



Policy Title: Surplus and Salvage Property

Policy Number:

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**Responsible Executive: Associate Vice President
for Business Services**

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Responsible Office: Procurement Services

Surplus and Salvage Property

Policy Statement

The purpose of this policy is to set forth requirements and procedures for the declaration and disposition of any movable property located on the Baylor University (the “University”) campus. For the provisions of this policy, movable property includes vehicles, furniture, fixtures, and equipment.

By establishing consistent guidelines for identifying, managing, and disposing of surplus property, Baylor University ensures responsible stewardship of its resources, compliance with legal and regulatory requirements, transparency, and alignment with the University’s sustainability and financial objectives.

Reason for the Policy

The disposal of surplus University property is a necessary and prudent step for the University to:

1. Promote Resource Efficiency
 - Efficiently remove and reallocate assets no longer required by specific departments.
 - Reduce costs related to storage, maintenance, and insurance.
2. Strengthen Financial Management
 - Generate revenue or cost savings by selling or disposing of surplus assets.
 - Reallocate funds to support the University’s core educational and research mission.

3. Optimize Campus Space

- Free up valuable space on campus for academic, research, and administrative needs.
- Improve the overall campus environment by reducing clutter and congestion.

4. Ensure Compliance and Accountability

- Adhere to state, federal, and grant requirements for asset management.
- Establish a transparent process that documents each stage of property disposal.

5. Demonstrate Environmental Responsibility

- Encourage recycling, repurposing, or donation to minimize environmental impact.
- Comply with sustainability goals and show commitment to environmental stewardship.

6. Mitigate Risk

- Properly handle sensitive data and prevent unauthorized disclosure.
- Minimize potential liability by disposing of unsafe or obsolete items responsibly.

7. Maintain Consistency and Fairness

- Use a standardized approach across all departments to identify and dispose of surplus.
- Treat interested buyers or donors fairly and without favoritism.

8. Enhance Public Perception

- Reflect good governance and fiscal responsibility through transparent asset management.
- Maintain public trust and donor confidence.

2. Surplus and Salvage Property

Individuals/Entities Affected by this Policy

This policy applies to all Baylor University programs, faculty, staff, and students who manage or use University-owned property. It also covers external entities (e.g., prospective buyers, vendors) participating in auctions, sales, or donations of surplus property.

Exclusions

NONE

Forms and Tools

[Surplus Declaration Form](#)

[Surplus Property Sales Agreement](#)

[Standard Donation Form](#)

Definitions

These definitions apply to terms as they are used in this policy.

Surplus Property	Any University-owned item that is no longer needed by a department or unit but is still in usable condition and may have value to other University departments or external buyers.
Salvage Property	Any University-owned item no longer needed by a department or unit, which is unusable, broken, obsolete, or beyond economical repair, and typically designated for recycling, scrapping, or disposal.
Fair Market Value (FMV)	The price that property would sell for on the open market, as determined through appraisals, comparative listings, or industry benchmarks.
Sensitive Equipment	Items that may store confidential or proprietary information (e.g., computers, hard drives, servers, lab devices containing memory).
Responsible Department	The unit or department that currently manages the property in question.

Contacts

Subject	Contact	Telephone	Office email/web site
Policy Management	Procurement Services	254-710-8201	https://procurement.web.baylor.edu
Financial Services	Fixed Asset Accounting	254-710-8776	https://financialservices.web.baylor.edu/financial-operations/capital-assets-accounting
Facilities Management	Facilities Management	254-710-1361	https://facilitiesmanagement.web.baylor.edu
Environmental Health and Safety	EH&S	254-710-2900	https://ehs.web.baylor.edu

3. Surplus and Salvage Property

Responsibilities

Department Head	<ul style="list-style-type: none"> • Identifies and declares property as obsolete or excess to departmental needs. • Ensures compliance with external funding requirements if the property was purchased via grants or sponsored programs. • Coordinates with Procurement Services and Facilities Management to initiate disposal, trade-in, or transfer.
Procurement Services	<ul style="list-style-type: none"> • Has the authority to declare property surplus or salvage to the University. Contacts OGC for legal issues related to property. • Coordinates with Financial Services to determine asset status. • Establishes or verifies fair market value (FMV) for surplus property and determines the appropriate disposal method. • Reviews and approves any proposed donation of surplus property. • Manages sales, donations and recycling of surplus property.
Facilities Management	<ul style="list-style-type: none"> • Maintains the University's surplus property inventory. • Coordinates pickup, warehousing, and general disposition.
Financial Services Fixed Assets Accounting	<ul style="list-style-type: none"> • Tracks property with an original value of \$5,000 or more in the University's asset management system. • Confirms whether property was purchased with extramural funds.
Office of the Vice Provost of Research	<ul style="list-style-type: none"> • Assists in verifying whether sponsor approval is required for property disposal. • Facilitates communication and documentation when items were purchased with grant or contract funds. • Advises on restricted-fund disposal requirements and ensures correct financial recording of disposals.
Environmental Health and Safety (EH&S)	<ul style="list-style-type: none"> • Advises on safe handling and disposal of items containing hazardous or regulated materials (e.g., refrigerants, batteries). • Ensures regulatory compliance for environmentally sensitive components.
Office of General Counsel (OGC)	<ul style="list-style-type: none"> • Advises on property ownership, University public relations, and legal disposal issues.
Information Technology Services (ITS)	<ul style="list-style-type: none"> • Provides guidance and oversight for the disposition of technology equipment.

4. Surplus and Salvage Property

Principles

General Guidelines

1. Declaration of Property as Surplus

- Department heads may declare any University-owned property in their custody as obsolete or excess to departmental needs.
- Procurement Services has the final authority to designate an item as surplus or salvage at the University-wide level and will contact OGC for any legal issues related to property and/or disposal.
- Once declared surplus, items must be reported to Facilities Management for proper documentation and inventory control.

2. Fair Market Value (FMV)

- Procurement Services determines or approves FMV before any public/private sale.
- A range of methods may be used to establish FMV (e.g., appraisal, comparable listings, or historical sale data).

3. Asset Tags and Fixed Assets

- Items with an original cost of \$5,000 or more are tracked in the University's fixed asset system using the following property identification tag(s):



- Departments must inform Fixed Assets Accounting when these items are declared surplus.

4. Restrictions on External-Funded Property

- If property was purchased with external (grant) funds, departments must confirm ownership rights and disposal limitations with Fixed Assets Accounting and/or the Office of the Vice Provost for Research.
- Written sponsor approval may be required before disposal, trade-in, or donation.

5. Surplus and Salvage Property

5. Priority of Redeployment

- Surplus property should be offered first to other University departments for reuse before any external sale or donation.

Data Security and Special Handling for Technology Equipment

1. All technology equipment (computers, servers, hard drives, printers, etc.) must be sanitized according to the University's Information Technology Services (ITS) standards before disposal or transfer.
2. If wiping is insufficient for highly sensitive data, storage devices may require physical destruction.
3. Technology equipment may contain hazardous materials; thus, it requires disposal or recycling methods that comply with relevant environmental regulations.
4. ITS and Facilities Management, in coordination with EH&S, will oversee environmentally responsible disposal of technology assets.
5. Disposition of technology equipment is managed through Baylor ITS. Resources are available [here](#).

Disposal Parameters and Prohibitions

1. Approval Requirements

- Procurement Services must approve all sales or other dispositions of University property.
- Financial Services and the Office of the Vice Provost for Research must be consulted regarding external funding before sale or transfer.

2. Employee Purchase Restrictions

- No employee (or a near relative) may purchase surplus property unless the items are sold through a sale open to the public.
- "Near relative" includes spouses, parents, children, siblings, step-relatives, and in-laws of an employee.

3. Recording of Sale Proceeds

- When University property is traded in, the releasing department is credited with the trade-in allowance on the new purchase.
- If charges are incurred in connection with the disposition of surplus property, those costs will be charged back to the releasing department.

6. Surplus and Salvage Property

- Proceeds from the sale of surplus property are deposited as income to the General Institutional department, Property, Plant & Equipment designation, and Revenue account.
- Any deviation in the recording of proceeds requires the prior approval of the Senior Vice President of Finance or designee.

Documentation and Record-Keeping

Departments must remove disposed or transferred items from their inventories and maintain documentation (including photographs, sale receipts, donation letters, recycling manifests, etc.) to confirm proper disposal.

Compliance and Enforcement

Noncompliance with this policy or related procedures may expose the University to financial, legal, or reputational risks.

Violations may result in disciplinary actions in accordance with Baylor's Human Resources policies.

Review and Revision

This policy will be reviewed periodically to maintain compliance with laws, regulations, or funding requirements.

Procedures

Departments may declare University-owned property as surplus when it is no longer needed (obsolete, excess, or beyond useful life). Procurement Services has the final authority to designate surplus or salvage status.

The disposal process includes the following steps:

1. Department identifies surplus and submits a Surplus Declaration Form to Procurement Services within 10 business days. The form is required for all surplus items, regardless of disposal method.
2. Procurement Services reviews and approves the form, confirms fair market value (FMV), verifies funding restrictions, contacts OGC for any related legal issues, and works with the department to determine the disposal method.
3. If Facilities Management pickup is required, the department submits a TMA work order after Procurement approval.
7. Surplus and Salvage Property

4. Facilities Management picks up the item and stores it in the Surplus Warehouse for 60 days, where it is available for viewing and tagging by other departments for redeployment. Departments must coordinate tagging and transfer with Procurement Services and Facilities Management.
5. After 60 days, unclaimed items are sold, donated, or scrapped as determined by Procurement Services.

Departments may contact Facilities Management to schedule a time to view surplus items during the 60-day holding period. Pickup scheduling may depend on warehouse space availability.

Disposal Methods

Procurement Services works with departments to determine the appropriate method. Not all surplus items require Facilities Management pickup (e.g., trade-ins, hazardous items sold in place). Regardless, the Surplus Declaration Form is required for all surplus items.

Method	Department Responsibilities	Procurement Services	Facilities Management	Financial Services
Trade-In	Submit Surplus Declaration Form. Include item details on the new purchase requisition. Notify Fixed Assets if tagged. Confirm funding restrictions.	Verify FMV. Approve trade-in.	Assist with pickup if needed.	Confirm funding restrictions. Update records.
Redeployment (within 60 days)	Tag items at Surplus Warehouse for internal use.	Approve redeployment.	Coordinate transfer of tagged items.	Update records if required.
Public Sale	Submit Surplus Declaration Form with item details. Notify Fixed Assets if tagged.	Set FMV. Manage public sale (auction, sealed bid, online).	Assist with sale staging, pickup, and storage.	Record sale proceeds.
Private Sale (by exception)	Submit Surplus Declaration Form with item details, condition, estimated value, buyer info. Disclose any conflicts of interest. Notify Fixed Assets if tagged.	Approve private sale only if public sale is not feasible. Verify FMV. Document sale.	Assist with logistics as needed.	Record sale proceeds.
Donation	Confirm low/no market value. Check funding restrictions. Submit request with recipient info.	Approve donation. Coordinate with Facilities Management.	Manage pickup and delivery.	Update records if required.
Recycling/Scrapping	Notify Facilities Management. Consult EH&S for hazardous items.	Confirm disposal method.	Handle recycling or disposal.	Update records if required.
Long-Term Storage	Request storage for up to one year (space permitting).	Approve or deny based on space.	Manage storage and notifications.	Not applicable.

Timelines

- Submit the Surplus Declaration Form within 10 business days of surplus decision.
- Submit a Facilities Management TMA work order after Procurement Services approval for items requiring pickup.
- Items are held in the Surplus Warehouse for 60 days for internal redeployment.
- Final disposal (sale, donation, recycling) must be completed within 90 days of surplus declaration, unless an extension is approved by Procurement Services.

Department Responsibilities for Surplus Disposal

Departments must:

- Submit a Surplus Declaration Form within 10 business days.
- Notify Fixed Assets Accounting for tagged items and confirm funding restrictions.
- Submit a TMA work order after Procurement approval for items requiring Facilities Management pickup.
- Provide detailed item information (make, model, serial number, asset tag, location, condition, estimated value, original PO) in all requests.
- Tag and claim surplus items during the 60-day warehouse holding period if desired for redeployment.
- Cover costs for moving, refurbishing, or preparing items for redeployment.
- Retain records for all disposals, donations, or sales for audit purposes.

Financial and Record-Keeping Requirements

- Sale proceeds must be recorded as income to the General Institutional department (Property, Plant & Equipment designation and Revenue account).
- Fixed Assets Accounting updates the University's master inventory for items with an original cost of \$5,000 or more.
- Departments must maintain documentation (Surplus Declaration Form, work order confirmation, receipts, transfer forms, donation letters, sale records) per University record retention policies.
- Private sales require a Conflict of Interest (COI) attestation confirming no conflict exists.