

UC Davis Policy and Procedure Manual

Chapter 350, Supplies and Equipment

Section 65, Loans, Gifts, and Transfers of Equipment

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Responsible Department: Accounting and Financial Services

Source Document: Business and Finance Bulletin BUS-29, Management and Control of University Equipment; BUS-38, Disposition of Excess Property and Transfer of University Owned Property

I. Purpose

This section provides the policy and procedures regarding loans, gifts, and transfers of inventorial equipment to or from the University.

II. Definitions

- A. Inventorial equipment—equipment with an acquisition value of \$5,000 or more, that is non-expendable, tangible, free standing, and has a normal life expectancy of one year or more (see [Section 350-50](#) for exceptions to the definition). This policy refers to inventorial equipment as “equipment.”

III. Policy

- A. Loans, gifts, and transfers of equipment may be made only for authorized University business.
1. University departments must promptly report all changes in their equipment inventory due to loans, gifts, and transfers by advising the Department of Equipment Management.
 2. Transfers of University property to individuals or for-profit organizations are prohibited unless specific provisions are made in the terms of a contract or grant.
 3. The estimated return date for loaned equipment shall not exceed three years.
- B. Transfers of equipment acquired with federal contract or grant funds to another institution in conjunction with a move by a faculty member to that institution are allowed when the terms of the funding contract or grant do not prohibit the transfer and all required approvals are obtained.
- C. Transfers of equipment acquired with non-federal funds are not allowed per [Article XVI., Section 6.](#) of the California Constitution. All such material must be sold to the other institution through the Bargain Barn (see [Section 350-80](#)).

IV. Procedures

- A. Intracampus loans of equipment
1. The loaning department completes an Equipment Loan/Return (ELR) document in the University’s equipment tracking system.
 2. Equipment Management approves the ELR document.
 3. Upon return of the equipment, the loaning department processes an ELR document to terminate the loan.

4. Personally owned equipment may be loaned to the University and must be documented on the [Equipment Loan Agreement \(ELA\) form](#) per Section [350-55](#).
- B. Intercampus and external loans of equipment:
1. The loaning department secures approval from the department head and sends a copy of the approval to Equipment Management. If the equipment is owned by an entity other than the University, the loaning department secures approval from that entity as well.
 2. The loaning department completes an ELR document.
 3. Equipment Management approves the ELR document.
 4. Upon return of the equipment, the loaning department processes an ELR document to terminate the loan.
- C. Loans of equipment to the University from a government agency (including National Laboratories):
1. The acquiring department creates an Add Asset (AA) document in the University's equipment tracking system. The department enters the name of the government agency and the award/loan number into the Acquisition Source field of the document.
 2. Equipment Management approves the AA document.
 3. Upon return of the equipment, the department completes an Asset Retirement (AR) document.
 4. The department provides Equipment Management with documentation substantiating the return shipment and receipt of the equipment by the lending agency.
- D. Loans of equipment to the University from a private entity:
1. The department completes an ELA form and an AA document.
 2. Materiel Management approves equipment for demonstration or on a trial basis.
 3. Equipment Management approves the AA document.
 4. For proposed changes/extensions to the ELA form, departments complete an [Equipment Loan Agreement Modification Form](#).
 5. Upon termination of the loan, the department completes an AR document.
 6. The department provides Equipment Management with documentation substantiating the return shipment and receipt of the equipment by the lending entity.
- E. Gifts of equipment to the University:
1. Departments report gifts of equipment to Gift and Data Services, Advancement Services, on a [Campus Gift Acceptance Report \(UDEV 100-3\)](#) as specified in [Section 260-25](#) (not required for gifts of equipment received from a vendor listed on a Purchase Order as a

“no charge item”).

2. Gift and Data Services, Advancement Services approves the gift form and makes it available electronically to Equipment Management.
 3. Equipment Management approves the AA document, and issues a property decal to the department to attach to the equipment.
- F. Transfers of equipment from UC Davis to another UC:
1. The department prepares an AR document.
 2. The department secures approval from the department head and sends a copy of the approval to Equipment Management.
 3. If the equipment was acquired with contract or grant funds, the department also secures approval from the principal investigator and the sponsoring agency.
 4. Equipment Management coordinates the transfer with the receiving campus and approves the AR document.
- G. Transfers of equipment from another UC to UC Davis:
1. The acquiring department notifies Equipment Management.
 2. Equipment Management coordinates the transfer with the other campus' Equipment Management department.
 3. Equipment Management completes the AA document and notifies the acquiring department upon completion.
- H. Transfer of equipment acquired with Federal contract or grant funds to another institution or nonprofit organization in conjunction with a faculty member move:
1. The terms of the grant or contract from which it was funded must not prohibit transfer to another institution.
 2. The faculty member provides a written request to transfer the equipment, including the following:
 - a. A list of equipment to be transferred including property numbers, descriptions, original unit costs, and original funding sources/agencies.
 - b. The reason for the transfer.
 - c. Justification for transferring rather than leaving or selling the material.
 - d. The name of the institution (including contact person name) to which title will be transferred.
 3. The department secures approval from all of the following and sends a copy of the approval to Equipment Management:

- a. The sponsoring agency property administrator (or equivalent) if title does not vest in the University.
 - b. The Department Head.
 - c. The Dean, equivalent officer, or designee.
 - d. The Director of Sponsored Programs.
4. The department forwards to Equipment Management, written confirmation from an appropriate officer of the recipient institution that the institution accepts title (unless the title vests in the funding agency), with the understanding that the material is for the initial use of the new faculty member.
 5. The department creates an AR document.
 6. Equipment Management approves the AR document.
- I. Transfers of equipment acquired with non-Federal funds to another institution or nonprofit organization:
1. These transfers are handled as sales from the Bargain Barn to the potential buyer (see [Section 350-80](#)).
 2. If the equipment is being transferred in conjunction with a faculty move, the following are required:
 - a. The faculty member provides a written request to transfer the material which includes:
 - 1) A list of equipment to be transferred including property numbers, descriptions, original unit costs, and original funding sources/agencies.
 - 2) The reason for the transfer.
 - 3) Justification for transferring rather than leaving the material.
 - 4) The name of the institution (including contact person name) to which title will be transferred.
 - b. The faculty member obtains written approval by each of the following and sends a copy to Equipment Management:
 - 1) Department Head.
 - 2) Director of Materiel Management.
 - c. The department completes a Bargain Barn Excess & Surplus Property Form (available on [UCD Buy](#)), indicating the equipment is in conjunction with a faculty transfer.

- d. The recipient institution agrees in writing to accept title, with the understanding that the equipment is for the initial use of the new faculty member. For a sale of equipment, these terms are in the Purchase Order.
 - e. The receipt of payment constitutes written confirmation of the arrival of the transferred equipment.
3. All donations of University property must be transferred or disposed of in accordance with [Business and Financial Bulletin BUS-38](#) and [Section 350-80](#).
- J. Transfer of equipment to the University from an external source (other than another UC):
1. The department obtains written approval from the agency, private institution, outside educational facility, etc. authorizing release of the equipment title to the University.
 2. The department forwards the letter to Equipment Management.
 3. The department initiates an AA document.
 4. Equipment Management updates the acquisition code when the equipment has been previously loaned to the University.
 5. Transfers of equipment with no money exchange that are part of a principal investigator's transfer from another institution are added to the equipment tracking system by the department as acquisition code 41.
 6. Transfers of equipment with no money exchange that are *not* part of a principal investigator's transfer are considered gifts. The department adds the items to the equipment tracking system as gifts and completes the [Campus Gift Acceptance Report \(UDEV 100-3\)](#) (see [Section 260-25](#)).

V. Further Information

- A. University property must be moved as described in [Section 350-70](#).
- B. Additional information is available from Equipment Management, <http://accounting.ucdavis.edu/CA/>, or contact Equipment Management at eqhelp@ucdavis.edu.
- C. Other information is available from Gift and Data Services, Advancement Services, <http://as.ur.ucdavis.edu/giftcontacts.aspx>, Bargain Barn, <http://bargainbarn.ucdavis.edu>, and Materiel Management, <http://materiel.ucdavis.edu/about/index.cfm?opt=1>.

VI. References and Related Policies

- A. California State Constitution, Article XVI. Public Finance, Section 6, (<http://www.leginfo.ca.gov/const-toc.html>).
- B. UC Office of the President Business & Finance Bulletins (<http://policy.ucop.edu/>):
 1. BUS-29, Management and Control of University Equipment.
 2. BUS-38, Disposition of Excess Property and Transfer of University-Owned Property.

- C. UCD Policy and Procedure Manual (<http://manuals.ucdavis.edu/PPM/about.htm>):
1. Section 260-25, Gift Processing and Acknowledgment Procedures.
 2. Section 350-50, Classification of Inventorial Equipment.
 3. Section 350-51, Identification of Equipment.
 4. Section 350-55, Care and Control of Equipment.
 5. Section 350-70, Movement of University Property.
 6. Section 350-80, Disposition of Excess and Surplus Property.