

# FCR 10

Office of the President  
December 14, 2021

Members, Board of Trustees:

## AUTHORIZATION OF NEGOTIATED DISPOSITION OF PERSONAL PROPERTY

Recommendation: that the Board of Trustees authorize the non-routine disposition of personal property from the University of Kentucky Department of Biosystems and Agricultural Engineering of its CP3S 2<sup>nd</sup> Stage Tobacco Cleaning System (property tag A875204) with a net book value of \$60,233 along with a Cured Plant Segmenting/Separator (property tag A774530) with a net book value of \$22,111.

Background: Kentucky Revised Statute 164A.575 requires that the Board of Trustees approve the disposition of any surplus property owned by the University of Kentucky. Administrative Regulation 8:1, approved by the Board of Trustees at its June 2021 meeting, establishes the policy for the disposition of personal property. For non-routine dispositions, which include property items with a value greater than \$25,000, a recommendation is submitted to the Board of Trustees on an item-by-item basis setting forth the description of personal property and the reasons for and method of disposition. Both pieces of equipment were designed and fabricated as part of a research project aimed at improving labor efficiency in the area of burley tobacco production. The Cured Plant Segmenting/Separator System had an original purchase price of \$132,661 in June 2013, has become surplus as the equipment is antiquated based on the department's needs, but still retains a net book value of \$22,111. The CP3S 2<sup>nd</sup> Stage Tobacco Cleaning System, with an original purchase price of \$87,084 in September 2018, has become surplus as the equipment is antiquated based on the department's needs, but still retains a net book value of \$60,233 and it performs a secondary cleaning function behind the Cured Plant Segmenting/Separator System, and both equipment will be disposed of together. Both pieces of equipment use electrically powered conveyors and mechanisms to pneumatically separate agricultural crop products into separate leaf/stalk streams. The Department does not anticipate any further funding to continue this project.

In accordance with Administrative Regulation 8:1, Policy for Disposition of Personal Property, and procedures promulgated by the university to support this Administrative Regulation, the subject equipment has been advertised for two weeks on the university's Surplus Property website to determine if it was needed by any other unit within the university. Having received no request, this equipment is deemed to be surplus to the needs of the university and it is recommended that it be sold using a disposal method approved under FCR 11 by the Board of Trustees at its June 2021 meeting to avoid further depreciation and loss of value.

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Action taken:    ☒ Approved    ☐ Disapproved    ☐ Other \_\_\_\_\_