

Buildings and Sites

Disposition of Obsolete Equipment and Material

I. Purpose

This policy provides guidelines, via the appendix, for district administration to dispose of obsolete equipment and material.

II. General Statement of Policy

Minnesota State Statutes do not allow staff to remove, give away, or donate any district property. The superintendent or designee is authorized to dispose of obsolete equipment and materials by selling them at a fair price consistent with the procedures. Any sale exceeding the minimum amount for which bids are required must first be specifically authorized by the school board. The superintendent or designee is authorized to properly dispose of used books, materials, and equipment deemed to have little or no value.

III. Sales to Employees

- A. No officer or employee of the school district will sell or procure for sale or possess or control for sale to any other officer or employee of the district any property or materials owned by the district unless the property and materials are not needed for public purposes and are sold to a district employee after reasonable public notice, at a public auction or by sealed response, if the employee is not directly involved in the auction or sale process.
 - 1. Reasonable notice includes at least one week's published or posted notice.
- B. A district employee may purchase no more than one motor vehicle from the district in any one auction. This section does not apply to the sale of property or materials acquired or produced by the district for sale to the general public in the ordinary course of business. Nothing in this section prohibits an employee from selling or possessing for sale public property if the sale or possession for sale is in the ordinary course of business or the normal course of the employee's duties.

Legal References:

Minn. Stat. § 13.591 (Business Data)

Minn. Stat. § 15.054 (Public Employees Not to Purchase Merchandise From Governmental Agencies; Exceptions; Penalty)

Minn. Stat. § 16B.2975 (Surplus Property Acquisition, Distribution, and Disposal)

Minn. Stat. § 123B.29 (Sale of School Building at Auction)
Minn. Stat. § 123B.52 (Contracts)
Minn. Stat. § 471.345 (Uniform Municipal Contracting Law)
Minn. Stat. § 645.11 (Published Notice)

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INDEPENDENT SCHOOL DISTRICT 273
Edina, Minnesota

PROCEDURE FOR DISPOSITION OF OBSOLETE EQUIPMENT AND MATERIAL

I. Contracts

A. Contracts Over \$100,000

1. If the value of the equipment or materials is estimated to exceed \$100,000, sealed bids will be solicited by two weeks' published notice in the official newspaper. This notice will state the time and place of receiving bids and contain a brief description of the subject matter. Additional publication in the official newspaper or elsewhere may be made as the superintendent deems necessary.
2. The sale will be awarded to the highest responsible bidder, be duly executed in writing, and be otherwise conditioned as required by law.
3. A record is kept of all bids, with names of bidders and amounts of bids, and an indication of the successful bid. A bid containing an alteration or erasure of any price contained in the bid which is used in determining the highest responsible bid is rejected unless the alteration or erasure is corrected by being crossed out and the correction printed in ink or typewritten adjacent thereto and initialed in ink by the person signing the bid.
4. In the case of identical high bids from two or more bidders, the school board may, at its discretion, utilize negotiated procurement methods with the tied high bidders so long as the price paid does not go below the high tied bid price. In the case where only a single bid is received, the school board may, at its discretion, negotiate a mutually agreeable contract with the bidder so long as the price paid does not fall below the original bid. If no satisfactory bid is received, the board may re-advertise.
5. All bids obtained are kept on file for a period of at least one year after their receipt. Every contract made without compliance with the foregoing provisions is void.
6. Data submitted by a business to a school in response to a request for bids are private until opened. Once opened, the name of the bidder and the dollar amount specified become public; all other data are private until completion of the selection process, meaning the school has completed its evaluation and ranked the responses. After completion of the selection process, all data submitted by all bidders are public except trade secret data. If all responses are rejected prior to completion of the selection process, all data remain private, except the name of the bidder and the dollar amount specified which were made public at the bid opening for one

year from the proposed opening date or until re-solicitation results in completion of the selection process or until a determination is made to abandon the purchase, whichever occurs sooner, at which point the remaining data becomes public. Data created or maintained by the school district as part of the selection or evaluation process are protected as nonpublic data until completion of the selection or evaluation process. At that time, the data are public with the exception of trade secret data.

B. Contracts From \$25,000 to \$100,000

If the amount of the sale is estimated to exceed \$25,000 but not to exceed \$100,000, the contract may be made either upon sealed bids in the manner directed above or by direct negotiation, by obtaining two or more quotations for the purchase or sale when possible, and without advertising for bids or otherwise complying with the requirements of competitive bidding notice. All quotations obtained must be kept on file for a period of at least one year after receipt.

C. Contracts \$25,000 or Less

If the amount of the sale is estimated to be \$25,000 or less, the contract may be made either upon quotation or in the open market. The sale in the open market may be by auction. If the contract is made on quotation, it must be based, so far as practicable, on at least two quotations that will be maintained for a period of at least one year after receipt.

II. Electronic Sale of Surplus Supplies, Materials and Equipment

A. Notwithstanding the other procedural requirements of this policy, the school district may contract to sell supplies, materials and equipment that are surplus, obsolete or unused through an electronic selling process in which purchasers compete to purchase the supplies, materials, or equipment at the highest purchase price in an open and interactive environment.

B. Exceptions for Surplus School Computers

A district may bypass the requirements for competitive bidding and is not subject to any other laws relating to district contracts if it is disposing of surplus district computer and related equipment by conveying the property and title to:

1. another school district;
2. the state department of corrections;
3. the board of trustees of Minnesota State Colleges and Universities; or
4. the family of a student residing in the district whose total family income meets the federal definition of poverty.

III. Notice of Quotation

Notice of procedures to receive quotations is given by publication or other means as appropriate to provide reasonable notice to the public.

IV. Employees

Minnesota State Statutes do not allow staff to remove, give away, or donate any district property. Staff violating this statute will be disciplined.

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