

ITASCA COUNTY DISPOSAL OF COUNTY PROPERTY POLICY

I. SCOPE

This policy shall govern the disposition of the County's surplus, obsolete or unused supplies, materials and equipment.

II. DEFINITIONS

DISPOSAL/DISPOSITION: The act of getting rid of something unwanted by sale, trade-in, donation, transfer or destruction.

SURPLUS: The amount of supplies, materials or equipment that remain when use or need is satisfied.

UNUSED: Supplies, materials or equipment not put to use.

OBSOLETE: Supplies, materials or equipment no longer in use or no longer useful, but possessing some value.

OBSOLETE WITH ZERO VALUE: Supplies, materials or equipment that are obsolete but which, due to its condition or state of repair, has a zero value.

PUBLIC CORPORATION: The term "public corporation" means a corporation formed solely for public and governmental purposes.

III. RESPONSIBILITIES OF COUNTY DEPARTMENT HEADS AND COUNTY EMPLOYEES

1. It shall be the responsibility of County department heads and employees to refrain from the destruction, transfer or sale (hereafter "disposition") of the County's surplus, obsolete or unused supplies, materials and equipment except when such disposition is made in compliance with the requirements of this policy and, further, in compliance with applicable State law.
2. Department heads shall maintain records of the disposition of surplus, obsolete or unused supplies, materials or equipment according to the Itasca County Retention and Destruction Schedule.
3. The department head shall make a good faith effort to estimate the reasonable market value of the property to be disposed of.
4. The department head shall not sell any County property to an

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officer or employee of Itasca County unless the following requirements are met:

- a. the employee is the highest responsible bidder at a public auction and he/she is not directly involved in the auction; or
- b. the employee is the highest responsible bidder following the solicitation of competitive bids pursuant to law and provided he/she is not directly involved in the sealed bid process. M.S. 15.054.

IV. TRANSFERS TO PUBLIC CORPORATIONS

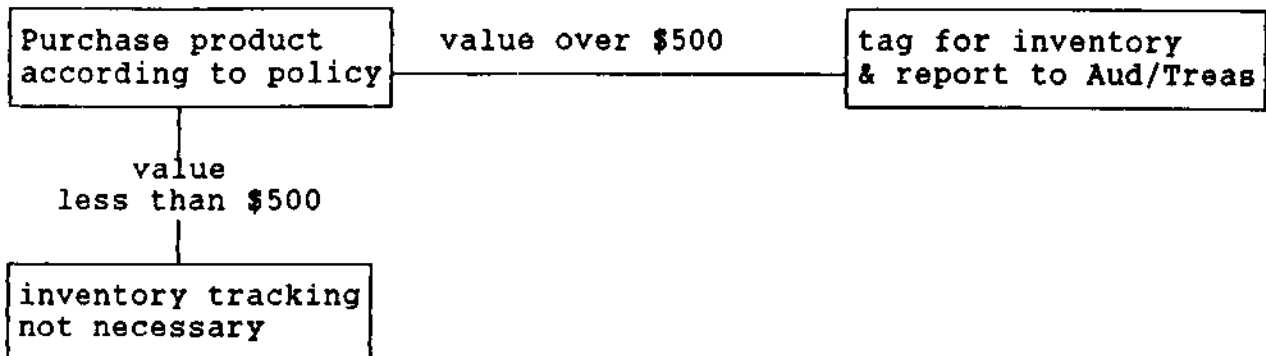
- 1. County Board approval shall be obtained prior to any transfer of property or materials owned by the County of Itasca to a "public corporation" for a "nominal consideration" or without consideration. M.S. 471.85.

V. SOLICITATION OF SEALED BIDS OR OBTAINING QUOTATIONS FOR THE SALE OF COUNTY PROPERTY

Requirements for solicitation of sealed bids or obtaining quotations are (M.S. 471.345 & 373.01):

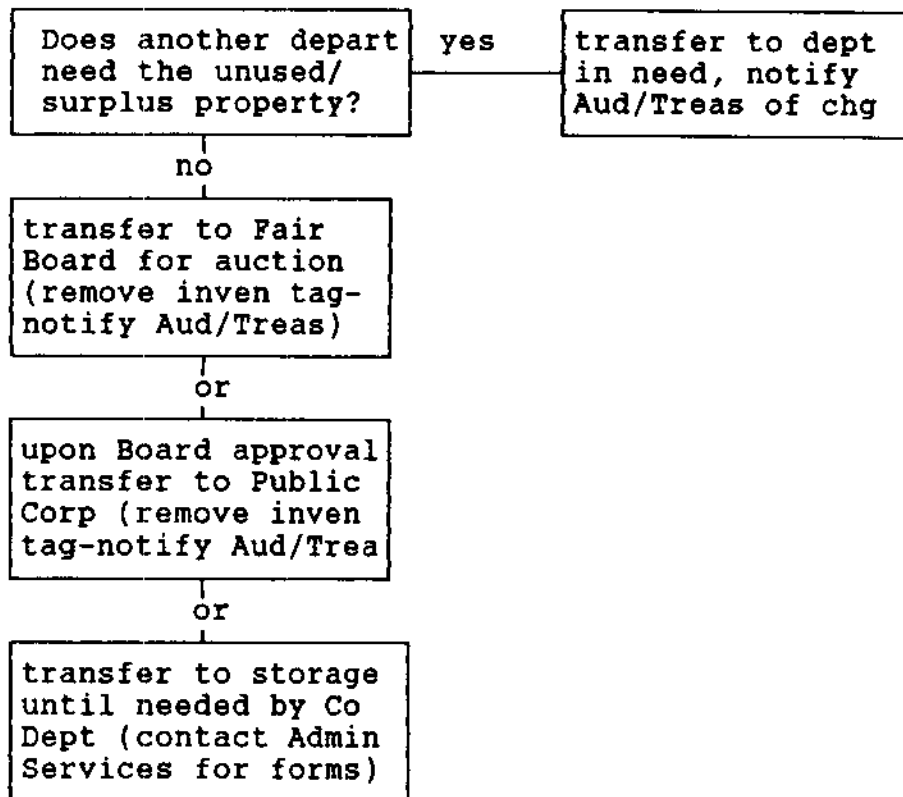
<u>Estimated Fair-Market Value</u>	<u>Requirement</u>
Over \$15,000	Solicitation of sealed bids by public notice
Between \$10,000 and \$15,000	Solicitation of sealed bids or by obtaining two or more quotations or at public auction. Negotiation is permissible when obtaining quotations. Quotations must be kept on file for at least one year.
Less than \$10,000 but more than \$1,000	Obtaining at least two quotations or at public auction. Quotations must be kept on file for at least one year.
Less than \$1,000	Obtaining quotations or at public auction, or on the open market.

INVENTORY FLOW CHART



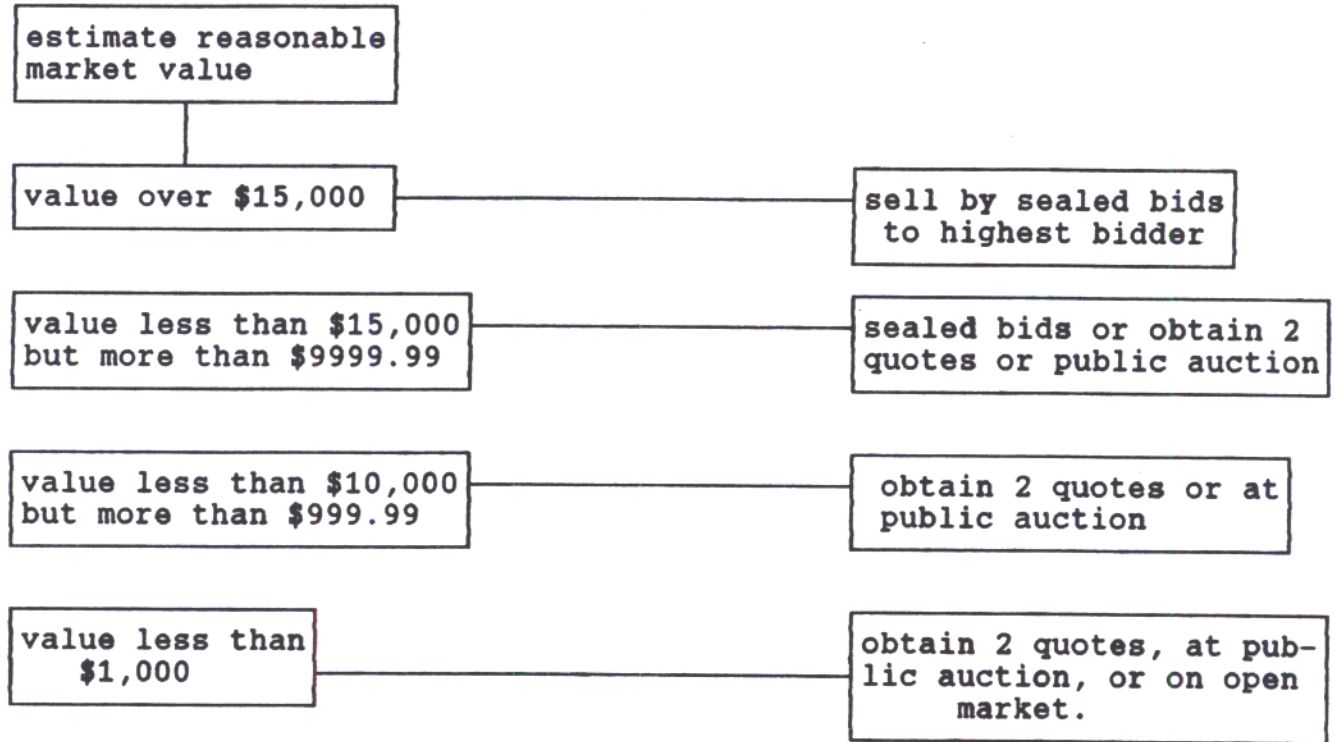
DISPOSAL OF COUNTY PROPERTY

TO TRANSFER PROPERTY:



When an item is transferred out of County possession, sold, or disposed of as solid waste or scrap, the inventory tag is to be removed and notification of the disposition of the property sent to the county Aud/Treas in order for them to properly track inventory.

TO SELL PROPERTY:



When an item is transferred out of County possession, sold, or disposed of as solid waste or scrap, the inventory tag is to be removed and notification of the disposition of the property sent to the county Aud/Treas in order for them to properly track inventory.

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RECORD OF TRANSFER/SALE OF SURPLUS, OBSOLETE OR UNUSED SUPPLIES, MATERIALS OR EQUIPMENT

DEFINITIONS:

SURPLUS: The amount of supplies, materials or equipment that remain when use or need is satisfied.

UNUSED: Supplies, materials or equipment not put to use.

OBSOLETE: Supplies, materials or equipment no longer in use or no longer useful, but possessing some value.

OBSOLETE WITH ZERO VALUE: Supplies, materials or equipment that are obsolete but which, due to its condition or state of repair, has a zero value.

DESCRIPTION OF PROPERTY: _____ (DESIGNATE TYPE, VALUE & INVENTORY #)

SURPLUS: _____ ESTIMATED VALUE: _____

SUPPORTING ESTIMATES OF VALUE ATTACHED ___ YES ___ NO

UNUSED: _____ ESTIMATED VALUE: _____

SUPPORTING ESTIMATES OF VALUE ATTACHED ___ YES ___ NO

OBSOLETE: _____ ESTIMATED VALUE: _____

SUPPORTING ESTIMATES OF VALUE ATTACHED ___ YES ___ NO

OBSOLETE WITH ZERO VALUE: _____ VALUE IS ESTIMATED TO BE ZERO BECAUSE _____.

SIGNED: _____ DATED: _____

OPTIONS TO DISPOSE OF SUPPLIES, MATERIALS OR EQUIPMENT:

___ Transfer to the _____ Department (designate specific department to receive transfer).

___ Transfer to any County Department having a need for the same.

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___ To sell the property in accordance with applicable procedures in the event no County Department requests transfer of the same

___ To obtain a determination that the property is obsolete with zero value and to approve its disposition as solid waste.

INSTRUCTIONS:

1. Create an official file entitled DISPOSITION OF PERSONAL PROPERTY or the equivalent and retain records of personal property dispositions according to the retention schedule.
2. If there are any unusual circumstances presenting a hardship or emergency, present information here:

_____.
3. The proceeds of any sale must be deposited with the County Auditor/Treasurer into the general fund.

REQUIREMENTS OF SALE

___ If the estimated value exceeds \$15,000, competitive, sealed bids must be sought, MS 373.01,S.1(4); MS 471.345

___ If the value is estimated to exceed \$1000.00 but less than \$15,000.00, sale may be made by sealed bid or by direct negotiation upon the open market provided that two quotes are obtained and the sale is made to the highest bidder;

___ If the estimated value is less than \$1,000.00, sale may be made by obtaining quotations, at public auction, or on the open market. Quotes are not required.

SIGNED: _____ DATED: _____

TRANSFER/SALE FORM

___ The following property was transferred to the _____ Department. The property consisted of _____

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___ The following property: _____

_____ was

sold to: _____ (NAME AND ADDRESS)
for the sum of \$ _____. The money (checks made payable
to the Itasca County Auditor/Treasurer) was deposited with the
Auditor/Treasurer into the general fund.

SIGNED: _____ DATED: _____

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