

SUBJECT: BOCES PERSONAL PROPERTY ACCOUNTABILITY

Definition of Personal Property

- a) **Personal property shall mean** all tangible personal property of the Board of Cooperative Educational Services (BOCES) that is not consumable and has a useful life of one year or more including, but not limited to equipment, supplies, parts, vehicles and materials, provided that such terms shall not include buildings or other real property or equipment which is permanently affixed to real property, or leases, notes or other written instruments.
- b) **Valuable personal property shall mean** personal property which has a unit resale value of \$500 or more, and equipment, supplies, parts of materials which are disposed of in lots having an aggregate resale value of \$500 or more.
- c) **Surplus personal property shall mean** personal property which has no known, immediate or currently foreseeable use to the Board of Cooperative Services.

Acquisition of Personal Property by Purchase

- a) **Competitive Bidding** – Competitive bids shall be solicited in connection with all purchasing as required by Section 103 of the General Municipal Law. Contracts shall be awarded to the lowest responsible bidder complying with specifications and other stipulated bidding conditions.
 1. Contracts for supplies, materials or services which are in an amount in excess of the amount specified in Section 103 of the General Municipal Law and all public works contracts involving an expenditure in excess of the amount specified in Section 103 of the General Municipal Law shall be awarded on the basis of public advertising and competitive bidding, consistent with the provisions of Section 103 of the General Municipal Law.
 2. All contracts which require public advertising and competitive bidding shall be awarded by resolution of the cooperative board. Recommendations for such contracts shall be made to the cooperative board by the District Superintendent of Schools.
 3. The Purchasing Agent or designee is authorized to open bids and record the same pursuant to law.
- b) **Purchase Exempt from Competitive Bidding** – Any purchase of personal property which is not subject to competitive bidding shall be made in accordance with procedures established pursuant to Section 104-b of the General Municipal Law.
 1. Goods and services must be purchased so as to facilitate the acquisition of goods and services of quality at the lowest cost under the circumstances and to guard against favoritism, improvidence, extravagance, fraud or corruption.

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1. A Purchasing Agent shall be appointed by the cooperative board who shall be authorized to issue purchase orders without prior approval of the cooperative board where formal bidding procedures are not required by law, and when budget appropriations are adequate to cover such obligations.

Acquisition of Personal Property by Gift

- a) **Acceptance.** Only the Cooperative Board may accept on behalf of the BOCES gifts of either money or merchandise, including surplus property and property donated to the BOCES by bequest or devise in a will or trust instrument, that in the view of the Cooperative Board add to the overall welfare of the BOCES.

1. The Cooperative Board will not consider the acceptance of a gift until the offer is made in writing.
2. The Board will safeguard the BOCES staff and students from commercial exploitation from special interest groups.

- b) **Accounting for Gifts**

1. All gifts shall be entered into the perpetual physical inventory of the BOCES in the same manner as purchased personal property and consistent with the provisions of subheading "Perpetual Inventory" below.
2. Gifts of money shall be annually accounted for under the trust and agency account in the bank designated by the Board.
3. Any property donated shall be for the use of BOCES and no employee shall benefit personally from such donations or any other BOCES personal property.
4. All gifts shall become the sole property of the BOCES.
5. It shall be the responsibility for the District Superintendent to have the value of the gift or donation established, when necessary, for tax purposes and acknowledge, in writing, the receipt of the gift or donation on behalf of the Board of Cooperative Educational Services.
6. All gifts or donations shall be immediately brought to the attention of the director of the service to which the contribution is made.
7. The director shall recommend the acceptance or rejection of the gift to the District Superintendent or his/her designee and notify the donor of the intention.

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8. The District Superintendent shall make a recommendation to accept or reject such gifts to the Cooperative Board at a regular meeting.
9. The director of the service to which the gift or donation is made shall be responsible to see that the gift or donation is appropriately used.
10. Gifts or donations made that are not specific to a program shall be brought to the attention of the District Superintendent who will be responsible for implementation of the regulations.

(Refer also to [Policy #4230 -- Acceptance of Gifts, Grants and Bequests to BOCES.](#))

Perpetual Inventory

- a) The Director of Financial Affairs shall develop, in writing, the basic rules and regulations to be followed in maintaining the BOCES personal property records. Procedures employed shall comply with all applicable laws and requirements of the New York State Department of Audit and Control, which are issued pursuant to Section 36 of the General Municipal Law.
 1. The minimum standards to be considered for inclusion in the personal property record are as follows:
 - (a) The personal property shall have significant value. Personal property valued at \$100 or more, but less than \$500, may be included, and personal property valued at \$500 or more shall be included.
 - (b) The personal property must have an estimated useful life of one year or more.
 - (c) The physical characteristics of the personal property are not appreciably affected by use or consumption.
 2. It shall be the responsibility of the Purchasing Agent to assure that all new acquisitions, by purchase or gift, are entered into the perpetual inventory system.
- b) Inventory Records. The inventory record shall contain sufficient information to identify each item classified as a personal property and include the following:
 1. A sufficient description of the personal property.
 2. The class of the personal property (machinery, equipment, etc.).
 3. The year of acquisition of the personal property.

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4. The historical cost (the cost at acquisition) of the personal property. If unknown or a gift, the estimated value.
5. The source of financing or acquisition (general fund, federal fund, gift, etc.).
- c) Physical Inventory. A physical inventory shall mean determining the actual existence, and condition, of real and personal property in the records by visually examining the property in question.
 1. For personal property with a resale unit value of more than \$500, a physical inventory shall be conducted at least annually.
 2. For all other personal property, a physical inventory shall be conducted at least once every two years.

Disposition of Personal Property

- a) Building administrators and support staff supervisors are responsible for identifying obsolete and surplus equipment and supplies within their area(s) of responsibility.

Periodically, but not less than once each year, a determination shall be made as to what equipment, supplies and/or materials are obsolete and cannot be salvaged or utilized effectively or economically by the BOCES.

- b) Procedures for Disposition of Equipment, Supplies or Materials
 1. All surplus or obsolete equipment, supplies or materials will be sold to only the highest bidder, except however that vehicles received at no cost for use in an authorized welfare to work program may be transferred at no cost or at cost of repairs, where repairs have been made to the vehicle at the BOCES to participants who have met all the program requirements.
 2. Any property whose market value would classify it as valuable personal property, but which is determined not to be marketable because it is damaged or in poor condition and has not been marketable after at least one prior attempt at competitive bidding, may be disposed of by the BOCES.
 3. Disposition of any personal property, even though it may have little or no marketable value, must be approved by the Director of Financial Affairs.
 4. Prior to classifying as disposable, all items should be considered for reassignment to other locations within BOCES as needed or stored in a central location if they may have potential usefulness in the future.

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5. All sales of surplus and obsolete personal property shall be open to the public. Notice of the sale and/or requests for bids shall be made through advertisements in the local newspapers and other appropriate means to assure public awareness.

Procedure for Accountability of Officers and Employees for Violating the Personal Property Policy

- a) Penalty for violation. Any officer or employee who engages in the unauthorized use, theft or conversion of personal property belonging to the BOCES, or who otherwise violates this policy, shall be subject to removal from office and/or such other discipline or penalties as authorized by law.
- b) Complaints. Any complaint concerning an alleged violation of this policy shall be submitted to the District Superintendent or designee on an appropriate form prescribed by the District Superintendent. The District Superintendent shall cause an investigation to be conducted and a report shall be filed in his or her office at the completion of the investigation. The District Superintendent is responsible for and shall take such action as is necessary for the enforcement of this policy.
- c) Dissemination of policy. The District Superintendent shall take such action as is necessary to communicate this policy to all officers and employees of the BOCES including, but not limited to, the publication of this policy in the BOCES Policy Manual, the Personnel Handbook, and teacher and employee handbooks. This policy will be included on the agenda of faculty and administrative meetings at least annually.

Review and Amendment of the Policy

- a) Review. The BOCES shall review its policy on personal property accountability annually and make amendments it deems necessary.
- b) Amendments. The BOCES shall submit its amended policy, within 30 days of its adoption, to the Commissioner of Education for approval.

Education Law Sections 207 and 1950(18)
8 New York Code of Rules and Regulations
(NYCRR) Section 170.3

Adopted: 7/10/02