

POLICY FOR THE DISPOSITION OF SURPLUS PERSONAL PROPERTY

This policy governs the disposition of the Surplus Personal Property owned by the Housing Authority of the City of Los Angeles (Authority).

I. PURPOSE, LEGAL AUTHORITY, RESTRICTIONS; LIMITATIONS**A. Purpose**

The purpose of this Policy is to provide for the disposition of the Authority's Surplus Personal Property.

B. Legal Authority

The Authority has statutory authority to sell, lease, exchange, transfer, assign, pledge or dispose of its personal property under Health & Safety Code section 34315, subsection (e) of the Housing Authorities Law.

C. Restrictions; Limitations

1. Due to conflict of interest concerns, the Authority's Commissioners, officers and employees are ineligible to acquire or otherwise receive Surplus Personal Property.

2. This Policy is limited to the disposition of personal property. It is not applicable to the disposition of real property.

3. This Policy is not applicable to personal property acquired pursuant to a federal award which sets forth terms and/or conditions for the disposition of personal property. (Federal award has the meaning set forth in 2 CFR 200.38, and includes, but is not limited to federal financial assistance received in the form of grants, cooperative agreements, non-cash contributions or donations of property, direct appropriations, food commodities, or other financial assistance.)

II. GENERAL PROVISIONS**A. Authority**

1. The Board of Commissioners reserves unto itself the authority to approve the disposition of all Surplus Personal Property with an estimated value in excess of the President/Chief Executive Officer's ("CEO's") contracting authority.

2. The CEO has the authority to exercise his/her discretion in the disposition of Surplus Personal Property with an estimated value equal to or less than his/her contracting authority, using any method he/she determines to be most

POLICY FOR THE DISPOSITION OF SURPLUS PERSONAL PROPERTY

advantageous to the Authority considering the value, type and nature of the Surplus Personal Property, source of acquisition funding if relevant, and cost of disposition of the same.

3. The CEO has the discretion to confer upon supervisory-level employees the requisite authority to dispose of Surplus Personal Property of nominal value (as determined by the CEO) in accordance with the Procedures to be developed in support of this Policy.

B. Surplus Property Defined

Surplus Personal Property as used in the policy includes the following:

1. Personal property no longer useful for the Authority or no longer fit for its intended purpose.

2. Usable material(s), equipment, or parts, including capitalized equipment that exceeds the normal maintenance, repair, and operating requirements of the department responsible for such material(s), equipment or parts.

3. Obsolete material(s) and equipment that cannot be used in the service for which it was purchased and cannot be utilized safely or economically for any other purpose.

4. Scrap metal, recyclables and waste material such as paper, rags, rubber, and wood.

5. Lost or abandoned personal property recovered from Authority-owned or controlled property, which Authority legal counsel has determined may be disposed of as provided under this Policy.

6. Personal property surrendered to the Authority, which Authority legal counsel has determined may be disposed of as provided under this Policy.

C. Means of Disposing of Surplus Personal Property

Disposition of Surplus Personal Property may be accomplished by the sale, trade, donation or discard of such property.

1. The sale of Surplus Personal Property may be accomplished by public auction, informal bid, or negotiated sale.

POLICY FOR THE DISPOSITION OF SURPLUS PERSONAL PROPERTY

2. Surplus Personal Property may be offered as a trade-in credit toward the acquisition of new property. All such trade-in offers shall be submitted to the Chief Operating Officer or designee for review and approval.

3. The donation of Surplus Personal Property shall be supported by a finding the donation serves a public purpose and/or benefit.

4. The discard of Surplus Personal Property is appropriate when the property has minimal value to the Authority due to spoilage, obsolescence, safety concerns or other cause.

D. Removal of Identifying Marks

Prior to disposal, Authority logos and other markings identifying Surplus Personal Property as Authority property shall be removed or where removal is not possible or cost effective, obscured to the greatest extent possible.

E. "As Is" Condition

The sale, trade or donation of Surplus Personal Property shall be "as is," with no warranty, guarantee, or representation of any kind, expressed or implied, as to the condition, utility or usability, and the buyer or recipient of said property shall agree to pay applicable sales or transfer taxes.

F. Recordkeeping

With the exception of Surplus Personal Property of nominal value, as determined by the CEO, the Authority shall document the disposition of Surplus Personal Property, which shall include a description of the property, including its estimated value, and the date and manner of disposition. Retention of such records shall be consistent with the Authority's record retention and disposition policy and procedures. These records shall be furnished to the Authority's Chief Financial Officer to determine and thereafter record all appropriate and required accounting entries.

III. PROCEDURES

The CEO shall provide for the development, administration and implementation of the procedures to be adopted in furtherance of this Policy ("Procedures"). The Procedures shall ensure disposition is accomplished in a manner consistent with this Policy and any applicable laws, regulations or grant programs.

POLICY FOR THE DISPOSITION OF SURPLUS PERSONAL PROPERTY

VI. AMENDMENTS TO POLICY

This Policy may only be amended by the Board of Commissioners. The Procedures adopted to implement this Policy may be amended at any time at the discretion of the CEO, without the approval of the Board of Commissioners.

Prior History:

Adopted June 27, 2013 by Resolution 9055