

# Utah Tech University Policy

## 226: Surplus Property



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### I. Purpose

- 1.1 To establish standards for the transfer, trade, or disposal of property or equipment that is surplus or scrap to the needs of Utah Tech University (“the University”). This policy provides for the safeguarding of State of Utah assets, while being attentive to environmental impacts and consistent with applicable laws; thereby, creating efficiencies in surplussing or scrapping.

### II. Scope

- 2.1 This policy applies to all property and equipment owned by or in the care of the University.

### III. Definitions

- 3.1 ***External Sale***: The disposition of property outside of the University.
- 3.2 ***Internal Transfer***: Transfer of surplus property internally within the University.
- 3.3 ***Personally Identifiable Information (PII)***: Information protected by federal and state laws and regulations, including federal regulations administered by the U.S. Department of Homeland Security (DHS), and is defined by DHS as “any information that permits the identity of an individual to be directly or indirectly inferred, which if lost, compromised, or disclosed without authorization could result in substantial harm, embarrassment, inconvenience, or unfairness to an individual.” PII includes but is not limited to the following:
  - 3.3.1 Full Social Security Number
  - 3.3.2 Driver’s License or State ID Number

- 3.3.3 Passport number
- 3.3.4 Visa number
- 3.3.5 Alien registration number
- 3.3.6 Fingerprints or other biometric identifiers
- 3.3.7 Full name in combination with
  - 3.3.7.1 Mother's maiden name
  - 3.3.7.2 Date of birth
  - 3.3.7.3 Last 4 digits of SSN
  - 3.3.7.4 Citizenship or immigration status
  - 3.3.7.5 Ethnic or religious affiliation
- 3.3.8 Protected health information, as defined by the Health Insurance Portability and Accountability Act of 1996.
- 3.4 **Scrap:** Property, including lost, mislaid, or abandoned property having no financial value, or such low financial value as to make selling not cost effective.
- 3.5 **Surplus Property:** Property purchased by, seized by, or donated to the University that is worn-out, obsolete, or excess to the University's needs, and is to be disposed of by the University. Surplus property does not mean real property.

#### IV. Policy

- 4.1 Surplus property will be transferred or disposed of in a manner that maximizes the benefit to the University.
- 4.2 Disposition of property shall follow applicable restrictions of the federal government, federal grant terms, or other entity from which the property was originally acquired. Disposition of property acquired by gift will be in accordance with the Internal Revenue Code and any donor restrictions.
- 4.3 No University department shall transfer, sell, or trade in property owned by the University without authorization of the Business Services Office, or designee.
- 4.4 Prior to transfer or disposal of any computer, computer peripheral,

computer software, electronic storage device, or storage media device, the University will, as applicable, completely erase or otherwise render unreadable all information, data, PII, and software residing on the device, unless the information, data, or software is to be conveyed and may be conveyed lawfully.

- 4.5 External sale of surplus property must be advertised and made available to the public. No current employee, former employee, or agent of the University will be granted any benefit or opportunity not granted the general public in acquisition of items through the disposal process.
- 4.6 All property is conveyed by the University is sold "AS-IS, WHERE-IS" with no warranty, express or implied, of merchantability or fitness for a particular purpose, or any other warranties or guarantees. A purchaser or disappointed bidder will have no recourse against the State of Utah, the University, or any of its officers, employees, or agents. All sales will be final.
- 4.7 The University may exchange or trade-in property when such exchange or trade-in is in the best interest of the University and is otherwise in compliance with applicable rules or policy. Exchange or trade-in will be considered disposal for purposes of this policy. Records will be kept regarding the valuation methodology used in evaluating the relative benefits of trade-in, exchange, or sale.
- 4.8 Surplus property paid for, but not claimed within the time specified in the sales terms and conditions, will be conclusively considered the property of the University and may be disposed of in compliance with this policy.
- 4.9 Surplus property must be paid for in full before the University will make it available to the purchaser. Purchaser assumes all responsibility, including risk of loss or damage, for the item when title is transferred.

## **V. References**

- 5.1 Utah State Board of Higher Education Policy R558, Surplus Property
- 5.2 Utah Code 63A 2-402 (State surplus property program – Participation by Institutions of Higher Education)

## **VI. Procedures**

- 6.1 Reporting Surplus Property
  - 6.1.1 When a University department determines any property to be surplus, the department shall immediately notify either the

Information Technology or Facilities Management Department, depending on the type of item.

6.1.1.1 A list of Information Technology items can be found at <https://employees.utahtech.edu/property-control-surplus/>

6.1.1.2 Contact the Facilities Management Department for all other items.

6.1.2 Additionally, the department must notify the Business Services Office and complete a Capital Equipment Form if a surplus item is considered inventorial property.

## 6.2 Transfer of Surplus Property

6.2.1 All transfers of inventorial property require that a completed Capital Equipment Form be submitted to the Business Services Office. Transfers include:

6.2.1.1 Change in asset custodian

6.2.1.2 Transfer to another University department

6.2.1.3 Transfer to other government unit

6.2.1.4 Transfer to surplus property

6.2.1.5 Disposal of damaged or unusable property

## 6.3 External Sale of Surplus Property

6.3.1 Surplus property shall be offered to the general public through public auction, live sale, or other means that maximizes the benefit to the University.

6.3.1.1 On-site and local sales should be advertised to the public at least ten days prior to any sale.

6.3.1.2 Online auctions will be held year around, and each item will be made available for bidding for at least ten days.

6.3.1.3 Surplus property made available for sale on-site or through in-person sales will be assigned a predetermined price and sold on a first-come basis.

6.3.1.4 Surplus property made available for sale through online auction sites will be sold to the highest bidder, assuming the

bid has met any pre-determined minimum bid assigned to the respective item.

6.3.2 Sale of surplus vehicles requires notification to the State Division of Purchasing Services fifteen (15) days prior to the intended date of sale.

6.3.3 When the nature of the property or unusual circumstances call for its sale to be restricted or controlled, the Business Services Office and the owner department may employ other means deemed appropriate.

6.3.4 The Surplus Department may determine the method of disposal of items not sold during any sale, provided it is in the best interest of the University.

#### 6.4 Sale Proceeds

6.4.1 The division of the income generated by sale of surplus items depends on the value of the item.

6.4.1.1 In cases where the income generated from the sale of the item is less than or equal to five hundred dollars, all of the proceeds will be retained by either Facilities Management or Information Technology to cover the cost of administering surplus operations.

6.4.1.2 In cases where the income generated from the sale of a surplus item is greater than five hundred dollars, fifty percent of the proceeds will be returned to the contributing department and fifty percent will be retained by either Facilities Management or Information Technology to cover the cost of administering surplus operations.

6.4.1.3 When the proceeds are critical to provide funding for the replacement of the item with a similar item, departments may request up to eighty percent of the proceeds from the sale by submitting a written request and justification to the Executive Director of Business Services.

## VII. Addenda

### 7.1 Specialty Surplus Items

#### 7.1.1 Artwork and Special Collections

7.1.1.1 When Artwork and special collections are made available for sale, the University department will work with the Business Services Office to facilitate a sale using a method that will provide the best return to the University.

7.1.1.2 All proceeds from the sale of artwork and special collections must be used to acquire new artwork and/or special collections items that fit within the current needs of said collection.

#### 7.1.2 Medical Equipment and Electronic Medical Devices.

7.1.2.1 Surplus medical equipment and electronic medical devices may not be sold or gifted via online auction or any other means.

7.1.2.1.1 An exception may be granted by the Executive Director of Business Services, in coordination with the owner department, if it is determined the transaction is in the best interest of the University.

7.1.2.2 Surplus medical equipment and electronic medical devices may be disposed of through the vendor under contract with the State, unless a separate contractual agreement has been entered into with the manufacturer or supplier of the device for proper destruction and disposal.

7.1.2.3 Proper disposal can be made in a landfill approved for electronic waste or taken to a recycling center that accepts electronic waste after the medical equipment and the electronic data device has been destroyed to the point that the medical equipment cannot be reused or the data cannot be retrieved.

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Policy Owner: Vice President of Administrative Affairs

Policy Steward: Executive Director Business Services

#### History:

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