



POLICY # 2200 Disposal of Surplus Supplies and Equipment

EFFECTIVE DATE 8/24/2023 **VERSION # 2**

DATE OF LAST REVISION 6/22/2023 **NEXT REVIEW DATE** 7/1/2025

APPLIES TO

Division District
 Sub-Division Finance Department

VERSION	REVISION DATE	DESCRIPTION OF CHANGE/SUPERSEDE	AUTHOR
1	10/28/2021	Initial	Finance Manager
2	06/22/2023	Minor Editorial Updates	Angie Carpenter, Finance Manager

RATIONALE

To efficiently maintain District operations, it is necessary to have a policy for the identification and disposition of surplus property including materials, supplies, and equipment. The term “surplus property” shall mean any property other than real property that is no longer needed or usable by the District. The purpose of this policy is to establish a procedure for the fair and equitable disposition of surplus property and to ensure internal checks and balances. It is the intention of the District to seek opportunities for the reuse of these items before disposal.

PROCEDURE

Supplies and equipment valued at \$10,000 or less

The General Manager or their designee shall have the authority to dispose of surplus property that has a current value of \$10,000 or less (considered a de minimus value). These items may be donated to a charitable organization, recycled, sold, destroyed, or disposed of as junk.

Supplies and equipment valued at \$10,001 or greater

The General Manager or their designee shall present a list of surplus properties valued at \$10,001 or greater to the Board of Directors for their review and approval prior to the disposition of the property. Once declared surplus, the General Manager or their designee shall determine which of the following methods of disposition is appropriate for each item.

- Return to Manufacturer – The surplus property may, when possible, be returned to the manufacturer for buy-back or credit towards the purchase of new items.
- Sale – The District may offer surplus property for sale. All surplus property is for sale “as-is” and “where is” with no warranty, guarantee, or representation of any kind, expressed or implied, as to the condition, utility, or usability. Appropriate methods of sale are as follows:

- Public Auction – The surplus property may be sold at a public auction. The District may contract with a professional auctioneer.
- Sealed Bids – Sealed bids may be solicited for the sale of surplus property. Surplus property disposed of in this manner shall be sold to the highest responsive bidder.
- Negotiated Sale – The surplus property may be sold directly to a purchaser so long as it is publicly advertised through flyers, newspapers, or internet-based webpages.
- Scrap – Surplus property with a minimal fair market value may be sold as scrap.
- Disposal – If the District is unable to sell the surplus property after using the methods provided above, or if the cost of locating a buyer exceeds the estimated sale price of the item(s), the property may be donated to a charitable organization, recycled, destroyed, or disposed of as junk.

Removal of District Logos

Especially in the case of motor vehicles, care should be taken to remove all logos and other symbols on the surplus property prior to the sale. This will reduce the opportunity for citizens to think the vehicle has been stolen, or is being used improperly, etc.

Proceeds

All sales of surplus property shall be paid to the District by check or cash with a written receipt. The General Manager or his/her designee shall be authorized to sign bills of sale and any other documents evidencing the transfer of surplus property by and on behalf of the District.

Record Keeping

The disposition of all surplus items will be documented with the following information (as it applies): method of disposition, date of release from inventory, receiving party, and compensation.

Conflicts of Interest

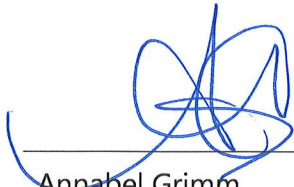
As required by Government Code Section 1090, no person who makes, participates in the making of, or influences the decision to dispose of surplus property, may bid on or purchase surplus property from the District. This includes, but is not limited to, District Board Members, and District staff.

Authority: General Manager, Finance Manager

Angie Carpenter
Author (print and sign)

Angie Carpenter

8/31/23
Date



Annabel Grimm
General Manager

31 Aug 23

Date

Approved by the Board of Directors on: **8/24/2023**