

Surplus Property Policy

The purpose of this policy is to insure the protection of University assets and to provide guidelines and a procedure for the University community when considering surplus/disposal of University property. All property and equipment (known as fixed assets) purchased with University funds (including unrestricted University funds, grants, sponsored research, endowments or gifts), donated to the University, or acquired for University use through other means are the property of the University, and title remains with the University at all times until asset disposal. The following describes the procedures individuals must follow to dispose of any University property.

Definition of Surplus Property

Surplus property is defined as property for which there is no further planned use by the department currently responsible for that asset or which is intended for replacement. It includes all tangible assets such as equipment, materials, supplies and furniture.

Disposal Policy

University property may not be sold, traded-in, salvaged, scrapped, donated or otherwise disposed of without prior written approval. When a department employee seeks to declare property as surplus, the department head should first contact the division head for advice and with their approval contact University Purchasing to discuss asset disposal options. Approval is required from the department and/or division head over the asset. The means of disposal will be jointly determined by the department disposing of the asset, University Purchasing, Facilities Management, and Environment Stewardship and Sustainability when removal has financial and operational impacts on facilities, fixtures and/or the function of other assets. University Purchasing will assist departments in determining the appropriate method of disposal and assists with the disposal process for the department.

Special disposal rules may apply to assets purchased with donated, grant, sponsored research, contract or other form of restricted funding. For equipment or materials purchased with special donated funds or specific grant or contract funds, the Provost, Vice President for Finance and Treasurer, Sponsored Research Officer, or Assistant Vice President Facilities Management, will work with the appropriate department to determine if title to the items to be disposed of has passed to the University or if the grant language contains specific disposition requirements.

In order of preference property approved for disposal as surplus should be:

1. Redeployed to another department for use.
Effective asset management encourages recycling within the University community. Redeployment limits costs and liability associated with disposal and provides continued value to other departments within the University.
2. Sold to University employees for the highest price possible

3. Sold to an outside party for the highest price possible
4. donated to a non-profit
5. donated to a local Sewanee business
6. discarded by waste removal or reclamation service

All forms of disposal of surplus property require the completion of a Surplus Property Bill of Sale Form. The form will be completed by University Purchasing. This form also serves as a bill of sale when the property is sold.

Special standing arrangements are required for surplus computers and other electronic peripheral devices also require special handling. (see applicable sections of this policy)

Disposal of University surplus designated property will be at the lowest possible cost or highest sale price as determined by the marketability of the asset. The following methods may be considered for the disposal of surplus property:

Disposal by Internal Departmental Transfer

Priority is given to University departments in an attempt to repurpose surplus items. The only cost to a department for an internal transfer of goods is the costs of moving and installing the item(s). The Surplus Property Form will be viewable by all University departments. The form provides information regarding available surplus property. Most assets will be posted a minimum of 5 business days. If a University department has an interest or need, University Purchasing will assist departments with the transfer of the assets. In situations where there is competing department interest, the property will be redeployed based on best identified use by senior leadership or on a first come, first serve basis where no preference is indicated.

Disposal by Sale

University Purchasing will provide departments with assistance in the handling of bids and purchase offers. If the item is deemed to have some value, it will be listed for sale utilizing the Surplus Property Form. The Surplus Property Form is distributed to all University employees. If the item does not sale, the property will be listed on the Purchasing website under surplus property. Items will typically be sold on a first come, first served basis at a price set to minimize cost / maximize the sale price and to dispose the asset as quickly as possible to avoid storage costs. Often the disposing department will have the most expertise and industry experience in identifying a market for the sale of a surplus asset and will work with University Purchasing to determine the best disposal approach. Options include: seeking the best offer, competitive bid, trade-in value, such as with a vehicle purchase etc. This may include internal sales limited to the University community.

As detailed in the Surplus Property Bill of Sale, all sales will be on an "as is" and "where is" basis, with no warranties of any kind, express or implied, attached to the item. As indicated in the Surplus Property Bill of Sale, University personnel may not offer written or verbal

assurances regarding the fitness of any surplus asset sold for any purpose, including but not limited to its value, condition, utility, age, or expected life. All sales are final with no returns or refunds allowed.

The Provost or Vice President of Finance and Treasurer will determine where proceeds from the sale of surplus property will be deposited.

Disposal by Donation

Items that cannot be reused internally or sold may be donated “as is” to approved not-for-profit institutions upon written approval from the appropriate department, division heads and University Purchasing. Should no not-for-profit be identified, surplus property may be donated to local Sewanee businesses under the same terms as if the item was purchased by the party receiving the donated asset. The Purchasing Office will issue a Surplus Property Bill of Sale for all items the University donates to a not-for-profit.

Disposal as Waste

Items that cannot be sold or donated will be discarded through the University’s normal waste removal process. Disposal requests must be approved by the department and division heads.

Notice of Disposal to Treasurer

The Treasurer’s Office must be informed of any item disposed of by sale, donation or as waste with an acquisition cost of \$5,000 or greater. The department disposing of the asset will contact the Treasurer’s office to verify that the asset had an original cost of \$5,000 or greater. Further, University Purchasing will communicate with the Treasurer’s office to ensure that the University’s capital inventory reflects the disposal of the asset should it not be utilized elsewhere in the University. This communication will include providing a copy of the Surplus Property Bill of Sale form to the Treasurer’s office.

Computers

Information Technology Services (ITS) is responsible for declaring all University computers and computer related items as surplus and arranging for their sale or disposal. The same surplus property processes above apply but with ITS taking on the role of University Purchasing when computer and related peripheral devices and other electronics are identified as surplus property.