Part II Chapter 16
Trade-In Equipment

A. **Requirements.** Agencies are permitted to trade in equipment or other materials towards the procurement of new or remanufactured equipment and/or materials in accordance with guidelines and procedures below.

B. **Guidelines.**

1. Equipment may only be used as a trade-in toward the purchase or lease of new equipment of a similar character.

2. The trade value offered for an item should be equal to or greater than its marked value as determined by the DGS State Surplus Property Division.

3. Trade-ins on the purchase of items under contract are permitted provided both DGS and the supplier agree to that transaction.

C. **Procedures for Trade-In of Equipment.** Agencies must obtain the approval of the DGS State Surplus Property Division prior to initiating a procurement that includes a trade-in of equipment or materials.

1. At the initiation of any purchase transaction involving a trade, the agency Property Control Officer must approve and submit a completed electronic Form STD-551, Surplus Property Disposition through the DGS website.

2. The State Surplus Property Division will review the trade-in information and either approve or disapprove (with reasons) the electronic Form STD-551 within 5 business days.

3. At the conclusion of the procurement, the Bureau of Procurement (or agency) must submit copies of the final contract documents specifying the trade-in value received to the State Surplus Property Division.

**References:**

1. DGS State Surplus Property Division

2. STD-551, Surplus Property Disposition