SECTION 7: ACQUISITION PROCEDURES

SUBJECT: TRADE-INS Procedure #7.3.15

POLICY

The trade-in of used equipment or material when acquiring a replacement is permitted. To ensure optimum trade-in value, the Buyer should secure proposals following the usual buying procedures. The trade-in amount will be considered in evaluation of an award. Departments have the option of either accepting or declining the trade-in proposal prior to the award should the trade-in value not be adequate.

PROCEDURE

When a Buyer receives a requisition for a new piece of equipment that is identified as a replacement item, suggest the existing item be considered for trade-in on the new bid. If the department concurs, the Buyer should add the old item(s) to the bid as a trade-in. To do this, add the trade-in after all new items to be purchased. Clearly mark this item “less trade-in of” and include the model, serial and University of Washington property tag numbers. Vendors will then be expected to bid a price for this item along with the new items.

The department needs to consider the trade-in offer when evaluating the bid offers. If the trade-in offer is accepted, the department is responsible for completing a Return Goods Memorandum (U of W 1458) which is to accompany the item(s) leaving campus. They also need to complete a Property Activity Request 1024 form (U of W 1024) to remove item(s) from their inventory records.

If a purchase is a sole source, the Buyer needs to work closely with the department to determine a fair and reasonable price for the trade-in.