



Management of Surplus Property

No. 3955

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Affected Parties:
Faculty
Staff

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1.0 Purpose

This policy provides information to effectively handle the removal of surplus property within the university.

2.0 Policy

All university property that exceeds the needs of a department, such as duplicated, damaged, or obsolete furniture and equipment, is considered surplus property and must enter the surplus property disposal process. The Procurement Department manages the process of redistribution or final disposition of surplus property. Surplus property, including equipment and other fixed assets, cannot be sold, loaned, given away (outside of the university), scrapped/cannibalized or disposed of by any department without prior written approval of the Surplus Property Manager. However, surplus property may be transferred between university departments. University departments with physical possession of transferred property assume immediate responsibility for safeguarding the property.

Departments initiate the surplus process by notifying the Surplus Property Manager that an item is surplus property. Information about the surplus item is submitted through the online Surplus Property report which is electronically routed to the Surplus Property Office to be included on the list of surplus items maintained by the office. Departments may contact the Surplus Property Manager to obtain information on the current listing of surplus property available for purchase.

Departments may be responsible for moving the surplus items or incurring the expense of moving surplus items to the surplus property warehouse facility. Departments are also responsible for moving or incurring the expense of moving surplus items purchased from other departments.

Departments are responsible for the storage and continued security of surplus property until a transfer is completed or the items are picked up by Surplus Property staff for disposal. Items may be delivered to the surplus property warehouse only after submitting the online [Surplus Property report](#) and in coordination with Surplus warehouse staff confirming a suitable date and time of the delivery.

All proceeds from the disposition of surplus property are deposited in the general fund. Departments may request their monies returned, less auction fees, if an item or lot sells for \$1,000 or more.

3.0 Procedures

University departments may dispose of equipment at any time, according to the methods outlined in [Policy 3950, Fixed Asset Accounting](#). To initiate removal of surplus property from a department, an online [Surplus Property report](#) (must be completed and submitted for



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each item or group of similar items to be removed. All items should be clearly labeled and the electronic submission of the [Surplus Property Report Form](#) sent to the Surplus Property Office.

The preferred method of disposal of surplus property is through a public auction coordinated by Surplus Property. Other methods available include on-line auction, sealed bid, transfer or sale to public schools or city and county governments and Domestic Institutions, or a negotiated sale as may be determined to be most appropriate to the circumstances. The Surplus Property Manager is authorized to scrap items determined to be uneconomical or impractical to process, handle, and store for resale.

Departments may contact the Surplus Property Manager to determine the surplus property available for purchase. If a department wishes to purchase an item that is in the surplus property storage facility, the Surplus Property Manager will prepare a [Surplus Property Internal Transfer Authorization](#) form, and obtain the buying department's budget account code and an authorized signature. The form will be sent to the Controller's Office (General Accounting), which will charge the buying department. Surplus Property will notify the Fixed Assets unit within the Controller's Office regarding any item of equipment transferred from surplus inventory into a department. The Surplus Property Department uses a variety of methods to determine a price that is fair to both the seller and buyer.

If a department is storing an item, the department interested in buying the item should contact the owner of the equipment directly. If an item is transferred, the buying department submits an [Inventory Update Form for Fixed Asset Accounting](#) to the Controller's Office (General Accounting) to transfer payment and notifies Fixed Assets when the transfer is complete.

3.1 Disposal of Vehicles

To dispose of a vehicle, submit a [Surplus Property Report Form](#) to the Surplus Property Office. The Surplus Property Manager will obtain the vehicle title and determine the appropriate method of disposal.

4.0 Definitions

SURPLUS PROPERTY is defined as personal property, including but not limited to materials, supplies, equipment and recyclable items that are determined to be surplus by the university. Surplus property does not include real property, animals or crops. Real property, animals or crops that are determined to be in excess of the needs of the university should be sold by use of a competitive and advertised process that is open to the public.

5.0 References

Policy 3950, Fixed Asset Accounting

<http://www.policies.vt.edu/3950.pdf>

Surplus Property Online Form

<https://oncampus.vt.edu/task/all/surplus-property-report-form>

Surplus Property Internal Transfer Authorization Form

<https://www.apps.vpfin.vt.edu/surplus/spita.pdf>

Journal Entry Transfer Form

<http://www.controller.vt.edu/forms.html> OR



Inventory Update Form for Fixed Asset Accounting

https://www.controller.vt.edu/content/dam/controller_vt_edu/forms/fixedassets/inventory_update_form.pdf

6.0 Approval and Revisions

- Revision 1
Title changes made throughout due to reorganization and reassignment of responsibilities.
Approved September 30, 1992 by Vice President for Business Affairs and Treasurer, Raymond D. Smoot.
- Revision 2
Entire document reviewed and revised by the Purchasing Department.
Approved October 30, 1995, by the Purchase and Stores Director, M. Damanpour.
- Revision 3
Entire document reviewed and revised.
Approved August 22, 1997, by Director of Materials Management, W. Thomas Kaloupek.
- Revision 4
 - Section 3.0, clarification of department notification.
 - Section 3.1, change in procedure for disposal of vehicles.Approved January 28, 1999, by Director of Materials Management, W. Thomas Kaloupek.
- Revision 5
Entire document reviewed and revised.
Approved October 13, 2000 by Director of Materials Management, W. Thomas Kaloupek.
- Revision 6
Minor changes for clarification.
Approved April 1, 2002 by Vice President for Budget and Financial Management, M. Dwight Shelton, Jr.
- Revision 7
Minor changes for clarification.
Approved June 30, 2006 by Vice President for Budget and Financial Management, M. Dwight Shelton, Jr.
- Revision 8
Key changes include updating policy title from Management of Surplus Material to Management of Surplus Property; updating name of Procurement Department; updating policy to reflect change to the automated surplus request process which replaced the previous paper process; and minor changes for clarification.
Approved October 23, 2017 by Vice President for Finance and CFO, M. Dwight Shelton, Jr.



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- Revision 9
Technical updates to links.
Approved September 23, 2022 by Vice President for Policy and Governance, Kim O'Rourke.
- Revision 10
A full review was completed.
The only necessary change was to correct the link for the Surplus Property Internal Transfer Authorization Form to Section 3.0 and to Section 5.0.
Approved February 16, 2024 by Vice President for Finance and University Treasurer Kenneth E. Miller.