

DISPOSAL OF SURPLUS ITEMS POLICY
DISPOSAL OF EQUIPMENT AND SUPPLIES

Policy

The American University of Beirut shall dispose of equipment and supplies that are surplus to its requirements or that have reached their useful life at a nil residual value referred to as scrap, either by way of public sale or donation.

Purpose

The Materials Management Department-Campus (MMDC) shall dispose of surplus or obsolete equipment and supplies, either by way of transfer to another department, sale, scrap, or donation to charitable institutions.

MMDC shall dispose of equipment and supplies at a fair market price.

In case it is difficult to dispose of equipment and supplies, it is socially or financially beneficial to donate the items to a third party. Donations shall not be made to individuals or institutions where there could be competing demand. Donations may be channeled through a third party organization responsible for fair distribution.

Procedure

A. Documentation

1. The request for disposal of equipment and supplies shall be documented on the “[Surplus Property Disposal and Transfer Request](#)”. The completed form shall be sent to MMDC for processing.
2. The form shall be approved in writing by the head of the user department, the Medical Center Director for hospital equipment, and either Physical Plant, Plant Engineering, Medical Engineering, or Computing and Networking Services (CNS) in case of IT equipment, as needed.
3. Disposal of obsolete or surplus supplies from MMDC stores shall be approved by the user department head and the medical center director in case of hospital supplies. MMDC shall notify the Comptroller’s Office of such disposal to update related inventory records.
4. Hazardous equipment and chemicals shall be returned to the suppliers for credit. Otherwise, MMDC shall notify the Environmental Health, Safety, and Risk Management department (EHSRM) to determine the proper method of disposal.

5. The Vice President for Facilities shall approve disposal of equipment with a depreciated value of 10 percent or less of its original cost for codes¹: A1, A4, B1, or where the assessed current value of the lot exceeds \$10,000.00.
6. MMDC shall notify its transportation team (or Physical Plant Transportation Services) to transport the surplus item(s) to the designated storage area(s).

B. Methods of Disposal

1. If a department wishes to dispose of supplies and equipment by means other than sale through MMDC, the "[Surplus Property Disposal and Transfer Request](#)" shall be completed and an explanation shall be indicated. MMDC director shall secure the higher authority approval, if needed
2. MMDC director / sales committee shall establish the fair market value of the items to be disposed of and shall consult with the appropriate experts in the field in case of intrinsic or historical values.
3. MMDC shall prepare tender documents, scrap item lists that accompany the tender, and all other documents needed to carry out the sale.
4. MMDC and the protection office, in case of a bid offer loading, shall oversee the loading of the items sold; the protection office patrol then, shall accompany the transporting vehicle off AUB premises.
5. Equipment or supplies may be offered for sale directly to the AUB community, or by public tender.
6. Surplus items offered for sale shall be posted on the AUB website under "Bids & RFPs" page as "Materials Management Department Campus" and on MMDC website under "Surplus Property Administration".
7. MMDC shall remove tags of equipment and delete them from the equipment list on the fixed asset register. In case of transfer to another department, assets shall be deleted from the disposing department and added to the receiving department.
8. Funds obtained from the sale of surplus items shall be credited to the general revenues account of the Office of the Vice President for Finance (179015 – 44131)
9. Internal Audit Office may review all proposed disposals prior to any sale being conducted, and may, at its discretion, require that the disposal be approved by a higher authority.

¹ A1 - Serviceable, shelf life remaining – EXCELLENT
A4 - Serviceable, shelf life remaining – USABLE
B1 - Serviceable, short service life expectancy - EXCELLENT

C. Donation

1. The University may make donations of surplus equipment or supplies for charitable purposes when fair market value cannot be obtained through the sale of such items, or where it is deemed to be in the interest of the University to donate such items instead of scrapping them.
2. The user department head, and the Medical Center director for hospital departments, may make a recommendation that an item be donated rather than disposed of by completing the "[Surplus Property Disposal and Transfer Request](#)" and "[In-Kind Donation of AUB Property](#)" Form.
3. Donation of surplus items shall be approved by the Vice President for Facilities.
4. All donations are reviewed by the Internal Audit Office