DISPOSAL OF SURPLUS PROPERTY

A. The superintendent or his/her designee may sell, exchange, lease or otherwise dispose of district property on behalf of the Board of Education.

In the case of real property or items of personal property exceeding $5,000.00 in estimated market value, the superintendent shall obtain the prior authorization of the Board.

B. Except in cases where the property of the district is offered in trade on other property of equal or greater value, or the property is part of a grant that disposes of the property in accordance with its own procedures, or where the property has no marketable value and is being junked, the following shall occur:

C. All internal departments shall be offered use of the surplus property first.

1. Any remaining property that is fit for school purposes shall then be offered to our local school districts and public school academies.

2. Any remaining property left after #1 above has been completed shall then be offered to non-profit organizations.

3. The public shall be offered an opportunity to purchase the remaining property after 2. above is completed.

No private sales of district property shall be held, and no member of the Board of Education or district employee, nor members of their families or their employees shall be given any preference in purchasing not equally available to the general public.

D. Obsolete books, equipment or supplies with no market value may, at the discretion of the superintendent, be donated to charitable organizations or discarded in an acceptable manner.

E. In all sales of district property, the superintendent or his/her designee shall seek to obtain the best price for the property.

1. In the case of real property and individual items of personal property exceeding $1,000.00 in estimated market value, the sale shall be advertised and sealed bids solicited with sale to the highest responsible bidder. A minimum bid price may be established, and the Board shall reserve the right to reject any or all bids, which are not in the best interests of the district.
2. On items of lesser-estimated market value, the superintendent or his/her designee may establish a price and, after advertising the sale, sell to the first responsible buyer offering the established price. At least once annually, or more often if necessary, the superintendent or his designee shall offer for public sale those items of personal property for which the district no longer has a current or foreseeable use, but which have market value.

3. The superintendent or his designee may obtain appraisals of items of significant value or conduct such other market analysis as is necessary to establish an estimated market value for the purpose of bidding or pricing property.

F. Revenues from the sale or lease of real or personal property shall be deposited in the appropriate account, as required by law.

1. Revenues from the sale or lease of real property shall first go toward the retirement of any bonded indebtedness on the property. If there is none, the revenues shall be deposited to the account of the general operating fund of the district.

2. Revenues from the sale of personal property shall be deposited to the account of the fund from which the property was originally purchased if this can be determined. If no record can be found of the original source of funds for the purchase of an item, or if the amount obtained is so insignificant as to not justify researching the original source of funds, then the proceeds of the sale shall be deposited as the superintendent or his designee may direct.

G. Other provisions of this regulation notwithstanding, items obtained with federal grant fund or obtained from the federal surplus property program shall be disposed of according to the regulations or guidelines of the applicable federal program.

H. Items, which have no marketable value, may be junked. They shall not be given away to individuals.

I. When original or replacement equipment acquired under a Federal award is no longer needed for the original project or program or for other activities currently or previously supported by a Federal awarding agency, the District shall request disposition instructions from the Federal awarding agency if required by the terms and conditions of the Federal award. Disposition of the equipment will be made in accordance with disposition instructions of the Federal awarding agency.

Items of equipment with a current per unit fair market value of $5,000 or less may be retained, sold or otherwise disposed of with no further obligation to the Federal awarding agency.
J. Except as provided in 200.312 Federally-owned and exempt property, paragraph (b), or if the Federal awarding agency fails to provide requested disposition instructions within 120 days, items of equipment with a current per-unit fair-market value in excess of $5,000 may be retained by the non-Federal entity or sold. The Federal awarding agency is entitled to an amount calculated by multiplying the current market value or proceeds from sale by the Federal awarding agency’s percentage of participation in the cost of the original purchase. If the equipment is sold, the Federal awarding agency may permit the non-Federal entity to deduct and retain from the Federal share $500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.

The District may transfer title to the property to the Federal Government or to an eligible third party provided that, in such cases, the District shall be entitled to compensation for its attributable percentage of the current fair market value of the property.

2 C.F.R. 200.312, 200.313

ADMINISTRATIVE REGULATION

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