

COUNTY OF VENTURA

General Services Agency

Administrative Services

Procurement Services

Surplus Property Policy & Procedures Manual

Government Center

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Introduction

This Policy and Procedures Manual is developed and distributed by the General Services Agency (GSA) Procurement Services Division. It is intended to serve as reference for County agencies and departments for the disposal of County personal property. This guide documents the responsibilities of Procurement Services, Central Warehousing, and individual agencies and departments.

Updates to this guide will be posted on the Procurement Services' intranet site at <http://vcweb/gsa/purch/ssales.htm>

County Surplus Property

Authority

Procurement Services, in partnership with GSA Central Warehousing, administers the Surplus Property Program for the County of Ventura.

Procurement's authority is derived from County of Ventura Ordinance 4084. The Board of Supervisors passed and adopted Ordinance 4084 January 10, 1995, which governs the activities of the Purchasing Agent (PA). In general, it established that the PA shall have the duties and powers prescribed by: 1) the laws of the State of California relating to county Purchasing Agents, 2) Ordinance 4084, and 3) the Board of Supervisors.

One of these duties is the disposition of surplus personal property. The ordinance reads, in pertinent part:

Section 3. SPECIFIC DUTIES

- (d) *The Purchasing Agent shall: Sell, lease, dispose of or exchange any personal property of the County that the Purchasing Agent has found to be not required for public use.*

Section 8. PERSONAL PROPERTY NOT REQUIRED FOR PUBLIC USE

- (a) *Whenever the head of any County office, agency or department shall determine that any item of County personal property in his/her possession or under his/her control is no longer needed for the use of his/her office, agency or department, her/she shall report this to the Purchasing Agent who shall make a finding as to whether such item is still required for public use. If found to be not required for public use, the Purchasing Agent shall sell, lease, dispose of or exchange such item in the manner provided in this ordinance; provided that, where the Purchasing Agent has reason to believe that some other County office, agency or department needs any such item, he/she shall first determine if such item is so needed, and, if it is needed, he/she shall cause such item to be delivered into the possession or place under the control of the head of such other office and cause proper entries*

to be made in the inventory accounts of the County to record such change in possession.

(A copy of the entire Purchasing Ordinance is available on the Procurement Services' website.)

Property Covered by Policy

Personal property shall be defined as property, other than real property, consisting of things temporary or movable.

The policies and procedures provided in the manual will apply to all County personal property except vehicles, firearms, and unclaimed property recovered through law enforcement efforts, including evidence.

PLEASE NOTE: Personal property purchased with grant funds may have inherent disposal requirements. Departments should review grant documents to identify any specific restrictions related to the disposal, sale or re-use. Absent any restrictions, personal property purchased with grant funds will be handled in the same manner as other surplus property.

Personal Property Classifications

Personal property can be categorized into two major classes.

Fixed Assets

Per the County Administrative Policy Manual: "Fixed assets are tangible assets of significant value having a utility that extends beyond one year and are broadly classified as land, structures and improvements, and equipment."

Personal property is tracked in the Ventura County Financial Management System (VCFMS) when the cost basis is \$5,000 or more (including price, tax, delivery, and installation).

Non-Fixed Assets

County personal property with capitalized value less than described above is considered as non-fixed assets. Non-fixed assets are not tracked in VCFMS. However, agency and department heads are responsible for establishing and implementing controls to maintain proper control over sensitive non-fixed assets.

(See Chapter VII of the Administrative Policy Manual for more information.)

When Does it Become Surplus?

Personal property (material, supplies, equipment, etc.) that meets any of the following criteria would be considered surplus.

- It does not function in whole or in part.
- Repairs are too costly or not feasible.
- It is technologically obsolete.
- It is not otherwise useful to the program.
- It is not needed in the foreseeable future to meet program needs or responsibilities.

Agency Responsibilities

Agency/departments heads are responsible for:

- Determining that any item of County personal property in their possession, or under their control, is no longer needed for the use of their agency/department.
- Carefully and securely storing and handling surplus property and materials until such time as it is transferred to another agency (or Central Warehousing), or sold in place.
- Including surplus property management in planning moves or equipment upgrades.
- Considering the use of surplus property prior to initiating a new purchase.
- Adhering to the Information Technology Services' requirements regarding the erasing of confidential personal information stored on computer equipment, or any other device capable of storing such data.
- Removing any fixed asset, inventory, or maintenance tags.

Disposal Methods

Recycling/Trash

When County-owned property is no longer useable, the owner agency is responsible for arranging to have the property recycled, or disposed of in an environmentally responsible manner. GSA manages waste, recycling, and metal recycling collection bins.

Agency/department heads, or authorized representatives, may approve the recycling, or disposal of surplus property as trash, if ALL of the following criteria are met:

1. Original value was less than \$100, and the item is removed from agency's non-fixed asset inventory. (See Admin Manual.)
2. The property is in poor condition, damaged, broken, or non-operational.
3. Proper disposal - meaning it is placed in the appropriate waste container, recycling container, or metal recycling container.
4. And, is not electronic waste, hazardous waste, or restricted from landfills*.

*Some items are restricted from landfills including all electronic waste, batteries, chemicals, paint, etc. These items will require special handling.

Disposal of non-working/non-usable personal property not meeting these requirements shall be coordinated through GSA Warehousing (see Chapter 3 for further instructions).

Trade-in

In most cases, the best method for disposal is as a trade-in when purchasing the same general replacement materials or equipment.

Should an agency or department choose this method, the following requirements will apply:

1. The transaction must be described in the vendor's quote and the purchase of the new equipment/material should be made via a separate requisition, not a blanket purchase order, credit card, or price agreement.
2. The monetary allowance offered by the vendor is fair and equitable. Market value can be researched online through various auction sites, trade magazines, or by calling GSA Procurement Services.
3. Fair market value does not exceed \$10,000.
4. Inventory records must be updated. Non-fixed assets are subject to each agency's procedures. To remove fixed assets from inventory, complete an IC-1 form and submit to GSA Accounting at L#1010.

Trade-in situations where new product or equipment is not being purchased, the current market value exceeds \$10,000, or the vendor is offering something other than a monetary discount (i.e., offer of free future service/labor) are not authorized and must be coordinated through Procurement Services.

Transfer within the Same Agency

Agency/department heads may transfer needed property from one division to another within their respective agencies. This does not require notification or approval from Procurement Services. However, for inventory purposes, the new location of the asset should be documented as needed.

Transfer within County Agencies

Utilization of surplus property between County agencies is encouraged and will be given primary consideration.

Items turned in as surplus will be made available for distribution, to other agencies, online. GSA will post surplus items on our virtual surplus warehouse. See Chapter 3 for more information.

Sale to other Governmental Entities

Surplus property may be sold, at fair market value, to other governmental entities provided that the item(s) are not needed by other County agencies/departments. Sales prices of less than fair market value may be considered with the submission of written justification supporting the reduced price. Extremely reduced pricing may require Board of Supervisors approval. Such sales should be coordinated through Procurement Services. Procurement Services will invoice the "buyer" and determine if fixed asset entries need to be updated.

Sale to County Employees

Direct sale of County surplus property to employees is prohibited.

Employees may acquire County surplus property whenever it is offered to the general public, usually through auction services.

Any officer, agent, or employee of the County that is responsible for surplus declarations, has privileged information regarding the item/equipment or the value thereof, that is not available to all prospective bidders, or is assigned to the organization having custody of the surplus property shall not directly, or indirectly, submit a bid or purchase surplus personal property.

Consignment

Consignment agreements will be considered for specialty equipment, heavy equipment, and fire apparatus. Contact Procurement Services for more information.

Donations

Due to the complexity of administering a fair and equitable distribution of surplus property, it is Procurement Services' policy that County property cannot be donated unless prior approval is obtained from the County Board of Supervisors. Under Ordinance 4084 items "having no resale value, or sale proceeds will not recover the cost of a sale" may be donated pursuant County Counsel memo dated February 10, 2003.

Procedures for Departments

Declaring Surplus Property

1. Department identifies surplus item(s).
2. Department may dispose of certain non-working/broken items with an original value of \$100 or less. (See Chapter 2 for complete rules.)
3. Department completes, and submits, the online GSA Inventory Listing of Items Released as Surplus. <http://vcweb/gsa/bsupport/SurplusForm.asp>

If item is a Fixed Asset, IC-1 form must be completed and approved by the Purchasing Agent prior to it being listed for surplus pickup.

Items transferred between agencies must be listed on an OS-1 form. If the items are fixed assets this document should be sent to Auditor Controller, else the form should be retained in the departments.

4. Once submitted, Procurement Services and Central Warehousing will make a determination on how best to proceed.
5. The online notification system will issue a work order number via email.

Viewing/Obtaining Surplus Property

Effective May 1, 2008, the Surplus Warehouse will no longer maintain viewing hours. All surplus transactions will take place online in the GSA virtual warehouse. You will need to register to view and select items.

To tour the warehouse:

- 1) Register at <http://www.publicsurplus.com/sms/venturaco.ca/register/employee>

Use registration code AM 49 CANT 91. Registration is mandatory to access and view items.

- 2) Once registered login to:
<http://www.publicsurplus.com/sms/venturaco.ca/list/current?orgid=50689>

All surplus items are available, at no cost, to authorized County agency/department representatives (and Ventura County Schools) for official use only. Items are not to be taken for personal use.

You may want to personally view the item(s) before final delivery arrangements are made. Should you request an item, and then refuse delivery, the cost of delivery and return will be billed to your agency.

Due to limited warehouse space, once you have selected an item it will only be held for 5 (five) calendar days. Items not viewed/approved for delivery after 5 calendar days will be made available to other agencies.

Viewing arrangements can be made by calling the Surplus Coordinator at (805) 645-1311.

Surplus operations are located at the County Government Center, Service Building, 800 S. Victoria Ave, Ventura.

In general, items will be available for transfer for 14 days, after which they will be sold by public auction, direct bid sale, or as determined by the Purchasing Agent to be in the best interest of the County.

Central Warehousing

Responsibilities

After the initial review, one, or more, of the following will occur:

- Arrangements will be made to bring in to Warehouse
- Item will be sold in place
- Customer will be provided with specific disposal instructions
- Procurement will advertise a direct sale
- Auction trailer or metal recycling bin will be provided at customer site

In deciding the appropriate action, consideration will be given to the following: timing (need to vacate premises quickly), value of the item(s), the likelihood for re-use, and available warehouse space. Central Warehousing personnel must inform Procurement Services of any non-routine or unique disposal issues.

Transportation

Central Warehousing will arrange pickup of County surplus, at no cost to requesting agency/department. In some instances, on-site auction trailers, or on-site sale, may be determined to be more efficient and/or economical.

Warehousing

Central Warehousing will provide warehousing/storage of surplus property in a safe, secure, and efficient manner.

Disposition

Computer Equipment

Due to environmental issues and the difficulty in determining the condition of surplus computer equipment, all computer equipment (except for any state-of-the-art working computers and monitors) will be disposed of using the Procurement approved E-waste handler(s).

Reusable Items

Items suitable for County re-use will be posted on the Public Surplus website. Departments will be able to view those items at any time by logging into the following website:

<http://www.publicsurplus.com/sms/venturaco,ca/list/current?orgid=50689>

(See Chapter 3 for more details.)

Warehouse personnel will have access to Public Surplus software for listing of surplus items. Items will remain available for County re-use for 14 days, unless otherwise agreed to.

At the end of the 14 days, the items will become available to the general public on the Public Surplus Internet Website.

Warehouse personnel will create and monitor online auctions for internal and public customers.

For public auctions, warehouse personnel will verify the winning bidder's identity, and collect payment for auction items.

Warehouse pickup hours will be as follows:

FRIDAYS from 8:00 to 11:00 a.m. and 1:00 to 3:00 p.m.

Warehouse hours may be adjusted as needed.