

## **SALES AND DISPOSAL OF SURPLUS PROPERTY**

It is in the best interests of the school district to periodically inventory and catalog surplus property, then transfer, repair, sell or dispose of those items. The board of education has authority to dispose of school district property it considers no longer necessary or useful for school purposes. It is the policy of the Rapid City Area School District to receive a list of surplus items from all district building leaders at least once per year. The lists will be sent to the Superintendent or designee, which will coordinate the effort to evaluate and redistribute property. The building administrator need not list obsolete textbooks, library books, other educational workbooks, non-licensed software, non-electronic equipment having zero value and have discretion on whether to give away these items to students at no cost, recycle or destroy.

### **1. Classification of Surplus Property**

Each building administrator will use multiple copies of the "Disposal of School District Property" form and classify the surplus property in the following categories: "Computers, Software & Electronics," "Furniture and Storage Items," "Tools," "Motor Vehicles," or "Miscellaneous Property." The building administrator will categorize the property on each respective form and when completed, send to the Superintendent or designee.

### **2. Intra-District Transfers**

Upon receipt of the itemization list, the Superintendent or designee, will determine which items it deems as "surplus," then post all lists district-wide for trade to other buildings within the district. Trades will be made on a first come, first served basis, subject to approval from the Superintendent or designee. If another district building elects to take the item(s), the receiving building leader will advise the Superintendent or designee, who will approve/disapprove, and if approval is given, advise the transferring building leader of the trade. The receiving building administrator will be responsible to pick-up the item(s) and to advise the Superintendent or designee when the transfer is done.

### **3. Valuation of Surplus Items**

Once intra-district transfers are completed, the Superintendent or designee will appoint three property owners within the district or an appraiser to value the remaining property. Special consideration will be given to the district Information Director of Technology's opinion of value and usefulness which will be noted on the form prior to the valuation team/appraiser's review. If the Director of Information Technology believes any electronic or computer equipment may be repaired, updated, and/or salvaged for continued use within the district, he/she

will remove that property from the list, oversee repair and/or reassignment based on best-use and notify the Superintendent or designee of the same.

4. Disposal Procedures

Following board of education approval, Superintendent or designee will be guided in disposal procedures by the following:

A. Property or materials estimated as having a value of greater than \$500 may be disposed of by the following methods:

1. Transfer to another state agency for terms and conditions to be agreed upon between the District and other state agency.
2. The property may be sold at public auction. The auction will be advertised by posting notices in the official newspaper of the district for two consecutive weeks, the first of which may not be less than 10 days before the sale. The notice of sale will describe the property to be sold and the time of the auction. The property need not be appraised, but the Board will establish a minimum price.
3. Exchange as trade-in for replacement equipment.
4. Private direct sale based on the highest bidder, but at no less than 90% of fair market value. Sale will be properly advertised for two consecutive weeks in the official newspaper, the first of which may not be less than 10 days before the sale. The notice of sale will describe the property to be sold and the time when the board of education will open and close bids. Sealed bids will be filed with the business manager and be opened at the board of education meeting as specified in the notice. The property will be sold to the highest bidder, however, the board of education reserves the right to reject any and all bids.

B. Property or materials estimated by the administration or designee to have a value of less than \$500 may be sold by the following methods:

1. Transfer to another governmental or authorized entity with or without charge pursuant to SDCL Ch. 6-5.
2. Public auction.
3. Direct sales to the public for established price.
4. Exchange as trade-in for replacement equipment.

5. Sales through agents or representatives for a negotiated fee
  6. Internet sales.
- C. Any property that is obviously inoperable or capable of repair and assessed at zero value may be disposed of in the discretion of the District in the appropriate manner.
4. Inter-Governmental, Public or Private Transfers

After the valuation is completed, the Superintendent or designee will prepare an exhibit to be considered by the board of education at the next meeting compiling surplus property and recommending a course of action. Listed items will be transferred, sold or otherwise disposed of based on board of education vote. Once vote is completed, the Superintendent or designee will give notice of the time, date, method of disposal, based on notice requirements and will complete disposal procedures. Transfers or sales to other governmental entities will have precedence over public or private sale as long as the district receives adequate value.

Any issue or procedure for disposal or transfer unaddressed by this policy will be governed by South Dakota Codified Law Ch. 6-13 regarding Disposal of Surplus Property, or SDCL Ch. 6-5 covering Exchanges Between Governmental Entities. If this policy conflicts with language in any statute of those Chapters, the statute will control.

Adopted 12/15/81  
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Legal References:  
SDCL 13-21 – Disposal of School District Property