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History of Amendments
   Effective December 10, 1996
   Amended March 27, 1998
   Amended May 11, 1999
   Amended October 10, 2000
   Amended September 11, 2001
   Amended April 23, 2002
   Amended July 8, 2003
   Amended July 1, 2017
I. REGULATORY AUTHORITY

The State Board of Examiners shall establish and govern the internal management policies and procedures for disposal of state surplus personal property in accordance with Idaho Code, Sections 60-106, 60-109, 67-455A, 67-2024A, 67-5722, 67-9230, 67-5732A, 67-5732B, 67-9231, and 67-5746. The policies and procedures herein are adopted by the State Board of Examiners effective December 10, 1996 and are amended as noted above. These surplus personal property policies and procedures replace and supersede any and all prior state surplus property regulations, policies and procedures that may have been promulgated or adopted by the Board of Examiners and shall govern State of Idaho agencies regarding disposal of surplus personal property.

II. PHILOSOPHY

The Board of Examiners recognizes that the storage, maintenance, transportation and other costs associated with maintaining state surplus personal property may exceed the inventory value or fair market value of such property. Personal property has a limited economic or useful life. Accordingly, sound fiscal responsibility and good management require the expeditious disposal of surplus personal property. Therefore, it is the policy of the Board of Examiners for the disposal of state surplus personal property to expect any state agency head to:

- Efficiently dispose of surplus personal property;
- Allow conveyance of surplus personal property to other state and local agencies;
- Offer state surplus personal property for sale to the public at large; and
- Provide for maximum value received by the State of Idaho with attendant benefits to its citizens.

III. STATEMENT OF POLICY

This policy governs disposal of all surplus personal property by all State of Idaho constitutional officials, executive departments and administrative boards, commissions, councils, task forces and committees of these departments except as specifically exempt in statute from the jurisdiction of the Board of Examiners. For simplicity, these entities will be referred to as “agencies” herein. Exemptions include, but may not be limited to, the Governor’s Housing Committee pursuant to Idaho Code Sections 67-455A and 67-5732B and the Bureau of Risk Management in the Department of Administration. The Bureau of Risk Management may dispose of damaged or destroyed state personal property through utilization of established commercial salvagers or in accordance with other provisions of these guidelines.

The Board of Examiners recognizes the head of each agency with the authority to declare as surplus any item of personal property pursuant to Idaho Code, Sections 67-5722, 67-5732A and 67-5746. Further, for purposes of surplus property disposal, the Board of Examiners adopts the policy of Idaho Code Section 67-9230 that all employees of an agency, including their spouses, dependents or any other person acting on the employee’s behalf, are prohibited from acquiring surplus property from the agency in which the employee is employed. Employees may acquire surplus property from other...
state agencies only if the property is acquired through a competitive bid process. Violation of this policy is a misdemeanor pursuant to Idaho Code Section 67-9231.

Trade-in items are not considered to be surplus personal property under this policy and shall be managed pursuant to Idaho Code Section 67-9223. Any item disposed under the terms of a buy-back contract is not considered to be surplus personal property under this policy and shall be managed in accordance with the rules, guidelines or procedures established by the Department of Administration. However, if the agency opts to set aside contracted buy-back terms, such property becomes surplus personal property at the time of disposal and shall follow the surplus property guidelines herein.

Any lost, stolen, or duplicate listed inventory shall be documented by using the State Property Disposal Authorization Form set forth herein before removing the item(s) from an agency’s inventory. Agencies shall provide an explanation regarding the dates and circumstances of the lost, stolen or duplicate listed inventory and any efforts to find any missing item(s).

Surplus property with historical significance shall be noted and the Idaho State Historical Society notified prior to disposal of such property.

When an agency determines that any personal property under their jurisdiction or control is of no further use to that agency, the agency shall manage such property according to the following principles. All proceeds from the disposal of surplus property shall be deposited in the account of the disposing agency.

A. Declaration as Surplus
   1. Requirements of Declaration
      The agency shall declare as surplus all personal property of no further use to the agency and shall notify other public agencies of the availability of such property for procurement through electronic or other advertisement.
   2. Nominal Value Surplus Property Exempt
      The agency may exempt surplus personal property of nominal value from declaration. Nominal value is a current value of zero or a current value of less than what it would cost to dispose of the surplus item at an auction or refuse site.

B. Authorization to Dispose
   All state-owned personal property for which inventory tracking is established pursuant to Idaho Code Section 67-5746 shall be managed by agencies in accordance with the declaration and disposal methods described herein and written authorization granted by the director or authorized designee of that agency to dispose of such surplus property. The director’s written authorization shall certify compliance with this policy and shall be on the proper form provided by the Secretary of the Board of Examiners.

C. Methods of Disposal
   The agency is encouraged to optimize the benefit to state government and other local public agencies while utilizing the most efficient mode of disposal cited below.
1. **Sell**
   a. Sell surplus property to another state, local or federal public agency (city, county, school district, fire district, irrigation district, etc.) without public advertisement or receipt of competitive bid; or
   b. Sell surplus property to the public at large to the highest bidder after advertisement of public sale for at least two (2) weeks in a newspaper of general circulation pursuant to Idaho Code Sections 60-106 and 60-109, giving the time, place and any sale conditions thereof, and after offering the surplus property for sale:
      i. At a regularly held public auction; or
      ii. At a state conducted public auction; or
      iii. By receipt of written competitive bid in response to the aforementioned public advertisement; or
      iv. By electronic auctioning on the Internet.

2. **Transfer**
   a. Transfer surplus property to another state, local or federal public agency (city, county, school district, fire district, irrigation district, etc.) residing in Idaho without public advertisement or auction; or
   b. Transfer surplus property of nominal value without public advertisement or auction to a charitable organization that qualifies under Section 501(c)(3) and 501 (c)(19), Internal Revenue Service (See Appendix herein), or to any other person or entity that is participating in a program with a State of Idaho agency and when such transfer renders a benefit to the government of the state and its citizens.

3. **Recycle**
   If surplus property may not be transferred or sold, the agency shall recycle such surplus property whenever possible.

4. **Discard**
   When the above disposal options are not feasible, the agency shall discard such surplus property at a local refuse site.

**IV. PROCEDURES**

To assist in achieving this policy, agency personnel are asked to perform the following procedures.

**Step One  Declare State Surplus Property**

**A. Identify Property**

Except nominal value property, identify personal property and cite its category, description, quantity, condition, estimated value and dates of availability by using the online State of Idaho Surplus Property Declaration Form. The property must stay on the website for up to fourteen (14) days or until claimed by another state, local or federal public agency. (See State Surplus Property - Declare State Surplus Property under Board of Examiners at [http://www.sco.idaho.gov](http://www.sco.idaho.gov) to electronically
post surplus property declarations to the Board, agencies and public at large. For your records, print a copy of the declaration before submitting it.) Agencies may also declare surplus personal property by providing notice to other state, local and federal agencies of the availability of such property for procurement though electronic or other advertisement. The notice must provide substantially the same information (category, description, quantity, condition, estimated value and dates of availability) and must be at least fourteen (14) days prior to any offering or other disposal.

Agencies shall make declarations when preparing to dispose of surplus personal property or at least once a year when reviewing an agency’s inventory.

B. **Retain Records**

Agencies declaring its surplus property are responsible for retaining records evidencing the dates and method of declaration of its surplus property in accordance with this policy for audit purposes. Such records shall be retained by agencies until after conclusion of any agency audit.

**Step Two  Disposal Authorization**

A. **Complete Authorization Form**


B. **Submit to Board of Examiners**

Submit the completed State Property Disposal Authorization Form to the Board of Examiners in care of the State Controller’s Office by electronically submitting the form on the State Controller's applications page. By electronically submitting this form, the agency head is certifying the accuracy of the form contents, compliance with this policy, and authorizing the release or disposal of the personal property described.

C. **Disposal and Retention of Records**

Upon completion and authorized signature of the State Property Disposal Authorization Form, the offering agency may release or otherwise dispose of the surplus property according to the methods cited on the form. If an agency deviates from these designated disposal methods, a new or amended State Property Disposal Authorization Form must be completed and submitted to the Board of Examiners. Agencies shall retain all records evidencing authorization to dispose of state surplus property for audit purposes, including the State Property Disposal Authorization Form. Such records shall be retained by agencies until after conclusion of any agency audit.

D. **Board of Examiners May Audit Records**

The State Board of Examiners, by and through its Secretary, may inspect the surplus property disposal records of all agencies subject to this policy to ensure its compliance.
The Board of Examiners must approve any exceptions to these guidelines prior to actual disposal.

__________________________
Brandon D Woolf, Secretary to the Board of Examiners
and Idaho State Controller

APPENDIX  26 CFR 1.501(c)(3) & (c)(19)

Code of the Federal Register
Internal Revenue Service
Title 26, Chapter 1

26 CFR 1.501(c)(3)
Generally, organizations that qualify are corporations, and any community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual, no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation (except as otherwise provided in subsection (h)), and which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of (or in opposition to) any candidate for public office, or constitute an action organization whose primary objective(s) may be attained only by legislation or defeating proposed legislation.

To see this regulation in its entirety, please see 26 CFR 1.501(c)(3)

26 CFR 1.501(c)(19)
Generally, this is a post or organization of past or present members of the Armed Forces of the United States, or an auxiliary unit or society of, or a trust or foundation for, any such post or organization - (A) organized in the United States or any of its possessions, (B) at least 75 percent of the members of which are past or present members of the Armed Forces of the United States and substantially all of the other members of which are individuals who are cadets or are spouses, widows, or widowers of past or present members of the Armed Forces of the United States or of cadets, and (C) no part of the net earnings of which inures to the benefit of any private shareholder or individual.

To see this regulation in its entirety, please see 26 CFR 1.501(c)(19)