General Receipt of Materials and University Surplus Property

Responsible Official: Chief Financial Officer
Responsible Offices: Tax and Revenue Services

Policy Purpose

East Tennessee State University (ETSU) is required by state and federal law to establish and maintain a system of internal control. The purpose of this policy is the establishment of procedures for receipting of materials and handling university surplus property.

Policy Statement

This policy governs the processes for receipt of materials and university surplus property.

I. Receipt and Delivery of Materials

A. Central Receiving

1. University purchase orders and Procard orders specify the location where orders are to be delivered. University purchase orders will normally be delivered to Central Receiving. Procard orders may be delivered to Central Receiving or directly to the department.

2. When deliveries are made to Central Receiving, employees of central receiving will:

   a. Compare the number of cartons or packages with the shipping documents.
   b. Inspect for visible damage; note damages on the shipping document and obtain the delivery driver's signature.
   c. Prepare delivery documents.
   d. Deliver the material or equipment to the appropriate department and obtain a signature from the person accepting the delivery.
3. To maintain a safe campus environment delivery trucks are generally limited to Central Receiving vehicles. Most deliveries of goods will be made to Central Receiving.

B. When deliveries are made to the department either directly or by central receiving, employees of the department will:

1. Compare the material or equipment received with the ordering records immediately upon receipt for conformity as to the specifications and quantity. The date received, quantity and condition of the items should be noted on the ordering records.
2. Compare the delivery to the purchasing information and make appropriate entries into the eBucs Purchasing System regarding purchase orders.
3. Report any deviation from specifications, shortages, damages, etc. to the purchasing agent in writing. The purchasing agent will initiate the communications with the vendor, except for apparent damage in transit, in which case the department should contact Central Receiving, who will file the proper claims with the vendor and shipper.
4. Complete records on all receiving reports shall be maintained in order to provide a clear audit trail on the receipt of all purchases.

II. University Surplus Property

A. University property declared surplus by one ETSU department may be utilized to address the needs of another ETSU department.

B. Surplus Items may be transferred between departments or to surplus property for disposal by accessing the Central Receiving site.

C. Surplus vehicles are either transferred to another ETSU department, traded in on a new vehicle, or disposed of by Central Receiving through the auction process at the discretion of the Division head authorized to purchase or dispose of vehicles. In general, any funds obtained from the surplus auction are recorded in a revenue index determined by the Division head.

Authority: Focus Act, Tenn. Code Ann. § 49-8-203, et. seq.

Defined Terms

**eBucs System:** A computerized electronic procurement (eProcurement) system used to manage the University's procurement process online. The eBucs application includes modules that address each step in the procurement process: shop and compare, create requisition,
requisition approval process, create and distribute purchase order, process invoices, and receipt management.

Procard: A procurement card program available for purchases of goods less than $5,000.

Surplus Property: Surplus property means any property such as movable equipment or supplies (opposed to real property such as land or building) an ETSU department determines to be obsolete or unusable, or property for which future needs do not justify the cost of maintenance and/or storage.

Policy History

Effective Date 6/13/2022

Revision Date: 4/22/2022

Procedure (s)

Procedure History

Effective Date: 6/13/2022

Revision Date: 4/19/2022

Scope and Applicability

Check those that apply to this policy and identify proposed sub-category.

<table>
<thead>
<tr>
<th>Governance</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Academic</td>
<td></td>
</tr>
<tr>
<td>Students</td>
<td></td>
</tr>
<tr>
<td>Employment</td>
<td></td>
</tr>
<tr>
<td>Information Technology</td>
<td></td>
</tr>
<tr>
<td>Health and Safety</td>
<td></td>
</tr>
<tr>
<td>X Business and Finance</td>
<td></td>
</tr>
<tr>
<td>Department</td>
<td></td>
</tr>
<tr>
<td>-----------------------------</td>
<td></td>
</tr>
<tr>
<td>Operations and Facilities</td>
<td></td>
</tr>
<tr>
<td>Communications &amp; Marketing</td>
<td></td>
</tr>
<tr>
<td>Advancement</td>
<td></td>
</tr>
</tbody>
</table>