

Standard Operating Procedures: Selling & Disposal of Equipment

INTRODUCTION

Equipment purchased by Child Nutrition Services will be used solely by CNS employees solely for the Child Nutrition Program. When equipment is no longer needed for the Child Nutrition Program, CNS Director may replace, trade-in, and/or sell equipment that is deemed to be unusable, obsolete, or no longer needed.

UNUSABLE/OBSOLETE

Equipment may be considered unusable/obsolete when:

1. Have been replaced by more recent version/model that is more efficient.
2. Cost of total repair equals or exceeds the amount paid on initial purchase.
3. The total costs of past repairs equal, exceeds, or is close to equaling/exceeding the amount paid on initial purchase.
4. Equipment is damaged beyond use or repair.

SELLING EQUIPMENT

CNS Director shall review, assess, and identify items/equipment that may be deemed unusable, obsolete, or no longer needed. CNS Director will recommend whether the items/equipment should be sold "as is" or disposed of.

Items/equipment that is to be sold or disposed of should be brought to a central location such as the CNS warehouse whenever possible.

A. DISPOSITION FORM

Upon the CNS Director's decision to sell items/equipment (deemed unusable, obsolete, or no longer needed) will require that disposition form to be completed by inventory clerk or designee.

1. Disposition Form will list the following:
 - a. Item/equipment name
 - b. Campus/location
 - c. Date of purchase (if available)
 - d. Past work orders/quotes (if applicable)
 - e. Reason for declaring unusable, obsolete, or no longer needed
 - f. Serial #/Model #
 - g. Photo

B. SCHOOL BOARD APPROVAL

Once disposition form has been completed a list is to be compiled with ALL items/equipment to be sold and forwarded to district purchaser.

1. The business office/district purchaser is to submit as a board agenda item with recommendations.

Option 1: Bond n Bond Auctioneers

2301 N. Cesar Chavez Rd
San Juan, TX 78589
10% Auction Fee
956-283-0422

Standard Operating Procedures: Selling & Disposal of Equipment

Option 2: GovDeals.com (online)
5907 Carmichael Place
Montgomery, AL 36117
7.5% Auction Fee

2. Once school board approval has been obtained, school board minutes are to be printed and filed with designated form.
3. CNS Director or designee is to proceed with the selling of equipment.

C. DISPOSITION BY LIVE AUCTION

CNS Director and/or designee is to meet with auctioneer representative to review items that are to be sold and make any necessary arrangements for pick up and/or removal.

D. DISPOSITION ON LINE AUCTION

Any staffs interested in purchasing obsolete/unusable items are to be referred to the designated website.

No individual employee may personally benefit from the sale of equipment/item. Individuals or groups who take, sell, or benefit from the sale of such items will be subject to corrective action up to and including termination and/or criminal prosecution.

E. DISPOSITION OF EQUIPMENT WITH NO RESALE VALUE

In the event that equipment for sale received no bids, hence, has no resale value, equipment may be deleted from inventory and dispose of the equipment in a manner that best serves the interests of the ISD/Department.

1. Documentation of auction dates and “no bids” minimum of 2 separate occasions must be filed along with the disposition form and kept on file for 5 years.
2. Once documentation is gathered CNS Director may approve disposal of equipment.
3. Once approved for disposal designated staff is to remove from school property and discard.
4. Under no circumstances is an employee to remove discarded equipment before it has been disposed of such action will be result in a corrective action up to and including termination and/or criminal prosecution.

F. DIRECT SALES

Direct sales are strictly prohibited with the exception of the following:

- a. Paper products (straws, plastic silverware, napkins, etc)
- b. 5 gallon buckets (white plastic buckets)

All transactions are to be document via invoice with CNS Director approval/signature.