

## MAIMONIDES MEDICAL CENTER

CODE: FIN-023 (Revised)

DATE: March 23, 2017

ORIGINALLY ISSUED: March 11, 2002

### **SUBJECT: SALE, TRADE-IN OR DONATION OF EQUIPMENT**

#### **I POLICY:**

The sale, trade-in, removal, or donation of equipment that is the property of Maimonides Medical Center, requires appropriate detail of the asset, as set forth in the Procedure section of this policy.

#### **II RESPONSIBILITIES:**

- A. The SVP of clinical services and Vice President of Materials Management will determine if equipment has a resale value above its scrap value.
- B. It is the responsibility of the Senior Vice President, Financial Operations/Controller, to maintain the appropriate records to determine the book value of the asset to be disposed.
- B. It is the responsibility of the Department Head to maintain a record of the equipment and any pertinent information related to it.

#### **III PROCEDURES:**

- A. A Department or individual wishing to sell, trade-in or donate a Medical Center asset is to submit a Written-Request-To-Sell, Trade-in or Donate to the Senior Vice President, Financial Operations/Controller, and the Vice President of Materials Management, prior to initiation of a sale or trade-in.

The Written-Request-To- Sell, Trade-in or Donate is to include, at a minimum, the following:

- 1) Make and model number of equipment.
  - 2) Location of equipment.
  - 3) Date of purchase.
  - 4) Purchase price, if available.
  - 5) Use of equipment.
  - 6) Reason for Request-To-Sell or Trade-in.
  - 7) Contact person's name, extension and fax number.
  - 8) In a trade-in; the new equipment to be purchased, its cost and the trade-in value of the old equipment.
  - 9) Capital Budget approval for new equipment.
- B. The Senior Vice President, Financial Operations/Controller or his/her designee will determine the remaining useful life of the asset, if any, associated outstanding depreciation, and whether the asset is part of equipment financed through a capital lease to the Medical Center. If the total remaining book value of the asset is greater than \$10,000, the proposed sale or trade-in will require competitive bids.

If the remaining book value is less than \$10,000, the necessity of competitive bidding is at the discretion of the Vice President, Materials Management.

If the equipment is part of a capital lease, the Vice President, Financial Operations/Controller will obtain bank approval for the transaction, where available. If the asset to be donated has a book value of less than \$10,000, the Vice President, Materials Management can authorize the donation after appropriate review by the Legal department. If the value of the asset is greater than \$10,000, the donation must be authorized by the Vice President, Financial Operations, after appropriate legal review.

- C. The Vice President Materials Management, or his/her designee, will notify the Requestor of the remaining book value and the need for competitive bids in writing.
- D. If the Vice President Materials Management determines that the asset is appropriate for sale or trade-in, (2) competing bids, if available, are to be collected.
- E. Evidence of competing bids is to be submitted to the Vice President of Materials Management, along with the name of the suggested purchaser.
- F. The Senior Vice President, Financial Operations/Controller will provide written authorization to sell, trade-in or donate, to the Requestor. If the request is denied the Senior Vice President, Financial Operations/Controller will also do it in writing.
- G. The SVP of Clinical Services and Vice president will approve "scrap value" offers for used equipment. An "as is" release will be signed by the vendor.
- G. The decision on how to use funds gained from the approved sale, scrap sale or trade-in of an asset is at the discretion of the Senior Vice President, Financial Operations/Controller.

#### **IV CONTROLS:**

- A. No sale or trade-in of equipment shall occur without the authorization of the Senior Vice President, Financial Operations/Controller.
- B. Sale or trade-in of equipment shall be reviewed periodically for procedural compliance.

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Kenneth Gibbs  
President & CEO

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