

DISPOSAL OF DISTRICT PERSONAL PROPERTY

The following procedure details the process for the disposal of personal property¹ for all District sites. All property belonging to the colleges or District Office may be offered to other District locations prior to disposal with outside means.

1. Governing Board authorization is to be obtained in advance of the sale for the following property:
 - a. any item with an acquisition value in excess of \$10,000; or
 - b. any item with an acquisition date within the current or past three fiscal years.
2. Property is to be sold after posting in at least three public places within the District, with publication 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.
3. Property is to be sold to the highest responsible bidder.
4. Property may be recommended for disposal for the following reasons:
 - a. it is no longer required for college purposes;
 - b. it is being replaced; or
 - c. it is unsatisfactory or not suitable for college use.
5. Property may be disposed in the following ways.
 - a. Sale by competitive bid or public auction.
 - b. Sale by private sale by the Purchasing Office if the aggregate property value is \$2,500 or less or if the property was previously offered for sale by competitive bid and no qualified bid was received.
 - c. Removal to the public dump on order of the Director of Purchasing if the aggregate property value does not exceed the approximate cost of arranging a sale. The asset number is to be obliterated from property prior to its removal to the dump.
 - d. Trade-in to the vendor providing the replacement item.
 - e. Broken up for parts to be retained in the department if the department head determines the value of the parts exceeds the probable sale or trade-in value. Certification of the disassembly is to be provided on form 4cd-238 which will be sent to the department head by the location business officer (see Business Procedure 10.11).
 - f. Donation to a local charitable organization deemed appropriate by the Chancellor if the property is of insufficient value to defray the costs of arranging a sale.
6. District employees may not buy property declared to be surplus, unless it is offered by public auction.

¹ Definition: Personal Property is property owned by an individual or business which is not affixed to or associated with the land. Personal property includes equipment, office furniture, cars/trucks purchased and used by the District, and all other items that are not permanently affixed to the land.

7. Staff may dispense with posting/publication and sale to the highest bidder if:
 - a. the surplus property is exchanged with, sold, or donated to a school district, community college district, or other public entity;
 - b. 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; or
 - c. 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.
8. Property sale receipts are to be deposited to the fund from which the original expenditure for purchase of the property was made. Revenue received from the sale of surplus equipment originally purchased within a five year period from State instructional equipment funds will be returned to the State Instructional Equipment Fund. Receipts for property not replaced will be to an income account. Receipts for property which is replaced will be to the expense account to which the replacement is charged if the sale is made in the same fiscal year as the receipt of the replacement. If not, the receipts will be deposited to an income account. Revenue received for the sale of surplus equipment is made available to the appropriate location for expenditure.
9. A bill of sale will be provided by the Director of Purchasing for all property sold.
10. The owner of the property completes form 4cd-238, Disposition of College Property Other than Equipment, listing each item to be surplus and then forwards original copy to the Director of Purchasing.
11. The Purchasing Department processes the original copy of form 4cd-238 as follows:
 - notifies all other locations of availability of material by sending a copy of form 4cd-238 to the Business Services Office, entering the date of the notification on the appropriate line on form 4cd-238 and filing it in a "Surplus Pending" file;
 - for material to be transferred, notifies both location receiving clerks of the transfer to arrange shipping;
 - if no transfer request has been received within fifteen days of notification of availability, prepares to dispose of or sell property in accordance with Business Procedure 10.01; and
 - if property is to be sold, notifies location receiving clerk.
12. The Purchasing Department will remove the District property from the Fixed Asset Module when payment for the property has been received. The Purchasing Department will enter the receipt number and date on form 4cd-238 and file it in a "Material Surplus" file for year-end closing. If property is to be destroyed or disassembled, Purchasing is to complete form 4cd-238 and distribute as necessary (See Business Procedure 10.11).