

## **Resale Policy**

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*American University of Armenia*

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This Resale Policy covers sale of University books and equipment, including property purchased with funds from United States Agency for International Development's (USAID) American Schools and Hospitals Abroad (ASHA). Topics covered are:

1. BASIC SALE POLICIES
2. AUTHORITY TO TRANSACT SALES
3. PURCHASES FROM USAID/ASHA

### **1. 1. BASIC SALE POLICIES**

1. **Useful life** - Individual University departments may decide to dispose of books or equipment, including computers and computer components, which have exceeded their useful lifetime as defined by our external auditors. A useful life of 5 years from the date of purchase is customary for technical equipment, such as computers, and books which are non-reference material. Reference books may have a life up to ten years, but this could be shortened based on how much circulation the reference book may undergo. This decision will be made by the library Director with approval by a committee of Associate Deans.
2. **Request form** - The department must complete the form "Request for Disposal" and must provide the following information: a convincing rationale for the disposal, an itemized list with proof of procurement date demonstrating that the useful life has expired, and a recommendation on the mechanism for disposal.
3. **Mechanism for disposal** - The department considering sale of items is responsible for suggesting the mechanism for disposal. The suggested mechanism should be based on the method that will generate the greatest proceeds, or if it is unlikely to generate a substantial amount, the department may donate the items to the recipient who is most likely to put it to good use.
4. **Proceeds** - The sale proceeds for any University property, including gifts to University departments or personal property and surplus items, belong to the University. The net amount from the sale is usually credited to the same department account from which the original purchase was made.

### **1. 2. AUTHORITY TO TRANSACT SALES**

Sale transactions require prior approval from the Vice-President of AUA. Authorization is considered the Vice-President's signature on the "Request for Disposal" form. The Chief Accountant shall also receive a copy of the signed Request Form and shall be kept informed about sale transactions.

### **1. 3. PURCHASES FROM USAID/ASHA**

University departments may dispose of books and equipment purchased with ASHA funds once the useful life of the commodity in question has been established and in accordance with Section J of Appendix B (6) of ASHA grants entitled "TITLE TO AND USE OF PROPERTY."

The AUA retains the right to dispose of such property according to the guidelines in this resale policy and without notice to ASHA. In addition, the AUA is not under any obligation to report to ASHA on funds generated from the sale of these commodities. However, the AUA must maintain records in the corresponding ASHA files indicating commodity purchase dates to demonstrate that property has reached its useful life.

4. The procedure within AUA will be for a committee of Associate Deans to review the books to be disposed of with final approval resting with the Vice President.