



OFFICE of the UNIVERSITY CONTROLLER
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MEMORANDUM

Date: May 8, 2001
To: Business Managers
From: Thomas Facciolo *Thomas Facciolo*
Subject: Fixed Assets Disposal Policy

I am pleased to provide you with an addendum to the Purchasing Policy Manual, Vol. I, Section 970.0, Fixed Assets. The changes to the existing policy were made by the Salvage Committee. The members of the Salvage Committee are:

Gayle Lew	Queens College
Nathan Whyte	Borough of Manhattan Community College
Evelyn Franco	LaGuardia Community College
Lou Chiacchere	Office of Internal Audit & Management Services
Marie Leonard	Hunter College
Milton DeRienzo	New York City Technical College
Benjamin Rand	Instructional Technology and Information Services
Helen Woo	University Contracting Office

I would like to thank the members of the Salvage Committee, and particularly Helen Woo as chairperson, for their efforts in producing these changes.

If you have any questions and/or comments regarding this addendum, please feel free to contact Connie Shao at (212) 397-5698 or E-mail her at ccsbh@cunyvm.cuny.edu. Your input to subsequent changes to the Fixed Assets Disposal Policy is most welcome.

cc: Property Managers
Salvage Committee Members

970.80 **FIXED ASSET DISPOSAL POLICY**

970.801 **Definitions**

- Available No longer required by the college.
- Cannibalize Dismantle and used parts in other Fixed Assets.
- Computer Equipment Computers, computer memory cards, and associated peripheral devices, including and not limited to floppy disk drives, hard disk drives, printers, modems, monitors, scanners, software, computer-related cables, and networking devices.
- Fixed Equipment Those Fixed Assets, regardless of the funding source, which are fixed or attached to something permanently as an appendage, and are not removable.
- Obsolete Has been replaced by a newer version.
- Salvage Dispose of Fixed Assets at New York City Department of Surplus Activities (See Appendix A).

970.802 **General Disposal Policy**

Fixed Assets of The City University of New York (CUNY) as defined in Purchasing Policy Manual, Vol 1, Section 970.0, has been determined to be no longer useful except for vehicles. Fixed assets should be disposed of as follows:

The President and /or Vice President/Dean of Administration (Senior Vice Chancellor for Central Office) having control of such property, should:

- a. Reuse the fixed assets within CUNY. The college shall periodically, at least semi- annually, distribute copies of an inventory of equipment that is available for redistribution, or
- b. Use the sale of a fixed asset as partial payment for a new item, or use the fixed asset as a trade-in, or
- c. With the consent of the President or his/her designee a college may donate the property to a community not-for-profit organization which has 501(c)(3) status as defined by the IRS, or is licensed by the city or state to

accept such property donations, or the Board of Education, or

- d. Dispose of such college /CUNY property by sale to the highest bidder if it is deemed to be in the best interest of the college/CUNY. Detail procedure under 970.804, the bid should indicate that the Fixed Asset is an "as is condition". A release form stating this condition must also be signed, or
- e. Utilize the NYC Dept. of Surplus Activities (*See Appendix A*), or
- f. If (a) to (e) is not used, the college may discard equipment provided the policy established under 970.803 is followed.

970.803 College Formal Procedure

To utilize this policy, each college must establish a formal procedure whereby an authorized college official (other than the individual responsible for the fixed asset) attests to the condition (repairable) and usefulness (obsolete) of this fixed asset to be disposed. For example, computer equipment disposition would best be determined by the Director of Computer Operation on each campus. The actual disposal of this property would be handled by the college's Director of Facilities or a designee who would document how and when the property was discarded.

970.804 Sale of Available Fixed Assets

Where it has been determined that the CUNY fixed asset shall be sold, the following process shall be followed:

- a. The Purchasing Office shall advertise:

at least once,

at least one week prior to sale,

in one or more of the following publications:

New York State Contract Reporter,
New York City Record,
local newspaper, and/or
any other appropriate publication.

- b. Such advertisement shall:

list the number and types of Available Fixed Asset, or if too numerous and/or complex, provide information as to how a

prospective bidder can get a complete list of the Fixed Assets for sale, and

identify the Fixed Assets as being in "as is condition", and

required a signed release form (section 970.805)
provide the terms of sale or, if too numerous and/or complex,
provide information as to how a prospective bidder can get such terms, and

provide the date upon which sealed offers will be received.

The Purchasing Office will promptly accept the highest offer which meets the terms and conditions of the sale.

970.805 Release Form (Agreement for Donation)

A "Release Form" shall be signed by the party receiving any disposed equipment from the college and "as is condition" must be indicated on the form.

970.806 Emergency or Special Circumstances.

Such notice may be waived by the college president if at least three separate and independent offers are solicited and obtained. Every sale shall be made to the highest offer complying with the terms and conditions of the sale. All documentation, including written waiver by the President for each sale, shall be retained and subject to audit.

970.807 Proceeds of Sale

Proceeds of sales shall be:

- a. Deposited at the college and segregated from other funds and utilized to acquire similar Fixed Assets, and
- b. If fixed assets was City and/or State funded and not utilized within two (2) years, be deposited with the State or City as miscellaneous income.

970.808 Vehicles

Vehicles shall be used as trade-in. When this option is not offered, the above procedures will be in effect.

970.809 Hazardous Wastes

If the items require disposal of a hazardous waste or hazardous material, consult the OSHA representative at the college to insure that disposal procedures are in compliance with the law.

970.810 Computer Equipment

All computer equipment shall follow the above regulations. In addition, obsolete computer equipment shall be placed on the semi-annual list of property available for distribution with the notation that it is considered obsolete for college purposes.

Note:

College must take necessary precautions to insure that data and programs are completely removed from the hard drive. Before disposing of any memory device, the college's Director of Computer Services should certify that:

- a. All University/College data has been completely removed, and
- b. All Licensed software has been completely removed.

970.811 Update to Fixed Assets System

It shall be the responsibility of the college to reflect disposal of all fixed assets appropriately in the Fixed Asset (INSITE) system with all supporting documentation in accordance to CUNY Purchasing Policy Manual, Vol. 1, Section 970.0

Appendix A

NYC Department of Surplus Activities Procedure

The steps are as followed:

1. Submit a Relinquishment form. Form must be completed and signed by both Agency Head and Salvage Officer. Please retain yellow copy after form has been signed.

(The form must include all items intended to be disposed. Please check with the attached list of items not accepted).

SUBMIT TO: DCAS/ Office of Surplus Activities
One Centre Street - 18th (Red Section)
New York, New York 10007

2. Once the Relinquishment forms are received by DCAS they will issue a relinquishment number and return green and blue forms to Salvage Officer.
3. Call B53 Warehouse to set appointment for delivery. (Items must be labeled in the same order as the relinquishment form.)

CONTACT PERSON: Lee Block /Director
B-53 Salvage Warehouse
11 Water Street
Brooklyn, New York 11201

4. Upon delivery of equipment, a member of the Surplus Activities Program will sign your forms and verify that the equipment was received by the warehouse. Keep this form. This will be your proof that the equipment was Salvaged.

For all items not accepted by the Surplus Activities Program you can submit a separate relinquishment form attached with a Destroy Order Request. Basically, this is a memo asking permission to dispose of these items from your facility.

Agency Letterhead

To: Lee Block
Director, B-53 Warehouse

From: Name of Salvage Officer and Title
School's Name

Subject: Authorization Letter for acquisition of Surplus Property

Date: Date of Letter

Please allow the bearer of this letter, (fill in name and unit) to obtain whatever surplus property he/she deems necessary for their unit. This letter is valid for 30 days from the above date. The surplus property will be transferred for use in a New York City government facility.

Signature: _____