

UNIVERSITY POLICY

Policy Name:	Surplus Property				
Section #:	20.1.12	Section Title:	Administrative: Administrative Policies, Procedures, and Services	Formerly Book:	6.5.5; 30.4.3
Approval Authority:	Executive Vice President, Strategic Planning and Operations & COO		Adopted:	03/1964	Reviewed: 02/20/2020
Responsible Executive:	Vice President, Business Services		Revised:	3/28/01; 4/15/2014 (Updated title, changed section number and section title); 3/20/2015; 02/20/2020 (Updated and reverted back to Policy# 20.1.12)	
Responsible Office:	Institutional Planning and Operations		Contact:	business.services@ipo.rutgers.edu	

1. Policy Statement

Rutgers University owns and controls all equipment and assets purchased with University funds, unless otherwise stipulated by the funding source. Vice presidents, provosts, deans, directors, and department heads are responsible for the custody and use of University assets in their operating units. This responsibility includes physical control, maintenance, security of assets, and the authority to declare University property as surplus in accordance with [University Policy 40.2.10: Equipment Inventory and Property Management](#).

This policy does not cover assets where the grant/contract sponsor retains ownership. These assets must be treated in accordance with the specific sponsor's requirements.

2. Reason for Policy

This policy provides guidelines for the transfer, storage, disposal, or sale of surplus University assets in order to ensure compliance with all grant/contract sponsors' and/or the University's requirements. The policy also assigns authority and responsibilities related to implementing, maintaining, and monitoring internal control over University assets.

3. Who Should Read This Policy

All members of the Rutgers University community.

4. Resources

[University Policy 40.2.10: Equipment Inventory and Property Management](#)
[University Policy 40.2.11: Grant and Contract Accounting](#)
[State of New Jersey Office of Management and Budget circular A-21](#)
[State of New Jersey Office of Management and Budget circular A-110](#)

5. Definitions

N/A

6. The Policy

I. Assigned Roles and Responsibilities for Surplus Property Process

Surplus Operations, a unit of Business Services, administers property matters and is responsible for the centralized accounting and reporting of University surplus property. Surplus assets are those items at the University, which are either no longer in use, or for which there are no further plans for use, whether they are located within an operating unit of the University or have been transferred to Surplus for disposal. University assets include equipment, materials, supplies, objects of art, antiques, used furniture, library volumes, and museum pieces.

Authority to sell/dispose of surplus University assets is assigned through the Vice President for Business Services of the University to the:

1. University Librarian for books;
2. Director of Rutgers Environmental Health & Safety (REHS) for hazardous waste and radioactive materials;
3. Registrar for the Jane Voorhees Zimmerli Art Museum for artwork and museum pieces; and
4. Assistant Vice President for Business Services for all other surplus University assets excluding buildings and real estate.

The Supervisor of Surplus Operations ensures compliance with prudent business and artistic sales practices and reviews and approves the sale or disposal of artwork and/or museum pieces. Equipment and materials of a general nature, such as window air conditioners, classroom furnishings, and custodial equipment and supplies are not assigned to a specific division or department and are considered the responsibility of Institutional Planning and Operations (IP&O) to declare them as surplus.

The transfer or relocation of any radioactive materials, radiation producing machinery, bio-hazardous agents, or other hazardous materials must be approved by Rutgers Environmental Health and Safety (REHS).

II. Sponsored Programs Surplus Property

Unless instructed otherwise by the sponsoring agency, the title to most property purchased on sponsored programs passes to the University upon completion of the project rather than when the University pays for the property. As a result, it could be one to five or more years before the University assumes ownership of the property. After clear and unrestricted title passes to the University, the above policies and procedures apply when an item becomes a surplus University asset.

For additional information on post-award administration, please refer to the Division of Grant & Contract Accounting website at <http://postaward.rutgers.edu> or view [University Policy: 40.2.11: Grant and Contract Accounting](#).

III. Property Disposal Procedures

As a general practice, vice presidents, provosts, deans, directors, and department heads should regularly, and at least annually, review all University assets in their custody to determine if there is a surplus of items that are no longer of use to the unit. Surplus items may include redundant, obsolete, and damaged property, as well as items in usable condition that are no longer in current use because

of changed circumstances, (e.g., an expired contract, outdated computer equipment, old furniture). In most cases, timely disposal of such property will ensure the condition of the item is maintained and the University obtains maximum disposal value. All departments should establish an internal policy to control assets below the value tagged and tracked by Property Management. Any such internal policy should reference the University Policy Section 40.2.10: Equipment Inventory and Property Management.

All surplus property must be transferred to Surplus promptly unless the department uses the item as a trade-in on a new purchase. A record should be kept of all property used as a trade-in. When not practical or possible due to size or installation constraints, a piece of equipment that cannot be moved from its location to the Surplus warehouse must still be sold or disposed of by Surplus.

To declare property as surplus and initiate disposition, the department must complete and submit an on-line request through the [Rutgers Surplus Request System](#). Upon receipt of the form, Surplus will contact the requestor and schedule a date for the removal.

- A. In instances of a large quantity of surplus or in the event of a room or building cleanout it will be billed as a move by the Material Services Department.
- B. If there are any costs incurred by Surplus Operations to facilitate the removal of the Surplus; these charges will be billed back to the originating department.
 1. Some examples but not limited to:
 - a. Electrician for electrical disconnects.
 - b. Plumbers for water or gas disconnects.
 - c. Needing to hire outside labor for large clean outs.

IV. Property Sale Procedures

A. Public Sales

Surplus equipment may be offered for sale individually or in lots on a first come first served basis. Property will be available for sale at the Surplus Property warehouse to the general public with first consideration given to reuse within the University community. Income from the sale of surplus item(s) in excess of \$1,000 may be credited, if requested, to the original department that purchased the item(s). The Surplus department will apply a 20% fee for this service.

B. Auctions

Items within the University that are not repurposed can be put for public auctions.

C. Computer Equipment:-

Surplus computer equipment, whether sold, donated or discarded is considered recyclable material by the New Jersey Department of Environmental Protection (NJ DEP). To ensure compliance with NJ DEP regulations, all computer equipment must be disposed of through the Surplus Department. When arranging for surplus pickup, the department requests pickup through the Rutgers Surplus System which can be completed on-line at the Surplus website . Depending on the equipment's condition, there are different disposal regulations and documentation that apply. Due to the possible environmental liability issues, all disposal, sales and donations of computer equipment must be processed through Surplus.

Departments are responsible to ensure that data and software that reside on any computer, non-computer devices, disk or data storage medium is wiped clean prior to transfer or disposal as per [Office of Information Technology guidelines](#).

In the event that an item is inoperable such that wiping is not reliably possible that item must be destroyed in an approved manner. The department may request that hard drives be destroyed rather than wiped clean for resale. Surplus will apply a fee for this service.

D. Scrap Sales

Surplus must dispose of recyclable materials, such as precious metals, photographic film and x-ray film. Used photographic processing chemicals, used oils and batteries (Nickel/Cadmium, Lead/Acid, and Lithium) must be disposed by REHS. DO NOT send these recyclables to Surplus. Contact REHS to arrange for removal of these materials. If you are unsure as to whether or not your recyclable materials are also considered "Hazardous Waste," contact REHS for assistance.

Scrap metal and other salvage materials related to construction projects are University property and disposal of and revenue from this material will be in accordance with contracts or agreements for the specific project. University Facilities may use scrap metals and recyclables to offset the cost of solid waste disposal. A record must be kept of all scrap and recyclable materials.

E. Vehicles

University-owned vehicles may be disposed of as a trade-in when purchasing a new vehicle or transferred to Surplus for sale or disposal.

V. Sales to Faculty and Staff

Faculty or staff wishing to purchase equipment within their area for personal use must receive written permission from the appropriate vice president, provost, dean, director, or department head. If approved, the item(s) must be transferred to Surplus who will complete the transaction. The approver may assist in assigning value in conjunction with Surplus. The requesting department may be assessed an administrative fee for items in which a valuation is requested and are not turned in as surplus but revert back to departmental inventory. This fee is to cover the cost of the valuation processes, which are typically recovered upon sale of the property. Faculty moving to another institution may purchase or have their new institution purchase the equipment for them with written permission from the appropriate vice president, provost, dean, director, or department head. The Division of Grant and Contract Accounting must be contacted before selling any sponsored program's equipment. The item(s) must be transferred to Surplus who will complete the transaction.

VI. Donations

Surplus property given to an organization outside the University must be processed through Surplus. Donations are permitted when the market value of the surplus property is below the costs for handling, record keeping, storage, and any charges associated with trade-in or sale. In all cases in which a donation is proposed, a justification letter signed by the appropriate dean or director is required.

VII. Abandoned and Unclaimed Property

Surplus has the authority to dispose of abandoned and/or unclaimed property (excluding files and documents). When the ownership of an item cannot be determined, Surplus will sell or dispose of the item as surplus. Items delivered to Surplus that remains in the warehouse without disposition from either University Procurement Services or the vendor for a period of 1 year from date of receipt will be disposed of as surplus. Departments vacating facilities are responsible for disposing of surplus equipment and furnishings in accordance with this policy. Failure to do so shall result in forfeiture of the property to Surplus without compensation to the owning department. Any cost associated with the removal of the abandoned equipment will be assessed back to the vacated department.

VIII. Transfers

Department to Department Transfers

Tagged University assets going directly from one department to another must be reported to the Property Management Department and a record of transfer must be maintained by the originating department.