SURPLUS PROPERTY PROCEDURES

Definition of Surplus Property – Furniture, equipment or other moveable fixed asset that is no longer needed or useful to the owning VMI department.

Disposition Methods for surplus property (as defined above) in order of preference:

1. Transfer to another VMI department
2. Sale or Transfer to another state agency
3. Sale to local governmental entity
4. Submit information to DPS for advertised sale to public
5. Donation to Qualifying IRC 501(c)(3) organization
6. Sale to recycler if the items have no functional market value

PROCEDURES:

The owning department contacts the Surplus Property Officer in the Purchasing Office. This is done by completing a Disposition of Equipment Form. If the disposition of equipment form is not filled out completely, including tag number, serial number, condition of equipment etc. it will not be possible to remove the equipment item from your departmental inventory.

The Surplus Property Officer will review these forms and determine whether the items meet the definition of surplus property above. In some cases the Surplus Property Officer will physically examine the items before making a determination. Computers and printers will be evaluated by Information Technology before disposition is determined.

If the items are deemed to be surplus property (per the definition above), the department will be instructed to attach a surplus property tag to the items. If the item has a fixed asset tag number assigned to it the Surplus Property Officer will assign a surplus property tag number for the item. The Surplus Property Tag number will be recorded on the Disposition of Equipment Form. A copy of the Disposition of Equipment form along with the completed Carbon Copy Surplus Property tag will be sent to the department. The department will attach the Surplus Property tag to the item on the top front of the equipment in plain view. If the item does not have a fixed asset number assigned to it then it will be tagged with the Non-Carbon Copy Property tags. The Surplus Property Officer will coordinate with Physical Plant to have the items moved to a temporary storage location until final disposition as described above. In the case of some large or bulky items, they may be left in the department until final disposition. When Physical

Plant picks up the equipment they will sign the surplus tag and leave the white copy with the department. Physical Plant will take the equipment to a secure storage area. The Surplus Property Custodian will keep the yellow copy. The blue copy will be forwarded to the Purchasing Office and the hard copy will stay attached to the equipment.

If the items are deemed not to meet the definition of surplus property above, they are deemed to be junk. The Surplus Property Officer will notify the user department and arrange with Physical Plant to pick up the items for disposal.

Upon final disposition, the Surplus Property Officer will complete and sign the Disposition of Equipment Form, attach any relevant documentation, and send it to the Fixed Assets Coordinator in the Comptroller's Office for entry into the accounting records.

If the equipment is being transferred between departments, please complete a Transfer/Replacement Form http://www.vmi.edu/WorkArea/showcontent.aspx?id=1030 and forward it directly to the Comptroller's Office for processing. In the case of a computer that is being returned to Information Technology please attach the Transfer Form to the computer. The receiving department will sign and forward the form to the Comptroller's Office.

In the event that a piece of equipment is damaged or broken and will be replaced by the vendor that it was purchased from, please use the Transfer/Replacement of Equipment Form. (Example: Your printer that is still under warranty breaks and the company is unable to fix it so they replace it.)

Surplus records will be reviewed frequently and equipment will be sold, scrapped or traded-in as necessary. A list of surplus items that are on fixed assets is available at the following website:
http://admin.vmi.edu/Business/Finance_and_Administration/comptroller/IPSecure/FX_Secure.asp
Surplus property will be distributed to the departments on a first come first serve basis.