A Review of

School District Surplus Property Disposal

PROPERTY MUST BE SURPLUS

Surplus property is property that is not being currently utilized and not held in inventory for future use. Surplus property is defined in Article 15 of the District's procurement code. Held for use would also include school sites in inventory pursuant to Board Policy FEEE which provides that "Whenever possible, the board will acquire school sites long before they are needed"

Property Must be Appraised

Prior to the disposal of real property, an appraisal of the property by a state certified appraiser, preferably and MAI must be performed.

Department of General Services requires appraisal before Approving State Sales (*S.C. Code Ann.* Section 1-11-65)
Department of Education will require for approval.

Except in extraordinary circumstances, real property will not be sold for less than its appraised value.

Department of Administration Guidelines
Best practice for School District

School Trustees may convey title to buildings not necessary for school purposes

S. C. Code Ann. Section 59-23-310

But they must report apply the funds to the District's School Fund and notify the governing body of the County within 30 days of the sale of the terms of the sale or lease

S.C. Code Ann. Section 59-19-250

Property must be sold by Commercially reasonable method – sealed bid, auction, listing with licensed broker. If there is a sealed bid or auction, District should set a reserve.

Section 3820 District Procurement Code "Sales must be held in a manner as in the Judgment of the designated district office is Most advantageous to the District. Unless Otherwise determined, public auction or Competitive sealed bid to the highest bidder.

Conveyance of Property purchased with state funds after 1952 is subject to prior written approval of State Board of Education

S.C. Code Ann. Section 59-19-190

Questions