Suggested Policy and Format. Agency Specific policies should be developed in consultation with agency legal counsel, Board of Directors and appropriate regulatory agencies.

AGENCY
DISPOSITION OF SURPLUS PROPERTY

I. POLICY

1. " Surplus property" shall be defined as supplies, materials, or equipment no longer used or needed by AGENCY, or which have become obsolete or worn out.

2. Each item to be declared as surplus property shall be identified by description, serial number or other identification number, acquisition date, original acquisition cost, funding source, percentage of federal participation in the cost of the item, item location, use and condition, and other disposition data including the anticipated date of disposal and sale price, as appropriate.

3. The Board of Directors shall declare appropriately identified items as surplus property by resolution prior to disposition.

4. The Executive Director or his/her designee shall implement the most appropriate, cost-effective disposal procedures in accordance with any one or combination of the following methods:

   (a) Participation by AGENCY in another local agency's public agency auction sale, where participation requires no or minimal payment by AGENCY to the coordination agency, and where AGENCY may realize reasonable profit;
   (b) Conveyance of surplus property to other government agencies, school, or non-profit organizations by direct negotiated sale;
   (c) Donation of surplus property to other government agencies, schools, or non-profit organizations if it is for a public purpose of, and of benefit to, AGENCY;
   (d) Disposition of remaining items to local landfill.

5. Employees may **<u>NOT</u>** participate in any public auction sale that includes AGENCY surplus property.

Adherence to the Code of Federal regulations is required for surplus property that was originally grant funded. The Code of Regulations (49 CFR 18.32(e)) states that "(1) Items of equipment with a current per-unit fair market value of less than $5,000 may be retained, sold or otherwise disposed of with no further obligation to the awarding agency. (2) Items of equipment with a current per unit fair market value in excess of $5,000 may be retained or sold and the awarding agency shall have a right to an amount calculated by multiplying the current market value or proceeds from the sale by awarding agency's share of the equipment."

II. PROCEDURES

Responsible Staff	Action
Administrative Section	Annually evaluates AGENCY's fixed asset physical inventory and prepares a listing of all supplies, materials or equipment, which are no longer functional, used, or needed.
Administrative Section	Finalizes Listings of Proposed Surplus Property and appropriate resolution and presents these documents to the Board of Directors for review and approval.
Board of Directors	Approves or denies Listing of Proposed Surplus Property. Approval is designated by adoption of resolution.
Executive Director/Designee	Determines most appropriate, cost-effective method for disposing of items declared "surplus" by the Board of Directors , in accordance with disposition methods outlined in the policy above. Directs staff appropriately.
Administrative Section	Maintains file of all surplus property disposed of in accordance with this policy; ensures that surplus property dispositions are removed from service in the Fixed Asset Physical Inventory Listing following disposition.