DISTRICT CODE: 802
DISPOSITION OF EQUIPMENT AND MATERIALS

Policy reflects Minnesota statute and aligns with other District 270 policies.

I. PURPOSE

The purpose of this policy is to provide guidelines for the superintendent to assist in timely disposition of obsolete equipment and material.

II. GENERAL STATEMENT OF POLICY

Effective use of school building space, and consideration for safety of personnel, will at times require disposal of obsolete equipment and material.

III. MANNER OF DISPOSITION

A. Authorization

The superintendent, or designee, shall be authorized to dispose of obsolete equipment and materials by selling it at a fair price consistent with the procedures outlined in this policy. Any sale exceeding the minimum amount for which bids are required must first be specifically authorized by the School Board. The superintendent shall be authorized to properly dispose of used books, materials and equipment deemed to have little or no value.

B. Notice of Quotation

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

Adopted: November 2004
Revised: March 5, 2015, February 19, 2019
Reviewed: April 17, 2018

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DISTRICT CODE: 802 - REGULATIONS
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A. Contracts Over $175,000

1. If the value of the equipment or materials is estimated to exceed $175,000, sealed bids shall be solicited by two weeks' published notice in the official newspaper or as directed by current statute. This notice shall state the time and place of receiving bids and contain a brief description of the subject matter.

2. The sale shall be awarded to the highest responsible bidder, be duly executed in writing, and be otherwise conditioned as required by law.

3. A record shall be 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 shall be 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 readvertise.

5. All bids obtained shall be kept on file for a period of at least one year after their receipt. Every contract made without compliance with the foregoing provisions shall be 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.

B. Contracts From $25,000 to $175,000
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 written 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 shall be kept on file for a period of at least one year after receipt.

C. Contracts Less Than $25,000

Items with resale value of $25,000 or less may be disposed of by the purchasing coordinator or controller as follows:

- sold at a public auction held by the district, which is publicized in the district’s official newspaper at least two weeks in advance;
- sold through a public sale or auction conducted by another governmental unit;
- sold to anyone by obtaining at least two written quotes (The district reserves the right to negotiate with the party that provides the highest quote.);
- sold by advertising for and receiving sealed bids and complying with the other requirements of competitive bidding statutes,
- or sold using an electronic selling process in which purchasers compete to purchase the surplus supplies, materials or equipment at the highest purchase price in an open and interactive environment.

Items with no resale value or of a value insufficient to defray the cost of the sale may be disposed of by being:

- Taken to a refuse collection site, or disposed of in another manner as authorized by the purchasing coordinator or controller.

D. Sales to Employees

No officer or employee of the School District shall sell or procure for sale or possess or control for sale to any other officer or employee of the School District any property or materials owned by the School District unless the property and materials are not needed for public purposes and are sold to a School District employee after reasonable public notice specified by statute, at a public auction or by sealed response, if the employee is not directly involved in the auction or sale process. This section shall not apply to the sale of property or materials acquired or produced by the School District for sale to the general public in the ordinary course of business. Nothing in this section shall prohibit an employee of the School District 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.

E. Exceptions for Surplus School Computers
A school district may bypass the requirements for competitive bidding and is not subject to any other laws relating to school district contracts if it is disposing of surplus school 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.

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