SURPLUS PROPERTY DISPOSAL

1.0 Purpose
This policy describes the general guidelines that must be followed when disposing of surplus property.

2.0 Policy

2.1 General
Departmental Surplus Property may be defined as any item that is not needed, is no longer useful, or is no longer functional and cannot be repaired or improved in a cost-effective manner.

Items that are no longer needed by the owning department may be transferred or sold to another University department, in which case they are no longer considered surplus property. Funds transfers in payment for such items must be accomplished by the departments involved according to current procedures for interdepartmental funds transfers.

In all other cases, departments must arrange for their surplus items to be transferred, sold, donated, discarded, or destroyed through the Surplus Property Office of Procurement Services. However, for asset-tagged equipment, departments must obtain the approval of Fixed Assets (Property) Accounting in the Financial Analysis department before requesting transfer to Surplus Property. Fixed Assets (Property) Accounting's website, policies, and procedures should be consulted for information on how to go about obtaining this approval.

Departments are responsible for requesting the transfer of goods to Procurement Services' Surplus Property System inventory, and for arranging the physical transfer of the goods. The procedures for accomplishing this are described on the Surplus Property website under "Disposing of Property". For asset-tagged equipment, these procedures should not be initiated until prior approval from Fixed Assets (Property) Accounting has been obtained as described above.

The Surplus Property Office will attempt to sell departmental surplus items to other departments, other state agencies and institutions, or to the general public through regularly scheduled public auctions, when the nature of the surplus items permits. All of the revenue obtained by selling surplus property is returned to the department from which the items came.

If reasonable attempts to sell or transfer departmental surplus property are not successful, the Surplus Property
2.2 Special Requirements for Some Types of Property

**Capital Equipment** -- For any proposed disposal of ETF equipment, departments must obtain the approval of Fixed Assets (Property) Accounting in the Financial Analysis department prior to requesting transfer of the item to Surplus. More information is available on the Fixed Assets (Property) Accounting [website](#).

Departments may forgo normal procedures and contact the Surplus Property Office directly to request that rare or unusual items, or items that are particularly valuable, be sold through **sealed bid** rather than at public auction. The final decision on the manner of sale will be made by Procurement Services.

**Computer Equipment and Software** --

- Computer hard drives and other electronic data storage devices - See [Procedure for Surplus of Computers, Hard Drives, & Other Electronic Data Storage Devices/Media](#).
- Used computer software cannot be surplused. It must be discarded according to the licensing agreement under which it was acquired.
- New, unused computer software may be surplused only if it is still in unbroken shrink wrap, it was bought off-the-shelf rather than on a UVa contract, and it was not provided as a free evaluation or one-time use copy.

**Radioactive or Hazardous Materials** may not be surplused. Please consult the [Office of Environmental Health and Safety](#) for guidelines on the proper disposal of such materials.

2.3 Donations

Departments may request that their surplus items be donated to approved organizations. **Approved organizations** include Virginia public schools or charitable organizations granted tax-exempt status under section 501 (c) (3) of the Internal Revenue Code.

Authorization for an approved organization to receive donated items is granted by the Director of Procurement Services on a first-come, first-serve basis, and must be requested by the organization via e-mail or other formal means. The recipients of the donations, and the specific donations made to each recipient, will be determined by Procurement Services.

The estimated value through sale at public auction of any **individual item** to be donated **cannot exceed** $500. This estimate will be made by Procurement Services.

The total estimated value of donated equipment from the University **per yearly quarter may not exceed** $15,000. However, because this maximum amount is linked by state law to the value of surplus property sold at public auction, the quarterly limit is subject to review and revision by Procurement Services. Donations in excess of the amount allowable per quarter will be sold at public auction.

3.0 Definitions [Top]

**Asset-tagged equipment** -- Property that is tagged as subject to Policy: X.A.1 "Fixed Assets Accounting (Property) - Maintenance Of Equipment Inventory". See that link for list of applicable property.

**Surplus property** -- Any University-owned item that is not needed, is no longer useful, or is no longer functional and cannot be repaired or improved in a cost-effective manner.
4.0 References [Top]

Disposing of Property

See also:
- Instructions for Request to Surplus Property Form
- Procedure 10-1 "Preparation of Equipment Inventory Change Request"
- Policy X.A.1 "Maintenance of Equipment Inventory"
- Procedure for Surplus of Computers, Hard Drives, & Other Electronic Data Storage Devices/Media

5.0 Approvals and Revisions [Top]

Previous version (VII.A.6) in effect from 10/31/96 to 7/1/00 available in policy archive.
Previous version (VII.A.6) in effect from 7/1/00 to 7/2/01 available in policy archive.
Previous version in effect from 7/2/01 to 4/18/04 available in policy archive.
Previous version in effect from 4/19/04 to 5/3/05 available in policy archive.
Previous version in effect from 5/3/05 to 5/27/05 available in policy archive.