

DISPOSITION OF SURPLUS COLLEGE ASSETS

Administrative Rule Number: B022

Approved:

Related to Policy Series Number: 106

INTRODUCTION

When college equipment or materials are no longer required for college purposes, this will govern the disposal of surplus property. This rule will facilitate the prompt disposal while protecting the college, its employees, and Board of Education from practices that would give, or appear to give, a pecuniary benefit to college staff or Board members.

Distribution to other campus departments (outlined in C.1. below) will serve as the preferred course of action. Net monies realized from the sale of surplus property will be deposited according to any restrictions of the initial funding source. If there are no initial funding source restrictions, monies will be deposited to the General Fund.

PROCESS: B022.1

The following process pertains to any items with an original purchase price of \$5,000 or more. These fixed assets are formally documented through an inventory process (ARB021) and are subject to guidelines for official removal. Any assets under the \$5,000 threshold are still college property and must be removed in accordance with one of the methods outlined in section C. No official notification or documentation (as outlined in sections A and B) is required.

- A. Each responsible manager will declare items surplus by notifying the Business Office on an Inventory Tracking Form. The property will be specifically identified or listed by location.
- B. The Business Office will inspect the property within 30 days of receipt of the notification and determine a disposal method. The responsible manager is encouraged to note a preference for disposition method on any items.
- C. The Business Office will dispose of the items in one or more of the following ways:
 - a. Distribution to Other Campus Departments
 - i. Screen items declared surplus for potential utilization by other campus departments. A list will be circulated periodically of items available for distribution. When items are selected, the requesting individual will initiate an Inventory Tracking Form.
 - b. Sale, Trade, or Donation to Other Public Agencies
 - i. Make direct sales to other political subdivisions at prices set by the CFO or his/her designee. Property may be exchanged with or

DISPOSITION OF SURPLUS COLLEGE ASSETS

Administrative Rule Number: B022

Approved:

Related to Policy Series Number: 106

donated to another public agency upon approval by each agency's chief executive officer or designee. Such an exchange shall be documented.

c. Consignment

- i. Consign items to auction or to a sales lot. The college will be reimbursed on either a percentage or a flat-fee basis for such consignments.

d. Oral/Silent Auction or Sale

- i. Hold campus auctions, oral or silent, or an auction in conjunction with other local public agencies. Such auctions or sales will be advertised in local and/or regional newspapers.

e. Internet-based Auction or Sale

- i. Hold competitive web auctions or a web-based auction in conjunction with other public agencies. Such auctions or sales will be of sufficient duration to attract a reasonable number of bidders.

f. Sealed Bids

- i. Advertise items in local and/or regional papers for sale by sealed bid. Minimum prices may be established by CFO or his/her designee. If there is no sale at the minimum and the sealed bid process is repeated on the same item, no minimum price will be set on the subsequent sealed bid. All bids may be rejected if no acceptable bid is received and alternate disposal process selected.

g. Trade In

- i. When it is prudent to dispose of items by trade in, the purchase authorization form for the replacement item will clearly detail the full price of the replacement item and the allowance value of the item traded in.

Sale or disposal by any means other than those outlined above must be approved by the President or his/her designee.