

SALE OF SURPLUS PROPERTY

I. Purpose

The purpose of the policy is to provide guidelines for the sale or disposal of property that Western Dakota Technical College (WDTC) determines is no longer necessary, suitable, or useful for the purpose for which it was acquired.

II. General Statement of Policy

- A. The policy of the College is to properly dispose of property no longer utilized to reduce insurance, storage, and handling costs.
- B. The Finance Department will annually request Departments and Programs at WDTC to identify surplus items under their control, or surplus items may be reported to the Finance Department on an ongoing basis. This list will be provided to the local Board to review and consider for surplus declaration.
- C. The local Board shall then appoint three real property owners to appraise the value of such property. The appraisal shall be filed with the Finance Department. The local Board may employ a person or persons licensed by the state to do fee appraisals in lieu of appointing three real property owners. Property does not need to be appraised if it is to be used as a trade-in, sold at public auction, destroyed, transferred to another political subdivision or nonprofit, or was created as result of an educational program.
- D. Surplus property appraised at \$500 or less may be sold at a private or public sale without notice. This includes transfer to another government entity or nonprofit with or without charge. Property with zero value may be disposed of in an appropriate manner.
- E. Property appraised at more than \$500 may be sold by auction or sealed bids, with advertisement published twice at least 10 days prior to the sale. Property may instead be transferred to another government entity without advertisement or notice; the terms to be agreed upon by the governing Boards.
- F. Revenue acquired from the sale of surplus property will be categorized as such and deposited to the general fund. Property originally obtained through grant funds may have additional conditions tied to declaring an item surplus. The Finance Department will research these conditions and proceed accordingly to meet those requirements.

III. Definitions - None

IV. Reporting Procedures

- A. An annual list of surplus items will be maintained in the Finance Department and provided to the local Board for consideration at regularly scheduled meetings.
- B. Appraisals will be maintained in the Finance Department, although not publicly available for inspection and copying.

V. Dissemination of Policy and Training

- A. This policy shall appear on the WDTC website on the policy webpage.

Legal References:

- S.D. Codified Laws §1-27-1-1.1:1.3 – Public records open to inspection and copying
- S.D.C.L. §6-5-2 – Gratuitous transfers of property to another political subdivision or nonprofit
- S.D.C.L. §6-13-1:7 – Disposal of surplus government property

Other References:

- South Dakota Bid Law Booklet – Department of Legislative Audit
- South Dakota School District Accounting Manual (SAM) – Department of Legislative Audit
- Finance Accounting & Reporting Manual (FARM) – National Association of College & University Business Offices (NACUBO)

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