



TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER

Operating Policy and Procedure

HSC OP: 63.11, Disposal of Surplus, Obsolete, or Uneconomically Repairable Inventory

PURPOSE: The purpose of this Health Sciences Center Operating Policy and Procedure (HSC OP) is to establish policy and procedures for the disposal of surplus, obsolete, or uneconomically repairable property at Texas Tech University Health Sciences Center (TTUHSC).

REVIEW: This HSC OP will be reviewed on November 1 of every odd numbered year (ONY) by the Managing Director of General Services-Lubbock in coordination with Campus Business Operations Officers, and the Managing Director of Safety Services with recommendations for revisions forwarded to the Executive Vice President of Finance and Operations by November 15.

POLICY/PROCEDURE:

1. **Background.** As a state supported educational institution, TTUHSC must meet the requirements of Texas Government Code for Surplus and Salvage Property. All surplus, obsolete, or uneconomically repairable property shall be disposed of at the discretion of the Surplus Property Manager in the best interest of the institution. An item is not considered surplus property until the department prepares the proper paperwork and it is verified and the item(s) accepted by the Surplus Property Manager. This includes all types of property, except abandoned personal property, carcinogens, hazardous waste, radioactive materials, and laboratory devices which are covered by other HSC OP's. Departments should contact Safety Services for the disposal of carcinogens, hazardous waste, universal waste and radioactive materials.
2. **Definitions.** [HSC OP 63.10](#), Property Management, item 2 contains definitions of Computing Device and Confidential Information, which shall have the same meaning for purposes of this HSC OP.

Political Subdivision – local governments (city and county) and special districts such as school, parks, water, and airport districts in Texas. A volunteer fire department is considered a political subdivision per government code §2175.004.

Public Assistance Organizations:

- a) A nonprofit organization that provides educational, health or human services or assistance to homeless individuals;
- b) A nonprofit food bank that solicits, warehouses, and redistributes edible but unmarketable food to an agency that feeds needy families and individuals;
- c) A group, including a faith-based group, that enters into a financial or non-financial agreement with a health or human services agency to provide services to that agency's clients;
- d) Any other agency that meets the requirements defined by Chapter 2175.001 of the Texas Government Code.

3. Declaration as Surplus Responsibilities.

- a. **Controlled Assets.** Equipment/items carried on Property Inventory are to be declared surplus by utilizing the [Property Inventory System](#). Departments must initiate the transfer to the respective surplus property orgn. Please review [How to Transfer Items to Surplus](#). Address questions to the surplus property coordinator on each campus.
- b. **Other surplus Items.** For non-inventoried items, please include a complete description of each item listed including serial number if applicable.

NOTE: Lab equipment must be listed individually and reviewed for compliance with the Health and Safety Code, Section 81.0621b and the MOU (see item 4e).

- c. **Confidential Information.** The disposing department shall check all storage areas (i.e. file cabinets, drawers, enclosed areas, etc.) and remove all items contained therein, including confidential information. Confidential information certification is assumed upon transfer of property. Before redistribution or final disposition, the Surplus Property Manager is responsible for implementing procedures to check and verify all storage areas are empty or remove any items found and notify the disposing department.
- d. **Disposal of Computing or Data Devices.** Departments are responsible for removing software, data files and image files on computing devices and equipment before they are transferred unless the software license is transferable. In the event that the computing device contains any confidential information in electronic media, the department is responsible to ensure that all electronic media is destroyed prior to being transferred. Identity theft, privacy concerns, and compliance with HIPAA regulations are concerns shared by all TTUHSC departments. Whenever a state-owned computer or equipment with data devices is transferred from one primary user to another, the hard drive or storage media shall be sanitized as soon as the previous user's data has been removed. All TTUHSC departments shall review and follow the Information Technology (IT) Division's [How to Surplus Computer Devices](#). Contact the IT Division for questions about the policies and procedures governing this action. Surplus will comply with and enforce all policies and procedures developed by TTUHSC Information Technology Division related to these activities.
- e. **Pick-up.** Departments should complete the Surplus Pickup request within the Property Inventory System. Requests route to the Surplus Property Manager at the respective campus and automates the pickup and transfer process.

4. **Special Considerations.**

- a. **Disposal of Abandoned Personal Property.** Please refer to HSC OP 76.05, Abandoned Personal Property.
- b. **Disposal of Radioactive Materials and Radiation Producing Devices.** Contact TTUHSC Safety Services Department for policies and procedures governing this action.
- c. **Disposal of Universal Waste; i.e. Batteries, Paint, Chemicals or Other Hazardous Materials.** Contact TTUHSC Safety Services Department for policies and procedures governing this action.
- d. **Disposal of Refrigerator/Freezers.** Refrigerators and freezers may be sent to surplus only after meeting the requirements of [HSC OP 75.05](#), Contaminated-Suspect Equipment. Refrigeration equipment may be scrapped only after an authorized technician has removed the refrigerant. The costs associated with the removal of the refrigerant from the device will be charged to the disposing department. Please provide a valid funding source when requesting pick-up of any equipment with refrigerant.
- e. **Disposal of Surplus Laboratory Devices.** The following laboratory devices must be disposed as indicated by the Memorandum of Understanding (MOU) between the Texas Department of Public Safety (DPS) and the Texas Higher Education Coordinating Board (THECB) as required by the Texas Health and Safety Code, Section [481.002 \(53\)](#):
 - A. Condensers
 - B. Distilling apparatus
 - C. Vacuum dryers
 - D. Three-necked flasks
 - E. Distilling flasks
 - F. Tableting machines

- G. Encapsulating machines
- H. Filter funnels, buchner funnels and separatory funnels
- I. Erlenmeyer flasks, two-necked flasks, single-necked flasks round bottom flasks, thermometer flasks and filtering flasks
- J. Soxhlet extractors
- K. Transformers
- L. Flask heaters
- M. Heating mantles
- N. Adapter tubes

Devices included on this list may only be sold to individuals or entities holding a DPS permit authorizing possession of such devices. Institutional or inter-agency transfers of laboratory apparatus are authorized for agencies or entities included under the MOU. All items being disposed of from the list above must be listed individually. Chemical disposals must be facilitated through the Department of Safety Services.

- f. **Disposal of Vehicles.** Disposal of vehicles is subject to the requirements in this OP and the requirements in HSC OP 63.04, Disposal of Motor Vehicles.
- g. **Scrap.** Construction contracts/purchase orders should address the disposition of construction residue. All other saleable construction residue, scrap metal, plastics, etc. shall be reported to the Surplus Property Manager for determining the disposition method. Surplus property is not responsible for the removal of trash. Surplus property which is obsolete, unserviceable, in small amounts, or of little salvage value may be sold as scrap or disposed of prior to being placed in a public sale at the discretion of the Surplus Property Manager. The proceeds from any scrap sale must be deposited in TTUHSC Educational & General funds, less documented expenses for transporting.
- h. **Costs.** Any costs associated with preparing a surplus item for safe disposal is the responsibility of the department. For example, the costs associated with the removal of the refrigerant from a device, transportation, landfill, environmental or other fees directly related to the disposition of the property will be charged to the disposing department.

5. **Surplus Property Redistribution.**

Surplus item(s) should be available for viewing, on site, online, or both by other TTUHSC departments for up to 35 days. When a department has a need for the property, the Surplus Property Manager will initiate the electronic request transfer on a non-reimbursable basis.

If the property is not redistributed within TTUHSC, items should be available for up to 10 days for redistribution to other state agencies, political subdivisions, and assistance organizations. A transfer to a state agency has priority over any other request for transfer during this period except for a transfer to a TTUHSC department.

- If not transferred, the remaining property will be sold or disposed of at the discretion of the Surplus Property Manager in the manner most advantageous to TTUHSC.
- All computers and computer peripherals not redistributed must be transferred to Texas Correctional Industries (TCI) in accordance with Government Code §2175.905.

6. **Sale of Surplus.**

- a. **Sale.** Surplus property which is not redistributed may be sold to the public. Each regional campus and remote satellite location is responsible for determining the method used for public sale. Any questions should be directed to the Surplus Property Manager.

- Items may not be sold directly to an individual without giving other individuals the opportunity to purchase.
- The Surplus Property Manager may sell the property in the manner most advantageous to TTUHSC. If a bid system is used for sale, once an item has received a bid, it is no longer available for redistribution.

b. **Specialized Items.** Surplus property which is large in size, has substantial salvage value or is specialized in nature may require special provisions for disposition. Examples:

- Items may be sold from other locations when it is not economically feasible to move surplus property from the department to the surplus sale holding area.
- Any transportation, landfill, environmental, or other fees and expenses directly related to disposition of the property will be charged to the department disposing of the equipment or may be deducted from the proceeds.
- Surplus Property Manager must ensure that the buyer's certificate is on file for specialized equipment requiring DPS certification

c. **Disclaimer.** When bids are solicited for sale of surplus property, TTUHSC shall, in all instances, reserve the right to reject any and all bids and to waive any or all formalities. All items are offered "WHERE IS - AS IS" and ALL SALES ARE FINAL WITH NO REFUND.

7. **Disposition of Proceeds.** Funds from the sale of surplus property, less disposal expenses, will be credited to TTUHSC Educational and General funds local income with the exception of property purchased with sponsored project funds and specific prearranged transfers. Costs associated with preparing the item(s) for sale and costs associated with the sale itself may be recovered and deposited in the funding source FOP from the proceeds. If amount is more than 10% of the proceeds, receipts and proper documentation must be maintained. The sale of surplus property purchased with sponsored project funds must be coordinated with the Office of Sponsored Projects.