

Central Texas College Materials Management Policy and Procedures Manual	Policy No. 310 November 2006
Property Disposal Procedures	

I. GENERAL

All personal property, whether it be excess or unserviceable, donated, or purchased with state or federal funds, must be disposed of in accordance with the laws and regulations of the state of Texas and/or Federal government. The procedures discussed herein address the manner in which excess and unserviceable personal property of the District will be disposed of. It is important to remember that state law prohibits the donation of property purchased with state funds, and section IV addresses property purchased with federal funds.

When a hand receipt holder determines that personal property under his/her control is either unserviceable or excess to the needs of his/her department Property Disposal Form (CTC Form 24) must be completed and forwarded to the Director, Business Services through the appropriate administrative and executive officer.

II. EXCESS EQUIPMENT

A. Central/Fort Hood Campuses

Upon receipt of the Property Disposal Form stating that a department has serviceable property excess to their needs, the Director, Business Services will refer action to the Inventory Manager, who in turn will determine if the item(s) is needed by another department. If the item can be used by another department within the Central or Fort Hood campuses, the Inventory Manager will coordinate its transfer and adjust the hand receipts accordingly. If it is determined that an element of the District, other than the local campuses, has a need for the property, the Inventory Manager will determine the cost effectiveness of transfer. If it is determined to be cost effective to transfer the property, the Inventory Manager will coordinate the transfer with the Receiving and Shipping Department and adjust the hand receipts accordingly. If the Inventory Manager determines that the property is excess to the foreseeable needs of the College, he/she will cause the item to be moved to the central holding area. If the item is too large or there is insufficient room in the central holding area, the requestor will be instructed to hold the item until the next public sale or receipt of disposal instructions.

Periodically, not to exceed twice annually, the Inventory Manager will conduct a public sale of property that is excess to the foreseeable needs of the District. This may be done independently or in conjunction with another Local Government. The Inventory Manager will prepare a computer generated list of property to be

sold and submit it to the Director of Business Services. Once approved, the Inventory Manager will arrange for the time and place of the sale. The date/time/place of the sale, and general description of items to be sold will be published in the Killeen Daily Herald once a week during the two weeks prior to the sale. The notification will be coordinated by the Purchasing Department.

B. Continental and International Campuses

Upon receipt of the Property Disposal Form stating that a Continental and International Campus has serviceable property excess to their needs, the Director, Business Services will refer the action to the Inventory Manager, who will determine if the item(s) is needed by any other District element. If a need exists, the Inventory Manager will analyze the cost effectiveness of transfer and recommend accordingly. If in the rare case of a high dollar item, it is determined cost effective to transfer the item, the campus/site will be provided all necessary information, including fund cite, for shipment. If it is not cost effective to transfer the item, the campus/site will be provided other disposition instructions, such as sale, cannibalization for serviceable parts, etc.

III. UNSERVICEABLE EQUIPMENT

A. Central/Fort Hood Campuses

Departments that have equipment to be turned in must complete a Property Disposal Form and forward it to the Inventory Manager listing the property with tag numbers. After verifying property information, the Inventory Manager will initiate a work order with the Facilities Management Work Order section.

In coordination with the initiating department, the Inventory Manager may recommend that the item be retained and use any serviceable parts to repair other like items. If the item is not easily moved or there is insufficient space to store it, the department may be asked to retain the item until disposition can be determined. Receipt of these instructions is authority for the department to initiate replacement action.

B. Continental and International Campuses

Because of the geographical separation, the Deans are granted greater latitude in the disposition of unserviceable equipment. CTC Form 24 should be completed with a recommendation for disposition, such as sale, cannibalization, or salvage. Upon receipt and approval by the Director of Business Services, the Inventory

Manager will delete the item(s) from the inventory account and the departmental hand receipt.

IV. EQUIPMENT PURCHASED WITH FEDERAL FUNDS

A. Carl Perkins Funds

In accordance with the Code of Federal Regulation (CFR 74.139) and the Texas Higher Education Coordinating Board, if equipment can no longer be used in accordance with the guidelines set forth, it shall be disposed of as follows.

1. Items of equipment with a current per item fair market value of less than \$1,000: These items may be retained, sold, or otherwise disposed of with no further obligation to the Texas Higher Education Coordinating Board with the inventory adjusted appropriately.

2. Items of equipment with a current per item fair market value of \$1,000 or more: Prior written approval must be obtained from the Texas Higher Education Coordinating Board to sell or otherwise dispose of this equipment. Reasons for deletion may include that the equipment is no longer operable, was destroyed, stolen, or cannot be used for its intended purpose. The following information shall be provided when requesting approval to sell or otherwise dispose of this equipment.

- o Description of the item
- o Date of purchase
- o Purchase price
- o Estimated current market value
- o Reasons for removal

If the equipment is sold, appropriate reimbursement shall be made to the Texas Higher Education Coordinating Board based upon the portion of the purchase price of the item that was paid for with federal funds. Ten percent or \$100, whichever is greater, may be retained by the District.

If equipment is traded-in for other vocational/technical education equipment, rather than sold, the proceeds from the trade-in shall be applied to the purchase of the new/refurbished equipment.

B. Other Federal Funds

Equipment purchased under federal contracts must be accounted for and disposed of in accordance with instructions contained in each individual contract.

V. EXCEPTIONS

The above procedures and guidelines **do not** apply to textbooks, other instructional

materials, or any items purchased for resale.