Information

Disposal of Surplus Personal Property

Number

PUR - 14.00

Applicability

This policy applies to University Administrators, Faculty, and Staff.

Administrative Authority

Vice President for Finance and Chief Financial Officer

Responsible Unit

Sally Molsberger - Chief Procurement Officer
Service Complex, University of Louisville
Louisville, KY 40292
502-852-8223
purchase@louisville.edu

History

Original Date: Unknown
Revision Date(s): November 20, 2023
Reviewed Date(s): February 14, 2020; November 20, 2023

Categories

Reason for Policy:

KRS 164A.575 (7)

Statement:

In accordance with KRS 164A.575 (7), the following methods of disposal may be used by the Department of Procurement Services to dispose of university-owned surplus property:

Related Information:

Reporting Transfer or Movement of Property - Reporting Transfer or Movement of Property

Surplus Donation Requirements - Surplus Donation Requirements

1. Sale to the general public using either the sealed bid or surplus auction method of sale. Disposal by either of these methods shall be preceded by notice adequate to inform the general public of the sale, taking into consideration the estimated value of the items.
2. Transfer, at a price determined by mutual consent and in the University's best interest, to a nonprofit organization that is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, excluding a religious organization, and organized under the laws of the Commonwealth, another state, or the District of Columbia, or chartered under an Act of Congress, lawfully doing business in the Commonwealth of Kentucky, and serving a public purpose of an essentially governmental, civic, educational, or charitable nature, after first receiving from the recipient agency the certification and evidence of nonprofit status required in this Policy.
3. Personal property may be transferred to an entity described in section 2 above upon receipt of a signed acknowledgment including the items to be received by description, inventory number, serial number, quantity, and transfer charge, and containing a statement that the recipient agency:
    - The nonprofit organization is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code.

    - Will use the property for public purposes or to further its nonprofit mission, and that the property is not being acquired for other purposes, or for sale.
    - Will use all property received for at least one (1) year from date of receipt unless prior approval is granted for an alternate minimum use requirement by the University.
    - Will pay to the University the proceeds of disposal, or the fair market value or fair rental value of the property, if the property is put into personal or other ineligible use, or is sold, traded, leased, or otherwise disposed of, within twelve (12) months of receipt, without approval of the University. The amount of payment shall be determined as of the time of disposal or ineligible use and shall be at the option of and as determined by the University. Payment shall not preclude any other legal action that the University may pursue if criminal violation is suspected.
    - Will, if requested during the twelve (12) months after receipt, report to the University the condition, use, and location of, answer other questions about, and allow inspection of the property.
    - Accepts the property "as is" and "where is" without warranty of any kind.
    - Holds the University harmless from any and all losses, claims, expenditures, actions, causes of action, costs, damages, and obligations arising from this transaction and from the use of the property and the acts of the done recipient, its agents, employees, and licensees that may result in injury to persons, damage to property, or loss of any sort, and to indemnify the University from any and all liability, loss, or damage that it may suffer resulting therefrom or any other claims or judgments resulting therefrom.
4. Payment for transferred property shall be by nonprofit agency check only. Personal checks shall not be accepted.
5. Title to any transferred property shall be in the name of the recipient agency.

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