



POLICY

EFFECTIVE DATE: July 29, 2016

NO: PO-PUR-373.04

SUBJECT: **Disposition of Excess, Lost, Stolen or Abandoned Property Other Than Real Estate**

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1 Purpose

To establish guidelines and procedures regulating disposition of excess, lost, stolen or abandoned property as specified by the Department of Housing and Urban Development (Government) and the Annual Contributions Contract.

2 Definitions

Personal Property means any tangible or intangible property, except for real estate, that may be subject to ownership.

3 Policy

3.1 Disposition of Excess Property

- A. The San Diego Housing Commission (“Housing Commission”) may at any time determine any personal property and, with the approval of the Government which is no longer useful or necessary to the development or operation of any program, to be excess to the needs of such program.
- B. This policy does not pertain to the disposition of real estate. The Disposition of real estate is subject to the Policy for Sale and/or Disposition of Real Estate, PO-RED-300.104.
- C. Personal property shall not be sold or exchanged for less than its fair value. Personal property of the estimated fair value of \$1,000 or more which is to be sold to other than a public body for a public use shall be deposited in the appropriate general fund. Sales of \$1,000 or more and the award of such contract shall be made only after advertising for formal bids. Such advertising shall be at least 15 days prior to award of the sales contract and shall be by advertisement in newspapers or circular letters to prospective purchasers. In addition, notices shall be posted in public places. Bids shall be opened publicly at the time and place specified in the advertisement. A tabulation of all bids received shall be prepared and filed with the contract as part of the permanent record. The award shall be made to the highest bidder as to price. The sale shall be documented by an appropriate bill of sale.

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- D. For sales from \$100 to \$1,000, the President and Chief Executive Officer of the Housing Commission (“CEO”), or his/her designee, shall solicit informal bids orally, by telephone or in writing from known prospective purchasers and a tabulation of all such bids received shall be prepared and retained as part of the permanent record. The sale shall be documented by an appropriate bill of sale.
- E. If the estimated sales value of the personal property offered for sale is less than \$100, the CEO, or his/her designee, may negotiate a sale in the open market after such informal inquiry as he/she considers necessary to ensure a fair return to the Housing Commission. The sale shall be documented by an appropriate bill of sale.
- F. The sale of personal property to a public body for public use may be negotiated at its fair value subject to prior approval of the Housing Commission. The transfer shall be documented by an appropriate bill of sale.
- G. Sales of \$100,000 or less shall be approved by the CEO, or his/her designee. Sales of over \$100,000 shall be approved by the Board of Commissioners of the Housing Commission (“Board”).
- H. If the personal property has no scrap or salvage value and a purchaser cannot be found, a statement shall be prepared listing the prospective bidders solicited and all other efforts made to sell the property, together with recommendations as to the manner of disposition. This, together with complete documentation in support of the destruction, abandonment, or donation shall be retained as part of the permanent records.
- I. No employee shall be allowed to participate in or have an interest in the acquisition of any real property, equipment or other property offered for sale by the Housing Commission.

3.2 Property Lost, Stolen, Destroyed or Abandoned

- A. When items of nonexpendable equipment are lost, stolen, destroyed or abandoned, a review group, designated by the CEO, shall evaluate such loss, theft, destruction or abandonment. In cases of loss, theft, or destruction, the review group should obtain all the facts relating to each case and determine:

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- (1) whether the person who had custody of the property is to be held responsible for the loss, theft or destruction, or is to be relieved of responsibility; and,
- (2) the amount, if any, such person will be required to reimburse the Housing Commission if held responsible for the loss.

B. The findings, in all such cases, should be in the form of a written statement setting forth the name of the person who had custody of the property; a statement that the person was or was not in fault and therefore, should or should not be held responsible for the amount to be charged (only if the person is held responsible); a statement that the responsible employee has had a reasonable opportunity to be heard; and a statement as to what disposition has been made of the damaged property, if applicable. In cases where items of nonexpendable equipment are abandoned, the authorized official or review group should first ascertain whether or not such items of equipment are completely worn out or have become obsolete or whether or not such items of equipment have resale or trade-in value. Such review and finding are hereinafter referred to as "survey actions". If possible, the officials designated to perform survey actions should not include any official or employee who is responsible for the use of the property or for its accountability.

3.3 Anything to the contrary hereinabove notwithstanding, the disposition of excess, lost, stolen, or abandoned property shall be accomplished in a manner consistent with applicable laws of the State of California. All transactions regarding the disposition of excess, lost, stolen or abandoned property over \$100,000 shall not occur without prior approval of the Board. Also, no Housing Commission Commissioners and/or employees shall be allowed to participate in or have an interest in the receipt of any disposition of property.

Approved:



Jeff Davis
Executive Vice President & Chief of Staff

8-1-16
Date

History:
6/22/1979

Revision Date:
8/22/1994