

October 1, 2008

MEMORANDUM

To: All Department and Division Directors
From: Richard J. Johnson, Town Manager
Re: Administrative Policy 2008-3 – Disposition of Surplus Property

This memorandum will formally promulgate Administrative Policy 2008-3 – Disposition of Surplus Property/Unclaimed Property. Please review the policies and procedures described in this document and make certain to handle applicable surplus and unclaimed property accordingly.

Purchasing Agent Mary Visone was instrumental in developing this document with input from a variety of department and division directors. Should you have any questions, please review with Mary.

RJJ:yo
Attachment

Cc: Mary F. Visone, Purchasing Agent

ADMINISTRATIVE POLICY 2008-3

**TOWN OF GLASTONBURY
DISPOSITION OF SURPLUS PROPERTY / UNCLAIMED PROPERTY
POLICY & PROCEDURE
ADMINISTRATIVE SERVICES
PURCHASING DIVISION**

PURPOSE

The purpose of this procedure is to provide guidance to Town employees regarding the disposition of surplus property and unclaimed property.

AUTHORITY

In accordance with the Town of Glastonbury Purchasing Policy and Procedures the Purchasing Agent shall be responsible for the disposition of all Town surplus property. Extraneous equipment, vehicles, furnishings and other Town owned property will be identified as being surplus and shall be assigned to the Purchasing Agent for disposition. The Purchasing Agent shall offer surplus to other Town Departments as appropriate. Items not needed by other Town departments shall be auctioned, sold, traded in or otherwise disposed of at the discretion of the Purchasing Agent. Items estimated to have a market value of \$5,000 or greater will also require approval by the Town Manager. When deemed in the best interest of the Town by the Purchasing Agent, items may be stored for future use by the Town. Unclaimed private property is the responsibility of the Police Department; procedures for disposition of such private property are briefly referred to herein.

DEFINITIONS FOR SURPLUS PROPERTY

Surplus Property is all tangible personal property owned by the Town of a non-consumable nature which is excess, surplus, or obsolete for which the continued use is not economical or efficient, or which serves no useful function. This may also include items identified as scrap due to the condition of the item(s).

- A. Excess Property - Property which exceeds the requirement of the Department to which the property is assigned. Excess property may be utilized by another town department.
- B. Surplus/Obsolete Property - Property which exceeds the requirement of the entire Town or which has reached the end of its useful life or become obsolete in the Town service.
- C. Scrap - Damaged, spent, or otherwise unusable equipment, parts, or materials whose only value lies in recycling of its component parts or materials.

SCOPE

This procedure applies to all employees, Departments and Divisions of the Town of Glastonbury.

GENERAL PROCEDURE

- A. All Town departments shall be responsible for determining when they are in possession of property that is no longer required for their respective areas.
 - Departments are prohibited from the selling or donating any property to employees, individuals, or any other entity.
 - Division Directors / Department Heads may transfer the item within their own departments as required.

- Departments shall complete an inventory of surplus property annually by April 1st and forward to the Purchasing Department on the **Surplus Property Disposition Form** designed specifically for reporting surplus or excess property. This process may be repeated throughout the year as required.
 - The responsible department head must review and approve the items being declared surplus. The approval will include physically identifying the items and ensuring an accurate description of the property to be declared surplus. The department shall accurately state the condition of the item to assist the Purchasing department in determining how to proceed. The department shall recommend that the item be transferred for use by another department, sold, auctioned, recycled, dismantled, scrapped or disposed of. If the item is a fixed asset it shall be noted as such in the area provided on the **Surplus Property Disposition Form**.
 - An additional approval of computer equipment by the Information Technology Department is required prior to transfer or disposal.
 - An additional approval of vehicles, trucks and heavy equipment by the Fleet Superintendent is required prior to transfer or disposal. No additions to the existing Fleet shall be made without the prior approval of the Town Manager.
- B.** Upon receipt of the **Surplus Property Disposition Form** (for office furnishings and equipment), the property listed will be assessed by the Facilities Maintenance Department together with the Purchasing Agent to determine whether the items are suitable for use by other Town departments and/or stored for future use or sale. If the items are deemed useful for other town departments they shall be immediately offered to all town departments by the Purchasing Department before being moved so as to avoid moving the items twice. Items claimed will be coordinated for transfer by the Facilities Maintenance Department upon notification from the Purchasing Agent. Items which are unclaimed by Town Departments will be sold as surplus property as deemed appropriate by the Purchasing Agent, unless otherwise retained for future Town use. The Purchasing Department shall maintain a listing of stored excess surplus for use by other Town Departments on the shared drive.
- Vehicles and heavy equipment will be surrendered to the Town Fleet Maintenance Garage.
 - Computer equipment will be surrendered to the Information Technology Department.
 - Other items not falling in the above categories will be handled by the Department Director in conjunction with the Purchasing Agent.
- C.** The Purchasing Agent shall have access to the Facilities surplus property storage area(s) for inspection of surplus and may periodically notify departments of excess property. Departments may request a transfer of the item via a memorandum to Purchasing. The Facilities Maintenance Department shall coordinate with the Purchasing Department for internal transfers of property.

METHOD OF DISPOSITION

All non-consumable Town property, whether tagged as an asset or not, may be declared surplus and disposed of in one of the following ways:

- A.** Trade In – There may be times when it is more advantageous to trade in an item in order to defer a portion of the expense of a new purchase. The user department may recommend this alternative as part of the budget review process. The user department may also recommend to the Purchasing Agent other possible alternatives prior to the acceptance of any offer of trade in value from an outside vendor. Upon approval from the Purchasing Agent the user department will be responsible to complete a **Surplus Property Disposition Form** to remove the item from Town records. A purchase order shall be issued indicating the trade in of a specific item, and if

applicable, its asset number and serial number. Items that are being traded in must remain at the user department location until transferred to the seller of the new equipment.

- B. Transfer – Property that is no longer needed by a Department, but is functional, or that may be economically repaired, or retains some residual value may be transferred to another department. Upon receipt of a properly completed **Surplus Property Disposition Form** the Purchasing Department will notify other departments of the surplus item(s) thereby possibly avoiding the expenditure of a new purchase.
- C. Public Auction / Tag Sale or Competitive Sealed Bid – Items not needed by other Town departments shall be auctioned, sold, or otherwise disposed of at the discretion of the Purchasing Agent. Public auction may include the use of internet sales and auctions. Town sponsored tag sales and competitive sealed bids for the sale of surplus materials will be conducted as required.
- D. Donation - Property which is not needed by the town and fails to receive a reasonable offer after a public auction or competitive bid may be made available at a nominal fee or donated to other governmental entities or non-profit organizations. In certain circumstances the user department may recommend a donation prior to any announcement for sale of the property. The department head shall prepare a memorandum to the Town Manager, (copy to the Purchasing Agent) detailing the need by another governmental entity or non-profit and state the recommendation for the donation including the current estimated market value of the item(s). **All donations shall be approved by the Town Manager prior to any agreement or promise to transfer Town owned property to another entity.**
- E. Scrap / Junk - Property which has no commercial value and is considered junk may be disposed of by the user department. A **Surplus Property Disposition Form** must be prepared for all property and should include an accurate description with an asset number and serial number as applicable. Users should coordinate with the Sanitation Superintendent for proper disposal of the item(s) with particular concern regarding the disposal of items that may be considered to be hazardous.

Note: It is the responsibility of the department which last handles the surplus to remove all asset tags and all Town of Glastonbury seals before they are transferred from Town property. This only applies when the item is leaving town property not when transferring the item internally.

EMPLOYEE PURCHASES

Town employees may participate in the public sale of Town property. Direct purchase of an item is only allowed if the property fails to receive a reasonable offer after a public auction or competitive bid; the employee may purchase the item at a fee as determined by the Purchasing Agent; items will be offered on a first come first served basis.

DEPARTMENTAL RESPONSIBILITIES FOR SURPLUS PROPERTY

- A. Purchasing - The Purchasing Department shall have overall responsibility for the coordination and disposition of surplus property as deemed in the Town's best interest.
- B. Facilities Maintenance – The Facilities Maintenance Department shall provide labor to assist in the transfer or storage of surplus property and shall work with the Purchasing department to recommend & manage the Town surplus property as outlined in this policy. This shall also include assistance with the annual tag sale/auction when town owned property is included in the sale.
- C. User Departments – Individual user departments will be responsible to identify surplus property as it becomes available and take the necessary action to remove the item from their department.

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- D. Fleet Maintenance Department – The Fleet Maintenance Department will be responsible to prepare surplus vehicles and equipment for auction.
- E. Information Technology Department - The Information Technology Department will be responsible for coordinating the disposition of surplus computer equipment and shall insure that all hard drives have been cleared of Town data and that all operating systems licensed for Town use only have been removed. When it is deemed in the best interest of the Town the item(s) may be offered for sale though the Purchasing Department surplus property sales methods above.

UNCLAIMED PRIVATE PROPERTY

The Police Department is responsible for the disposition of confiscated or unclaimed private property. Final disposition of these items may require the assistance of the Purchasing Agent or others as designated below.

DEFINITIONS FOR UNCLAIMED PROPERTY

- A. Confiscated Property (Forfeiture) – Private property seized by the Police Department and subsequently titled over to the Town.
- B. “Lost & Found” Property (Unclaimed) – Private property located by or turned in to the Police Department for custodial safekeeping until the owner is located or until a time deadline expires.

DEPARTMENTAL RESPONSIBILITIES FOR UNCLAIMED PROPERTY

The Police Department will be responsible to organize the annual sale of Confiscated and Unclaimed Property; including security and traffic control (if needed) on the day of the sale. The Purchasing Department and the Parks and Recreation Department shall provide resources to publicly advertise and organize the sale as well as assist on the day of the sale.

PROCEEDS FROM DISPOSITION OF SURPLUS PROPERTY AND UNCLAIMED PROPERTY

- All proceeds from the disposition of surplus property, whether the asset is sold or scrapped, will be credited to the General Fund. In certain situations the item(s) disposed of or sold may have been purchased with grant or donated funds. In keeping with the intent of the original funding, proceeds may be distributed back to the department for purposes of which the funding was intended.
- Proceeds from Confiscated and Unclaimed property may be designated to other funds as required by Federal, State or local law.


Richard J. Johnson
Town Manager

**TOWN OF GLASTONBURY
PURCHASING DEPARTMENT
SURPLUS PROPERTY DISPOSITION FORM**

Instructions: After completing this form, print it and have it approved by the appropriate department head and forward to Purchasing for processing. Please do not remove the surplus items from your area until instructed to do so.

Date: _____

Department Name: _____

Phone Number: _____

Department Contact: _____

Approved By: _____

QTY	DESCRIPTION, MANUFACTURER, MAKE, MODEL & SERIAL NUMBER	ASSET NUMBER	CONDITION OF EQUIPMENT	ACQUISITION DATE, PURCHASE ORDER AND ORIGINAL COST	ESTIMATED CURRENT VALUE	RECOMMENDED DISPOSITION OF ITEM

Is this item a Capitalized Asset: Y N _____

If yes, route form to Financial Administration

Additional Comments:

THIS SECTION IS PURCHASING DEPARTMENT USE ONLY

Recommendation to Town Manager for items requiring approval (Estimated Value > \$5,000):

Town Manager Approval: _____

Date: _____

Final Disposition of Item (Check One):

Trade In _____ Transfer _____ Sold _____ Donation _____ Scrap/Junk _____

Comments: _____

Purchasing Department Approval: _____

Date: _____