

## DISPOSITION OF DISTRICT PROPERTY

The Chancellor has designated authority to the Vice Chancellor of Business Services to declare District furniture, equipment, and various materials as surplus property upon determination that it is obsolete and unsuitable for district use, and to dispose of surplus equipment and materials in accordance with Education Code provisions.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 Vice Chancellor of Business Services in accordance with the following procedures:

### I. IDENTIFICATION OF SURPLUS PROPERTY

All items designated as no longer suitable for use by the District are to be clearly identified as surplus and transferred to the District Warehouse by use of a Property Transfer Request and Surplus Declaration Form.

### II. DISPOSAL OF SURPLUS PROPERTY

- A. If the current market value of surplus property exceeds the specified maximum dollar value as referenced in Education Code Section 81450 et seq, 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 the specified maximum dollar value as referenced in Education Code Section 81450 et seq, 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 the specified maximum dollar value as referenced in Education Code Section 81450 et seq, such sale may be 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.

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- D. If the Board of Trustees, by unanimous vote of the members present, finds the property, whether one or more items, does not exceed the specified maximum dollar value as referenced in Education Code Section 81450 et seq, 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 the 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 may not buy property declared surplus. All other District employees who have had no part in the decision to designate the property as surplus may buy property declared surplus and sold at a public auction by a private auction firm.
- I. Lost and found items delivered by Campus Police to the respective college’s warehouse 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, and the District reserves the right to reject all bids.

III. PROCEEDS FROM SURPLUS SALES

Proceeds from the disposition of surplus property shall be remitted directly to the District Accounts Receivable Department and shall revert to the fund from which the original expenditure was made.

*Reference:*

*Education Code 70902(b)(6) and 81450 et seq.*

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