

Approved: April 05, 2016 Next Scheduled Review: April 05, 2021

Procedure Statement

The purpose of this SAP is to establish written procedures for the disposal methods of any University property including excess, surplus or salvage property in accordance with System Regulation 21.01.10, Surplus or Salvage Property.

Reason for Procedure

This procedure is required by System Regulation 21.01.10, Surplus or Salvage Property.

Procedures and Responsibilities

1. EXCESS PROPERTY

- 1.1 Personal property becomes excess to the Department when the head of the department determines it is not required to meet the department's needs or responsibilities. Department Excess Property shall be transferred to the Surplus Property Office by submitting a property transfer request.
- 1.2 The Surplus Property Office will attempt to redistribute useful excess property within the University as a first order. If property cannot be reassigned within the University, the Surplus Property Office will attempt to redistribute it to Public Schools in accordance with System Policy.

2. SURPLUS PROPERTY

Surplus Property is any personal property which is in excess of the needs of the University and which is not required for its foreseeable need. Surplus property may be new or used but must have additional useful life.

2.1 Surplus Property will be offered for sale to the general public through the Surplus Property Office.

- 2.2 The sale of surplus property may be accomplished through an onsite public auction or through a web based approved auction site.
- 2.3 Revenues from the sale of surplus property shall be deposited in a special Surplus Property Account. Departments that are declaring property surplus because the property has reached the end of useful life but for which the Department still has a need for replacement equipment, may request from the Chief Financial Officer that the sale price (less administrative overhead) be returned to the Department.

3. SALVAGE PROPERTY

Salvage Property is property that is beyond its useful life and no longer has value for its original designed function. Salvage property may:

- 3.1 Have commercial value as scrap and may be sold through a public competitive process. If there is no apparent competition, but there is a nominal value that prevents placing property in the waste stream, the Surplus Property Office may elect to sale with one offer.
- 3.2 Have no monetary value but may be recyclable. The University is committed to sustainable recycling of property. Even if scrap has no commercial value, efforts will be made to recycle the property if there are viable programs available.
- 3.3 Have no monetary or recycle value. This type is destined for the waste stream. The Surplus Property Office will determine if property should be sent to waste and will route the waste stream with consideration of its impact on the environment and following all health and safety regulations.

4. FEDERAL SURPLUS PROPERTY

- 4.1 The Federal Surplus Property Donation Program is operated under the supervision of the United States General Services Administration (GSA). All non-consumable Federal surplus personal property and Federal excess personal property, other than scrap will be processed as any other Surplus property.
- 4.2 Non-consumable Federal surplus personal and Federal excess personal property will be added to the permanent inventory record of the University regardless of the acquisition cost of property. Inventory records pertaining to non-consumable personal property acquired must be maintained by the University in the same manner as other inventoried property belonging to the University. For more information see the *Texas A&M University System Equipment Management Manual*, <u>System Regulation 21.01.09</u>.
- 4.3 Disposal of property acquired through the Federal Surplus Property Donation Program will comply with the terms and conditions of the donation agreement under which the property was acquired.

5. DATA PROCESSING EQUIPMENT

- 5.1 All surplus/salvage data processing equipment that is not transferred to a public school, school district or assistance organization specified by the school district, or disposed of under another law, must be offered to Texas Correctional Industries (TCI) *Texas Department of Criminal Justice* without reimbursement. TCI has the right to refuse this equipment. Data processing equipment is defined in Government Code, Section 2054.003(3)(A) as follows:
 - 5.1.1 Central processing units, front-end processing units, mini-processors, microprocessors, and related peripheral equipment such as data storage devices, document scanners, data entry equipment, terminal controllers, data terminal equipment, computer-based word processing systems other than memory typewriters, and equipment and systems for computer networks.
- 5.2 The iTech Department has responsibility to ensure that all hardware containing files and data are removed and/or rendered inaccessible.

Related Statutes, Policies, Rules or Requirements

State Property Accounting (SPA) Process User's Guide

The Texas A&M University System Asset Management Manual

TAMUS Policy 21.01.09, Fixed Asset Management

TAMUS Policy 21.01.10, Surplus or Salvage Property

Contact Office

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