

NC State University

Disposition and Transfer Policy and Procedures for NC State Owned or Custodial Property

Effective: May 23, 2017

Purpose: This document is to provide basic guidance related to the disposition of property owned, controlled, or administratively managed by NC State University. On a combined basis, this document along with PRR Reg #[10.05.16- Equipment Acquisition, Management, Transfer and Loans](#) should be used to assist the University Community in making decisions about disposition of property. This document supersedes all other previously issued documents related to the use and disposition of University owned or custodial property.

Definitions and Overview:

Property is defined as all items such as fixtures, furniture, and moveable equipment, supplies, and the like, owned, purchased, controlled or administered by the University or titled to the University regardless of cost or value. Capital assets are property where the initial cost of the item is \$5,000 or more. Non-Capital assets have an initial cost of less than \$5,000; consumable assets are considered to be any property that could be 'used up' during the course of regular activities such as supplies, disposables, and the like. Custodial property is defined as equipment not owned by NC State where there is a contractual or other legal obligation to administer property in accordance with the property owner's requirement.

Property is acquired and used in the University by faculty, staff, students and researchers for the support of activities of the University and may not be used for personal, for-profit activities or illegal purposes. All personal property titled to NC State University (either through direct purchase or transfer) is controlled within the following policies of acquisition, use and disposal. This property is ultimately under the control of Capital Asset Management (CAMS) and Materials Management under the Finance Division of the University and the acquisition, use, and disposition is subject to the policies and procedures issued by these offices. For more information about the department Capital Asset Management, see their website at [NCSU CAMS](#) or for the department Materials Management see their website at [Materials Management](#).

As a State of North Carolina Entity, the University has sole responsibility for the disposition of all University owned property (capital, non-capital, and unused consumables) and any resulting proceeds from the disposition. Disposition must follow the guidance of the State of North Carolina General Statute 143-64.01 and NCAC

43A.0101. For more information about asset disposition, see this website at: [University Surplus Property Services](#) .

I. Property Acquisition and Transfer of Property to the University

A. Property Acquisition

Property of the University is acquired in a number of ways: gifts, transfers of research and other property from other institutions, University purchase, expenditures from grants or contracts and property loans accompanied by a requirement that the University custodies the property. CAMS and Materials Management, in conjunction with campus department(s), administer incoming equipment, determine the value, and tag and record the equipment where required. Transfer of research and other equipment to or from NC State may occur when a researcher transfers or moves an active contract or grant to or from another institution. CAMS will ensure that all transfers of property related to an active contract or grant are recorded into the University's inventory as required by the terms of the contract or grant. It is the responsibility of the departmental CAMS Coordinator or Principal Investigator (PI) to notify CAMS staff of the equipment transfer to trigger the tagging process. Contact assetmanagement@ncsu.edu for instruction or to provide notification of a property transaction.

B. Inventory Record and Tagging of Capital Equipment

CAMS will ensure that all acquisitions of capital equipment are recorded in the University's inventory by using procurement information, transfer/gift information, and responding to departmental notifications. The following data is collected: Purchase Order Number, Voucher Number, Project/Grant, and the description of the equipment. At the time the asset is physically tagged, additional identifying information will be collected by the CAMS staff assigned to tag the equipment.

C. Loan of Equipment

Equipment titled to NC State University may be loaned to another unit or institution if the Department Head and the Dean/Director of the College/Unit approves and the Director of the NC State Capital Assets Management System approves (upon being provided a copy of the loan agreement before equipment leaves the campus area). The governing document is PRR Reg # [10.05.16-Equipment Acquisition, Management, Transfer and Loans](#).

II. Disposition of Property

The State of North Carolina Surplus Property Agency (SSPA) has the authority to determine the means and disposal of all state-owned property (Gen Stat 143-64.01 and NCAC 43A.0101). As a UNC campus, NC State University Materials Management department has delegated authority to sell or dispose of all retired property. No property may be sold or disposed of to buyers outside the University (employees purchasing property personally are considered “buyers outside the University”) without the approval of Materials Management and State of North Carolina Surplus Property Division.

A. Surplus Property

Items that have become obsolete or no longer needed are to be sent to the University Surplus Property Warehouse regardless of value. University Surplus Property will sell an item through the State Surplus Property System, and recycle, or scrap items no longer useful to the University. Determination of final disposition and/or sale price of an item, once it has been declared surplus is dictated by the State of North Carolina Surplus Property regulations. Once an item has been deemed surplus, the item must be listed and maintained in the Financial System Surplus Inventory Control System.

B. Scrap

All scrap that has a value is the property of the University and must be disposed or utilized to the University’s best advantage. Scrap includes but is not limited to: metals, paper, wood or other byproducts of demolition, refurbishment, or operations. No scrap may be disposed of without the approval of Materials Management.

C. Surplus Sales of Property to the Public and University Employees.

By General Statute 143.64.01 of the State of North Carolina, university departments, other state and federal government agencies and nonprofit organizations (in that order) have priority when acquiring surplus property. Specific procedures can be found on the Materials Management website.

All items not sold to the above listed entities will be offered to the public during the Retail Surplus Store sale hours, see [Materials Management](#) website for details. It is Materials Management’s practice to give priority as follows whenever possible:

1. University departments will be given preferential treatment in the purchase of surplus items.

2. The major user of the equipment before disposal.
3. Trade-In allowances: Trading in used property for credit against the purchase of a new item may provide a greater financial return to the State than selling such items through the Surplus Property System. The University seeks to maximize the return on investment for equipment no longer useful to the University but eligible for trade-in on new equipment in compliance with the State Surplus Property Agency General Provisions policy NCAC 43A.0303.

D. Preparation of Equipment Prior to Disposal

Any equipment which electronically records or stores any data must have all data permanently removed prior to disposition. Most notable are computer drives, printers containing hard drives, scanners, POS or other merchant equipment, etc. which must be cleared of all software and files prior to disposition. It is the responsibility of departments to cleanse all electronic media devices and attest to the data removal with a completed form before Materials Management will pick up or accept drop off of such devices.

NC State University OIT maintains an electronic media disposal guidelines for this purpose. Please see [OIT MEDIA DISPOSAL](#) for more information.

All scientific, research and laboratory equipment must be assessed for hazardous materials, including chemical, biological or radioactive material, PRIOR to being delivered to the Surplus Property Warehouse. Review the instructions on the Environmental Health and Safety website for more details.

E. Transfer of Equipment between NCSU departments

When a department needs to transfer (or sell) capital equipment to a different department, CAMS must be contacted to ensure that the University records are accurately maintained. In order to transfer equipment, an Asset Transfer Form must be completed thru the Asset Management system or by contacting the CAMS department. The following information should be included in the request: description of the capital equipment (i.e. computer), Department ID to which the asset currently belongs, Department ID to which the asset is being transferred and the Tag Number or Asset ID. For more information, please see [Asset Transfers](#) and Appendix below.

- F. Transfer and Sale of Research Property Purchased by Grants and Contracts **(for more information see new combined SPARCs/C&G policy: add link here when available)**

In setting forth the procedure for requesting the transfer or sale to another institution of property purchased with funds from NC State University grants or contracts, several principles must be kept in mind. Specifically, the concerns of three separate institutions can influence the decision to transfer:

1. Sponsor – The sponsor may retain full title, in which case the sponsor decides whether the property may be transferred. The sponsor may give title to the University only after a certain time has elapsed following termination of the grant or contract. In this interim period, both the sponsor and the University may be involved in making the transfer decision.
2. NC State University – In the event that the sponsor has given title of the property to the University, either at the time of purchase or at a later date, the decision to transfer is a University decision.
3. Recipient Institution – If the sponsor and the University agree to the transfer of property to another institution, the proposed recipient institution must then also agree. The recipient institution must supply the University with a contact name, mailing address, telephone, email address and fax number where the transfer paperwork will be sent by Contracts and Grants. The recipient contact must check the equipment and sign and return the paperwork within two weeks.

Notwithstanding the above, the decision to transfer or sell property purchased on an active contract or grant, or any contract or grant where the sponsor retains title and/or rights to said property, should be made as part of the disposition of said contracts or grants. In most cases, property should follow the contracts or grants used to purchase the property and/or which said property benefits. All sales or transfers of property purchased or benefiting contracts or grants should be made in accordance with NCSU Regulation 10.05.04, and well in advance of the departure of the responsible faculty.

Where Sponsor approval is required, such approval shall be secured, in writing, by the Sponsored Projects & Regulatory Compliance Services (SPARCS) office.

Additionally, the approval of the transfer or sale of property purchased on active contract or grant, or any contract or grant where the sponsor retains title and/or rights to said property, shall be approved, in writing, by the Associate Dean for Research of the respective College.

In the event of disagreement, final authority rests with the Vice Chancellor for Research.

III. Conclusion

In the event that the disposition or transfer of NC State owned or custodial property does not meet the previously described scenarios, an e-mail request for guidance must

be sent to the CAMS department for direction. The email must include full information such as the type, make, model, and SN# of equipment, CAMS numbers if applicable, quantity of equipment as well as any other information relevant to the transaction. The CAMS department will work with Materials Management -Surplus, SPARCS and C&G in order to determine the final resolution of the transaction.

If you are unsure as to whether your interpretation of the above policy is as intended, please contact CAMS for guidance. Additionally, CAMS will retain the responsibility for acquiring final approval regarding the disposition of equipment or interpretation and application of the above policy.

CONTACT INFORMATION:

CAPITAL ASSET MANAGEMENT (CAMS) - assetmanagement@ncsu.edu

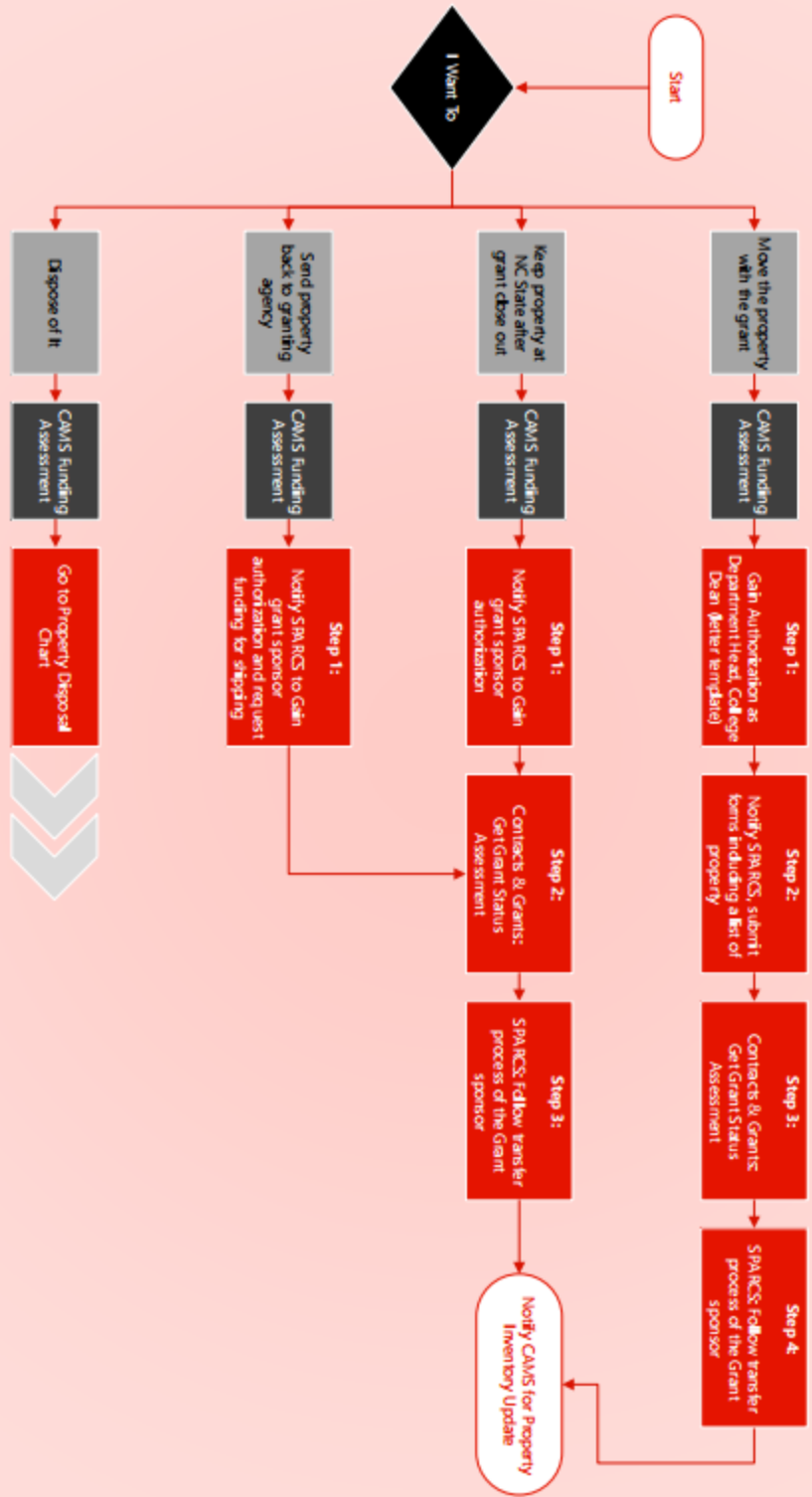
SPARCS/C&G - propertytransfers@ncsu.edu

SURPLUS - surplus_property@ncsu.edu

APPENDIX: Decision Tree

The decision trees below are intended to help to guide you and make decisions regarding the transfer or disposition of University property. As mentioned above, CAMS will retain the responsibility for acquiring final approval regarding the disposition of equipment or interpretation and application of the above policy.

Transfer Property



Property Disposal

