

## SURPLUS PROPERTY GUIDELINES

### 1. Surplus Property

Surplus property is any property which is in excess of need of the University and not required for its foreseeable needs. Surplus property may be new or used and must have additional useful life. Included in the definition of surplus properties are the following:

**Controlled Surplus Items:** include, but not limited to, computers, fax machines, cameras, projectors, golf carts or any items that are on department inventory. These items should have assigned fixed asset tags.

**Non-Controlled Surplus Items:** include, but not limited to, desks, filing cabinets, chairs, printers or any items that are not on department inventory. These items will not have assigned fixed asset tag.

**Capitalized Surplus Items:** include, but not limited to, motor vehicles, classroom teaching equipment, medical, laboratory, and marine equipment.

**Salvage Property:** property through use, time or accident is so damaged that it has no value for the purpose for which it was originally intended. Items could include golf carts and mowing equipment.

**Scrap** - consist of recyclable materials left over from product manufacturing and consumption, such as parts of vehicles, building supplies and surplus materials. Items could include boat trailers; gym equipment; and outdoor furniture.

### Method of Disposal

Items of surplus/salvage that are not transferrable between departments must be transferred to Central Receiving Warehouse. Departments must create a Transfer Department Property (TDP) in Canopy <https://canopy.tamus.edu/Modules/FFX/TransferCreate.aspx> and route for approval prior to making transfer. Based on condition of the property, Central Receiving Supervisor will determine whether:

- (1) To dispose the property by auction, competitive bid or direct sale pursuant to the provisions of Chapter 2175, Government Code, *Surplus and Salvage Property*; or
- (2) To salvage or scrap the property.

### **The following guidelines will be used when disposing surplus property:**

1. Central Receiving will publicize through the Surplus HigherEd Instruction Property (SHIP) website all material or equipment that can be used for instructional purpose by a public school/school district, or an assistance organization designated by the school district at a price for consideration or not for consideration, if determined appropriate. The posting will remain on the web site for twelve (12) days.
2. Preference will first be given to transferring property directly to a public school/school district or to an assistance organization designated by the school district before disposing the property in another matter. A transfer to another state agency or TAMUS member has priority over any other type of transfer.
3. If no state agency, political subdivision, or assistance organization desires to receive property as posted on SHIP, Central Receiving may dispose the property, with exception of data processing equipment, in a method that is most advantageous and provides the best value to Texas A&M University-Corpus Christi (TAMU-CC).
4. TAMU-CC may donate to an assistance organization any surplus or salvage property that is:
  - not disposed of under Item 1
  - has no resale value

**If unsuccessful disposing surplus items:**

1. Items will be publicized on an internet auction website, [The Public Surplus Group website](#) or through a sealed surplus bid sale.
2. When offered as a sealed surplus bid sale, Central Receiving will be responsible for posting legal notice, preparing bid listing, and notifying high bidders. Legal notice in the local newspaper will be posted the weekend prior to the sale.
3. A notice will be placed in campus announcement on the university web site.
4. All items will be sold as is and individual having the highest bid will be responsible for removing items from campus.

**Disposing Item of No Value**

1. If a surplus item has no value or is in extremely poor condition, a picture should be taken, scanned and emailed to the Warehouse Supervisor.
2. The Warehouse Supervisor will make the determination as to how to dispose the item.
3. Scanned pictures of controlled and non-controlled surplus items destroyed or disposed will be kept by the Warehouse Supervisor for recordkeeping.

**Disposing Item of Value**

1. Department Accountable Property Officer must prepare a TDP and submit to Central Receiving to begin the process.
2. The Warehouse Supervisor may reserve the right to inspect surplus items, especially large requests, prior to turn-in due to space availability. Due to daily receiving operations, Central Receiving will only accept delivery of surplus items Monday through Friday between 8:30 a.m. through 10:00 a.m. and 1:00 p.m. through 4:00 p.m.
3. Deliveries will not be accepted between the hours of 10:00 a.m. and 1:00 p.m. when Central Receiving is receiving incoming daily freights from commercial truck firms (UPS, FedEx, freight carriers, etc.).
4. Deliveries by departments not using Facility Services should be done before 10:00 a.m. or after 1:00 p.m.
5. Facilities Services will use work orders to pick up identified surplus items. Facilities Services will deliver the surplus items to Central Receiving and unload them at the staging area located inside the Central Receiving Warehouse either at the front or back bays.
6. Facilities Services will charge labor to department account by Interdepartmental Transfer (IDT) when work order is complete.
7. It is highly recommended to use Facilities Services to transport surplus items to lessen risk of injury and/or damages.
8. Surplus property will be available for viewing and on first come basis. Contact Central Receiving to schedule time to view items.

**2. Data Processing Equipment**

Equipment defined by Texas Government Code, §2054.003 as information technology equipment and related services designed for the automated storage, manipulation, and retrieval of data by electronic or mechanical means include:

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.
2. All related services, including feasibility studies; systems design; software development; and time-sharing services provided by state employees or others; and
3. The programs and routines used to employ and control the capabilities of data processing hardware, including operating systems; compilers; assemblers; utilities, library routines, maintenance routines, applications, and computer networking programs.

**The following guidelines will be used when disposing data processing equipment**

- (1) TAMU-CC will determine either to post data processing equipment on SHIP website or transfer to:
  - (a) A school district or an open-enrollment charter school in the state under Subchapter C, Chapter 32, of the Education Code.
  - (b) An assistance organization specified by the school district.

- (c) The Texas Department of Criminal Justice, or
- (d) Donate to a public or private hospital located in a rural county.

- (2) TAMU-CC may not collect a fee or other reimbursement from the district; school; an assistance organization, or the Texas Department of Criminal Justice for surplus or salvage data processing equipment transferred under this section.

When a computer equipment is transferred to Central Receiving, a department will acknowledge on the TDP form that all data has been removed from the hard drive.

### **3. Proceeds of Surplus Sales**

The proceeds from the sale of any surplus or salvage property, less the costs of advertising; selling; auctioneer services; if any, and any fee collected shall be deposited into a general surplus account for Central Receiving department that will pay for storage units, supplies and replacement of warehouse and office equipment.

### **4. Surplus Property Fees**

A Department with surplus asset over \$5,000 will be assessed a 7.5% fee from the sale to cover costs associated with the sale of the property. The fee will be reviewed annually and any changes will be approved by the Executive Vice President for Finance & Administration.

### **5. Request by Faculty to Transfer Equipment to another University**

- (a) In an event a professor request a transfer of an equipment to another university, a department head or dean may,

in writing, request authority from the Provost and Executive Vice President of Finance & Administration to make the transfer to the designated institution. The letter should include the following:

- (1) Professor's name
- (2) Department
- (3) Transferring Institution
- (4) Purpose or benefit of transfer
- (5) Account number used to purchase equipment
- (6) Method of removal
- (7) Quantity of Items
- (8) Description of equipment
- (9) Inventory number
- (10) Acquisition date or years possessed
- (11) Itemized original cost
- (12) Proposed itemized cost offered by purchasing institution

#### **Authorization**

- (b) Terms and Conditions:

- (1) The university department requesting authorization to transfer equipment will have to submit TDP to Central Receiving for each item prior to transfer of equipment.
- (2) The institution receiving equipment will make payment to the university/Central Receiving before such equipment is removed from TAMU-CC campus.
- (3) Proceeds from sale of equipment will be deposited into department's account.

#### **Transfer**

Approved documentation by the Provost or Executive VP of Finance & Administration must be submitted to Director of Contracts & Property for final transfer of equipment to receiving institution in the State Property Accounting (SPA) database.

### **6. Cannibalization of Equipment**

Cannibalization is defined as the authorized removal of components from one item of property for installation in another item of property to meet specific requirement and to return the second item to service. TAMU-CC has the authority to allow cannibalization of equipment and to determine what types of equipment are most frequently cannibalized.

Types of equipment most frequently cannibalized include: Computers; printers; televisions; projectors; microscopes; golf carts; vehicles; and grounds equipment.

It is sometimes beneficial for TAMU-CC to use components of worn out or obsolete equipment to rebuild or repair a similar item rather than transfer the equipment to Central Receiving. Approval to cannibalize an inventory item should be obtained in advance from the Property Office by submitting a Property Deletion Form to [inventory@tamucc.edu](mailto:inventory@tamucc.edu). The scope of cannibalization will be limited to internal components only. All remaining items must be sent to surplus.