4.16 Used Equipment

Policy Statement
In certain situations, it is more advantageous for the University to purchase used equipment instead of new equipment. Used equipment should be personally inspected prior to the purchase being made. If an inspection is not practical, the University may accept, with justification, the purchase without inspection.

Reason for policy
To provide an understanding of how University departments may purchase used equipment and what procedures should be followed to ensure that it is in the State’s best interest to do so. The policy also helps business managers, department heads, and other personnel monitor for potential liabilities assumed by UGA with the purchase of used equipment.

Procedures
1) Submit a purchase request with a description of the equipment including model, serial number, and whether the equipment is used, reconditioned, or a demonstrator.
2) Attach a letter stating the used equipment has been personally examined, when appropriate, and that the end user is willing to accept full responsibility for the purchase, and explain how the best interests of the State will be served by purchasing the used, reconditioned, or demonstrator equipment at the quoted price. The letter should also include the year that the equipment was manufactured, the present condition of the equipment, the price of the equipment at the time it was manufactured, and the current price of new equipment.
3) Attach a quote from the vendor to the purchase request that includes the price, delivery time, shipping terms, and warranty information.
4) If the purchase request totals $25,000 or more, the Procurement staff will evaluate the purchase to determine if the equipment is considered exempt or if the equipment will need to be competitively bid. For a list of State Purchasing exemptions, please see Policy 3.2.12, Table 1.5 and Table 1.6. (Please note that these exemptions may be modified at any time by State Purchasing.) Procurement is responsible for making the final determination on whether equipment is considered exempt or subject to state bid requirements.

Forms/Instructions
Used equipment letter

Additional contacts
Procurement Office Staff: 706-542-2361

Policy definitions
Used equipment: used, reconditioned, remanufactured, or demonstrator models of equipment
Demonstrator: piece of equipment that has been previously used to demonstrate how the machine works. (See Question 1)

Responsibilities
Responsible University Senior Administrator: Vice President for Finance & Administration
It is the responsibility of the department to ensure the used equipment has been examined prior to submitting a purchase request. The department is also responsible for writing a letter to justify that it is in the State’s best interest to purchase used equipment as well as provide the quote from the vendor.

Record Retention
Records may include but are not limited to: purchase requests; purchase orders; supplies, and services; and related documentation and correspondence.

FAQs
Question 1. Does a piece of new equipment brought on campus and used to demonstrate what the equipment does meet the definition of used equipment?
Answer 1. No, new equipment demonstrated at the University cannot be considered used equipment.

Related information
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Policy Dates
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