

DISPOSAL OF PROPERTY

References: Education Code §§70902(b)(6), 81450 et seq.

The Governing Board has the authority under Education Code §§81450 to 81460 to sell, auction, donate, or otherwise dispose of College District furniture, equipment, or materials that are unusable, obsolete, no longer needed, or unsuitable for College District use. The Governing Board may delegate to the Superintendent/President or her/his designee the authority to declare College District furniture, equipment, and various materials as surplus property upon determination that it is obsolete and unsuitable for College District use, and also to delegate the authority to dispose of surplus equipment and materials in accordance with Education Code provisions.

Equipment, furniture, and materials determined to be surplus property may be authorized for disposal by the Superintendent/President or his/her designee in accordance with the following procedures:

- A. If the current market value of the surplus property is less than the specified maximum dollar value as referenced in Education Code §§81450 et seq, it may be sold at public auction with a private auction firm either as individual pieces or in lots. The property shall be sold or transferred to the highest responsible bidder upon completion of the auction. At the discretion of the Director of Procurement, Central Services and Risk Management, the College District may also utilize the San Diego County Office of Education, or other commercial or public agency auctions and disposal programs as deemed necessary. Proceeds from all auction sales shall be remitted directly to the Accounts Receivable Department.
- B. If the surplus property may be sold at greater profit or value to the College District at private sale instead of auction, and the current market value does not exceed the specified maximum dollar value as referenced in Education Code §§81450 et seq, such sale may be made at the discretion of the Vice President for Business and Financial Affairs, or his/her designee.
- C. If the current market value of said property exceeds the specified maximum dollar value as referenced in Education Code §§81450 et seq, the College District shall be required to post a formal bid notice in a College District newspaper for not less than two (2) weeks. Surplus property may be sold by the College District to the highest responsive and responsible bidder, and the College District reserves the right to reject all bids. The Governing Board shall be required to formally approve all such sales.
- D. Proceeds from the disposition of surplus property shall revert to the general fund except for the following circumstances:

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1. When the equipment has been purchased from a categorical grant and the College District is required by the terms of the grant to restrict the use of the proceeds from the sale to the program for which the grant was received.
2. When the equipment has been donated to the College District to be used only in a designated program and when the proceeds of the sale also are restricted.

In the absence of either of the above provisions, the funds will be considered available for any purpose approved by the Governing Board.

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.

Surplus property may be exchanged with, sold, or donated to a school district, community college district, public college, university, non-profit, or other public entity.

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.

Lost-and-found items deemed to be more than \$250 in current market value shall be delivered to the Office of the Director of Procurement, Central Services and Risk Management by the Campus Police for inclusion in the next public auction.

Any piece of equipment or furniture that is deemed by the Director of Procurement, Central Services and Risk Management to be no longer safe or appropriate for its intended use, or that poses any form of health-or-safety threat to College District staff or the general public, may be scrapped or disposed of as trash.

Sometimes it is advantageous to "cannibalize" certain types of equipment because the value of the parts may exceed the probable sale or trade-in value of the equipment as a whole. The Director of Procurement, Central Services and Risk Management shall be responsible for determining if and when a piece of equipment should be broken down into parts to be used by the College District, instead of disposing of the equipment in the more traditional manner.

Office of Primary Responsibility: Vice President for Business and Financial Affairs