



AP 6550 Disposal of District Personal Property

References: Education Code Sections 70902(b)(6); 81450 et seq.

1. Purpose:

This Administrative Procedure provides the procedures for the disposal of District-owned personal property, including furniture, equipment, and supplies that is no longer needed or not suitable for District's use. This procedure does not apply to District-owned real property (see AP 6500) or agricultural by-products produced by the District (see AP 6551).

2. Definitions:

- 2.1. **Active Inventory:** items currently active in the Asset Works Inventory System regardless of original acquisition price.
- 2.2. **Department:** unless otherwise noted, organizational unit that has custodial responsibility for property, including inventorial equipment, furniture and supplies.
- 2.3. **District Personal Property:** all personal property, equipment (inventorial and non-inventorial), tools, apparatus, material and supplies, to which title is vested in the Butte-Glenn Community College District.
- 2.4. **Equipment Management:** campus unit operating under the direction of Facilities Planning & Management (FPM) to control inventorial equipment.
- 2.5. **Excess Property:** property, including inventorial equipment and supplies, no longer needed by the department to which it is assigned.
- 2.6. **Excess Property Warehouse (EPW):** the District's clearinghouse for excess and surplus property operated under the direction of FPM, set up for the purpose of: returning into circulation equipment, furniture, and supplies excess to the campus, including remote locations; determining the marketability for an item determined to be excess property; arranging transportation of excess property to EPW; advertising the availability and price of available items to the campus at the MyBC Portal Facilities Planning and Management page and publicly available items to the general public through advertising at three locations in District or other announcements; determining when property becomes surplus to District needs; determining when an item's value is below the costs associated with handling, record keeping, storage, and sale; and ensuring compliance with State laws for disposal of District property. Sale through the EPW allows District departments to dispose of excess items and to purchase needed items at a cost savings.
- 2.7. **Facilities Planning & Management (FPM):** campus department charged with responsibility over property.
- 2.8. **Government Property:** all property, equipment, and expendable supplies, which may be made available to the District for use under specific contracts or grants, but title is vested in a Federal or State government agency.
- 2.9. **Inventorial Equipment:** equipment with an acquisition value of \$500 or more that is non-expendable, tangible, personal property, and has a normal life expectancy of more than one year.
- 2.10. **Member of the Immediate Family:** as used in this section, means the mother, father, grandmother, grandfather, or grandchild of the employee or of the employee's spouse, son, son-

in-law, daughter, daughter-in-law, brother, sister, registered domestic partner, step parents, step children, or any relative living in the immediate household of the employee.

- 2.11. Non-Inventorial Equipment: equipment with an acquisition value of less than \$500 that is non-expendable, tangible, personal property, and has a normal life expectancy of more than one year. Non-inventorial equipment may be added to the inventory at the discretion of Equipment Management.
- 2.12. Real Property: land, and generally whatever is erected or growing upon or affixed to land. Real property only includes those structures that are affixed to the land, not those which can be removed, such as equipment.
- 2.13. Recycling: campus unit operating under the direction of FPM that recycles paper, cardboard, aluminum cans, plastic bottles, metals, etc.
- 2.14. Supply Item: non-inventorial items including, but not limited to, furniture, office and laboratory supplies, and building materials.
- 2.15. Surplus Administrator: the individual designated by the Superintendent/President to control the disposition of excess property, the Director for Facilities Planning and Management.
- 2.16. Surplus Property: property, including inventorial equipment and supplies, no longer needed by any unit within the District.

3. Procedures

3.1. DELCARATION AND DISPOSAL OF EXCESS AND SURPLUS PROPERTY

Department heads have the authority to declare items of District personal property assigned to their custody as excess to department needs.

- 3.1.1. Department prepares an Excess and Surplus Property Disposal Form (ESPD form) for each item (or one form with an itemized list if items are to be sold as a lot), whether inventorial or not, including asset numbers of all items, and a brief description and condition of each item.
- 3.1.2. If item is electronic equipment, department initiates a work request with IT User Support Services to ensure data security, including cleaning electronic storage components, such as hard drives for computers, digital copiers, and fax machines, of all data and commercial software before disposal.
- 3.1.3. If item contains refrigerant or oil, or is hazardous, chemical or radioactive waste, department shall work with FPM for decommissioning items and completing appropriate forms.
- 3.1.4. Department initiates an electronic work request with FPM for picking up items, and forwards ESPD form to Excess Property Warehouse (EPW).
- 3.1.5. Excess Property Warehouse arranges for transportation of items to EPW. (Generally, items that weigh 250 pounds or more, or that are larger than a pickup truck bed, will not be moved, but will be advertised "as is, where is."). The department must provide a minimum of 10 business days advance notice to process and relocate excess property to EPW.
- 3.1.6. Excess Property Warehouse sends ESPD form to Equipment Management for review of the asset for District ownership and sponsor restrictions. If no ownership restrictions are found, Equipment Management signs and returns the ESPD Form to Excess Property Warehouse. EM changes department code in active inventory to EPW.

- 3.1.7. Excess Property Warehouse determines if the item has market value.
- 3.1.8. If marketable, EPW advertises the availability of items to the campus via the MyBC Portal Facilities Planning and Management page or other announcements for redistribution to departments, which may include a nominal handling fee.
- 3.1.9. If the item's value is below the costs associated with handling, record keeping, storage, and sale, EPW determines the item is surplus property.
- 3.1.10. After EPW has unsuccessfully advertised excess property for sale or transfer to other departments within the District, or it has otherwise been determined to be surplus property, Surplus Administrator determines the excess property is surplus to the needs of the District and what method of disposal provides the best return or benefit to the District.
- 3.1.11. Surplus Administrator makes recommendation to Vice President for Administration to declare excess property items as surplus to the needs of the District and to authorize disposal.
- 3.1.12. The Superintendent/President or the Vice President for Administration declares excess property items as surplus and authorizes disposal of items in accordance with this Administrative Procedure.
- 3.1.13. Excess Property Warehouse disposes of surplus property items by authorized method; completes ESPD form and provides copy to EM; and initiates insurance endorsement, when necessary, and forwards to Risk Management.
- 3.1.14. Equipment Management updates active inventory for asset retirement or transfer.
- 3.1.15. When item is sold, EPW forwards a copy of ESPD form, a Butte College Deposit Statement (available in Business Services), the proceeds, and required supporting documentation for sale to Business Services. Business Services credits the fund from which the original expenditure for the purchase of the property was made with sale proceeds.

3.2. METHODS FOR DISPOSAL OF SURPLUS PROPERTY

District personal property declared as surplus property may be disposed of by one of the following methods.

- 3.2.1. The District may sell for cash any District personal property 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. District personal property declared as surplus cannot be sold until notice has been given. Notice must be posted in at least three public places in the District for not less than two weeks; notice may also be by publication for 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. If there is no such newspaper, then notice can be published in a newspaper having a general circulation in the county in which the District or any part thereof is situated. The Vice President for Administration shall sell the property to the highest bidder, or reject all bids. (Education Code § 81450)
- 3.2.2. District personal property authorized for sale as surplus may be disposed of 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 Vice President for Administration shall transfer the personal property to the highest responsible bidder upon completion of the auction and after payment has been received by the District. (Education Code § 81450)
- 3.2.3. The District may exchange for value, sell for cash, or donate any personal property belonging to the District if all of the following criteria are met:

- 3.2.3.1. The District determines that the personal 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 school use.
- 3.2.3.2. The District personal 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.
- 3.2.3.3. The receipt of the District personal property by a school district or community college district will not be inconsistent with any applicable district wide or school site technology plan of the recipient district. (Education Code § 81450.5)
- 3.2.4. The District may utilize the services of a county purchasing agent for the sale of personal property. (Education Code § 81451)
- 3.2.5. If the Board, by a unanimous vote of those members present finds that the District personal 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 Vice President for Administration at private sale without advertising. (Education Code § 81452)
- 3.2.6. Any item or items of property having previously been offered for sale as provided in Section 3.2.1 of this Administrative Procedure, but for which no qualified bid was received, may be sold by the Vice President for Administration at private sale without advertising. (Education Code § 81452)
- 3.2.7. 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 in the local public dump on order of the Vice President for Administration. (Education Code § 81452)
- 3.2.8. The District may dispose of District personal property for the purpose of replacement by providing in the notice calling for bids for furnishing new materials, articles, or supplies that each bidder shall agree in his bid to purchase the property being replaced and to remove it from the school grounds and shall state in his bid the amount which he will deduct from the price bid for furnishing new materials, articles, or supplies as the purchase price for the personal property being purchased from the District. The District shall let the contract to any responsible bidder whose net bid is the lowest, or shall reject all bids. (Education Code § 81454)
- 3.2.9. The District may enter into contracts with manufacturers or suppliers for the exchange of household appliances and equipment belonging to the District and used for instructional purposes for new property of like class and kind for a similar use without advertising for or taking bids; provided, the cost to the District for such exchange shall not exceed the excess, if any, of the manufacturer's or supplier's selling price of the new property over the original cost to the District of the property being disposed of by the District, plus any applicable tax. (Education Code § 81455)
- 3.2.10. The District may, when calling for bids and letting contracts for constructing new school buildings, or repairing, altering, adding to, or reconstructing existing school buildings, or demolishing existing school buildings, require each bidder for the performance of the work to agree in his bid to purchase and to remove from the school grounds all old materials required by the specifications to be removed from any existing school building on the same school grounds and not required for school purposes and to state in his bid the amount which he will deduct from the price bid for the work as the purchase price of

the old materials. The District shall let the contract to any responsible bidder whose net bid is the lowest, or shall reject all bids. (Education Code § 81456)

3.2.11. The Superintendent/President or Vice President for Administration may sell to any student District personal property which has been fabricated by such student, at the cost to the District of the materials furnished by the District and used therein. (Education Code § 81457)

3.2.12. The District may sell to persons enrolled in classes for adults maintained by the District materials that may be necessary for the making of articles by those persons in the classes. The materials shall be sold at not less than the cost thereof to the District and any article made therefrom shall be the property of the person making it. (Education Code § 81458)

3.2.13. The District may, in accordance with regulations adopted by the governing board of the district and for educational use, sell, give, or exchange for similar published materials, published materials prepared by the district in connection with the curricular and special services that the district is authorized to perform. Unless restricted by the regulations of the governing board, the sale or gift may be made to, and the exchange may be made with, any person, political subdivision, public officer or agency, or educational institution. The distribution of the published material in accordance with this section is declared to be a public purpose and in furtherance of Section 1 of Article IX of the California Constitution.

The District may also license the use of copyrights held by the District, to the same persons or entities and for the same purposes as provided in the above paragraph.

The District shall grant a license to any public agency organized under the authority of this state, unless an exclusive license has previously been granted a private publisher.

Any charge which may be assessed such a public agency for the license to use the copyright or for materials, to which the District holds the copyright, shall not exceed the cost to the District of the preparation and reproduction of the materials.

Any granting of a license, by the District, to reproduce copyrighted material is declared to be for a public purpose in furtherance of Section 1 of Article IX of the California Constitution. (Education Code § 81459)

4. General Rules

4.1. Departments are not authorized to give away excess personal property to individuals or external sources, including vendors or non-profit organizations; or throw away or salvage excess property.

4.2. Items requiring special handling:

4.2.1. Government Property. When government property becomes excess to the contract or grant for which it was provided, it must be screened against the needs of other government contracts or grants prior to being declared excess. The Department disposing of government property must obtain written disposition instructions from the sponsoring agency.

4.2.2. Firearms. Disposition of firearms requires special handling based on Part 178 of Title 27 Code of Federal Regulations (CFR).

4.2.3. Donated Property. The Department disposing of donated property shall verify that specific requirements regarding disposition of donated property have been met.

- 4.2.4. Gifts-in-Kind. The department shall immediately notify the Office of the Vice President for Administration if the gift-in-kind is sold. Reports of sales shall be made on the processed gift form, noting "gift sold", the month/day/year of sale and the sale price. The office of the Vice President for Administration shall complete IRS Form 8282 and submit to the IRS within 125 days of the sale, as required for gifts valued at \$5000 or more that are sold within three years of receipt. Copies of the form shall be sent to the donor and the department.
- 4.3. Restrictions on sales to employees:
 - 4.3.1. Employees of the department releasing the property and members of their immediate family are prohibited from purchasing surplus District property.
 - 4.3.2. Employees of Facilities Planning & Management or Equipment Management and members of their immediate family are prohibited from purchasing surplus District property.
 - 4.3.3. The sale of a District-owned motor vehicle, to its principal driver, or any members of their immediate family is prohibited.
 - 4.3.4. The aforementioned employees shall not have anyone else acquire surplus District property on their behalf.
 - 4.3.5. Exceptions to these provisions must be approved by the Superintendent/President or the officer delegated by the Superintendent/President to control property.
- 4.4. In accordance with state law and District Administrative Procedures 2710 and 2715, no member of the Board of Trustees shall be a purchaser at any sale of surplus property by the District.
- 4.5. The money received from the sale of District personal property shall be placed to the credit of the fund from which the original expenditure for the purchase of the property was made. (Education Code § 81453)
- 4.6. All sales of surplus property will be reported to the Board quarterly.

5. Further Information

- 5.1. Questions should be directed to Facilities Planning & Management; <http://www.butte.edu/fpm/>.

Approved: 10/13



EXCESS AND SURPLUS PROPERTY DISPOSAL FORM

INSTRUCTIONS

See Administrative Procedure 6550 Disposal of Property for complete instructions.

1. Use this form to report all district personal property that is excess to your department's needs.
2. Complete a separate form for each item. Multiple quantities of like items may be listed on one form.
3. Verify you have custody of, and District has title to, each item. If unsure, contact Equipment Management at ext. 7506.
4. If the equipment contains a hard drive (for example, computers, servers, copier, printers and fax machines), initiate a work request with User Support Services for removal.
5. Forward the completed and signed form to the Excess Property Warehouse (Mail Code FPM).

DEPARTMENT NAME	CUSTODIAL CODE	DATE

ITEM DETAILS

BGCCD ASSET #	MAKE AND MODEL	SERIAL NUMBER	LOCATION: BLDG/RM

Description of item (one item only): _____

Potentially Contaminated or Hazardous Items: Items that contain/previously contained hazardous material will not be collected unless clearance from FP&M. Initial to verify FP&M clearance _____.

Condition of Item: Never Used/New Good Usable/Fair Needs Repair/Poor

Indicate Ownership: DISTRICT STATE OR FEDERAL GOVERNMENT OTHER _____

For Oversized items: Height: _____ Width: _____ Depth: _____ Weight: _____

Computer Data Destruction: Prior to disposing of computers, data storage devices, and media, IT User Support Services shall destroy all software and data files.

- Software and data files on the hard drive have been overwritten/destroyed.
- The hard drive has been removed from the equipment.
- Request that the equipment be recycled (not disposed of as is).

CERTIFIED BY SIGNATURE:

DELIVERY & SALES INFORMATION

Item Delivery: Delivered by Department Picked up by EPW On View at Location

Potential Buyers: <small>Note: All price negotiation is to be handled by EPW.</small>	Name: _____	Address: _____	Phone: _____
	Name: _____	Address: _____	Phone: _____

Additional Information: _____

DEPARTMENT APPROVAL

Authorized Department Signature	Dean/Director	Vice President
Date: _____	Date: _____	Date: _____

INVENTORY DISPOSITION

Item is not inventoried.

Item was on department inventory, but has been transferred to EPW.

EQUIPMENT MANAGEMENT SIGNATURE:

SURPLUS APPROVAL

Declare Item(s) Surplus and Dispose by Method: [insert method from AP 6550]

Director for FP&M	Superintendent/President or Vice President for Administration
Date: _____	Date: _____

DISTRIBUTION

Excess Property Warehouse (Original), Equipment Management, Originating Department, If Sold - Business Services

For Excess Property Warehouse Use Only

Receipt by EPW:	NAME:	DATE:	
DISPOSITION	<input type="checkbox"/> Transfer/Sold to Other Dept	<input type="checkbox"/> Sold to Public	DATE:
	<input type="checkbox"/> Salvage	<input type="checkbox"/> Donation	
	<input type="checkbox"/> Trade-In/Replacement	<input type="checkbox"/> Other	