THE UNIVERSITY OF NORTH CAROLINA SYSTEM

Board of Governors State Surplus Legislative Report

February 28, 2024

Introduction

The University of North Carolina Board of Governors report on "State Surplus Computer for Nonprofits" is required annually and encourages the University of North Carolina System constituent institutions to convey surplus computer equipment to nonprofit organizations that refurbish and distribute to low-income families or students in the State of North Carolina. The specific legislation as stated:

STATE SURPLUS COMPUTERS FOR NONPROFITS SECTION 38.11.(a) G.S. 143-64.03 reads as rewritten:

§ 143-64.03. Powers and duties of the State agency for surplus property.

(b1) Nothing in this Article, or any administrative rules promulgated under this Article, shall be deemed to prohibit The University of North Carolina from conveying surplus computer equipment at no cost and The University of North Carolina is encouraged to prioritize distribution to nonprofit entities that refurbish computers to donate to low-income students or households in the State.

Background

In 2022, the UNC System began its work with two nonprofit entities, E2D and Kramden Institute, to donate computer surplus. The UNC System Office worked in partnership with the two nonprofits to distribute coverage equitably and geographically systemwide. The UNC System Chief Information Officer (CIO) is in contact with the two nonprofit entities to continue to advocate for and promote the benefits of the legislation. Both nonprofit entities have presented to the UNC System CIO Council and have received university contact information.

In 2023, the UNC System developed and executed an awareness and opportunity campaign to all the universities. On June 13, 2023, the UNC System sent a memo (Appendix 1) directed at all chief financial officers (CFO), chief information officers (CIO), chiefs of staff, and purchasing directors.

Implementation Report

Currently, eight participating universities donate surplus computer equipment to their assigned nonprofit entity. This is up from six institutions in calendar year 2022. Generally, the CIO community is excited about the legislation and the opportunity to have surplus computer equipment refurbished for distribution to families in need. Although there is growing momentum for this program, several challenges have surfaced: (1) A few universities lease their computer equipment, and that is not eligible for surplus; (2) universities have existing fee-based surplus agreements in place for IT equipment with a state approved/contracted

firm, often funding university positions; (3) refurbished electronics are sold to internal university departments, staff, and students at a deep discount and loaned to the staff senate computer literacy program that supports underserved staff; and (4) the state surplus processes are traditionally outside of the university IT department.

2023 Calendar Year Statistics

Nonprofit	Total Received	Total Distributed	Total Recycled	Total Remaining in Inventory (for Distribution)
E2D	1447	234	735	478
Kramden Institute	3353	2881	2140	472
TOTAL	**4800***	**3115**	**2875**	**950**

- **Represents a 52% increase from calendar year 2022**

Appendix 1

Email Sent to all University CFOs, CIOs, Chiefs of Staff, and Purchasing Directors on June 13, 2023

In 2021, the North Carolina General Assembly passed legislation that encouraged the UNC System institutions to donate surplus computer equipment to nonprofit organizations. These nonprofit organizations would refurbish the donated equipment for the purpose of distributing to in-need students and families in the state. The exact legislative language is below. Because the legislation exempts these donations from state surplus property requirements, our institutions have the opportunity to put surplus computer equipment to good use in an efficient manner.

In 2022, the UNC System began its work with two nonprofit entities, E2D (https://www.e-2-d.org) and Kramden Institute (https://kramden.org), to donate computer surplus. The UNC System Office worked in partnership with the two nonprofits to distribute equitably and geographically statewide. Both nonprofit entities have presented to the UNC System CIO Council and have received university contact information. We have discovered that these processes often fall outside of the IT departments at our institutions.

Given the variances of processes, the UNC System is broadening the communication to ensure awareness of the legislation and further encourage all the institutions to donate their surplus computers to assist in closing the digital divide. Please take a moment to review these fantastic nonprofit organizations, their mission, and how your institution could potentially help.

If you or anyone at your institution have questions or need contact information at either of the nonprofit organizations, please contact Keith Werner at the UNC System Office (kewerner@northcarolina.edu).