

Approved
January 27, 2009
Revised
September 29, 2016

AP 6550 DISPOSAL OF PROPERTY

References:

Education Code Sections 70902(b)(6), 81360 et seq., and 81450 et seq.

Real Property

The District can sell real property, or lease real property that includes an option to purchase pursuant to the provisions contained within Education Code Section 81360 et seq. If the lease does not include an option to purchase the financial proceeds may be expended at the discretion of the Chancellor within applicable laws.

Personal Property

The District may sell for cash any District personal property belonging to the District 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. There shall be no sale until notice has been given by posting. Notice shall be posted in at least three public places in the District for not less than two weeks or by publication 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. The District shall sell the property to the highest responsible bidder, or shall reject all bids.

The Chief Business Officer or designee may choose to conduct any sale of personal property 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 may 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:

- 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 District use.
- 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.

- The receipt of the property by a school district or community college district shall not be inconsistent with any applicable District or Campus Technology Plan of the recipient district.

Any item or items of property having previously been offered for sale as provided above, but for which no qualified bid was received, may be sold by the Chief Business Officer or designee at private sale without advertising.

The Chief Business Officer or designee shall determine whether an article to be replaced should be traded in for the new item or be declared surplus property. District employees shall have approval of the Chief Business Officer or designee before discarding or selling any item they consider surplus. The Chief Business Officer or designee shall determine when there is a sufficient volume of surplus property to require that a sales event be conducted to dispose of the property.

Alternatively, if the 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 Chief Business Officer or designee at private sale without advertising. If the Board, by a unanimous vote of those members present, finds that the property is of insufficient value to defray the cost of arranging a sale, the property may be donated to a charitable organization deemed appropriate by the Board, or it may be disposed of on order of the Chief Business Officer or designee.

The Chief Business Officer shall report all sales proceeds to the Board at least once annually.

Abandoned Property

The District may dispose, sell, or lease any abandoned property found within the District if any of the following conditions are met:

- Notice to the apparent owner is reasonably attempted and no response was received.
- The property is reasonably deemed lost, neglected, or pose a safety concern.
- There is clearly no intention to recover the property by the apparent owner.

Property Purchased with Federal Funds

The Federal definition of equipment is: tangible nonexpendable personal property, including exempt property charged directly to the award having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

All property acquired by the District with Federal funds shall be inventoried, maintained, and disposed of in accordance with Federal provisions.

Procedures for managing equipment purchased with Federal funds, until transfer or disposition takes place, shall meet the following requirements:

- The recipient's property management standards for equipment acquired with Federal funds and for Federally owned equipment shall include all of the following:
 - A description of the equipment
 - Manufacturer's serial number, model number, Federal stock number, national stock number, or other identification number.
 - Source of the equipment, including the award number.
 - Whether title vests in the recipient or the Federal government.
 - The information needed to calculate the Federal share of the equipment.
 - Acquisition date and unit acquisition cost.
 - Location, use, and condition of the equipment and the date the information was recorded.
 - Ultimate disposition data, including date of disposal and sales price or the method used to determine the current fair market value where a recipient compensates the Federal awarding agency for its share.