**COUNTY OF SACRAMENTO**

**Surplus Property Policy**

**Purpose**

To establish a policy regarding the disposal of County-owned surplus personal property and other personal property under the custody of the County; to ensure that sales are conducted in an open, competitive environment, and that maximum public exposure to the disposal process is accomplished; to minimize disposal costs, and assure that revenue from sales is maximized and obtained in a timely manner.

**Background**

The disposal of County-owned personal property considered scrap and/or surplus to the County's needs is normally accomplished by the Contracts and Purchasing Manager in accordance with Sacramento County Administrative Code Section 2.56.300. It is financially advantageous to the County to dispose of scrap and/or surplus personal property in a manner that expeditiously maximizes revenue and converts idle equipment and materials to revenue, thereby recovering funds for other uses.

**Policy**

The policy shall apply to all sales of scrap and/or surplus County-owned personal property, including lost or abandoned personal property and forfeiture program assets, federal and State grant personal property when authorized by the grantor, and private personal property entrusted to County officials for disposition unless otherwise excepted. Therefore, it is the policy of the County of Sacramento Board of Supervisors that:

1. Elected officials, department heads, and staff responsible for County-owned personal property shall continually monitor the use of fixed assets, minor equipment, supplies, and materiel to ensure that personal property, when no longer needed or not utilized as trade-in on new acquisition, are transferred to the Director of Purchasing and Contracting for timely redistribution and/or disposal in accordance with Section 2.56.300 of the Administrative Code of the County of Sacramento.
2. Disposal of applicable County-owned surplus personal property, including lost or abandoned personal property transferred to the Contracts and Purchasing Manager or designee with an estimated Fair Market Value (FMV) of $500.00 or more, shall normally be accomplished through public auction as the preferred method of sale whenever practical. Public Auctions shall be accomplished using electronic commerce (online) sites that specialize in Public Property.
3. All public sales of property by the Contracts and Purchasing Manager or designee, shall be noticed on the County’s Internet site.
4. Proceeds from the sale of County-owned property and equipment that are considered fixed assets and/or that have a FMV of $500.00 or more will be deposited to the County General Fund or other fund designated by the owning Department. Property and equipment acquired using grant funds and that require sale proceeds to be returned to the grantor must be separately identified at time of transfer to the Contracts and Purchasing Manager or designee. Proceeds from the sale of non-fixed assets will be deposited into the County of Sacramento Capitol Construction Fund.
5. Sales to Federal, State, and Local Municipalities and Governmental Agencies. When County departments and officials responsible for County-owned property have declared an item surplus to the County's needs, and the Contracts and Purchasing Manager or designee has determined that the item should be sold in accordance with current procedures, such items may be sold to municipalities and government agencies in accordance with the following guidelines. Prior to consummating any sale to a local municipality or government agency located in Sacramento County, the Contracts and Purchasing Manager or designee shall ensure that right of first refusal for known requirements is offered to County Departments and entities first.
6. If the estimated fair market value, as determined by the Contracts and Purchasing Manager or designee, does not exceed $25,000, a negotiated sale may be conducted with the governmental agency and sale of the item concluded at the price determined to be fair and reasonable without competitive bids.
7. If the estimated fair market value, as determined by the Contracts and Purchasing Manager or designee, is greater than $25,000, but does not exceed $100,000, the Chief Administrative Officer’s approval shall be obtained prior to any sale. Information provided to the Chief Administrative Officer shall, as a minimum, identify the government entity and the rationale behind the sale at that value.
8. If the estimated fair market value, as determined by the Contracts and Purchasing Manager or designee, is greater than $100,000 or the sales price is less than the determined fair market value, Board of Supervisors’ approval shall be obtained prior to any sale. Information provided to the Board of Supervisors shall, at a minimum, identify the government entity and the rationale behind the sale at that value.

1. Donations of County owned surplus equipment with a FMV estimated at $250.00 or less may be donated to special districts and public non-profit charitable organizations at the discretion of the Contracts and Purchasing Manager or designee. For the purposes of this policy, charitable organizations shall mean a nonprofit organization exempt from taxation under the provisions of the Internal Revenue Code, 26 U.S.C. 501 (C) (3), whose primary purpose is public service.

1. Typical items that can be donated include but are not limited to computers, laptops, monitors, miscellaneous office supplies, desks, file cabinets, televisions, etc.
2. All donated computer equipment must meet the following criteria:

* All licensed software will be removed from computers.
* All electronic files will be deleted from computers prior to donation
* Computers may be reloaded with operating system software only if legal.
* All inventory and identification tags, as well as Help Desk tags, will be removed from the equipment.
* The County will not guarantee the current or future working condition of the equipment.
* The County will not provide technical assistance with the set-up, repair or operation of the equipment.

1. Non-working electronic or universal wastes may not be sold or transferred. Mercury containing devices such as gauges, thermostats, sphygmomanometers, thermometers, etc., may not be sold and must be managed in accordance with California Code of Regulations Title 22 §66273.
2. Departments and officials responsible for monitoring use and disposal of surplus property under their custody may seek the Board of Supervisors’ approval for an exception to this policy when it is in the best interest of the County.