

<b>SUBJECT:</b> Certified Surplus Property Removal, Evaluation, and Disposition Procedure	<b>Effective Date:</b> 1/30/2014	<b>Procedure Number:</b> FS 2014 RM0022	
	<b>Supersedes:</b> FS 2012 RM0011	<b>Page</b> 1	<b>Of</b> 20
	<b>Responsible Authority:</b> Associate Vice President, Administration and Finance (Facilities and Safety)		

**APPLICABILITY/ACCOUNTABILITY:**

This procedure applies to all University employees, faculty members, student-assistants, contractors, and third-party vendors involved with the processing, removal, evaluation, and/or disposition of University property that has been deemed to be Certified Surplus Property by the University of Central Florida Property Board.

**PROCEDURE STATEMENT:**

In an effort to remain in compliance with Florida Statutes and University of Central Florida Regulations with regard to the processing of state-owned surplus property, this procedure defines the process for effectively evaluating surplus property as to condition and potential sales value, classifying the property in electronic summary format for Property Board review, removing surplus property from campus locations, and defining the proper handling methodologies for the eventual disposition or continued use of the property.

This procedure supplements, but does not replace or supersede, the requirements for processing of state-owned surplus property as defined by UCF Regulation 7.302, F.S. 273.04, F.S. 273.05, and F.S. 273.055. All actions taken pursuant to this procedure must comply with University Regulations and State of Florida Statutes, as stated in the respective documents listed above.

**DEFINITIONS:**

**Account Manager:** The individual responsible for the daily management of the Resource Management Surplus Program’s PayPal, eBay, GovDeals, and other online accounts. This role is performed by the Associate Director, Resource Management, or designee. Alternatively, this role may also be assigned by a majority consensus of the Property Board.

**Certified Surplus Property:** Surplus property that has been properly evaluated and certified by the University Property Board as having no continued use for the University’s present or future needs.

**Surplus Property Evaluation Center:** The portion of the Facilities & Safety warehouse dedicated to the proper sorting, evaluating, and processing of University surplus property. This area is located in building 0016E of the Facilities & Safety complex.

**Resource Management Surplus Program:** The portion of the Surplus Property Team that handles the final disposition of certified surplus property; this team processes the individual sales of certified surplus property to the general public, and manages the recycling efforts for scrap material. This section of the Surplus Unit operates under UCF department number 02870305.

**FS-IT:** Facilities & Safety IT; this unit is responsible for the evaluation of surplus electronics and computers, as well as the management of cyber-security issues for the Surplus Property Program.

**PeopleSoft Financials:** The bookkeeping software and database system used by the University; for the purposes of this procedure, this is the software and database system that tracks and records financial and asset information for taggable or tagged property. This system also holds the financial records related to sales revenues and expense budgets for the Surplus Property Program.

**Property Custodian:** The individual within each University department, college, or functional work area who is responsible for safeguarding and tracking state-owned property. The departmental Responsible Financial Officer (RFO) assigns the Property Custodian in PeopleSoft. There can only be one Property Custodian per department on the Departmental Authorization List (DAL). With respect to this procedure, the Property Custodian is the individual responsible for originating a request for surplus property removal. This individual is responsible for ensuring that the property being placed for surplus is the actual property described in the surplus request and that the originating department, college, or functional work area within the University no longer has a legitimate business-related need for the item. This individual works closely with the Surplus Property Manager for the purpose of ensuring proper documentation and property disposition.

**Property Managers / Senior Property Managers:** The individuals within Resource Management who manage the daily Surplus Unit operations and related paperwork.

**Surplus and Salvage:** The portion of the Surplus Property Team that handles the management of surplus removal requests and the physical removal of surplus property from campus locations; this section of the Surplus Property Unit operates under UCF department number 02870301.

**Surplus Property:** Property that has been determined, by a duly-appointed Property Custodian, to be obsolete, damaged beyond repair, excess to the needs of the University, or otherwise valueless as a useable commodity by the University.

**Taggable or Tagged Property:** Property that has an original acquisition value of \$5,000 or more; taggable or tagged property must bear an official UCF Property Tag for tracking purposes.

**University Property Board:** The governing body over decisions made with respect to Certified Surplus Property of the University of Central Florida; The Property Board is comprised of at least four full-time voting members and at least one non-voting member. This board is appointed by the Vice President of Administration & Finance. The board reviews property that has been placed for surplus, certifies the property as surplus or rejects it back to the originating department, then determines the proper disposition of surplus property. This board may also grant relief of responsibility to departments, colleges, or functional work areas that have property that has been determined to be lost, missing, stolen, obsolete, cannibalized, or traded-in toward the purchase of new property.

## **PROCEDURES:**

### ***Origination of Surplus Request***

When a Property Custodian has been given instruction by his or her respective college, department, or functional work area that a particular piece of University property is no longer needed by that group, he or she will enter a request into the *Surplus Property Online Database*. Only a properly-assigned Property Custodian may enter items for surplus consideration. A Property Custodian may only enter items that are under the direct ownership of the Custodian's respective college, department, or functional work area.

The data entry surplus request database is maintained and operated by the UCF Finance & Accounting Department. The data entry form for this request may be found at the following link:

<http://www.fa.ucf.edu/propertydb/surplus.cfm>

The above-mentioned link is also displayed on the Surplus Property Unit website for easy access.

The Property Custodian will enter the following information for each individual item or group of items that he or she wishes to surplus. Only identical/homogenous items may be entered as a group. For example, a group of twenty computer monitors that are of the same manufacturer and are the same model may be entered as a group of 20; however, if the monitors are of different makes and models, they should be entered individually.

### **Surplus Database Data Input Form Fields**

**Input Date:** An auto-generated field which will default to the current date.

**Asset ID:** A number found in the PeopleSoft Financials Asset Management search page for the item in question. This field is required if the item bears a UCF Property Tag.

**Department#:** The PeopleSoft Financials department number of the department, college, or functional work unit that is initiating the request. By default, this department should also be the owner of the item. Departments are not permitted to enter a surplus request for another department's property.

**Dept. Name:** The name by which the originating department is commonly known. It is strongly encouraged that Property Custodians refrain from using abbreviations or nicknames for their respective departments in this field, for the sake of record continuity and clarity.

**Asset Tag:** A means of property identification. This should include the prefix (BV, CF, FS, SO, or DB), as well as the last half of the tag number. For example, Property Tag 4940CF200057 would be entered with the prefix of CF and the tag number 200057. Assets bearing tags that include the designations US, CG, UL, or CL are not permitted to be entered into the University surplus system. Disposal of these assets should be managed in accordance with the terms of the contract, grant, or federal funding provisions specified in the agreement between the University and the originating source of funding for the asset, as these are not University-owned assets.

**Serial ID:** The serial number of the unit. This number is generally assigned by the manufacturer of the item and is found on the ID tag or name plate of the item.

**Description:** The physical description of the item being placed for surplus. Custodians are encouraged to be as descriptive as possible when listing an item. General descriptions, such as “computer,” should not be used, but rather, something more informative, such as “DELL OPTIPLEX GX755 4GB RAM 160GB HARD DRIVE,” should be.

**Acquisition Cost:** The original cost that the University paid to acquire the item. This amount should also include any and all enhancements or improvements that have been made to the item over the years. In the event that the original purchasing documentation cannot be found, or the item is not listed in the PeopleSoft Financials Asset Management Module, then a reasonable estimate of the original acquisition cost may be entered here. If the item has a UCF Property Tag, this cost should match the PeopleSoft records to the penny. For tagged items that have been removed from the Asset Management Property Books on July 1, 2011 due to the change in the threshold level from \$1,000 to \$5,000, the spreadsheet found at the following link will provide the Custodian with the cost information for that asset:

[http://www.fa.ucf.edu/Home/Asset\\_5K.xlsx](http://www.fa.ucf.edu/Home/Asset_5K.xlsx)

**Custodian First & Last Name:** The full name of the Property Custodian originating the request.

**Phone #:** The office phone number of the originating Custodian (so that the Surplus Property Team can call for the pick-up of the item(s) or to obtain clarification for any misunderstood or unclear data contained within the overall request).

**Condition:** The physical condition of the item being placed for surplus. This is a drop-down box field, and the best match for the item’s current condition should be selected.

**Reason:** The main reason why the item is being placed for surplus.

**Building #:** The building in which the item may be located, not necessarily the originating Custodian’s building.

**Room #:** The room in which the item in question is physically located.

After the required information has been entered on the data entry form, the Property Custodian then clicks the submit button, and the surplus request record is saved.

### ***Surplus Property Online Database Review by Surplus Unit***

Several times each day, the Senior Property Manager and/or the Property Manager from the Resource Management Surplus Property Unit will review the *Surplus Property Online Database* to ensure that proper scheduling for surplus item pick-ups can be maintained, as well as to check for the validity of surplus requests. If any errors are noticed in a Property Custodian's entry, or any questions arise with regard to a surplus request, contact must be immediately made with the originating Property Custodian for clarification purposes. In the event that clarification cannot be obtained or there are conflicting details with an individual surplus request, the entry should be rejected in the database at that time. The Senior Property Manager or the Property Manager will then contact the originating custodian to provide him or her with the details as to why his or her entry was rejected. The originating Property Custodian may re-enter the request when the conflicting details have been resolved.

### ***Adoption Period and the "Current List"***

When an item has been placed for surplus, the item is made available to the other colleges, departments, and functional work areas within the University for one week. This one week period of availability is referred to as the "Adoption Period."

During this time, a department, college, or functional work unit that is in need of an item may adopt the item from another department, college, or functional work unit that has placed it for surplus. Individuals within the University are strongly encouraged to review this listing weekly to see if they can make use of items that have been placed for surplus by other groups rather than source a new purchase. The weekly listing may be accessed from the following link:

<http://fa.ucf.edu/propertydb/BasicQry.cfm>

If an individual desires an item on the Current Listing for University-related business use, a request should be sent to the Surplus Unit's Senior Property Manager so that the item may be "rejected" from the surplus property stream and transferred to the requestor. If the item is a tagged item, the asset should be transferred in PeopleSoft Asset Management by the Property Custodian handling the originating department's books to the requesting department's books. Arrangements to move adopted items from building to building or campus to campus should be arranged between the originator and the requestor, not the Surplus Property Team.

### ***Preliminary Property Board Report***

Each Monday or on the first business day of the work week, the Senior Property Manager or Property Manager will produce a report and submit it electronically to the UCF Property Board. The report will include all items that have been placed for surplus which have not been adopted or rejected. This report, will cover all items with database input dates of one day after the close date of the last report through the seventh day after the close date of the last report. This report will show the details of all of the transactions that have been entered by the various Property Custodians during the reported time period.

This report is auto-generated and may be accessed online at:

<http://www.fa.ucf.edu/propertydb/PropBrdRep.cfm>.

The Property Board will use this report as the starting point in the item evaluation process, and no other items shall be considered for surplus certification for that time period after this report has been submitted for Property Board review.

### ***Surplus Item Pick-up, Removal, and Transport to Evaluation Area***

The Senior Property Manager or the Property Manager will visit each Custodian who has made an entry for the respective time period to inspect and properly identify the asset(s) for removal prior to the actual removal of the item(s) from the area. This inspection will be done to ensure that identifying marks, such as serial numbers, property tags, physical descriptions, and completeness of the equipment or asset match exactly to the entry or entries made in the Surplus Property Online Request Database. If an item does not match the online entry with respect to any of these characteristics, the Senior Property Manager or Property Manager will reject the item, and ownership and responsibility for the asset(s) shall remain with the originating college, department, or functional work area. If the characteristics of the inspected asset(s) exactly match the details as entered online in the original request, the item will be marked for removal and added to the pick-up schedule. Items awaiting pick-up should remain in their original locations until pick-up has been made. Property Custodians and other individuals should not move items awaiting pick-up by the Surplus Team into closets, hallways, or other paths of ingress or egress.

Based on the location, size, and weights of the surplus items that are available for pick-up by the Surplus and Salvage Team, a schedule will be generated by the Senior Property Manager or the Property Manager for the pick-up, removal, and transport of the individual surplus items from the originating location to the surplus property evaluation center. Generally speaking, smaller items will be scheduled for pick-up at the beginning of the week, and larger items will be scheduled for the end of the week to ensure the availability of staffing and vehicles.

The items are to be transported from the originating location to the Facilities & Safety warehouse for evaluation by the Property Board. The Senior Property Manager, the Property Manager, and any member of the Surplus and Salvage Team are forbidden from making decisions as to the disposition of an item after accepting it from the originating Custodian. All decisions with

regard to the disposition of surplus property must be made by the Property Board, as described elsewhere herein.

***Surplus Item Evaluation Process***

The surplus property item evaluation process runs from the Monday or first business day of the work week in which the Preliminary Property Board Report is given to the Property Board through Thursday morning of that same week. The Property Board meets each Thursday to review and certify the current requests for the reporting period.

During the evaluation period, and either through their own individual efforts or in conjunction with others, the individual Property Board members will inspect and evaluate each item that has been placed for surplus for the report period. No item shall be considered for certification as surplus unless it has been properly inspected and/or researched by the Property Board or individual members thereof.

Each line item on the Preliminary Property Board report is identified by a unique record number that is auto-generated by the request entry in the Surplus Property Online Request Database. The Property Board shall take the time to classify and categorize each line item by record number. When evaluating items, the following guidelines should be considered but may be altered slightly depending on the consensus of the Property Board members:

<b>Item Being Evaluated</b>	<b>Hold In Resale Inventory if the Item...</b>	<b>Send To Recycling Stream if the Item...</b>
Furniture and Fixtures	<ul style="list-style-type: none"> <li>• Is in overall good shape without major defects, scratches, holes, or tears</li> <li>• Is of a sellable design or style</li> <li>• Is free of major stains and includes all major sections, handles, cushions, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Would have a cost of marketing that would exceed the anticipated sales value</li> <li>• Is damaged beyond repair or if the needed repairs would cost more than the potential sale value of the item</li> <li>• Is stained, chipped, or tattered</li> <li>• Is in disrepair to the point of posing a danger to the purchaser</li> </ul>
Audio/Visual Equipment, Engineering Equipment, Test Equipment, Medical Equipment, Machinery	<ul style="list-style-type: none"> <li>• Is functional per the original surplus data entry request</li> <li>• Displays lights, if applicable, and any meters or gauges become active when powered on, and the unit is free of any smoke or burning plastic smell</li> <li>• If mechanical, works as intended or can be made to work with minimal repair by an eventual purchaser</li> </ul>	<ul style="list-style-type: none"> <li>• Is non-functional and will not power up when tested</li> <li>• Smokes or smells when powered up</li> <li>• Is missing a substantial amount of the required accessories, knobs, gauges, switches, etc.</li> <li>• Is of such an age that it no longer has any potential value in the resale market</li> </ul>

Item Being Evaluated	Hold In Resale Inventory if the Item...	Send To Recycling Stream if the Item...
Computers	<ul style="list-style-type: none"> <li>Is functional, not of a dated design, and has resale potential based on current market conditions as determined by the FS-IT team</li> </ul>	<ul style="list-style-type: none"> <li>Is non-functional, of a dated design, or does not have resale potential, as determined by the FS-IT team</li> </ul>
Computer Hard Drive	<ul style="list-style-type: none"> <li>Has a capacity of at least 50% of the current FS-IT standard, as stated in Gigabytes, and has been properly erased by trained computer forensic or cyber-security personnel</li> </ul>	<ul style="list-style-type: none"> <li>Has a capacity of less than 50% of the current FS-IT standard, as stated in Gigabytes, and has been rendered inoperable by physical destruction only</li> </ul>
Computer Monitors	<ul style="list-style-type: none"> <li>Is a functional flat screen design of 15 inches or greater and weighs less than 15 pounds</li> </ul>	<ul style="list-style-type: none"> <li>Is a CRT Monitor</li> <li>Is an early-generation flat screen that weighs more than roughly 15 pounds</li> <li>Is cracked or broken</li> </ul>
Televisions	<ul style="list-style-type: none"> <li>Is a functional LCD or Plasma unit</li> </ul>	<ul style="list-style-type: none"> <li>Is a tube-style unit</li> <li>Is broken</li> </ul>
Vehicles	<ul style="list-style-type: none"> <li>Always</li> </ul>	<ul style="list-style-type: none"> <li>Never</li> </ul>

### ***Computer Hard Drive Data Security***

Due to the potential for highly-sensitive personal data to be found on hard drives originating from University computers, no hard drive shall leave the campus without first being destroyed or erased. If a hard drive is to be destroyed, it shall be destroyed by the FS-IT team in a four-shear type machine or a metal shredding machine, and the resulting scrap metal should be sold through the surplus recycling stream. If a hard drive is to be erased, it should be erased by the FS-IT team by incorporating multiple-layer/multi-pass rewrite software that conforms to the Department of Defense standard (DoD 5220.22-M) or the NIST 800-88 standard. No hard drive is to leave the UCF campus with data still intact. The FS-IT team shall also conduct random forensic testing on select hard drives to ensure compliance with this portion of the procedure. If irregularities are discovered during these tests, sales of all hard drives or devices containing hard drives will immediately cease until corrective actions have been put into place.



### ***Classification of Individual Surplus Database Transactions***

The individual transactions from the Preliminary Property Board Report should be downloaded to the *Surplus Property Sales and Disposition Database*, which is maintained by the Property Board. Each record in this database and corresponding surplus asset, based on the individual evaluations made upon the items placed for surplus, shall be categorized as one of the following:

**Adopted By Another Department:** This category should be used for items that have been entered into the data entry surplus database but have since been adopted by another department, college, or functional work unit. No action is required for these items other than maintaining their individual statuses in the *Surplus Property Sales and Disposition Database*.

**Held in Resale Inventory:** This category should be used for items that have potential value in a future sale to the general public.

**Recycled-Electronics and Computers:** This category should be used for electronics that have no potential resale value but should be recycled in bulk and sold by weight or category to a third-party vendor.

**Recycled-CND Material:** This category should be used for non-electronics that have no potential resale value but should be recycled in bulk.

**Rejected By Surplus Program:** This category should be used for items that were not located by the Surplus Team upon their scheduled pick-up, as well as for items that do not match the online data particulars, as entered by the originating custodian. These entries will be automatically shown on the Preliminary Property Board Report as this action is conducted by the Surplus and Salvage Team prior to submittal to the Property Board. No action is required for these items other than maintaining their individual statuses in the *Surplus Property Sales and Disposition Database*.

**Retained By Originating Department:** This category should be used for items that have been entered for surplus consideration but later retained by the originating department (entered in error by Property Custodian). These entries will be automatically shown on the Preliminary Property Board Report as this action is conducted by the Surplus and Salvage team prior to submittal to the Property Board. No action is required for these items other than maintaining their individual statuses in the *Surplus Property Sales and Disposition Database*.

These classifications are then used to produce the official Property Board Reports for the reporting period at hand. Occasionally, due to high surplus volumes and staff scheduling issues for Property Board members, multiple surplus property reporting periods may be combined into a single reporting period, but in no event should a combination of reporting periods exceed any three-week period.

## ***Final Property Board Reports***

After each line item on the Preliminary Property Board Report has been imported into the Surplus Property Resale and Disposition Database, has been evaluated for disposition purposes, and has been properly categorized as to the intended disposition, the Property Board shall meet to review, certify, and sign the following five reports:

### **I. Items Placed on Surplus Property Online Database But Rejected By Surplus Team**

This report shows the transactional details for each individual entry made in the *Surplus Property Online Database* by the various Property Custodians who have had their transactions rejected for reasons such as Adopted, Not Found, Item Did Not Match, etc. This report is of an informational nature and does not require signatures from the Property Board, as nothing is being certified with respect to these items.

### **II. Non-Retail Disposals of Surplus Property Items**

This report shows the transactional details for each individual piece of certified surplus property that has been deemed to be fit for recycling through the Property Board evaluation process detailed above. This report is not to be considered valid unless it bears the signatures of at least 75% of the active voting members of the Property Board.

### **III. Inventory of Surplus Property Held Back For Resale**

This report shows the transactional information for each individual piece of certified surplus property that has been deemed to have residual value to the general public. These items are to be warehoused by the Surplus Property Unit team until such time as they are sold. This report is not to be considered valid unless it bears the signatures of at least 75% of the active voting members of the Property Board.

### **IV. Items Previously Held For Resale But Failed Testing By Property Team – Disposition Is Now “Recycled”**

This report shows the transactional details for items that were previously held back for resale purposes but later failed subsequent testing or were not successfully sold to the general public. Items on this list are moved from “Hold In Resale Inventory” status to “Recycled” status. This report is not to be considered valid unless it bears the signatures of at least 75% of the active voting members of the Property Board.

### **V. Tagged Items Sold From Surplus Inventory From Account 02870305**

This report shows the taggable items that were previously held in resale inventory and have been sold to the general public. This report applies only to “tagged” or “taggable” property with an original acquisition value of \$5,000 or more. This report is not to be considered valid unless it bears the signatures of at least 75% of the active voting members of the Property Board.

At the end of each reporting cycle, the individual transactions that were entered by the originating Property Custodians, and then passed through to the Preliminary Property Board Report as prepared by the Senior Property Manager or Property Manager will be assigned to one of these five reports. There is a direct one-to-one relationship between the originating surplus request data set and the ultimate disposition data set, with the exception of split lots wherein a partial amount of the original surplus request was sold or recycled and the remainder was recycled or sold. For example, in a lot of 10 filing cabinets, five may have resale potential and five may be scrap.

The Senior Property Manager and the Property Board will conduct periodic reviews of the original surplus property requests made by the Property Custodians and compare these entries to the final disposition records to ensure that no surplus property has been lost, stolen, or disposed of in a manner contradictory to the established procedure. If any discrepancies are found during these reviews, an internal audit shall be conducted to determine the root-cause; the discrepancies will be reported to management; and corrective action shall be taken.

#### ***Surplus Item Recycling Process – Electronics and Computers***

Items that have been determined to be Certified Surplus Property with an assigned disposition of *Recycled-Electronics and Computers* should be palletized by like kind and then wrapped in stretch wrap. These materials are to be sold by various weight and category classifications to approved electronics recyclers once a month or more frequently if needed. Pick-up requests generally take two weeks to process, so care should be taken in scheduling to avoid a backlog of pallets in the Facilities & Safety warehouse. The current list of approved electronics vendors is managed by the Associate Director of Resource Management and is subject to change as business conditions warrant.

#### ***Surplus Item Recycling Process – CND Material***

Items that have been determined to be Certified Surplus Property with an assigned disposition of *Recycled-CND Material* should be broken down into stackable pieces, to the extent that personal staff safety allows, and then placed into either of the two roll-off style dumpsters provided to the Surplus Program by the current recycling vendor. There is a small fee for the emptying of these dumpsters when needed so care should be taken to minimize the amount of items categorized in this category even if the alternative is a lower than expected sales price to the general public. The dumpster ordering and emptying process is managed by the Facilities Operations Recycling Services Team. Billing for these dumpsters is managed by the Facilities & Safety Business Office, and the monthly charges are automatically deducted from the 02870305 account.

## **Certified Surplus Property Sales**

There are several methods for offering Certified Surplus Property for sale to the general public. Pursuant to UCF Regulation 7.302, **only** the Surplus Property Program may offer surplus University property for sale to any party.

### ***Direct Sale to Recyclers***

When surplus property has been properly classified as having a final disposition of “Recycled,” the property may be sold in a direct transaction between the Surplus Property Program and the recycling company of choice. This category is restricted to items that have been determined to carry a high individual transaction cost, such as obsolete computers and related equipment, obsolete or broken engineering equipment and related equipment, or items that are of a bulk scrap metal nature. These items should be palletized with stretch wrap and scheduled for pick-up by the current recycling company. The Property Board and the Associate Director of Resource Management shall manage this process to ensure that proper payment is received from the vendor for the items sold.

### ***Surplus Property Program Online Venues***

Several items lend themselves well to individual sale online, such as older, but still functional, engineering equipment, vehicles, bulk computers, and the like. These items should be sold through one of the following online venues managed by the Property Board:

- UCF GovDeals website (<http://www.govdeals.com/ucf>)
- UCF eBay website ([http://myworld.ebay.com/ucf\\_surplus](http://myworld.ebay.com/ucf_surplus))

Items offered for sale online should be listed with a complete description, including the following:

- Accurate text description of the item
- Multiple photos from several angles to show all aspects of the items
- Attractive sales information, such as a high original acquisition value, features, potential uses, etc.
- Dimensions and weights, if known
- Any known flaws or shortcomings
- Serial number, model number, frame number, or other information from the name plate (if applicable)
- Whether the item is ready for use, needs work, is missing keys or other critical components, etc.

Instructions for the proper use of the online sales venues are on file with the Associate Director of Resource Management. Only properly-trained individuals with HTML experience, web design experience, and approval of the Property Board are permitted to list items for sale online.

Occasionally, the account manager will receive requests from potential bidders whereby they are looking for contact information with regard to the originating department or Property Custodian. These requests should never be granted, and every attempt should be made to manage communications with potential buyers through the Surplus Property Program so as to avoid unnecessary time-wasting phone calls or emails to campus staff who may be unfamiliar with the Surplus Program or its processes.

### ***Surplus Property Program Surplus Store***

Future plans include the construction of a University Surplus Store. This procedure will be updated at a future date to include the details of this store when it has been established on the main campus.

### ***Online Sales Winning Bidder Notification***

When a sale is made on the UCF GovDeals or eBay website, the registered account manager of the online sales venue will receive an email notification which shows the winning bidder contact information, the sales details, and the total amount due from the bidder. The account manager should also, by default, be the individual responsible for loading the items for sale. The account manager shall use the information in the notification to draft an email to the buyer that will show the payment methods offered and the merchandise pick-up information for the buyer's convenience. The format of this email will vary, but should include detailed information in a similar format as follows, sent as a forward of the notification email. This notification should be emailed to the client immediately, but no later than the close of business on the day of the sale or auction close.

Good afternoon, Mr. / Ms. \_\_\_\_\_:

Congratulations on being the winning bidder for UCF GovDeals Auction #2578. The total due for this auction is \$ \_\_\_\_\_, and we accept Cash (US Currency), Money Orders, Cashier's Checks, or PayPal. If you are paying in cash, please bring exact change, as we do not carry a cash balance at our warehouse location. If you are paying by Cashier's Check or Money Order, please make the instrument payable to "University of Central Florida". Payment may be made upon pick-up or, if you prefer, you may pay via PayPal by sending the payment to [christopher.rausch@ucf.edu](mailto:christopher.rausch@ucf.edu) from within the PayPal system.

Our pick-up address is as follows:

University of Central Florida  
Central Receiving Loading Docks  
Building 16E (Warehouse Building)  
3540 East Perseus Loop  
Orlando, FL 32816

**Warehouse Map: [http://www.rm.fs.ucf.edu/ENT/warehouse\\_map.pdf](http://www.rm.fs.ucf.edu/ENT/warehouse_map.pdf)**

**UCF Central Receiving: 407-823-2398**

When picking up your merchandise, please pull around to the loading docks on the back side of our main warehouse to access your purchase and make payment. Our Central Receiving Department is open from 8:00am until 4:00pm Monday through Friday, excluding UCF holidays.

Thanks again for bidding, and have a great day!

Sincerely,

UCF Surplus Property Team

University of Central Florida  
P.O. Box 163631  
Orlando, FL 32816-3631

Office: (407) 823-2398  
Fax: (407) 823-3529

If no response to the outbound customer notification email is received within 48 hours, the account manager should attempt to contact the buyer at his or her phone number, as shown in the winning bidder notification email that is sent from the online venue at the time of the auction close to arrange payment and pick-up.

Payment from the winning bidder is required prior to the physical pick-up of any surplus property item that has been sold. Under no circumstances should a winning bidder be allowed to establish credit, make a partial payment, or otherwise remove the asset from the University campus prior to making payment in full for the sales transaction. The acceptable methods of payment are PayPal, Cash, Money Order, or Cashier's Check. A company check may be accepted for payment, with Property Board approval secured in advance.

### ***Surplus Sales Order Entry***

When a customer places a winning bid for an online surplus auction, the following information should be recorded in the customer module of the *Surplus Property Sales and Disposition Database*, to establish the awardee as a customer.

- Customer Name
- Company Name (if applicable)
- Customer Address (including City, State, Zip Code, Country)
- Customer Phone Number
- Customer Fax Number
- Customer Email
- Customer Resale Tax Certificate (if applicable)

After the customer has been established in the database, an order can be created in the Items Sold module. Individual orders should be built line-by-line using the individual line items from the Certified Surplus Inventory table. Only items that are shown in the inventory table may be added to an order, as these are the only items that have been certified by the Property Board as eligible for sale. Provided that the online listings were managed properly, this should never be an issue. Each sales record should contain virtually the same information as the originating surplus database request entry and be able to be matched on a line-by-line basis by record number. The record number and the subsequent inventory record are the same number throughout the entire evaluation and sales process.

The only data items that should be added to these records when building an order are:

- Sales Venue
- Customer ID (auto-linked to Customer Table)
- Sales Reference (Auction Number)
- Date Sold
- Base Sales Amount
- Sales Tax Amount
- Sales Tax Exemption Certificate Number
- Is UCF Employee? (Yes/No Field)

### ***Staging of Sold Items***

After an order has been properly entered into the *Surplus Property Sales and Disposition Database*, the order should be staged for customer pick-up. Two copies of the order invoice or the order receipt should be physically placed on the item, and the item should be located in an easy-to-find spot to ensure a speedy checkout process for the customer. One copy of the order is for internal records, and the other is for the customer. If an item is not located at the main warehouse, a set schedule should be established for the purpose of customer pick-up and payment. Orders and receipts may be printed from the *Surplus Property Sales and Disposition Database*.

### ***Customer Payments – PayPal***

When a customer makes payment through PayPal, an email notification will be sent to the account manager, showing the payment details and the contact information for the person who made the payment. This payment information should be recorded in the *Surplus Property Sales and Disposition Database*, including any merchant fees payable to PayPal that have been associated with the sale. The payment information should include the following:

- Payment Type (PayPal for this category)
- Payment Date
- Payment Reference (use the PayPal Transaction ID Number)
- Merchant Fees

Withdrawals should be made to the UCF bank account from the PayPal account whenever the balance reaches a \$1,000 or more in payments received, or every five business days if a positive balance exists. The link from the PayPal account to the UCF bank account has been established, and the account manager can make this transfer by using PayPal's Withdrawal feature. After

initiating a withdrawal, the account manager must notify Finance & Accounting as to the inbound deposit. This is accomplished by sending an email to [fadeposits@ucf.edu](mailto:fadeposits@ucf.edu) with an account code breakdown of the deposit. The email should be structured accordingly:

Hello, Everyone:

I've initiated a PayPal Withdrawal from the Surplus Property Program's PayPal account today in the amount of \$ \_\_\_\_\_. This transaction should hit the bank account late this week, and the breakdown is as follows:

604306 \$ \_\_\_\_\_ Taxable Aux Sales  
 355002 \$ \_\_\_\_\_ Sales Tax Collected  
 713906 (\$ \_\_\_\_\_) Less: Professional Svcs – Merchant Fees  
 \*\*\*\*\*  
 Net: \$ \_\_\_\_\_

This may be posted to account 02870305, when available. Thanks and have a great day!

Chris

The account codes that should be used for PayPal deposits are:

<b>Account Code</b>	<b>Account Code Title</b>	<b>Description</b>
604006	NON TAX AUX SALES	This is the account code to use when applying sales that were tax exempt. Any dollar amount included here must have a corresponding <b>current</b> Sales Tax Exemption Certificate on file with the Surplus Property Program. Sales & Use Tax cannot be waived unless this form is on file and has been properly completed by the purchaser to show UCF as the Issued-To party, with an original signature from the purchaser.
604306	TAXABLE AUX SALES	This is the account code to use for all transactions in which sales tax was charged to the end customer. This amount should not include any sales tax (net sale only).
355002	SALES TAX	This is the account to use for tracking sales tax charged on taxable sales. This amount should equal the exact amount that was charged to the individual customer(s) for State of Florida Sales & Use Tax.
713906	PROF SVCS – MERCHANT SERVICES	This is the account to use for applying any Merchant Processing Fees, discount fees, PayPal fees, or any other fee that is removed from the net deposit amount prior to the amount being deposited into the UCF bank account.

***Customer Payments – Cash, Money Orders, Cashier's Checks***



When a customer pays in cash, pays with a money order, or pays with a cashier's check, the customer service warehouse representative receiving the payment is responsible for properly counting and documenting the funds. After verifying that the total amount paid matches the total amount due on the order, the warehouse customer service representative will fill in the payment details on the customer's copy of the order and mark the order "paid," with the current date. The customer's copy of the order should be signed by the representative receiving the payment as well. The customer should then be instructed to fill in his or her name in the space provided on the University's copy of the sales order. Then the customer should sign and date the order as having received the items listed.

All payments should be turned over to a warehouse supervisor, the warehouse Coordinator, or the Associate Director of Resource Management for placement in the Surplus Program combination safe. At the end of each day, the warehouse Coordinator or the Associate Director of Resource Management will reconcile the day's payments with the actual funds in the safe. This is accomplished by printing the Daily Sales Reconciliation Report from the *Surplus Property Sales and Disposition Database* and matching the sales number to the funds received. These funds are then turned over to the Facilities & Safety Business Office for deposit into the UCF bank account. This turnover may occur on the day of payment receipt or the following morning, provided that the funds remain in a secured holding area, such as the combination safe, while awaiting transfer.

When presenting the Daily Sales Reconciliation Report to the F&S Business Office, two copies of the report should be provided. The warehouse representative delivering the funds and the Business Office representative receiving the funds shall then again count the funds in each other's presence to verify everything is in order. Each will sign a copy of the Daily Sales Reconciliation Report for the other's records.

### ***Customer Loading Assistance***

If a customer needs assistance in loading his or her purchase(s), help should be offered by a member or members of the warehouse team. However, in no circumstances should a purchase be loaded onto a customer's vehicle if the vehicle is not designed to carry the material in a safe and secure manner. Additionally, customers should be directed to use the Research Park exit, as opposed to driving through the main campus for pick-ups that require a box truck, flatbed truck, or trailer, so as to avoid any potential traffic concerns for faculty, staff, students, or campus guests.

### ***Sales Item Pick-up by Agents or Representatives***

The pick-up of surplus sale items by a customer's agent or representative is permitted, provided the customer advises the surplus staff in advance and the pick-up party has copies of the necessary paperwork obtained directly through the original purchaser. The same requirements with regard to payment and record-keeping for direct customer pick-ups apply to pick-ups made by agents or representatives.

### ***Record-keeping For Payments Received***

Signed copies of the Daily Sales Reconciliation Report should be scanned daily and loaded to the Property Board folder of the Resource Management shared drive. These scanned reports should be placed into the sub-folders within the main Property Board folder according to date. The naming convention to be used for these reports is *yyyymmdd*, and the format is Adobe PDF. For example, the file name for a report generated on January 19, 2014 would be *20140119.pdf* and it would be placed into the 2014-01 sub-folder of the Property Board folder's Sales Transmittals sub-folder. Weekly, these reports should be reconciled to the actual cash balance shown in PeopleSoft Financials for the 02870305 account to ensure proper disposition of the funds. If discrepancies are discovered during these reconciliations, the matter should be turned over to the Facilities & Safety Business Office for investigation and resolution.

### ***Record-keeping for Transactional Costs***

The transactional fees related to online sales and online payments should be recorded, by surplus record number, in the *Surplus Property Sales and Disposition Database* in the Transaction Fees section. For online sales commissions, such as commissions paid to GovDeals, an itemized invoice will be provided by the vendor. These charges should be matched to the inventory item that was sold, and the amount should be entered into the Sales Commissions field. For merchant fees, such as those charged by PayPal for online payments, the transaction should be recorded in the Merchant Fees field for the respective inventory item that was sold.

In the event that a group of items was sold as a single lot, the transaction fees may be applied to the line item that has the highest sales price to avoid having to split small transaction amounts among various inventory records.

### ***Disposition of Funds Held in Account 02870305***

The disposition of funds acquired pursuant to the sale of surplus property and subsequently held in account 02870305 is at the discretion of the Vice President of Administration and Finance. A small amount of these proceeds is retained annually for operating expenses. This amount is to be budgeted in advance of the start of the fiscal year, approved by the Director of Resource Management, the Associate Vice President of Facilities & Safety, and the Vice President of Administration and Finance, and reconciled to actual expenses monthly.

### ***Retirement and Removal of Property Tags from Account 02870305***

For record keeping purposes, assets that are surplus, but were above the \$5,000 threshold for original acquisition value and therefore taggable should be tracked throughout the entire surplus process. This is accomplished by transferring the property tag from the originating department to account 02870305 when the item is categorized as "Held in Resale Inventory." Property and Inventory Control manages the transfer of these tags from the originator to the surplus account.

When these items are subsequently sold or later recycled due to failing the testing and further evaluation process, they should be removed from the asset books of the Surplus and Salvage unit. This is accomplished by printing the Tagged Items Sold from Surplus Inventory from Account 02870305 report from the *Surplus Property Sales and Disposition Database* and sending it to Property & Inventory Control, along with a description of the request for removal of the assets from the books.

### ***Fraud and Abuse Detection***

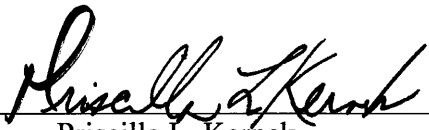
Several reports exist in the *Surplus Property Sales and Disposition Database* that will assist in identifying potentially-fraudulent transactions or patterns of buyer behavior. For example, multiple sales from the same Custodian to the same buyer may be indicative of a Property Custodian improperly disposing of University assets to a friend or relative. These reports may be viewed in the Sales Records Audit section of the *Surplus Property Sales and Disposition Database*. Any suspected fraudulent activity should be immediately referred to University Audit for disposition.

Property Custodians are also banned from bidding on, or otherwise acquiring, surplus property that had originated from within their department or project. This is tracked by comparing the sales information for the item to the account number, as reported on the original surplus property request entry, and the name of the individual assigned to the PCT (Property Custodian) role for that account in PeopleSoft Financials.

All public sales shall be conducted at the discretion of the Property Board and/or the VP of Administration & Finance, be open to the general public without prejudice or exclusivity, and be made accessible to University employees not affiliated with a UCF position or assignment within University Surplus Property. University personnel, student assistants, contractors, or other individuals assigned to roles whereby they are directly involved with evaluating, refurbishing, enhancing, or selling of surplus property shall be banned from participation as a buyer, consumer, or end user of the surplus property, to eliminate unfair advantages with regard to the general public.

### ***Audit Considerations***

The surplus property process should be maintained with a very high degree of visibility. Per Florida Statutes and UCF Regulations, the process is open to audit at any time by the State Attorney General or University Audit. Extreme care should be taken with inventorying items, handling cash, and filing paperwork to ensure line-item-level tracking of the process from the originating request to the final disposition of the asset. An internal annual review of the Surplus Program should be conducted for the purpose of developing process improvements and identifying potential future efficiencies.

Approved By:	Date Approved:
 Priscilla L. Kernek Associate Vice President, Administration and Finance (Facilities and Safety)	