TRIO Wolf Creek Distance Learning Charter School #4095

802 DISPOSITION OF OBSOLETE EQUIPMENT AND MATERIAL

I. PURPOSE

The purpose of this policy is to provide guidelines to assist in timely disposition of obsolete equipment and material.

II. GENERAL STATEMENT OF POLICY

Effective use of school building space, and consideration for safety of personnel, will at times require disposal of obsolete equipment and material.

III. DEFINITIONS

A. "Contract" means an agreement entered into by the charter school for the sale of supplies, materials or equipment.

B. "Official newspaper" is a regular issue of a qualified legal newspaper. Wolf Creek charter school has designated the Chisago County Press as its official newspaper publication.

IV. MANNER OF DISPOSITION

A. Authorization.

The charter school shall be authorized to dispose of obsolete equipment and materials by selling it at a fair price consistent with the procedures outlined in this policy. The charter school shall be authorized to properly dispose of used books, materials and equipment deemed to have little or no value. The charter school will use fair market value for items by comparing a similar item on “3” sales websites and/or in-store ads to judge for value.

B. Contracts over $175,000.

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1. If the value of the equipment or materials is estimated to exceed $175,000, sealed bids shall be solicited by two weeks published notice in the official newspaper. This notice shall state the time and place of receiving bids and contain a brief description of the subject matter.

2. The sale shall be awarded to the highest responsible bidder, be duly executed in writing, and be otherwise conditioned as required by law.

3. A record shall be kept of all bids, with names of bidders and amounts of bids, and with the successful bid indicated thereon.

4. In the case of identical high bids from two or more bidders, the charter school board may, at its discretion, utilize negotiated procurement methods with the tied high bidders so long as the price paid does not go below the high tied bid price. In the case where only a single bid is received, the charter school board may, at its discretion, negotiate a mutually agreeable contract with the bidder so long as the price paid does not go below the original bid. If no satisfactory bid is received, the board may reject all bids and re-advertise.

5. All bids obtained shall be kept on file for a period of at least one year after receipt thereof.

6. Data submitted by a business to the charter school in response to a request for bids are private until opened. Once opened, the name of the bidder and the dollar amount specified become public; all other data are private until completion of the selection process, meaning the charter school has completed its evaluation and ranked the responses. After completion of the selection process, all data submitted by all bidders are public except trade secret data. If all responses are rejected prior to completion of the selection process, all data remain private, except the name of the bidder and the dollar amount specified which were made public at the bid opening for one year from the proposed opening date or until resolicitation results in completion of the selection process or until a determination is made to abandon the purchase, whichever occurs sooner, at which point the remaining data becomes public. Data created or maintained by the charter school as part of the selection or evaluation process are protected as nonpublic data until completion of the selection or evaluation process. At that time, the data are public with the exception of trade secret data.

C. Contracts from $25,000 to $175,000.

If the amount of the sale is estimated to exceed $25,000 but not to exceed $175,000, the contract may be made either upon sealed bids in the manner directed above or by direct negotiation, by obtaining two or more quotations for the purchase or sale when possible, and without advertising for bids or otherwise complying with the requirements of competitive bidding notice. All quotations obtained shall be kept on file for a period of at least one year after receipt.

D. Contracts $25,000 or less.

If the amount of the sale is estimated to be $25,000 or less, the contract may be made either upon quotation or in the open market in the determination of the charter school board. The sale in the open market may be by auction. If the contract is made upon quotation, it shall be based, so far as practicable, on at least two quotations which shall be kept on file for a period of at least one year after their receipt.

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E. Electronic Sale of Surplus Supplies, Materials, and Equipment

Notwithstanding the other procedural requirements of this policy, the charter school may contract to sell supplies, materials, and equipment which is surplus, obsolete, or unused through an electronic selling process in which purchasers compete to purchase the supplies, materials, or equipment at the highest purchase price in an open and interactive environment.

F. Notice of Quotation.

Notice of procedures to receive quotations shall be given by publication or other means as appropriate to provide reasonable notice to the public.

G. Sales to Employees.

No officer or employee of the charter school shall sell or procure for sale or possess or control for sale to any other officer or employee of the charter school any property or materials owned by the school unless sold at a public auction, or by the quotation procedure specified above, or by sealed bid after reasonable public notice where the employee is the highest bidder and is not directly involved in the auction or sale process. Reasonable notice shall include at least one week's published or posted notice. This section shall not apply to the sale of property or materials acquired or produced by the charter school in the ordinary course of business. Nothing in this section shall prohibit an employee of the charter school from selling or possessing for sale public property if the sale or possession for sale is in the normal course of the employee's duties.

H. Exceptions for Surplus School Computers

1. A charter school may bypass the requirements for competitive bidding and is not subject to any other laws relating to charter school contracts if it is disposing of surplus school computer and related equipment, including a tablet device, by conveying the property and title to:

    a. another school district or charter school;

    b. the state department of corrections;

    c. the board of trustees of Minnesota State Colleges and Universities;

    d. the family of a student residing in the district whose total family income meets the federal definition of poverty

e. a charitable organization under section 501(c)(3) of the Internal Revenue Code that is registered with the attorney general's office for educational use.

2. If surplus school computers are not disposed of as described in Paragraph 1., upon adoption of a written resolution of the school board, when updating or replacing school computers, including tablet devices, used primarily by students, the charter school may sell or give used computers or tablets to qualifying students at the price specified in the written resolution. A student is eligible to apply to the school board for a computer or tablet under this subdivision if the student is currently enrolled in the school and intends to enroll in the school in the year following the receipt of the computer or tablet. If more students apply for computers or tablets than are available, the school must first qualify students whose families are eligible for free or reduced-price meals and then dispose of the remaining computers or tablets by lottery.

Legal References: Minn. Stat. § 13.591 (Business Data)
Minn. Stat. § 15.054 (Public Employees Not to Purchase Merchandise from Governmental Agencies; Exceptions; Penalties)
Minn. Stat. § 123B.29 (Sale of School Building at Auction)
Minn. Stat. § 123B.52 (Contracts)
Minn. Stat. § 471.345 (Uniform Municipal Contracting Law)
Minn. Stat. § 645.11 (Published Notice)

Cross References: MSBA Service Manual, Chapter 13, School Law Bulletin "F" (School District Contract and Bidding Procedures)