



ADMINISTRATIVE **PROCEDURE**

6550

DESERT COMMUNITY COLLEGE DISTRICT

DISPOSAL OF PROPERTY

Note: The Procedure for Disposal of District Property includes at least the following elements:

- Delegation by the Superintendent/President to appropriate administrator(s) of authority to dispose of property to highest bidder after payment has been received by the District;
- Schedule for disposal of personal property (e.g., library books, theater props);
- Schedule for disposal of equipment (e.g., computers, copiers, vehicles);
- Authority to dispose of property in lots;
- Requirement for posting in at least three public places in the District for not less than two weeks or publication at least once a week for a period of not less than two weeks in a District newspaper;
- Provision that staff may dispense with posting/publication and sale to the highest bidder if:
 - the surplus property is exchanged with, sold, or donated to a school district, community college district or other public entity; or
 - the proceeds from sale or lease are expended for capital outlay purposes related to qualified community college facilities and the district complies with specified conditions
- Schedule for reporting to Governing Board (e.g. annually, quarterly);
- Provision that District employees may not buy property declared to be surplus (this is an element of conflict of interest) other than when participating in a public sale; and
- Provision for Governing Board action for disposal of property under \$5,000.

The District may sell for cash any District personal property if the property is not required for District purposes, or if it should be disposed of for the purpose of replacement, or if it is unsatisfactory or not suitable for use. Property cannot be sold until notice has been given. Notice must be posted in at least three public places in the District for not less than two weeks; notice can also be by publication for at least once a week for a period of not less than two weeks in a newspaper published in the District and having a general circulation. If there is no such newspaper, then notice can be published in a newspaper having a general circulation in the District; or if there is no such newspaper, then in a newspaper having a general circulation in the county in which the District or any part thereof is situated. The District shall sell the property to the highest responsible bidder, or shall reject all bids.

Personal property authorized for sale as surplus may also be disposed of by means of a public auction conducted by employees of the District, or by other public agencies, or by contract with a private auction firm. The personal property shall be sold or transferred to the highest responsible bidder upon completion of the auction and after payment has been received by the District.

The District can also exchange for value, sell for cash, or donate any personal property belonging to the District without complying with the preceding procedures if all of the following criteria are met:

- a) The District determines that the property is not required for District purposes, that it should be disposed of for the purpose of replacement, or that it is unsatisfactory or not suitable for school use.
- b) The property is exchanged with, or sold or donated to, a school district, community college district, or other public entity that has had an opportunity to examine the property proposed to be exchanged, sold, or donated.
- c) The receipt of the property by a school district or community college district will not be inconsistent with any applicable district wide or school site technology plan of the recipient district.

If the Governing Board, by a unanimous vote of those members present, finds that the property, whether one or more items, does not exceed in value the sum of five thousand dollars (\$5,000), the property may be sold by The District at private sale without advertising.

Any item or items of property having previously been offered for sale by published announcement for highest bid, but for which no qualified bid was received, may be sold by The District at private sale without advertising.

Any item or items of property having previously been offered for sale as provided in Education Code Section 81450, but for which no qualified bid was received, may be sold by the District at private sale without advertising.

In addition, the Board may sell or lease real property belonging to the District under the following conditions:

If a district has received only one sealed proposal from a responsible bidder that conforms with the standard rate or rates for the lease of its real property established by a majority vote of the Board, the Board may by majority vote delegate to an officer or employee the power to enter into leases, for and in behalf of the district, of any real property to the district.

Generally, the funds derived from the sale or from a lease with an option to purchase shall be used for capital outlay or deferred maintenance. However, the proceeds of property sold or leased that was first offered for park or recreational purposes where applicable and then offered for sale or lease with an option to purchase at fair market value may be deposited in the general fund of the district if, prior to the sale or lease, the Board has determined that the district has no anticipated need for additional sites or building construction for the five-year period following the sale or lease.

Surplus Property

Surplus property, according to California Education Code CEC 81450, is any District personal property which is no longer required for instructional purposes, property that is being disposed of for the purpose of replacement, or property that is unsatisfactory or no longer suitable for District use. District personal property shall not be sold, given away, destroyed, or disposed of in any manner except as described herein. The Governing Board must approve the sale of all surplus personal property. All surplus property, if transportable, must be sent to the District Warehouse.

Declaring Surplus Property Procedures:

1. Obtain a Surplus/Transfer/Disposal Request Form from the facilities Services Office.
2. Completely fill out all appropriate sections of the form.
3. Obtain Division Dean, Department Supervisor or Vice President approval signature.
4. Send the completed, signed form to Facilities Services Office for processing.
5. Facilities Services will pick up surplus property.

Facilities Services will not pick up equipment containing hazardous material (e.g., asbestos, chemicals). Contact the Facilities Services Office to arrange for the proper handling of these materials.

Three Types of Surplus Property

1. Reusable and authorized for re-issue on campus.
2. Reusable but NOT authorized for re-issue on campus. (i.e., equipment that is no longer supported by the District or cannot be repaired.)
3. Not reusable because it is hazardous, unsafe, or non-repairable.

Reusable property authorized for reissue within the District is stored in the Warehouse and can be viewed Monday through Friday from 8 a.m. to 3:30 p.m. Departments may select property and arrange an appropriate delivery time with the Warehouse staff.

Reusable but not re-issuable property is stored in the District surplus lot for eventual sale by auction.

Procedures for Declaring Property Surplus

Identify surplus property on an INVENTORY TRANSFER/SURPLUS/DISPOSAL REQUEST FORM. The department disposing of the property is responsible for the completion of the form must be SIGNED by the department chair/director.

Transfer of Property to Other Departments

Complete that portion of the form titled INVENTORY TRANSFER. Transferring District-owned property to programs/departments that receive their operating funds from other sources, *the property being transferred will remain property of the District.*

When the INVENTORY TRANSFER/SURPLUS/DISPOSAL REQUEST FORM is completed, contact the Facilities Services Office at x2551 to arrange for pickup. The completed paper work

must accompany the property. Forward the completed paperwork to the Facilities Services Office.

Procedures for Sale or Auction of Surplus Property

The Director, Facilities Services, shall submit a list of surplus property for disposal sale to the District Governing Board prior to transporting the items for sale. The Director, Facilities Services, shall arrange for the sale of surplus property through either local auction sale or other public auction. The Director, Facilities Services, shall ensure that all paperwork is processed through the proper channels, i.e., District Governing Board approval, District fixed-asset inventory notification, income and expense forms, etc.

Local Auction

If a local auction is held within the District, a list of surplus property on hand is presented to the District Governing Board with a recommendation that it be sold at auction. Upon approval, the District will place a notice in a newspaper within the District to be published no less than once a week for two weeks prior to the sale.

Private Sale

If the District Governing Board by a unanimous vote of those members present finds the property, whether one or more items, valued at less than two thousand five hundred dollars (\$2,500), the property may be sold at private sale without advertising by an employee of the District empowered for that purpose by the District Governing Board (CEC 81452). The money received from the sale shall be credited to the fund from which it was purchased, i.e., general fund, VATEA, etc. The Director, Fiscal Services, shall determine the appropriate disbursement of those monies.

Criteria for Donation or Destruction of Surplus Property

1. Property has no sale dollar value to the District
2. Property is unsafe for use
3. Property is or contains a hazardous material or waste, which must be disposed of in District compliance with the regulations for hazardous material disposal.

Donation of Surplus Property

If the District Governing Board, by unanimous vote of those members present finds the property of insufficient value to defray the costs of arranging a sale, the property may be donated to a charitable organization deemed appropriate by the District Governing Board, or it may be disposed of in the local public dump on order of an employee of the District empowered for that purpose by the District Governing Board (CEC 81452).

Local Public Dump Disposal

The Director, Facilities Services, and the Director, Fiscal Services, shall determine whether the property meets the guidelines for local disposal. If so, both representatives shall sign an Inventory Disposal form, and the property will be disposed of in accordance with the required State and local guidelines. (If surplus property has been declared unsafe or hazardous, the disposal of said regarding the disposal shall be kept on file in the Facilities Services Office.

Cannibalization Disposal of Personal Property

Aged and inoperable equipment may be cannibalized and used for parts. Prior authorization is required before personal property that is no longer required for instructional purposes or suitable for District use may be cannibalized as parts. Equipment obtained for a period of less than three years or equipment obtained by federal funds for a period of less than five years will not be authorized for cannibalization.

Office of Primary Responsibility: Facilities Services Office

Reference: Education Code Section 70902(b) (6), 81360 et seq., 81450 et seq.

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