

## **Trade-Ins**

A fund manager may have existing property and offer it as a trade on new property of the same general type when such exchanges are in the best interest of TTUHSC. However, a state agency may not trade property that has been declared either surplus or salvage; such property must be disposed of under applicable state law. Trades are not allowed on the state term contract.

Equipment may be purchased with a trade of equipment of a similar type if the following requirements are provided on the requisition:

- Describe the age, condition, make, model and serial number (if applicable) of the used equipment;
- Provide a realistic estimate of the used equipment's value;
- Include the following statement on the Techbuy requisition "Less trade-in at State's option: to be picked up by the successful bidder where is, as is" (give a deadline time/date to remove trade-in);
- Enter each trade allowance as an individual item;
- Include the TTUHSC inventory tag number for each item if applicable.

If not considered as a trade, used equipment must be disposed of as surplus or salvaged property. Used equipment to be released as a trade is not to be released until the purchased equipment is received.

Trades are not permitted for the lease or rental of equipment. Leased or rented equipment will not become the property of TTUHSC and therefore, trades on these types of orders are not allowed.

Note: The property manager is responsible for reporting the pickup of tagged equipment. Refer to OP 63.10 for specific instructions.

## **Used Equipment**

As a general rule, fund managers should procure new equipment, but sometimes it is necessary or advantageous to purchase used or remanufactured equipment. The most common reasons are:

- the inability to secure new equipment;
- the lack of adequate funds for new equipment; or
- used equipment will satisfy the agency's need at a substantial savings.

**Purchases of used and demonstrator equipment are to be processed as follows:**

1. Written quotations must be obtained following the appropriate procedures applicable to the total purchase amount, or a proprietary purchase justification must be provided, if applicable.
2. Provide signed statement from the supplier(s) guaranteeing quality and condition of the equipment offered. It is strongly recommended, when possible, that the fund manager request a warranty to make available service and parts for the equipment of at least one year.
3. The fund manager must also state
  - (a) The equipment has been personally examined, and
  - (b) Describe the condition and value of the equipment

The fund manager is responsible for submitting the required supporting documentation by electronically attaching it the purchase requisition. If the Purchasing Department determines that the purchase is appropriate, and the purchase is anticipated to exceed \$10,000.00, competitive bids may be solicited.