



PROCEDURE: Surplus Sales, Payment Handling, and Deposit Procedure
EFFECTIVE DATE: February 12, 2007 / Revised September 4, 2009

I. Background:

The Department of Materiel Management disposes of surplus items via online auctions, set-price sales, trade-ins and direct solicitations. All sales are processed by Materiel Management Property Control and payments are received and processed by Materiel Management Administration in compliance with Board of Visitor Policy 1621.

II. Purpose:

To maximize revenue for sale of surplus property and provide consistent and accurate accounting for receipt of surplus sale funds ensuring clear segregation of duties for the disposal of surplus property, collection of revenue, and deposit of funds in the appropriate account.

III. Definitions:

Materiel Management Administration: Materiel Management Administration is comprised of the following positions: Assistant to the Director, Officer Manager, and Administrative Assistants.

Materiel Management Property Control: Materiel Management Property Control Personnel is comprised of the following positions: Property Control Warehouse Manager.

PublicSurplus.com: Online auction services utilized by the Department of Materiel Management to facilitate the sale of surplus goods.

Set Sale: Goods that are generally of low value and sold at a pre-established price and offered to the public, students, and faculty/staff, excluding Materiel Management staff.

IV. Procedures:

- The Property Control Warehouse Manager evaluates surplus equipment turned in to Property Control by a department.
- The Procurement Manager that supervises the Property Control Warehouse Manager determines if the item(s) should be sold via online auction or set-sale and may assign a minimum bid requirement.
- The Property Control Warehouse Manager logs into a spreadsheet any items that have an Old Dominion University property asset tag. This tagging information is documented on or attached to the appropriate Old Dominion University 2-part receipt and given to Materiel

Management Administration for tag record update and removal from Old Dominion University's active inventory.

- The Materiel Management Office Manager maintains the Old Dominion University 2-part receipts which are stored in a secure location. The forms have a unique sequential numbering system which allows for tracking of each number to ensure accurate accounting and prevent fraud.
- The Materiel Management Office Manager issues receipts to the Property Control Warehouse Manager upon award of a surplus sale.
- The Executive Director of Construction and Procurement Services, or designee, approves winning auction amounts when an online auction closes and before the official award is made to the highest bidder.
- The Property Control Warehouse Manager awards the sale upon receipt of approval and prepares the Old Dominion University 2-part receipt.
- The successful bidder is notified and must pay for the goods prior to pick-up.
- Payment is submitted to Materiel Management Administration in Suite 111, separate from the pick-up location for the goods, which is typically the Property Control Warehouse.
- Materiel Management Administration verifies the payment received against the sales receipt prepared by the Property Control Warehouse Manager and if they match, payment is accepted. If the payment amount does not match the auction amount entered on the receipt, the payment is not accepted, the sale is not made, and the successful bidder is instructed to return with the correct payment amount.
- Cashier's checks and money orders are date/time stamped and restrictively endorsed immediately upon receipt in compliance with the University's Policy 3020 Credit and Collection.
- Upon acceptance of payment, Materiel Management Administration notes the following on the Old Dominion University 2-part receipt: "Paid in full"; the method of payment (cash, money order or cashier's check are the only acceptable methods of payment), the initials of the person processing the payment, and the date payment is received.
- Old Dominion University 2-part receipts are signed by the successful bidder, Property Control Warehouse Manager and the Materiel Management Office Manager or designee.
- When goods are sold via publicsurplus.com, the payment is also recorded through publicsurplus.com and two copies of the payment receipt are printed. Although payment is processed using the PublicSurplus website, no money is sent to PublicSurplus at this time. This is for tracking purposes only, so that paid and unpaid auctions can be identified, and also so that Public Surplus knows how to invoice the Department of Materiel Management at the end of the month for transaction fees.
- The top copy of the Old Dominion University 2-part receipt, with original signatures, is attached to a copy of the receipt from publicsurplus.com, when applicable, and retained in Materiel Management.
- The bottom (pink) copy of the Old Dominion University 2-part receipt is given to the successful bidder and is attached to a copy of the receipt from publicsurplus.com, when applicable.
- The successful bidder takes the receipt to the Property Control Warehouse to pick up the item(s) purchased. Upon presentation of an appropriate receipt, the Property Control Warehouse Manager releases the items to the successful bidder.

- Materiel Management Administration places the payment (cash, money order or cashier's check) in the money bag stored in a locked fireproof lockbox which is stored in the locked file cabinet in the Materiel Management central file room together with the payment receipts.
- Materiel Management Administration prepares the deposit by completing a Cash Report (sample form attached) and reconciling the payments in the money bag against the receipts in the lockbox.
- All surplus sales revenue is deposited in the Surplus Sales budget, 6PC11-3795, noting "Surplus Sales" as the "Description" on the cash report.
- The cash report, with receipts and funds attached, is submitted to the preparer's supervisor, or designee, for review and approval.
- Materiel Management Administration files a copy of the payment receipts and the cash report in the Materiel Management budget files.
- Deposits are made within 24 hours when payments received in Materiel Management total \$200 or more. When payments on hand in Materiel Management total less than \$200, the deposit can be made by the end of the work week. Deposits are made in compliance with the University's Cashiering procedures (Procedure for the Timely Transporting of Funds and Cash Reports to the Cashier's Office. Finance Procedure 4-527). In no case shall money be kept in Materiel Management over the weekend.
- Materiel Management Administration takes the deposit to the Finance Office to obtain appropriate signature for ledger 6 accounts. Donna Bean, Restricted Funds Supervisor; Thea Jones, Financial Accounting Supervisor; Vanessa Walker, Assistant Controller General Accounting or Rick Fisher, Controller sign off on all deposits being made to a ledger 6 account.
- Upon obtaining the required Finance signature, Materiel Management Administration makes a copy of the fully approved cash report and takes the deposit to the University Cashier's desk for processing.
- Once the deposit is complete, Materiel Management Administration attaches a copy of the deposit transaction receipt to the original sales receipts which are filed chronologically by deposit date, and maintained with the surplus sales files in Materiel Management.
- Materiel Management Administration also files a copy of the deposit receipt and cash report with the Materiel Management budget files located in the Materiel Management Office Manager's office.
- Materiel Management Administration updates the surplus sales receipt spreadsheet located on the department's share drive to identify all sale transactions.
- Materiel Management Administration updates the appropriate internal budget and deposit databases to reflect sales deposits. In addition to noting the deposit in the corresponding budget database, all deposits are also tracked in a master deposit spreadsheet in the 1PC00 budget database.

**Old Dominion University
Material Management
Cash Report**

Preparation Date:	
Deposit Date:	
Bag Number:	
Banner Description:	SURPLUS SALES
Organization Code:	6PC11
Sub Object Code:	3795

Cash	
Cashier's Checks	
Money Orders	
Total	

Signature of Preparer: _____
 Prepared By: Marcy Comstock Phone: x3252

Signature of Reviewer: _____
 Reviewed By: Aileen Litwin Phone: x3070

Signature of Ledger 6 Approver: _____

Approved By: _____
 (Printed Name)

Cashiers Use Only:	
Control Number	
Cash Report Number	