University Policies and Procedures

08-01.20 – POLICY ON DISPOSAL OF SURPLUS PERSONAL PROPERTY

I. Policy Statement: Disposal of surplus personal property may only be conducted under the direction of Materiel Management, as authorized by the Office of the Vice President of Administration and Finance and Chief Fiscal Officer.

II. Reason for Policy: Disposal policies and procedures are designed to protect Towson University (“University”) assets from misappropriation and to protect the University from potential liabilities created by improper disposal or failure to dispose of hazardous assets (e.g. personal injury, negative environmental impact, failure to adhere to local, state or federal regulations), and to comply with USM Policy VII-1.20, Policy on Disposal of Surplus Personal Property https://www.usmd.edu/regents/bylaws/SectionVIII/VIII120.html.

III. Definitions:

A. Surplus Property: an item may be declared surplus property by the department in possession of the property when it is no longer necessary for the efficient operation of the institution, has been replaced, or has outlived its useful life. Surplus Property does not include land, buildings or land improvements.

B. Assets: furniture and equipment used in the conduct of University business.

C. Capital Property: property with a unit cost or value of $5,000 or greater and all computers and firearms.

D. Sensitive Equipment: any desirable item that is adaptable to personal use, and thus susceptible to theft (e.g., televisions, cameras, computers and cell phones).

E. Personal Property: moveable furniture and equipment, including dismantled parts.

F. Construction Activities: new construction, renovations or alterations, renewal, replacement and maintenance.

IV. Responsible Executive and Office:

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Responsible Executive: Vice President for Administration and Finance and Chief Fiscal Officer

Responsible Office: Materiel Management

V. Entities Affected by this Policy: All University divisions, colleges, departments and operating units.

VI. Procedures:

A. Approved Methods of Disposal of Surplus Property:

1. by trading it;

2. by selling it in a manner that fosters competition to the extent practical, considering the value of the item and the availability of prospective purchasers;

3. by auctioning it;

4. by transferring it, with proper documentation, including by donation, to another institution or major component within the University System, a nonprofit organization, the state, or a local government;

5. by dismantling it for recovery of parts;

6. by recycling it; or,

7. by destroying or discarding it if no value can be realized.

B. See Section VI.E. for special handling of specific property related to computers and other devices with memory, Freon, surplus scrap metal, non-salvage/demolition material and grant Surplus Property.

C. Authority for Disposal of Surplus Property

Departments are prohibited from physically disposing of Surplus Property in any manner unless authorized by Materiel Management, which will conduct or oversee actual physical disposal of property. A Materiel Management Service Request (“MMSR”) form must be submitted to document the disposal and include the property identification number, description and location, including building and room number. Departments must arrange for secure storage of their Surplus Property until pick-up can be arranged. Property will remain on the central University record until the property has been disposed.
University contractors are prohibited from disposing of University owned Surplus Property and must contact Materiel Management which will conduct or oversee the actual disposal of the property.

D. Procedures for Disposal of Surplus Property

1. Trade-In

   a. Departments may trade in Surplus Property for new purchases. Procurement will note property to be traded and its value on the purchase documents. Departments must submit an MMSR form for Capital Property that includes the property identification number, a description of the property, the location, including the building and room number, and the purchase order number. Departments must remove identification labels before the property is traded.

   b. Materiel Management will match the receiving report for the new purchase with the MMSR. When applicable, new property will be added to the central University records and traded property will be deleted.

   c. If Sensitive Equipment is traded, the department must record “TRADE-IN” and date in the user/employee space in the department’s property record.

2. Sale

   a. Departments intending to sell Surplus Property must contact Materiel Management for direction before Surplus Property is sold. Departments are responsible for any expenses incurred as the result of the sale.

   b. Any proceeds received as a result of the sale must be in the form of a check payable to “Towson University” and delivered to the Bursar’s Office and deposited into the department’s account. Departments must remove identification labels before the Surplus Property is sold.

   c. Capital Property that is sold by the department must be reported to Materiel Management on an MMSR form that includes the property identification number, description and location, including building and room number. A copy of the bid and the Bursar’s
Office receipt must be included with the request and Materiel Management will delete the property from the central University records. Departments must remove identification labels before the property is sold.

d. If Sensitive Equipment is sold, the department must record “SOLD” and date in the user/employee space in the department’s property record.

3. Auction

a. Working with Procurement, departments may contract with an auctioneer to manage the sale of Surplus Property.

b. The auction firm must provide documentation showing the auction proceeds which must be in the form of a check payable to “Towson University” and delivered to the Bursar’s Office and deposited into the department’s account.

c. Before Capital Property is moved off campus for auction, it must be reported to Materiel Management on an MMSR form that includes the property identification number, description and location, including building and room number. Departments must remove identification labels before the property is removed. Materiel Management will update the central University records to indicate that the item is off campus. When the department receives confirmation of the sale and the check, it must send a copy of the documentation to Materiel Management who will then delete the property from the central University records.

d. If Sensitive Equipment is sold, the department must record “SOLD” and date in the user/employee space in the department’s property record.

4. Donation/Inter-Agency Transfer

a. Donations may be made to non-profit or charitable organizations (e.g., local schools, shelters, religious organizations). Donations must be reported to Materiel Management in advance on an MMSR form. Departments are further required to complete a Surplus Property donation receipt, supplied by Materiel Management, signed by the department and the recipient non-profit entity. Departments must remove identification labels
before the Surplus Property is donated. Materiel Management will delete the donated property from the central University records.

b. A transfer of Surplus Property from one state institution to another is classified as an inter-agency transfer, not a donation, and must be reported to Materiel Management on an MMSR form.

c. If Sensitive Equipment is donated or transferred, the department must record “DONATED” or “TRANSFERRED” and date in the user/employee space in the department’s property record.

5. Dismantling for Parts

a. Prior to dismantling Surplus Property for recovery of parts, departments must contact Materiel Management for direction. Departments are responsible for any expenses incurred in connection with the sale. Departments must remove identification labels from the property.

b. All proceeds in connection with the sale must be in the form of a check payable to “Towson University” and delivered to the Bursar’s Office and deposited into the department’s account.

6. Recycling

a. Materiel Management cannot store Surplus Property. Departments can help support the University’s efforts to “recycle by reusing” Surplus Property in good condition by attempting to relocate these items within their units prior to submitting an MMSR form.

b. Departments seeking to obtain Surplus Property may contact Materiel Management who will attempt to match needs with department requests for disposal of Surplus Property and will update the central University records for Capital Property transfers.

c. If Sensitive Equipment is transferred, the department must record “TRANSFERRED” and date in the user/employee space in the department’s property record.

7. Destroying and Discarding

University property that has been discarded in waste receptacles (i.e. dumpsters) located on the University campus remains University property. Removal of the property in the waste receptacle is only
permitted by a waste management company contracted by the University.

E. Disposal of Specific Property

1. Computers, scanners, printers or other property containing memory: Departments must coordinate with the Office of Technology Services to ensure that data, software and/or hard drives are removed prior to disposal of all property which contains some form of memory.

2. Freon: Freon must be removed from property (e.g., refrigerators, window air conditioners) prior to disposal. Departments must contact Environmental Health and Safety for clearance to dispose of property containing Freon. Disposal facilities will not accept these items unless the removal of Freon is certified.

3. Grant Property: Grant Property (i.e., property acquired through a grant or purchased with grant funds) must be disposed in accordance with the terms of the grant.

4. Surplus Scrap Metal (Ferrous and Non-Ferrous): Scrap metal and other salvage materials related to Construction Activities are University property. Disposal and proceeds from this material will be in accordance with the contracts or agreements for the specific project. If surplus disposal is not addressed within the project agreement, the surplus disposal must be handled in the method that provides both the best possible return on investment and is environmentally sound. University employees must dispose of scrap and salvage materials under the direction of Materiel Management. All proceeds related to the sale of salvaged goods belong to the University.

5. Non-Salvage/Demolition Materials: University employees may not remove or take into possession materials considered non-salvage or demolition materials.

F. Proceeds from the Disposal of Surplus Property

All proceeds from disposal of Surplus Property belong to the University and must be deposited through the Bursar’s Office within 24 hours of receipt. Proceeds must be in the form of a check made payable to “Towson University.” The reconciliation of disposal transactions is the responsibility of the department initiating the disposal and is subject to independent audit.
Related Policies:

USM Policy VIII-1.20, Policy on Disposal of Surplus Personal Property

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