



Procedure for the Disposal of Surplus Personal Property

(Approved by the President on September 13, 2006)

I. PURPOSE

The purpose of this procedure is to establish the procedures and to identify responsibilities for disposing of surplus property and reallocation of excess property.

II. BACKGROUND

This procedure has been developed to ensure compliance with Board of Regents (BOR) Policy UM Policy VIII 1.20, "Policy on Disposal of Surplus Personal Property" (approved by the Board of Regents June 21, 1990). This Policy stipulates that "Each Chief Executive Officer shall establish procedures to implement this policy at the institution".

III. DEFINITIONS

- A. Personal property is defined by BOR policy VIII-1.10 – Policy for Capitalization and Inventory Control Section III
<http://www.usmd.edu/Leadership/BoardOfRegents/Bylaws/SectionVIII/VIII110.html>.
- B. Chemicals, pharmaceuticals, and radioactive materials present additional risks and responsibilities to the institution, and therefore are not addressed in this policy. Such items shall be handled in accordance with policies and procedures set forth by the respective campus Environmental Health and Safety offices.
- C. For purposes of this policy, UMBI defines a "unit" to include each of the centers and the central administrative offices.
- D. "Property" refers to materials, supplies and equipment purchased for UMBI's use with state, federal or other funds, or items donated to UMBI. This does not include items owned by the Federal government that have been used by UMBI.
- E. "Surplus property" refers to UMBI property which is no longer needed by the owning unit, regardless of its existing condition or estimated value. Surplus property does not include land, buildings or any improvements to land.
- F. "Inventory" refers to UMBI's capital asset [reference UMBI Policy VIII-1.10(A)] and sensitive items [reference UMBI Policy VIII-1.10(B)] inventory.
- G. "Property Officer" refers to the individual in each unit who has been authorized to declare equipment surplus property and request disposal of these items. For internal control purposes, all disposals of surplus property must be approved by the Unit Head or designee.
- H. "Property Accountant" refers to the individual in the UMBI Comptroller's Office responsible for the maintenance of the capital assets inventory records and the coordination of physical inventories.

IV. PROCEDURE

UMBI Policies and Procedures

A. Disposal Of Surplus Property

1. Disposal of surplus property originally procured with federal grant or contract funds shall be in accordance with the terms of the grant or contract. Property not owned by UMBI is not to be declared surplus without the express written consent of the owning entity.
2. All transactions initiated by the Property Officer must have the approval of the Unit Head or designee.
3. Units are encouraged to dispose of used equipment by offering it for trade-in, if possible, when purchasing new equipment.
4. Authority to dispose of surplus property:
 - a. Selling or Transferring to another UMBI unit.
Unit heads may sell or transfer equipment to another UMBI unit. Such transactions should be communicated directly to the UMBI Comptroller's Office for inventory tracking purposes.
 - b. Disposing of Equipment with Useful Life or Value.
Unit heads may use the services of Terrapin Trader (see below) to dispose of surplus property in order to facilitate the resale and reuse of valuable items. Property Officers should use the designated Terrapin Trader forms and procedures. Such transactions should be communicated directly to the UMBI Comptroller's Office for inventory tracking purposes.
 - c. Discarding items other than Capital asset and sensitive items.
Unit heads are authorized to discard items not on Inventory which have no current practical or monetary value. It is the owning unit's responsibility to assure the equipment is environmentally safe for disposal.
 - d. Dismantling for Parts
Unit heads are authorized to dismantle property for parts, should the parts have more value to the unit than the property item itself. Such transactions should be communicated directly to the UMBI Comptroller's Office with appropriate request for deletion from inventory records.
 - e. Researcher Moving to another University
When a faculty member is transferring from one domestic institution to another or from one unit to another within UMBI, and wishes to transfer equipment the following applies: Equipment purchased from sponsored programs is usually moved along with the transfer of the sponsored programs to the new institution or other unit, if the equipment is needed for continuation of the research program. The UMBI unit is responsible for assisting faculty in the coordination of transfer of equipment purchased from sponsored program sources. The faculty member, through the UMBI unit, should contact the Sponsored Programs Office for all appropriate sponsor approvals prior to any transfer of equipment. Equipment purchased from institutional (non-sponsored program) funds regardless of cost will not be transferred to another institution unless approved in advance by the UMBI President or designee.

UMBI Policies and Procedures

f. Donating to Not-for-Profit Organization

Authority to donate surplus items to not-for-profit organizations shall be approved by the UMBI President or designee and processed through the Terrapin Traders. The not-for-profit organization must validate receipt of the items on their letterhead. Terrapin Trader will send the Terrapin Trader form to UMBI Comptrollers Office once the Terrapin Trader receives the validating letter.

B. Other

1. Property that has been contaminated with a hazardous or dangerous substance, is not reasonably clean or is not safe to handle is not marketable and should be scrapped. Contact the appropriate Environmental Health and Safety Office for the proper procedures to follow to safely scrap the equipment.
2. Scrap metal and other salvage materials related to construction jobs are UMBI property. Disposal of and revenue from this material will be in accordance with contracts for agreements or the specific project.

V. TERRAPIN TRADER PROCEDURES

Terrapin Trader procedures may be found on the Terrapin Trader website, which is:
<http://www.purchase.umd.edu/ttrader>

APPROVED: Jennie C. Hunter-Cevera 9/13/06