



FMA-RE-001

Disposition of Surplus Material

Approved by:

Chairman, Fort Monroe Authority Board of Trustees

Fort Monroe Authority Executive Director

Fort Monroe Authority Deputy Executive Director

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SECTION I – DISPOSITION OF SURPLUS MATERIAL POLICY

1.1 DEFINITION

Surplus materials means personal property including, but not limited to, materials, supplies, equipment, and recyclable items, but does not include property as defined in Code of Virginia, § 2.2-1124B (real property), that is determined to be surplus.

1.2 CLASSIFICATION

Surplus property may be classified as:

- Items of value for transfer, trade-in, or sale.
- Scrap items which have sale value for material content only.
- Items assessed to have little or no commercial value, and are acceptable for landfilling or trash disposal.

1.3 SURPLUS PROPERTY MANAGER

The Surplus Property Manager is responsible for all matters pertaining to surplus property and is expected to follow surplus policies and procedures as described herein, evaluate surplus disposal options, ensure forms and records are kept of surplus disposal and manage the surplus property generated by the FMA. The Surplus Property Manager should distribute information concerning disposal procedures and related surplus property information.

1.4 COMPUTERS AND INFORMATION TECHNOLOGY ASSETS

Prior to the sale, disposal (recycling) or other transfer of computers or other technology assets that may contain confidential data or personal identifying information, the Surplus Property Manager shall ensure all such data has been removed/erased prior to disposition.

1.5 UNCLAIMED OR ABANDONED PROPERTY

All tangible and intangible property that is held and has remained unclaimed by the owner for more than five years after it became payable or distributable is presumed abandoned (for full legal definition see *Code of Virginia*, § 55-210.2:1).

SECTION 2 – DISPOSAL METHODS

2.1 TRANSFER WITHIN THE FMA

Employees are encouraged to reutilize needed property from one building or department to another within the Authority. This does not require use of the Disposition of Surplus Property Form; however, the Asset Manager and Commercial Property Manager must be notified anytime property is moved from one building to another.

2.2 TRANSFERS AND SALES TO OTHER STATE AGENCIES

Utilization of surplus property between state agencies is encouraged. Items may be transferred to another agency with or without the transfer of funds

2.3 DIRECT SALES

Direct sales should be made at the items' fair market value. Sale prices of less than market value may be considered with the submission of written justification supporting a reduced price.

Employees interested in purchasing surplus Property, should submit a completed Disposition of Surplus Material Form to the Surplus Property Manager.

2.4 PUBLIC SALES OR AUCTIONS

Public sales or auctions are an acceptable method of disposal. Information regarding public sales or auctions will be posted on the FMA website. Types of public sales or auctions include:

A. LIVE AUCTION

Generally, the preferred method of sale to the general public is by live auction.

B. SALES BY COMPETITIVE BID

Property may also be sold by competitive bid. The list of property to be sold may be advertised in specific trade publications.

C. NEGOTIATED SALE

When property has not been sold despite efforts at public auction and/or sealed bid, surplus property may be sold through negotiation.

D. SET PRICE

Surplus property may be offered to the public at a set price. The sales price of an item is based on known sales experience and/or estimated current market value. Set price sales are publicly advertised.

E. CONTRACTS

Contracts may be established for certain surplus items generated on a continuing basis. Once a contract is established, items will be sold in accordance with its terms and conditions. Examples of commodities of this nature include scrap metal, batteries and printer cartridges and other recyclables.

F. ON-LINE AUCTIONS

Property may be sold through on-line auctions. These items will be listed for sale using websites that have been approved by the Surplus Property Manager.

2.5 DONATIONS

Surplus property may be donated to Virginia charitable corporations granted 501(c)(3) tax-exempt status. Requests for donations from outside organizations shall be submitted in writing and will include, if applicable, the requestor's federal identification number.

2.6 DISPOSAL BY LANDFILLING

Property that is unusable and determined to have no commercial and/or recycling value, or if the cost of sale would exceed expected returns, may be disposed of by landfilling. This is a necessary method of disposal, but such actions must be carefully controlled and documented to conform to good asset management and avoid abuse.

2.7 RECYCLING

Within the Authority there are opportunities to reduce waste, lower trash disposal costs, conserve material resources, and save energy by reusing or recycling surplus materials. Such materials may include paper products such as cardboard and office paper, beverage and food containers, scrap metal, printer cartridges, electronics, yard waste and motor oil.

2.8 TRADE-INS

Trade-in items are not considered surplus property. Bartering (the trade or exchange of one commodity for another) is not authorized unless approved in advance by the Executive Director. Trade-in should not be used if the monetary allowance offered is substantially below the known current sales range. State property may not be used as credit on future purchases or to pay for a service provided to a state agency.

2.9 OTHER CONSIDERATIONS

Some surplus items require special handling and/or documentation for disposal. The special handling or documentation may be required by law, regulations, or a management decision.

Prior to trading in or declaring as surplus, licensed or copyrighted materials, a review of the license or copyright agreement shall be made to determine what right, if any, the licensee has to the property.

SECTION 3 – DISPOSAL OF HAZARDOUS MATERIAL

3.1 DISPOSAL OF HAZARDOUS MATERIAL.

Federal and State laws have been enacted placing strict compliance requirements on the disposal of hazardous materials. Hazardous materials must be disposed of by contracting with contractors qualified in the proper identification, packaging/labeling and transporting of materials to EPA authorized storage sites.

When required, the Surplus Property Manager will contact the Department of Environmental Quality (DEQ) at (804) 698-4199 for technical assistance, copies of applicable regulations, permit applications for registering with the Environmental Protection Agency (EPA), and for obtaining information to prepare appropriate manifests used in transporting materials.

A state-wide “Hazardous Waste Disposal and Recycling Services” contract #PF-507-70VAPP is available for use through the Department of General Services, Division of Purchases and Supply.

Additional hazardous material reduction information may be obtained at the Department of Environmental Quality’s website, under Pollution Prevention:
<http://www.deq.virginia.gov>

SECTION 4 - DISPOSITION PROCEDURE

The Surplus Property Manager will process the disposal, donation and/or resale of all surplus personal property in accordance with the following:

- All requests for disposition of surplus material shall be accompanied by a completed Disposition of Surplus Material Form, Appendix I. Completed forms will be forwarded to the Surplus Property Manager.
- The Surplus Property Manager will determine the approximate value of the material and the best method of disposal. All sales of surplus material will be coordinated with Finance who will generate invoices and/or receipts and will accept any payments required. If required, payment shall be made prior to the removal of surplus property.
- The Surplus Property Manager is responsible for initiating the appropriate action for repairable items, when it is economically feasible to do so, and will coordinate the pickup and/or disposal of all surplus material with the requesting individual or organization.
- Requests for donations of surplus material will be made by a sponsoring FMA employee on behalf of the requesting organization.
- The completed Disposition of Surplus Material Form will be forwarded to Finance for record keeping once the property has been removed.

APPENDIX I – DISPOSITION OF SURPLUS MATERIAL FORM



DISPOSITION OF SURPLUS MATERIAL

TRACKING NUMBER: [] [] []

TO BE COMPLETED BY THE ORIGINATOR

NAME OF REQUESTING INDIVIDUAL OR ORGANIZATION: []

DESCRIPTION OF SURPLUS MATERIAL AND CURRENT CONDITION (include type, quantity, serial number or any identifying marks, numbers, etc.)

[] description

CURRENT LOCATION OF MATERIAL TO BE DISPOSITIONED (including building and floor if applicable)

[]

REQUEST PREPARED BY: [] DATE: []

TO BE COMPLETED BY SURPLUS PROPERTY MANAGER / ASSET MANAGER

RECOMMENDED DISPOSITION ESTIMATED VALUE

DONATE SEL SCRAP/RECYCLE ESTIMATED VALUE: []

This disposition is an offset to a Weather Event, Insurance Damage Claim, etc.

If YES, what event? []

DISPOSITION APPROVED BY: [] DATE: []

AUTHORIZATION

DIRECTOR OF REAL ESTATE: [] DATE: []

DEPUTY EXECUTIVE DIRECTOR: [] DATE: []

EXECUTIVE DIRECTOR: [] DATE: []

I HAVE VERIFIED THAT THE SURPLUS MATERIAL REFERENCED HEREIN IS NO LONGER THE PROPERTY OF FMA.

VERIFIED BY: [] DATE: []

Forward a completed copy to Finance

Disposition of Surplus Material Updated 02/14