

# Dickinson College Surplus Property Policy

## General Policy:

The purpose of policy is to ensure the protection of college assets and to provide a guideline for the college community when considering surplus/disposal of college property. All property and equipment (known as fixed assets) purchased with college funds (including unrestricted college funds, grants, endowments or gifts), donated to the college, or acquired for college use through other means are the property of Dickinson College, and title remains with the college at all times until asset disposal. The following describes the procedures individuals must follow to dispose of any college property.

## Disposal Policy

Surplus property is property that is either no longer in use or for which there is no further plan for use. It includes all tangible assets such as equipment, materials, supplies and furniture.

College property may not be sold, traded-in, salvaged, scrapped, donated or otherwise disposed of without prior approval from the appropriate department head and the Director of Central Services, acting on behalf of the Vice President for Finance and Administration. Special standing arrangements exist for hazardous substances, computers and furniture as outlined below.

### *Hazardous Substances*

Surplus/disposal of hazardous substances (chemical, biological, etc.) requires the prior approval of the Director of Compliance/Enterprise Risk Management, Environmental Health and Safety, X-1495.

### *Computers*

All college computers and computer-related items require LIS approval prior to being declared as surplus. LIS will work with the Director of Central Services to determine the best disposal method on an as-needed basis. Please contact the Director of User Services for approval, (X-1957).

### *Furniture*

All furniture purchases and disposals must be reviewed by Facilities Management to determine if there are opportunities to reuse furniture on campus and to ensure compliance with the college's furniture standards. Surplus furniture can be removed by submitting a work order to Facilities Management.

Facilities Management routinely disposes of furniture and other low-value fixed assets within departmental areas of responsibility, which does not require the authorization of the Director of Central Services. Facilities Management will work with the Director of Central Services for additional fixed assets deemed to have sales value in accordance with guidelines noted below.

## **Operating Procedures**

Effective asset management encourages recycling within the college community. Recycling limits liability and costs associated with disposal and provides continued use of the property to other departments within the college, while supporting the college's commitment to sustainable purchasing and reuse.

When a department seeks to declare property as surplus, the department head should contact the Director of Central Services for advice and determination of proper disposal procedures. The *Dickinson College Declaration of Surplus Property* form must be completed in order to provide the college with information necessary to properly account for the disposal and determine if any restrictions exist on disposing of property (e.g. restrictions on property purchased through an external grant).

The following methods of disposal are listed in order of preference, with additional consideration given to any incremental costs (transportation, storage, etc.) which may be incurred in order to dispose of the assets:

### **Disposal by internal departmental transfer**

Priority is given to college departments in an attempt to repurpose surplus items in accordance with college standards (e.g. furniture standards). The only cost to a department for an internal transfer of goods is the cost of moving and installing the item(s).

### **Disposal by trade or exchange of property**

If the item is deemed to have fair market value, it can be traded or exchanged at fair value with college suppliers in accordance with the college's purchasing policy.

### **Disposal by sale**

In order to establish an arm's length transaction, the Director of Central Services will work with departments to establish a sales price based on comparable sales in external markets and to offer goods to the entire community as opposed to selling to employees within a specific department. In support of the college's sustainability goals, local venues such as Craigslist and local consignment shops will be considered among the opportunities for sales in external markets. Sales of assets are not intended for reuse on campus and must be removed from campus within a reasonable timeframe.

The allocation of sales proceeds over \$5K requires the approval of the Vice President for Finance and Administration and will generally be allocated to a deferred maintenance fund with consideration given to the needs of the division that funded the original property purchase. Sales proceeds for small dollar items (under \$5K) will generally be allocated back to departments, subject to the following restrictions:

- Proceeds allocated to departments will be reduced by any costs associated with the sale/disposal of the property
- Departments are only eligible for proceeds if property was originally purchased with departmental (not general institutional) funds;
- Net proceeds will be allocated to the current operating budget and must be used within the fiscal year (funds will not carry over to future years).

The college may be required to collect state/local sales or use tax at the time of sale, depending on the type of goods sold. The Director of Central Services will work with departments to charge and remit sales/use tax to the appropriate authorities when applicable.

The following disclosures must be made in writing to potential buyers before selling college property:

#### *Sales Tax Disclaimer*

In accordance with state/local sales and use tax, buyers may be subject to payment of state and/or local sales and use tax. Generally, sales tax will be collected at the time of sale except in the case of vehicles where sales tax is collected by the Department of Motor Vehicles (DMV) at the time of registration. Buyers are responsible for contacting the appropriate tax office, completing any forms, and paying any taxes that may be imposed.

#### *Disclaimer of Warranties and Limitation of Liability*

All items sold through the Dickinson College Surplus Property Program are provided on an "as is", "as available" basis without warranties of any kind, expressed or implied, including without limitation the warranties of merchantability and/or fitness for a particular purpose. Dickinson College is not responsible for any special, indirect or consequential damages whatsoever resulting from or arising out of the sale of surplus items. Dickinson College does not warrant that any item sold through the college surplus property program is free from defects and/or shall function as intended. All sales are considered final.

#### **Disposal by donation**

Items that cannot be reused internally or sold may be donated to approved not-for-profit institutions upon written approval from the appropriate department head and the Director of Central Services.

Donation requests from various sources will be considered. Items may be donated if they are not sold after two (2) attempted surplus sales or if the donation may result in intangible (i.e. good will) benefits to the college. Donations to for-profit entities are not permitted.

A waiver should be signed by the recipient organization before the goods are donated, to include the following terms and conditions:

This item(s) is used and is available "as is" without warranty of any kind, either express or implied, including but not limited to, the implied warranties of merchantability, fitness for a particular purpose, or non-infringement.

#### **Disposal as Waste**

Items that cannot be reused internally, sold or donated will be discarded through the college's normal waste removal process. Once the disposal request is approved by the Director of Central Services, a service order request to Facilities will need to be submitted by the department involved.

## **Damaged or Stolen Property**

Damaged or stolen property should also be reported on the *Dickinson College Declaration of Surplus Property* form. The department must also notify Public Safety upon discovery of a theft or destruction.