



January 18, 2013

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LAKE COUNTY SURPLUS PROPERTY POLICY/PROCEDURES

Introduction

Pursuant to the Lake County Purchasing Ordinance, Article 2-101 (2) (b) (3) and the Lake County Health Department and Community Health Center's Purchasing Policies and Procedures, Article 2-102 (2) (c), the Lake County Purchasing Agent and the Health Department Purchasing Manager, respectively, are responsible for establishing policies and procedures for and to appropriately dispose of surplus Lake County (hereinafter, "County") property. This document is intended to advise all departments of these policies and operational procedures. Surplus property refers to items rendered obsolete and/or no longer needed by the County departments who made the original purchases, including, but not limited to, vehicles, heavy equipment, office furniture, office equipment, computers, maintenance equipment, bicycles, and confiscated evidence.

Based on its statutory authority (55 ILCS 5/5-1005) and, because the County, in effect, holds property in trust for the benefit of its taxpayers/inhabitants (1974 Op.Att'y Gen. S-691), donating property – even surplus property – is precluded. As a result, this County surplus policy is intended to allow each County department the flexibility to manage its own property for optimum benefit while, at the same time, ensuring that an ultimate sale and/or disposition is designed to garner the fair market value. The following is an explanation of the procedures and options available to County departments to designate property as surplus and then to determine the appropriate method of disposition. Any reference to the County, or County department, also applies to the Lake County Health Department. Health Department staff must contact the Health Department Purchasing Manager or designee for processing/removal of all Health Department surplus property.

Reuse Option

The County encourages maximum reuse of materials whenever possible. Departments are encouraged to investigate whether someone else in their department or agency has a use for an item, for County usage not personal usage, before declaring it surplus. Likewise, Departments are encouraged to check the Employee Services Portal (ESP) Surplus Site to determine if there are similar surplus items available to be claimed, before purchasing a new piece of equipment or furniture. For items that cannot be reused within an agency, the agency should check to see if another department might have a need for the equipment. This may be done through the Surplus feature on the Employee Services Portal (ESP). To post an item on ESP, the department declaring property as surplus may take a photo of the item, write a thorough description including the age and condition, and e-mail the information to the County Purchasing designee. The County Purchasing designee will post the surplus items on the ESP Surplus site. The surplus will be available to be claimed by another County department or agency for two (2) weeks. If after two (2) weeks the surplus has not been claimed, the surplus may be auctioned publicly. Upon request, the County Purchasing designee will coordinate the sale listing with the County's contract auctioneer.

Auction Options

One way to ensure receiving fair market price is to sell surplus property at a public auction conducted by the County's contract auctioneer. There are several auction options available to County departments. Each department should select the best method to meet their needs. The options are as follows:

1. **On-line public auction – County Responsible.** The surplus property will remain in the department's possession until the sale is completed. The department sends the auctioneer a photo and description of the surplus item. The auctioneer posts the item on-line, for sale. After confirmation of payment, the department is responsible to facilitate the surplus pick-up. The auctioneer may take the photos and write the descriptions for an additional charge. This policy recommends that all heavy equipment is sold via on-line public auctions, to receive the most revenue and eliminate transportation costs.

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2. **On-line public auction – Auctioneer Responsible.** Same as On-line auction #1, except the auctioneer may take possession of the items, remove them from the department, take photos, write the descriptions, and then list the surplus on-line, for sale. This option may be more beneficial to small surplus items.
3. **Live public auction – County Responsible.** The County's contract auctioneer will stage annual public auctions. Suitable surplus items may be sold at Live public auctions. All Departments are responsible for the transportation of surplus items to Live public auction sites. If a Department does not have the resources for the transport, that Department may arrange the transport through the County Facility Operations Department or the County Purchasing Department. Departments may use this option for items that will generate enough proceeds to offset the administrative time and cost spent on the process. For example, the cost of selling office furniture at Live public auctions often exceeds the amount of revenue received from the sale. Departments should consider the various options available, to maximize the best return. At this time, the Health Department does not participate in Live public auctions. Health Department surplus property is sold via On-line public auctions. Health Department staff must contact the Health Department Purchasing Manager or designee regarding any surplus inventory.

It is recommended that Live public auctions not be held at a Lake County owned site, unless the County's contract auctioneer offers a compensation amount acceptable to a County site. In this case, a County owned site may be used for Live auctions. Also, if the County is responsible for the transportation of surplus items to the Live public auction site, the distance to any Live public auction site shall be limited to ten (10) miles from the County's Division of Transportation Facility in Libertyville.

4. **Live public auction – Auctioneer Responsible.** Same as Live public auction #3, except the auctioneer may take possession of the items, remove the surplus from the department, and sell the surplus at a Live auction. This option may be more beneficial to small surplus items.

Recycle or Salvage Options

If the administrative resources used to sell surplus property exceed the anticipated revenue, Departments should consider using recycling as a disposal option.

Surplus containing metal may be disposed of with a scrap metal recycler. Upon request, the County Purchasing Division (hereinafter, "Purchasing") will provide contact information for a scrap metal recycler (s).

Computers and computer related devices may be sold via either Auction Option. These items may also be disposed of through an electronic recycler. Upon request, Purchasing will provide contact information for an electronic recycler (s). In all cases, whether sold or recycled, hard drives, memories, and operating systems must be erased from all computers and servers. In addition to computers and servers, erasing includes but is not limited to, facsimile machines, scanners, copiers, and mobile hand held devices. In addition, the serial number of all surplus computers, whether sold or recycled, must be recorded and tracked. Departments may contact the County IT Service and Support Manager for additional information regarding erasing and tracking.

Refuse Option

If the administrative resources needed to sell surplus exceed the anticipated revenue amount, and recycling is not an option, surplus items may be disposed of as refuse as a last resort alternative. Please contact County Purchasing prior to disposal as refuse.

Availability of Surplus to Employees

Surplus may be claimed by employees, for use in a County Department, as described in the **Reuse Option** section herein. Surplus may be purchased by employees, for personal use, after surplus items have been made available to the public, as described in the **Auction Options** section herein. Surplus items may only be purchased by employees at a public auction. Employees are prohibited from claiming any surplus items for personal use, which have been allocated for disposal by **Recycle, Salvage, or Refuse Options**, as described herein.

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Surplus Property May Not Be Donated to Charitable Organizations

Donation of Lake County surplus to charitable organizations is precluded. Charitable Organizations should be directed to participate in public auctions and purchase surplus through any of the public auction opportunities available to the public.

Mobile Hand Held Device Recycling

Surplus Mobile Hand Held Devices, including cell phones, shall be disposed of via recycling through the County's cell phone service provider. Contact the County's cell phone coordinator or the Health Department's cell phone coordinator for instructions regarding recycling Mobile Hand Held Devices, including cell phones. All data and phone numbers, in each Mobile Hand Held Device, must be erased by Lake County prior to recycling. County IT Service and Support will assist Purchasing by erasing all data and phone numbers. Lake County Mobile Hand Held Devices, including cell phones, shall not be sold to the public via either Live public auctions or via on-line public auctions.

SPECIAL HANDLING FOR SPECIAL SURPLUS

Some surplus property will require special handling, including, but not limited to, the below listed categories. This list may not be exhaustive, therefore County departments that are uncertain about a particular surplus item, should contact Purchasing, or the Health Department Purchasing Manager or designee, whichever is appropriate, for advice. The following instructions shall apply to the disposal of various types of surplus property.

1. **Law Library Books.** Surplus books used in the Law Library may be sold by the Law Library, via public sales. The Law Library may decide on the best public sale method. All proceeds from the public sales shall be returned to the Law Library fund.
2. **Law Enforcement Equipment.** Surplus Law Enforcement Equipment shall not be sold to the public. Surplus Law Enforcement Equipment, including, but not limited to, expired bullet proof vests, retired weapons, expired bullets, retired pepper spray, and retired shields/badges must be destroyed by a company licensed in Law Enforcement Equipment destruction.
3. **Surplus Equipment Purchased through Grants.** Surplus equipment purchased through Grants may need to be disposed of per the funding authority's guidelines. Refer to the funding authority's guidelines for special instructions for disposal. If there are no special instructions, this surplus shall be disposed of in accordance with the Lake County Surplus Property Policy/Procedures.
4. **Surplus Equipment containing Hazardous Materials.** All properly operating surplus equipment, containing Hazardous Materials, may be sold in accordance with the Lake County Surplus Property Policy/Procedures. This includes, but is not limited to, refrigerators, freezers, air conditioners, and microwave ovens. All non-working surplus equipment, containing Hazardous Materials, or surplus equipment, containing Hazardous Materials, which were not purchased through public auction options, must be disposed of per the legal disposal methods as described by law.

Surplus Property Disposition Documentation

Departments will receive a form designed to list all surplus disposal transactions. Upon disposal, Departments will submit the completed form to the County Purchasing Agent or designee or to the Health Department Purchasing Manager or designee, whichever is appropriate.

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Health Department Surplus

Refer to Health Department contact information below.

Contact Information

General Surplus Items

Contact the Lake County Purchasing Agent or designee for additional information.

Vehicles and Heavy Equipment

Contact the Division of Transportation Fleet Manager for instructions pertaining to the sale of vehicles and heavy equipment.

Computers and Computer Related Devices

Contact the County IT Service and Support Manager for additional information regarding erasing and tracking.

Mobile Hand Held Devices

Contact the County Cell Phone Coordinator or the Health Department's Cell Phone Coordinator for instructions regarding recycling.

All Health Department Surplus

Health Department employees shall contact the Health Department Purchasing Manager or designee for specific instructions regarding the disposal of all Health Department surplus items.

END OF POLICY