

CHAPTER 21

DISPOSITION OF SURPLUS

21-1 GENERAL

The final step in the purchasing cycle is the disposition of the item when it is no longer useful to the school/department. Timely identification of surplus and obsolete material is essential to an effective disposition program.

21-2 METHODS OF DISPOSAL

When items become excess, obsolete or surplus, the using school/department must report them to the Purchasing Department (Property Redistribution). In all cases of property disposal, Capital Assets must be notified to update the Department's Fixed Asset Accounts. The following are the methods of disposition that may be used for the items:

A. **TRANSFER OF PROPERTY FOR RE-USE/DISPOSAL** - The following instructions are provided to assist you when requesting property redistribution. The services provided by this department include:

- Providing school/department access to surplus property housed in the District Warehouse located at 1481 Australian Avenue, Riviera Beach.
- Transferring of property from school/department to other District facilities.
- Picking up property designated as excess/surplus by schools/departments.

The following is the procedure for requesting service from the Property Redistribution Center:

- If you have requested an item or items from PUBLIC SURPLUS AUCTION, Property Redistribution will contact you to coordinate delivery. You also have the option of picking up items selected from PUBLIC SURPLUS AUCTION or from visiting Property Redistribution.

For delivery of personally tagged items at the Redistribution Warehouse or request for pick-up of property being transferred to Redistribution or another school/department:

- Send an e-mail to equip@palmbeach.k12.fl.us
- List the Subject: "PICK UP REQUEST" or "DELIVERY REQUEST", whichever is appropriate.
- In the body of the message, request a pick-up or delivery. Include location name along with a contact person and their phone number. If delivery is from the Redistribution Warehouse, list the items to be delivered. Requests for items personally tagged at the Redistribution Warehouse must be received within ten days of when the items were tagged or the items will be put back into the pool of available to tag property.
- Requests for pickup must include a completed copy of the Transfer of Property Form (PBSD 0082) emailed to Property Redistribution.
- **A pick up will not be scheduled until the email and Transfer of Property Form, properly filled out, are received in Property Redistribution.**
- You will be contacted via telephone prior to delivery or pickup.
- A signed copy of the Transfer of Property Form should be kept in the administrative area of your location. Additional copies are also required for Property Redistribution and Capital Assets.

Purchasing Manual - Chapter 21

Should you have any questions, please contact Property Redistribution at 882-8539 (PX 88539) or Capital Assets at 434-8173 (PX 48173).

- B. **TRADE-IN** - The Purchasing Agent, in conjunction with the school/department may determine that it is advantageous to the District to seek bids on replacement items with a trade-in allowance. The Board must approve the trade in of any District owned property.
- C. **CANNIBALIZATION** - Disassembling an item to use its components for repair or maintenance of a similar item is authorized only if cannibalization has more potential value and benefit than disposal or trade in of the item. Cannibalized property returned to Redistribution must be marked "C" in the Reason Code Column of the Transfer of Property Form.
- D. **DONATION** - Disposal of a capital asset by donation must meet specific requirements and be approved by the Australian Site Warehouse Manager who will make the decision based on District Policy.
- E. **HAZARDOUS MATERIALS** - There are strict federal and state requirements for the disposal of hazardous materials. Schools/Departments which generate hazardous materials shall use District contracts for the proper disposal of these materials.

21-3 **ALLOCATION OF PROCEEDS**

Unless otherwise directed by the School Board or required by a grant, the proceeds from the disposition of surplus or excess property will be deposited to the District's general fund.

21-4 **SALES TO EMPLOYEES**

Employees of the disposing school/department or of the District's departments processing surplus and excess property may not purchase items with a value greater than \$1,000. Employees without connection to the surplus item may purchase the property when the sale is to the highest bidder at a public auction or by sealed bid.

21-5 **SECURITY OF PROPERTY**

Schools/Departments are responsible for the reasonable care and security of items declared surplus during the entire disposal process. A continuous "paper trail" of accountability for an item should be maintained. Transferring schools/departments must be certain that the recipient of an item is properly authorized to receive the item.

21-6 **DOCUMENTATION**

Transfer of Property Form (PBSD 0082) -- A form that is used to report the transfer or disposition of an excess item.

21-7 **DISPOSAL OF GRANT FUNDED EQUIPMENT**

When equipment was purchased using funds from State or Federal grant funds, the provisions of the grant must be followed during the disposal. It is the disposing school's/department's responsibility to notify Purchasing at the time of the Surplus

Purchasing Manual - Chapter 21

Property Report of any grant provisions, proceeds from disposal may be returned to the grant funding agency, rather than the District's general fund.

21-8 EXCESS, OBSOLESENE & SCRAP POLICY

STATUS A:

By definition all property in the Redistribution Warehouse has been declared excess or obsolete by the school or district department that sent the property to the warehouse. Property in this status shall be considered property in Status A Excess or Obsolete.

STATUS B:

The second level of status of property in the Redistribution Warehouse is property that is excess or obsolete to the district. Property in this status shall be considered property in Status B Excess. Property that has resided in the Redistribution Warehouse for ninety calendar days, excluding June and July, shall be declared in Status B Excess. Property in Status B Excess may be made available to the public for purchase through live auction, Internet auction or put out for bid through other Board accepted means. Property that is Obsolete to the District will be sold through the above means with no waiting period. Property that the District does not want reused in the District may be placed on auction upon receipt at Property Redistribution.

STATUS C:

The third level of status of property in the Redistribution Warehouse is property that has been put out to bid to the public and was not sold due to no bids being received. Property in this status shall be considered in Status C Excess or Obsolete. Property in Status C is declared scrap and will be treated as such.

SCRAP:

Property shall qualify as scrap if it falls into one of the following categories:

- The property has attained Status C Excess or Obsolete
- The property can no longer perform the function it was intended to perform. Items that fall into this category may be, but are not limited to, broken or unsafe furniture or other property, seriously cosmetically damaged property and inoperable electronic devices.

Electronic Waste- All electronic waste (TV's, computers, monitors and other electronic equipment) will be processed through Property Redistribution. Contact Property Redistribution for information specific to your situation on how to dispose of electronic waste.

Property categorized as scrap may be disposed of in the trash or sold as scrap if there is a market for the property as a scrap item. Any scrap sold may be made available to the public for purchase through live auction, Internet auction or put out for bid through other Board accepted means.

PROPERTY REDISTRIBUTION PROCEDURES

The purpose of the Property Redistribution Warehouse is to provide a standard procedure for the receipt, issue, temporary preservation, and disposition of surplus property. Their objective is to provide an efficient and timely service of collection and disposal of District surplus equipment that will keep schools and departments free of excess equipment and provide disposal of surplus at the highest dollar value possible. This procedure is applicable to all personnel utilizing the Redistribution Warehouse.

SERVICES PROVIDED

- A. Surplus property available for re-use.** It is located at the Property Redistribution Warehouse on Australian Avenue in Riviera Beach. Schools and departments may send a representative to the Warehouse to tag available furniture/equipment.
- B. Transfer of Property** – from schools/departments to other facilities.
- C. Pickup of Excess / Surplus Property** – from schools and departments for disposal.

PROCEDURES FOR REQUESTING SERVICES

- A. Pickup of Excess / Obsolete Equipment and All Usable Furniture**
 - 1. Send an email to “Property Redistribution” from the Global Address Book in Outlook.
 - 2. Provide complete description, quantity of items to be picked up, school or department name, contact person and telephone number.
 - 3. You will be contacted prior to pick-up or delivery.
 - 4. Prior to a pickup a “Transfer of Property” form (PBSD 0082) must be properly completed and e-mailed to Property Redistribution. Contact Property Redistribution at 561-882-8539 (PX 88539) with any questions.
 - 5. The Property Redistribution Warehouse will forward signed copies of transfer forms to the Capital Assets Department to update the location of these items accordingly.
- B. Receipt of Surplus Property from the Redistribution Warehouse for Re-Use**
 - 1. Call Property Redistribution at 882-8539 (PX 88539) and coordinate a visit to the Redistribution Warehouse to select and tag requested furniture / equipment.
 - 2. Prepare a “Transfer of Property” form (PBSD 0082) identifying items selected by the school/department during the visit to the Redistribution Warehouse.
 - 3. The Redistribution Warehouse will coordinate delivery of items selected or the school or department may choose to pick them up.
 - 4. The Property Redistribution Warehouse will forward signed copies of transfer forms to the Capital Assets Department to update the location of these items accordingly.
- C. Transfer of Property between Facilities**
 - 1. Send email to “Property Redistribution” from the Global Address Book in Outlook.

Purchasing Manual - Chapter 21

2. Provide description, quantity of items to be picked up, contact person and telephone number.
3. You will be contacted prior to pick-up.
4. The releasing facility will prepare the "Transfer of Property" form (PBSD 0082) identifying all items to be moved.
5. At the time of pickup, the releasing school/department will sign the "Transfer of Property" form releasing the furniture/equipment to the receiving school/department.
6. Upon delivery of property, the receiving school/department will sign the "Transfer of Property" form in the appropriate space accepting ownership.
7. The Property Redistribution Warehouse will forward signed copies of transfer forms to the Capital Assets Department to update the location of these items accordingly.

D. Request for Donations

1. Requests for donations must be approved by the Australian Warehouse Site Manager and the Manager's approval must be consistent with District policy. All requests must be on the letterhead stationery of the organization.
2. Any organization requesting donations must be affiliated with the Palm Beach County School District, i.e., paid School District staff members or an after-school program directly associated with a particular school or is affiliated with a governmental agency within Palm Beach County.
3. Donations of items determined to be "scrap" as defined in Section 21-8 may be made to non-profit organizations.

E. Gifts / Donations to the District

All donations (i.e., computers, furniture, etc.) offered to the Palm Beach County School District, Redistribution Warehouse, must be approved by the Manager of Warehousing and Distribution and the Director of Purchasing. (See Administrative Directive D6.05).

PROCEDURES FOR USE OF PUBLIC SURPLUS AUCTION

1. Viewing and Acquiring Items for Use Within the District

Items for sale at auction may be found at www.publicsurplus.com. If an auction is already released to the public and you want the item for your department or school, contact Property Redistribution immediately via email so that the auction can be withdrawn from the public auction. Item may be withdrawn from the auction while the auction is still active. Once an auction is completed the item is sold and is no longer available.

If you want the item delivered to your school or department, send an email to equip@mail.palmbeach.k12.fl.us listing the auction number, item name and description, quantity, contact name and PX number, and the school/department.

2. Viewing and Acquiring Items for Personal Use

(Viewing auctions for personal use should only be done outside normal work hours or on your personal computer.)

If you wish to bid on items that have been released to the public for auction, access the site at www.publicsurplus.com. After you register as a new user, you may view and bid on any of the auctions on the site. Because this website is used by other governmental agencies and school districts throughout the country, you should be careful to note what location is auctioning the item. The safest way to ensure you are looking at items auctioned by The School District of Palm Beach County is to indicate (on the home page) "Florida" in the field designated for the region and "The School District of Palm Beach County" in the field designated for the organization.

Any item purchased through the auction must be picked up at the location designated in the auction for that item. No item auctioned to the public will be delivered. Payment must be made by money order with tax added. The money order should be made payable to the School District of Palm Beach County. No cash or personal checks will be accepted.

Before bidding on items you should be aware of Purchasing Policy 21-4, "Sales To Employees" which states: Employees of the disposing school/department or of the District's departments processing surplus and excess property may not purchase items with a value greater than \$1,000. Employees without connection to the surplus item may purchase the property when the sale is to the highest bidder at a public auction or by sealed bid.

Should you have questions or need clarification regarding any of the above information, please contact Bill Hayes at 882-8536 or PX 88536.