**University Surplus Property (Equipment UPPS No. 05.01.02**

**and Consumable Supplies) Issue No. 6**

 **Effective Date: 03/03/2023**

 **Next Review Date: 10/01/2028 (E5Y)**

**Sr. Reviewer: Director of Materials Management and Logistics**

**POLICY STATEMENT**

*Texas State University is committed to the proper disposal of surplus property.*

1. **SCOPE**

01.01 This policy establishes procedures for the determination and disposal of Texas State University equipment and consumable supplies as surplus property.

01.02 Each person affected by this policy should devise job procedures or other methods to carry out its instructions.

* 1. The [Texas State University System (TSUS) Rules and Regulations, Chapter III. Section 6 (13)](https://www.tsus.edu/about-tsus/policies.html) delegate to each component’s president the authority to dispose of surplus property. The applicable TSUS Rules and Regulations are as follows:

“6.(13) Disposal of Property and Equipment. Each Component President may dispose of property or equipment considered surplus because it is obsolete or useless for the Component’s needs or purposes. Prior to external disposal in accordance with System and Component regulations, such items may be made available to other system Components.

6.(13)3 The President shall have the authority to dispose of property or equipment with a book value of less than the capitalization value determined by the Comptroller’s Office by means of sale on the basis of arm’s length negotiation or competitive bid, or by transfer to another state agency or governmental sub-division at a mutually agreed value, or by
donation (subject to written approval of the President) to an assistance organization certified by the Texas Facilities Commission.

6.(13)2 Surplus instructional property and equipment must first be advertised through the Texas Higher Education Coordinating Board prior to disposition.

6.(13)4 Sale of property or equipment with a book value equal to or more than the Comptroller’s capitalization amount shall be made on a basis of competitive bids.

6.(13)5 Sale of property or equipment less than five years old and with a book value of $10,000 or more shall be approved in advance by the Chairman of the Finance and Audit Committee.

6.(13)6 Surplus computer equipment must be offered to the Texas Department of Corrections prior to disposition under sub-paragraphs 3,4, or 5 above.

6.(13)7 Exchange and Disposal of Surplus Library Materials. To facilitate sharing of information resources and reduction of costs, Component libraries may exchange surplus library materials by:

(1) Offering such materials to local public, school or other governmental libraries with preference given to low performing schools per *Texas Government Code, §2175.304*; and/or,

(2) Bartering with or exchanging materials with other system libraries; and/or,

(3) Making such materials available for exchange through TexShare or appropriate national library materials exchange lists, provided no other system library desires the materials; and/or,

(4) After thirty (30) days on TexShare or appropriate national library materials exchange lists, notifying “out-of-print” book dealers and negotiating sale or exchange of materials.”

01.04 All items of equipment and consumable supplies are procured by one of the following methods:

a. purchases from state or local funds by purchase order or procurement card;

b. inter-agency or inter-department transfer;

c. university manufactured;

d. gifts-in-kind (i.e., donated equipment or property); or

e. purchases from sponsored program funds.

01.05 All items of equipment and consumable supplies become the property of the university and, when no longer useful, may be disposed of only as set forth in this policy.

01.06 The president has designated the director of Materials Management & Logistics as the agency’s property manager (per [UPPS No. 05.01.01](http://www.txstate.edu/effective/upps/upps-05-01-01.html), Texas State University Property and Equipment, Section 03.02). In that capacity, they have primary responsibility for the disposal of surplus property ([UPPS No. 05.01.01](http://www.txstate.edu/effective/upps/upps-05-01-01.html), Texas State University Property and Equipment, Section 08.). Account managers and university employees are not authorized to directly dispose of surplus property without the approval of the director of Materials Management & Logistics.

01.07 This policy does not deal with non-state property seized or recovered in the course of police investigations or police actions. However, the director of Materials Management & Logistics may sell seized or recovered property that remains unclaimed as part of the university’s on-line auctions.

01.08 All university employees are permitted to purchase surplus property when it is offered to the general public for sale. The director or another supervisor will review and approve surplus property purchases by Materials Management & Logistics supervisors to ensure they follow university policy and procedures. Purchases by the director of Materials Management & Logistics will also be presented to the associate vice president for Financial Services for review of process and acknowledgement.

1. **PROCEDURE FOR DETERMINATION, REMOVAL, AND DISPOSAL OF SURPLUS PROPERTY**

02.01 The account manager is responsible for determining when equipment or consumable supplies have become “surplus” and are no longer useful for university business purposes. The State Property Accounting division of the State Comptroller’s Office defines surplus as: “Any personal property which is in excess of the needs of any state agency and which is not required for its foreseeable need.” Surplus property may be new or used but must have additional useful life. Account managers should consult with their chair, dean or director, and members of their department as to whether others within the department might have use for the items.

02.02 Account managers who determine they have surplus property shall inform Materials Management & Logistics of their need to have the items picked up by completing the [Requesting Pickup of Surplus Equipment form](http://www.materialsmgt.txstate.edu/Resources---Forms/surplus.html), the SAP transfer transaction ZTRFASSET, or the E-transfer transaction in the SAP portal.

02.03 Materials Management & Logistics will transfer surplus property from the department to the University Distribution Center.

02.04 The director of Materials Management & Logistics will determine the appropriate disposal method for the surplus property. This could include a direct sale or transfer to an individual or entity if it is in the best interest of Texas State.

02.05 Materials Management & Logistics will destroy non-repairable surplus property that does not have any resale value.

02.06 All surplus property will be made available to university departments Monday through Friday, 8 a.m. to 4 p.m., to view and select for reuse. Materials Management & Logistics will make every effort to hold surplus property that another department can reuse and remove from the auction. The final decision will be made by the director of Materials Management & Logistics.

02.07 Materials Management & Logistics will sell lost and found or abandoned property by an online auction to the highest bidder.

02.08 The university will place proceeds from sales of surplus property net of expenses in its General Revenue Fund. The director of Materials Management & Logistics and the associate vice president for Financial Services must approve exceptions to this procedure.

**03. PROCEDURES FOR DISPOSAL OF COMPUTER EQUIPMENT AND DOCUMENTATION**

03.01 The sale, transfer, or disposal of computers, computer peripherals, and other electronic devices can create information security risks for Texas State. These risks relate to potential violation of software license agreements, unauthorized disclosure of sensitive or confidential information, trade secrets, copyrights, and other intellectual property stored on hard discs and other storage media. This is in accordance with [Texas Government Code §2054.130](http://www.statutes.legis.state.tx.us/Docs/GV/htm/GV.2054.htm#2054.130).

03.02 All administrative heads and university employees with responsibility for computers, printers, copiers, and other electronic devices or media capable of storing university information shall comply with [UPPS No. 04.01.11](https://policies.txst.edu/university-policies/04-01-11.html), Risk Management of Information Resources, Section 02.10, regarding the transfer, disposal, or destruction of the university’s information-sensitive assets. To arrange for transfer or disposal of such assets, individuals should follow the current transfer or disposal procedures outlined in Section 02.02 or on the [Equipment Transfer or Disposal Support website](https://doit.txst.edu/services/).

1. **PROCEDURES FOR DISPOSAL OF POLICE EQUIPMENT**

04.01 The sale, transfer, or disposal of police vehicles, emergency equipment, firearms, uniforms, badges, radios, ammunition, and tear gas present special risks for Texas State. Those risks relate primarily to public misuse, public safety, and misrepresentation as police officers.

04.02 The director of the University Police Department (UPD), or designee, shall be responsible for the disposal of items or like items referred to in Section 04.01, except where police vehicles are concerned. Disposal of police vehicles will be a shared responsibility of the director of UPD and the director of Materials Management & Logistics.

04.03 Materials Management & Logistics must obliterate all police markings through sanding and repainting before selling, transferring, or trading any marked police vehicle.

04.04 The disposal of firearms, ammunition, tear gas, and radios shall be at the discretion of the director of UPD, or designee. UPD members may not convert such items to their personal ownership and the director of UPD may not sell these items to members of the public except as noted in Section 04.06. The director of UPD may trade firearms, including those UPD confiscated, to vendors for replacement equipment or issue them to officers as on-duty weapons. UPD will destroy non-tradable (weapons involved in the commission of a crime) or dysfunctional weapons and maintain a complete record of destroyed items and the destruction method.

04.05 The director of UPD, or designee, will authorize the destruction of or trade for replacement items for non-serviceable or outdated uniforms, badges, and emergency equipment.

04.06 Officers who honorably retire from Texas State law enforcement service will receive a one-time option to purchase only their duty weapon (handgun) at price determined by the director of UPD, not to exceed fair market value. The president of Texas State may approve transferring a UPD employee’s badge to the employee upon retirement or to their families upon death or under other special circumstances.

**05. REVIEWERS OF THIS UPPS**

05.01 Reviewers of this UPPS include the following:

Position Date

Director, Materials Management October 1 E5Y

 & Logistics

Chief Information Security Officer October 1 E5Y

Director, University Police Department October 1 E5Y

**06. CERTIFICATION STATEMENT**

This UPPS has been approved by the following individuals in their official capacities and represents Texas State policy and procedure from the date of this document until superseded.

Director, Materials Management & Logistics; senior reviewer of this UPPS

Associate Vice President for Financial Services

Executive Vice President for Operations and Chief Financial Officer

President