New Institution.	X (provides input)	X	X (provides input)				
8) Form 110.11F Request for Authorization to Transfer/Sell University Property to a Departing Employee’s New Institution sent to Property Control with list of capital equipment approved for transfer/sale.		X	X (provides input)				
9) Funding sources and terms reviewed.				X	X		

	Departing Employee	DPA	Dept Chair/ Dept Admin	RSP	Property Control	New Institution	Dept Fin Staff
10) Prepare Agreement for Transfer/Sale of University Property and send to departing employee's new institution.					X		
11) Return signed Agreement for Transfer/Sale of University Property to Property Control.						X	
12) Send notice to authorize shipment of equipment and update asset management system.					X		
13) Prior to shipment, remove asset barcode tag(s) from equipment.		X					
14) If equipment was sold, prepare invoice and send to Departing Employee's new institution.			X (provides input)				X

V. Definitions

- [Capital Equipment Definitions](#)

VI. Related References

- [Form 110.11F Request for Authorization to Transfer/Sell University Property to a Departing Employee's New Institution](#)
- [Procedure 110.7 Equipment Dispositions](#)
- [UW-Madison Knowledgebase-Protecting University Data](#)

VII. Revisions

Procedure Number	110.11
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