

ADMINISTRATIVE REGULATION

6550

SOUTH ORANGE COUNTY
COMMUNITY COLLEGE DISTRICT

BUSINESS AND FISCAL AFFAIRS

DISPOSAL OF PROPERTY

Supplies, materials, furniture, and equipment designated as obsolete or no longer suitable for use by a department must be clearly identified as such and transferred to the District Warehouse by use of a Property Transfer Request and Surplus Declaration Form located on the District's internal SharePoint site. Any technology equipment containing personally identifiable information (PII) and/or sensitive data/material requires the IT Director of the colleges and/or District IT Department to attest that the technology equipment has been sanitized (stripped, cleaned, degaussed and/or destroyed) of all PII and/or sensitive data/material prior to it being transferred to the District Warehouse.

The Chancellor has designated authority to the Vice Chancellor of Business Services to declare District personal property including, but not limited to supplies, materials, furniture, and equipment, as surplus property upon determination that it is unusable, no longer required, obsolete, or unsuitable for District purposes, and to dispose of the surplus property.

Supplies, materials, furniture, and equipment determined to be surplus property will be periodically submitted by the Chancellor or designee to the Board for approval prior to disposition. Upon approval by the Board, the disposal of the surplus property shall be in accordance with the following procedures:

I. DISPOSAL OF SURPLUS PROPERTY

- A. If the current market value of surplus property exceeds \$5,000, the District shall be required to post a formal bid notice for at least once a week for a period of not less than two (2) weeks in a newspaper published in the District and having a general circulation. The District at public auction may sell surplus property with a private auction firm either as individual pieces or in lots to the highest responsive and responsible bidder; the District reserves the right to reject all bids. The District may also utilize the Orange County Department of Education, or other commercial or public agency auctions and disposal programs as deemed necessary.
- B. If the current market value of the surplus property is less than \$5,000, it may be sold at public auction with a private auction firm either as individual pieces or in lots without advertising. The property shall be sold to the highest responsible bidder upon completion of the auction; the District reserves the right to reject all bids. The District may also utilize the Orange County Department of Education, or other commercial or public agency auctions and disposal programs as deemed necessary.
- C. If the surplus property may be sold at greater profit or value to the District at private sale instead of auction, and the current market value does not exceed \$5,000, such sale may be

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made without advertising. A private sale shall be conducted through an open negotiated process with a business entity and shall under no circumstance be made to an individual.

- D. If the Board, by unanimous vote of the members present, finds the property, whether one or more items, does not exceed \$5,000, and is of insufficient value to defray the costs of arranging a sale then the property may be donated to charitable organizations deemed appropriate by the Board, or it may be disposed of in a local public dump without advertising.
- E. Any item or items of property having been previously offered for sale as provided herein, but for which no qualified bid was received, may be sold at private sale without advertising. A private sale shall be conducted through an open negotiated process with a business entity and shall under no circumstance be made to an individual.
- F. Surplus property may be exchanged with, sold, or donated to a school district, community college district, public college, university, or other public entity without advertising.
- G. Surplus property may be disposed of by way of exchange for value or for trade-in value on new equipment when the item(s) to be disposed of are intended to replace an existing piece of equipment.
- H. District management employees, any employee who was involved in the purchase of the property, and those employees who had a part in the decision to designate the property as surplus may not buy property declared surplus. All other District employees may buy property declared surplus and sold at a public auction by a private auction firm.
- I. Unclaimed lost and found items delivered by Campus Police to the respective college's warehouse shall be declared as surplus and shall be included in the next public auction.
- J. Any piece of equipment or furniture that is deemed no longer safe or appropriate for its intended use, or that poses any form of health or safety threat to District staff or the general public, may be scrapped, recycled, or disposed of as trash.
- K. When appropriate, the District will notify Associated Student Government offices of surplus computer devices scheduled to be sold at public auction with a private auction firm. Students will have the opportunity to place bids in an effort to purchase the surplus computer devices. The surplus computer devices shall be sold to the highest responsible bidder upon completion of the auction; the District reserves the right to reject all bids.

II. PROCEEDS FROM SURPLUS SALES

Proceeds from the disposition of surplus property shall be remitted directly to the District Accounting Department and shall be allocated to the unrestricted General Fund through the District Resource Allocation Model.

Reference:

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

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