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.

Kenneth Gibbs
President & CEO
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REFERENCE:
INDEX: Sale, Trade-in or Donation of Equipment
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