

Article AD04-C

DISPOSITION OF PROPERTY POLICY

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Section AD04-C-1 OBJECTIVES.

The City has established this policy to document procedures for the disposition of City-owned property. Additional procedures for certain types of property (property in Police or Court custody, for example) are included in Chapter 1-10 of the City Code.

Section AD04-C-2 SCOPE.

This policy pertains to all Management Team members and/or their designees who are accountable for property owned by the City of Lenexa.

Section AD04-C-3 DEFINITIONS.

None.

Section AD04-C-4 PROVISIONS.

None.

Section AD04-C-5 PROCEDURES.

A. Methods of Disposition: The appropriate Management Team member or designee should ensure that disposition of City-owned property is completed in a manner that best serves the public's interest. The following methods can be used to dispose of City-owned property:

1. Transfer to another City department.
2. Trade-in on new item(s).
3. Advertise one (1) time in the official City newspaper for sealed bids.
4. Sell by auction (including on-line auction companies approved in advance by the Finance Director).

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5. Sell as scrap material.
6. Donate or sell to another governmental entity or nonprofit organization.
7. Junk or destroy, pursuant to Subsection B below.
8. Dispose of in any other manner approved by the City Council.

B. Proper Disposal of Property:

1. Every effort should be made to continue to utilize an item or recover some of the original cost by selling and/or trading the item. When property becomes surplus and/or obsolete, it should be disposed. Some items, because of their inexpensive nature and/or condition, may, in the judgment of the appropriate Management Team member or designee, warrant being junked or destroyed. Any property that is sold, junked, or traded in must be stripped of all identification as City property.
2. Disposition of any office furniture should be coordinated with the City Facilities Division.
3. Disposition of any vehicles should be coordinated with the City Fleet Division.
4. Disposition of any computer equipment should be coordinated with the Enterprise Systems and Technology Department. Before disposing of personal computers, the Enterprise Systems and Technology Department shall follow Department of Defense procedures to erase all data. For file servers, the Enterprise Systems and Technology Department shall destroy all hard drives.
5. Refer to Chapter 1-10 of the City Code for additional information on the disposal of City-owned property.

C. Personal Use Restrictions: Employees shall not take discarded or junked City-owned property for personal use, unless:

1. They participate in an auction process (as described above) and submit the best bid; or
2. The current retail value of such item is less than \$25; and
3. The employee has received written permission from the Management Team member under which such employee works; and
4. The Management Team member who gave such written permission will forward this information to the Finance Department to maintain a complete record of what items each employee has received and to update (if needed) the City's capital asset records.

D. Proceeds of Sale: The proceeds (after expenses) of all sales and auctions shall be deposited with the general funds of the City; provided, however, that if an item was purchased from the Equipment Reserve Fund, the proceeds (after expenses) from that

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item will be deposited in the Equipment Reserve Fund.

- E. Reporting: Departments responsible for the disposition of City-owned capital assets will forward disposition information to the Finance Department to update the City's capital asset records.

Section AD04-C-6 RESPONSIBILITY FOR ENFORCEMENT.

The enforcement of this policy will be coordinated by the Finance Director or designee and is the responsibility of the Management Team.

Section AD04-C-7 REFERENCES.

City Code Chapter 1-10 (Disposition of Property)

Administrative Policy Manual Article AD04-A (Capital Asset Policy)