

**Regulation**

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DISPOSAL OF PROPERTY

Review

The school business administrator shall initiate activities involving teaching staff, administrative staff, and support staff to periodically evaluate the continuing usefulness of all property in the district.

The staff conducting the review shall recommend for replacement and/or disposal all property which:

- A. Is worn or damaged so as to preclude effective use and economical repair or restoration;
- B. Is too outdated to continue to function effectively;
- C. Violates federal, state, or district affirmative action standards;
- D. Has been superseded by superior replacement materials; or
- E. Violates federal, state, or district safety standards for use in public schools.

The school business administrator will receive and review all recommendations and listings of property and textbooks recommended for disposal and forward them to the chief school administrator for review and approval.

Approval for Disposal

Instructional property requires approval of the board for disposal. No instructional property may be removed and disposed of solely because it presents ideas that may be unpopular or offensive to some. Instructional property includes but is not limited to textbooks approved for use in the district, resource materials, instructional aids such as audio-visual items, instructional materials, education software and any other district owned material used for instructional purposes.

Real property (land, structures and immovable equipment) requires approval of a majority of the full board membership for disposal.

Personal Property requires approval of the board for disposal. Personal property includes equipment and property that is other than real property, instructional property, and federal property.

Federal property real, personal or instructional, purchased with federal funds, may not be disposed of by the board except as provided in the guidelines under which the property was acquired or as provided for in the rules below.

Grant Property may not be disposed of by the board without the approval of the State Department of Education or as provided in the rules below. Grant (State) property includes all property, real, personal, or instructional purchased under specific grants from the State of New Jersey expressly for the purchase of said property, which does not revert to district ownership under the conditions of the grant.

Disposal

- A. Instructional property is to be disposed of as follows:
  - 1. Textbooks may only be discarded after notification to the State Department of

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2. Education regarding what books are to be disposed of and why in accordance with PL. 2002 Chapter 98;
3. Offered at no cost to any public or private educational institution willing to pay the cost of packing and delivery;
4. Offered for sale to pupils, parents, community residents, and staff at prices which reflect the reduced value of the property to the district by covering only the cost to the district of conducting the sale;
5. Donated to any school related organization for resale; Donated to any community based organization for resale; or sold for scrap, recycled, or trashed.

## B. Real property is to be disposed of as follows:

1. Sold at public sale in accordance with N.J.S.A. 18A: 20-5 et seq., unless it is sold at private sale without advertisement to the State of New Jersey or a political subdivision of the State of New Jersey, or otherwise conveyed or transferred as provided by statute as follows:
2. A public sale will be advertised at least once a week for two weeks prior to the sale in the official newspapers of the district;
3. After the advertisement, the property will be sold to the highest bidder, except that, the board may, by resolution, fix a minimum price with or without reservation of the right, upon the completion of the public sale, to accept or reject the highest bid and, if such reservation is made, it shall be included in the advertisement and given as public notice at the time of the sale;
4. The board may, by resolution, provide without fixing a minimum price, that upon completion of the public sale, the board may accept or reject the highest bid received, but if the board fails to accept or reject the highest bid by the second regular board meeting following the sale, the bid will be deemed to have been rejected; or
5. If no bid is received or if the bids that are received are rejected by the board in the public interest, the board may enter into negotiations with any interested party or parties for the sale or other disposal of the property, but shall offer a bidder a hearing upon the bidder's request before entering into such negotiations; and
6. The acceptance or rejection of a negotiated price shall be by the affirmative vote of a majority of the full membership of the board at a regularly scheduled meeting.

## C. Personal property is to be disposed of as follows:

1. Disposed of at public sale in accordance with N.J.S.A. 18A:18A-45 stating that the board may, by resolution and by sealed bid or public auction, authorize the sale of its personal property not needed for school purposes as follows:
  - a. If the estimated fair value of the property to be sold exceeds 15 percent of the bid threshold in any one sale and the property is neither livestock or perishable; and
  - b. When notice is published once in an official newspaper of the date, time and place of the public sale, together with a description of the items to be sold and the conditions of sale;
  - c. If the sale is held not less than seven (7) nor more than 14 days after the publication of the notice;
  - d. The property is not sold to the United States, the State of New Jersey, another board, or any political subdivision these entities;
  - e. If no bids are received, the board may re-advertise the public sale or sell the property at private sale without further public notice, however the sale price may not be less than the estimated fair value of the property;
  - f. The board may reject all bids if it determines that such rejection is in the public interest, and may re-advertise the property for a second public sale;
  - g. If the board rejects all bids received at a second public sale, the property may be sold at private sale without public notice provided that the selling price is at least as high as the highest bid received at the two previous public sales and the terms and conditions of the sale are not changed from those announced for the public sale.
  - h. If the estimated fair value of the property to be sold does not exceed the applicable bid threshold as stated above, in any one sale or is either livestock or perishable goods, it may be sold at private sale without advertising for bids.

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2. Disposed of at private sale without advertising for bids when:
  - a. If the estimated fair value of the property to be sold does not exceed the applicable bid threshold as stated above, in any one sale or is either livestock or perishable goods;
  - b. The value figure is not less than the costs incurred by the board in arranging the sale, maintaining the property, and delivery of the property;
  - c. Disposed of by donation or discarding when it remains unsold after proper procedures have been followed as contained herein and it is to be given to another school district or community based entity or it remains unsold and is not suitable for donation.

The purchasing agent may include the sale of personal property no longer needed for school purposes as part of specifications to offset the price of a new purchase.

D. Federal and grant property with a unit value in excess of \$1,000.00 is to be disposed of as follows:

1. Application must be made to the Department of Education to dispose of the property;
2. Upon receipt of the authorization from the Department of Education for disposal, the property will be disposed of in accordance with the above procedures.

E. Federal and grant property with a unit value less than \$1,000.00 is to be disposed of as follows:

1. Disposed of at private sale when the estimated fair value of the property does not exceed the amount specified by law and the sale price is established by the school business administrator as a figure not to be less than the costs incurred by the board in arranging the sale, maintaining, and delivery of the property;
2. Disposed of by donation or discarding when:
  - a. It remains unsold after proper procedures have been followed as contained herein and it is to be given to another school district or community based entity;
  - b. It remains unsold and is not suitable for donation.

F. Federal and grant property either sold or retained in the district and used for other than the purpose for which it was received shall be handled as follows:

1. If the property is retained in the district, an amount equal to the fair market value of the property shall be paid to the State Department of Education by warrant payable to the "Treasurer, State of New Jersey," or;
2. If the property has been disposed of through sale, \$100.00 or ten percent of the sale proceeds, whichever is greater, may be deducted and retained by the district for selling and handling expenses and the balance paid to the State Department of Education by warrant payable to the "Treasurer, State of New Jersey."

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