

TEXAS STATE TECHNICAL COLLEGE SYSTEM
SYSTEM OPERATING STANDARD

No. FA.1.13	Page 1 of 3	Effective Date 09/12/05
DIVISION:	Fiscal Affairs	
SUBJECT:	Disposal of Surplus Property	
AUTHORITY:	Minute Order #116-99	
PROPOSED BY:	<i>Original Signed by Susan Vonder Hoya</i>	
TITLE:	Chief Financial Officer	Date: 09/12/05
RECOMMENDED BY:	<i>Original Signed by Susan Vonder Hoya</i>	
TITLE:	Chief Financial Officer	Date: 09/12/05
APPROVED BY:	<i>Original Signed by Bill Segura</i>	
TITLE:	Chancellor	Date: 09/12/05

STATUS: Approved by MC 09/09/05

HISTORICAL STATUS: Revised 08/17/05
 Approved by MC 03/11/05
 Revised 02/2005
 Approve by MC 06/21/04
 Revised 05/2004
 Approved by Board of Regents 10/29/99
 Approved by Management Council 10/28/99
 Proposed 09/27/99

POLICY

It is the policy of Texas State Technical College to maintain control over inventoried property to prevent loss due to theft or other means and to dispose of surplus or salvage property in accordance with state laws.

PERTINENT INFORMATION

Texas Government Code, Chapter 2175.304, which applies to the Disposition of Surplus or Salvage Property, states that the governing board of each agency of higher education shall establish written procedures for the disposition of surplus or salvage property.

DELEGATION OF AUTHORITY

Each college president has the authority and responsibility to establish college procedures to ensure compliance with this System Operating Standard.

OPERATING REQUIREMENTS

When a TSTC department determines that a unit of its property or equipment is obsolete or not needed for its intended purpose, the department shall declare that property or equipment as “surplus” and forward it to Central Receiving. Central Receiving will hold all surplus property and equipment. During the period that Central Receiving is holding surplus property, any TSTC department that may need such property to fulfill its objectives may request that the surplus property be transferred to its department. If surplus property is on the State Property Accounting (SPA) System, the property must be transferred from the previous TSTC department account to the current department account. An instructional department may, by written request, obtain equipment for cannibalization of parts. The department must return unused parts to Central Receiving. The cannibalized equipment returned to Central Receiving should follow the same procedures for disposal as other surplus property.

When a college determines that property or equipment is surplus property, the college ~~should~~ will provide a list of surplus property to the campus presidents at the other TSTC colleges for possible transfer.

If another TSTC college does not have a need for the surplus property, the originating college will notify public schools or an assistance organization (a non-profit organization that provides educational, health, human services, or assistance to homeless individuals) designated by the school district of any surplus instructional material or equipment. The college may charge a small fee or no fee for the property. If more than one public school or assistance organization seeks to acquire the same property on substantially the same terms, the college will give low performing and low-taxable-wealth-per-student districts first preference. If the public school or assistance organization acquires any of the surplus equipment, the property manager will delete the property from State Property Accounting using Disposal Method 08.

The college will sell surplus property by auction, competitive bid, or direct sale to the public including a sale using an internet auction site. If an internet auction site is used to sell surplus property, the surplus property should be posted on the site at least ten days. Shipping and any associated transportation costs must be paid by the purchaser. Sale of any item with an estimated sale value of more than \$25,000 must be approved in advance by the Board of Regents.

Any surplus property remaining on state property inventory will be removed once its disposition is final. The college will book funds received to the Designated Funds surplus property account, and such funds may only be used to purchase capital equipment. Additionally, any funds obtained from sale of airplanes from an Air Pilot Training Program shall be restricted to the purchase of airplanes.

Property purchased with funds appropriated for community college technical partnerships may be loaned to the partner community college when the partnership is dissolved. However, any surplus property must be disposed of in accordance with state law.

PERFORMANCE STANDARDS

1. Each college has established appropriate procedures for disposal of surplus property in compliance with state laws.
2. Each college has properly notified the public school districts and assistance organizations designated by the school districts of available surplus property.
3. Each college has removed surplus property from the state property inventory once its disposition has been finalized.
4. Each college has properly accounted for the funds received through the sale of surplus property.

COLLEGE OPERATING PROCEDURE	
COLLEGE	Page 1 of
OFFICE OF RESPONSIBILITY:	
APPROVED BY:	
TITLE:	Date
FORWARDED TO SYSTEM OFFICE ON	