POLICY:

In accordance with Inventory Services procedure, HST will advise departments on computer equipment vendors to determine Fair Market Value for departmental owned equipment.

In accordance with OIT policy:

Departments may either choose to sell the computers that no longer meet their needs or at the request of an employee if they leave the University.

Before transferring the computers to the employees/buyers, be sure to remove any licensed software or properly transfer the license to another University computer/user. Software license inventory records should be updated to reflect any transfer or deletion of software.

Be sure to completely remove any sensitive information that is useful to the departments before wiping the hard drives with DBAN. The sold computers will come without any operating systems and software.

Be sure to update hardware inventory records.

The UM asset tag will be removed before the item leaves the University premises. The University will not provide technical support for the ongoing use of the computer once the transaction has been completed.

The departments and the employees, not OIT/HST, need to work together to determine a mutually agreed upon fair market price. Some sources to establish the fair market value: Ebay, UsedPrice.com, EveryMac.com. The buyers will have to pay sales tax for the computers, the sale tax is based on the location in which the change of possession occurs; Minneapolis campus tax rate is 7.775%. The departments need to consult with the Tax Office/Financial Cluster/Business Office to find out an appropriate tax rate where the change of possession occurred.

Formally document the sale of the computers using one of two following processes:

1. Departmental letterhead, that clearly captures what is being bought, the dollar amount and tax amount the buyer is paying. The buyers would pay the U of MN with a personal check. That check is brought in via the departmental deposit process. The tax amount will have to be reported to the Controller’s Office. Have the department email controller@umn.edu with the tax amount/documentation so that Accounting Services will file these taxes in the annual return for the calendar year to get the tax properly accounted for and reported to the State.
2. The departments could also create a bill via EFS with buyers as the customers. Doing so not only formally documents the purchase, but also takes care of all tax implications. The buyers would
pay the U of MN with a personal check. That check is brought in via the departmental deposit process.

**PROCEDURE:**

When a user is considering purchasing their computer equipment for personal use, the following steps will be taken in a Health Science department.

- User submits a Terminate HST Desktop electronic form located [https://z.umn.edu/4a7h](https://z.umn.edu/4a7h)
- The terminate form will generate a ticket for HST Field technicians to schedule a time to wipe the device.
- The department will then determine price and sale date.

**University software includes the Operating System (i.e. Windows) and Microsoft Office, Acrobat, Security and Encryption software. These items will be removed from the device. MacOS/IOS is licensed to the device and will be restored to factory defaults before being given back to department.**