
College of Science Transfer of Equipment When Faculty Leave OSU

REASON FOR THE POLICY

This policy covers the transfer of equipment when a faculty member leaves the University. Equipment is defined in OSU's current F&A rate agreement as -- "tangible nonexpendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit."

POLICY CONTENT – CONDITIONS UNDER WHICH EQUIPMENT CAN BE TRANSFERRED TO ANOTHER INSTITUTION

When a faculty member departs OSU for another institution, University policy outlines the conditions under which equipment may be transferred to the other institution:

<https://fa.oregonstate.edu/pro-manual/800-equipment-disposal/805-transfer-equipment/805-02-transfer-equipment-osu>

The policy states that university-owned equipment may be transferred to another institution or agency when:

1. It is accountable to a current grant or contract that is transferred to another institution;
2. It is no longer needed by any unit at Oregon State University (OSU);
3. When there will be a continuing collaborative research relationship between a departing faculty member and OSU that is expected to last at least two years. Equipment acquired on federal grants and contracts may be transferred without restriction. Equipment funded entirely or in part by state funds must be purchased by the new institution in an amount not less than the current depreciated value of the state-funded portion of the asset on OSU's records; or
4. The equipment/property has been identified as surplus property. Surplus Property will determine the most cost effective means for transfer/disposal. This may include transfer to a non-profit or public entity or institution with or without an accompanying financial transaction.

All COS faculty should realize

These criteria emphasize the retention of equipment to maintain and enhance the capabilities of OSU researchers. The conditions for equipment transfer to another

institution are highly constrained, so effort should be expended to retain equipment that enhances the capabilities of College researchers.

POLICY CONTENT – POLICY REGARDING THE TRANSFER OF EQUIPMENT TO ANOTHER INSTITUTION

In the event equipment is determined to be transferrable, OSU policy indicates that “surplus property” may be transferred to another institution. The practice has been to allow the transfer under a sale at the depreciated value, which is determined by the Fixed Assets Property Coordinator in the Division of Finance and Administration. A relevant policy may be found here:

<https://fa.oregonstate.edu/pro-manual/800-equipment-disposal/804-surplus-property>

POLICY CONTENT – CONDITIONS UNDER WHICH EQUIPMENT CAN BE TRANSFERRED TO ANOTHER OSU DEPARTMENT

In some cases, the equipment of a departing faculty member may be retained and transferred from one department to another. OSU policy on transferring equipment from one department to another is found here:

<https://fa.oregonstate.edu/pro-manual/800-equipment-disposal/805-transfer-equipment/805-01-transfersale-equipment-between-osu>

This transfer may or may not involve a financial transaction.

POLICY CONTENT – GUIDING PRINCIPLES FOR EQUIPMENT TRANSFER

1. The College’s primary objective is to preserve and improve the research capabilities and capacity of its faculty.
2. The College favors in-kind equipment transfers between departments to
 - Promote collegiality
 - Benefit faculty retention
 - Eliminate financial barriers to transfers, particularly for junior faculty
 - Address student needs

POLICY CONTENT – DISCUSSION OF GUIDING PRINCIPLES

As noted above, OSU policy states that an equipment transfer may or may not involve a financial transaction. Because the College emphasizes and values the health of the research enterprise, it will normally approve transfers between COS departments based on in-kind, non-financial transactions. This approval will be based on an assessment of

equipment value to research capacity relative to a financial transaction. The College seeks to retain valuable equipment that advances its mission, particularly when funds may be unavailable to complete a financial transaction internally. Limited funds can be an especially critical issue for junior faculty. Likewise, junior faculty should not feel threatened in requesting an in-kind transfer from another department. The College does not want to inadvertently create an incentive for faculty to leave the institution, wherein faculty assume equipment can be readily purchased at depreciated cost and automatically carried away. Such a process could greatly enhance the value of a start-up offer from a hiring institution. In some cases, students of a departing faculty member may choose to remain at OSU to complete their degrees. Due consideration of these student's needs will guide equipment disposition and transfers. Furthermore, the sale of equipment to another university does not need to be limited to the depreciated value. In cases where the market value is higher than the depreciated value, the market value should be the sale price.

POLICY CONTENT – PROCESS FOR THE TRANSFER OF EQUIPMENT TO ANOTHER INSTITUTION

Prior to equipment being transferred out of OSU, the College of Science Unit Head shall determine whether other faculty members in the unit or other COS units demonstrate a need for the equipment by circulating the equipment list of the departing faculty member. If faculty in another unit have an interest in the equipment, they shall submit a one-sentence request with justification to the Head of the transferring department and the COS Dean. The Dean will assess the need for the equipment and its research value against a financial transaction. The costs of ownership and operation of the requested equipment relative to acquisition and operation of new equipment will be considered in this value assessment.

Unit-head liaison with faculty and departments must be handled expeditiously.

Consequently, in the liaison communication, a reasonable deadline may be set for other faculty and units to express interest in acquiring the depreciated cost. No response by such a reasonable deadline may be assumed to indicate lack of interest to acquire and transfer the equipment.

In the event that an equipment item is transferred internally or externally via a financial transaction, the sales revenue will be retained by COS for priority investments in the departments, e.g., for new equipment, faculty start-up packages, materials and supplies,

and the like. All external sales are processed and made through OSU Surplus Property (see <https://surplus.oregonstate.edu/surplus/about-us/surplus-faq> for information and details). Surplus Property aims for the best pricing and revenue return on surplus equipment.

POLICY HISTORY

Revision Date	Description
02.21.2020	Initial posting (Based on 02.20.2020 version from Roy Haggerty / Kim McQ)