

**CIVIC CENTER MONROE COUNTY
LOCAL DEVELOPMENT CORPORATION**

Policy for Tracking Inventory and Disposal of Assets

Civic Center Monroe County Local Development Corporation (the Corporation) is a Not-For-Profit Local Development Corporation pursuant to Sections 402 and 1411 of the Not-For-Profit Corporation Law. The following policies set forth internal controls for tracking, inventory and disposal of the Corporations fixed assets and real property.

1. Purpose

The purpose of this policy is to provide for the orderly and consistent tracking, financial reporting and disposal of the Corporation's assets, including real property, to insure that such assets are properly tracked, sold, transferred or disposed of and that the Corporation realizes the best value for those assets. This policy shall be reviewed and approved annually to insure compliance with all legal requirements. A copy of this policy shall be filed with the Comptroller of the State of New York on or before March 31st of each year.

2. Designation of Contracting Officer

The Corporation will designate a person(s) to serve as the Corporation's Contracting Officer(s). The Contracting Officers shall be responsible for compliance with and implementation of this policy. The Contracting Officers shall cause this policy to be made available to the general public as requested and to be posted on the Corporation's website if one has been created.

3. Scope

This policy applies to all assets, which are hereby defined as tangible personal property with a useful life of one year or longer and an individual value of over five thousand dollars (\$5,000) at time of purchase ("Asset(s)"). Examples include buildings, furniture, fixtures, tools, equipment, vehicles, computer equipment, supplies and any other tangible goods purchased or leased by the Corporation. This policy also applies to the disposition of real property.

4. Tracking of Assets

The Contracting Officer shall ensure that each Asset is assigned an asset number to each Asset and record a full description of the Asset and the location to which the Asset has been assigned. The number will allow the Corporation to track each Asset's deployment and disposal.

5. Periodic Inventory of Assets

The Contracting Officer shall ensure that a physical inventory of the Assets is performed at least once every three years. As determined appropriate by the Contracting Officer, such inventory may be conducted on a reasonable and representative subset of the Assets. As part of each physical inventory, the Contracting Officer shall identify Assets that are no longer in use or should be disposed of or retired.

6. Identifying Assets for Disposal

Those Assets that are no longer required, no longer functional and/or are no longer serving the purpose for which they were acquired shall be identified for disposal by the Contracting Officer.

7. Classifying Assets

Once Assets have been identified for disposal, the Contracting Officer shall classify the Assets into one of the following three categories:

- a. Waste. This category includes materials or items that have no functional value or no known intrinsic value. These Assets shall be disposed of as the Contracting Officer may determine in a safe, appropriate and commercially reasonable manner.
- b. Scrap. This category includes materials or items that have no functional value, but retain intrinsic value due to the material out of which they are made. These Assets may be disposed of as the Contracting Officer may determine in a commercially reasonable manner, obtaining the best value.
- c. Surplus. This category includes materials or items that retain functional value and/or intrinsic value. These Assets will be disposed of by the Contracting Officer in accordance with this policy as set forth herein below.

8. Disposal of Surplus Assets

The Contracting Officer may dispose of any such Asset for not less than fair market value by sale, exchange, transfer for cash, credit or other property upon such terms as the Contracting Officer deems proper consistent with the terms of this Policy. Any disposal of real property shall require an appraisal by an independent appraiser to determine fair market value.

9. Disposal of Surplus Assets with a Fair Market Value Under \$15,000

Surplus Assets with a fair market value of under \$15,000 may be sold through participation in the County of Monroe's public notice and auction process, use of any other public notice procedure, placement of ads in publications and general circulation or electronic

classified ads or auction sites, or by negotiation. It is the responsibility of the Contracting Officer to determine the best method of disposal so as to achieve the greatest value.

If the surplus Assets offered for sale are not sold within ninety days (90) or such greater time as may be reasonable under the circumstances, the Contracting Officer may determine to donate such items to a Governmental or not for profit organization or make any other reasonable disposition of the property.

10. Disposal of Surplus Assets where Fair Market Value is \$15,000 or Greater and Real Property

a. Advertised Bid

All disposal of surplus Assets with a fair market value \$15,000 or more shall be made after public advertising for bids for the purchase of the Assets. The Contracting Officer shall order the advertising for bids in such a manner and in such publications as the Contracting Officer deems reasonably necessary to permit full and fair competition for the property consistent with the fair market value and nature of the property. All advertisements and announcements soliciting bids shall state the place and time at which the bids received for the Asset advertised shall be publicly disclosed.

b. Award of Property Subject to Bid

The Contracting Officer shall evaluate the bids and select the bid most advantageous to the Corporation based upon (a) conformance with the invitation for bids, (b) the terms, including but not limited to the price offered, and (c) any other factors that warrant consideration.

Notwithstanding the foregoing, the Corporation may reject as inadequate all bids received in response to a particular solicitation for bids if the Contracting Officer deems that it is in the best interest of the Corporation to reject all bids.

c. Notification of Successful Bid

The Corporation shall notify the successful bidder in writing of acceptance of the bid. This notice shall contain a description of the Asset, the amount of the successful bid and any other material items of the bid. The bidder shall be required to make payment to the Corporation Treasurer in a form and on terms acceptable to it before taking possession of the Asset. The Corporation shall gather the following information regarding any successful bidder: name, address, phone number. The Corporation shall provide to the successful bidder a deed, bill of sale, lease or other appropriate instrument adequate to transfer the Asset to the successful bidder. The Contracting Officer is authorized to execute all documents on behalf of the Corporation to effectuate transfer of title.

11. Disposal of Property by Negotiation

The Corporation may dispose of Assets through negotiation or by public auction without regard to the above described procedures if the Contracting Officer determines that any of the following conditions exist:

- a. introduction into the market of the Asset to be disposed of would adversely affect the local market for that kind of property, and a fair market price and other terms for the sale of the Asset can be obtained through negotiation;
- b. prices for the Asset that were obtained by advertised bid were not reasonable or the bid process did not generate open competition;
- c. disposal of the Asset is to the state or any political subdivision and fair market value can be arranged through negotiation;
- d. the Asset is being disposed of for less than fair market value, the terms of the disposal have been reached through public auction or negotiation the disposal of the Asset is intended to further the health, safety, welfare or economic development interests of the state or any of its political subdivisions, and the Board has approved the particular transaction by resolution or;
- e. the use of advertised bids is an inappropriate method for disposal of the Asset.

12. Documentation of Disposal by Negotiation

The Contracting Officer shall cause to be prepared an explanation of the circumstances of the disposal when property is disposed of through the negotiation process described in Section 11, and any of the following are true;

- a. the Asset disposed of has an estimated fair market value in excess of fifteen thousand dollars (\$15,000.00);
- b. real property sold has an appraised value in excess of one hundred thousand dollars (\$100,000.00);
- c. real property leased has been leased for a period of five years or less and the estimated annual fair market rent is in excess of one hundred thousand dollars (\$100,000.00);
- d. real property leased has been leased for a period of more than five years and the total estimated fair market rent over the term of the lease is more than one hundred thousand dollars (\$100,000.00);
- e. the Asset or real property has been disposed of by exchange;

- f. any part of the consideration for the property disposed of consists of real property.
- g. The explanatory statement shall be transmitted to the State Authority Budget Office not less than ninety (90) days in advance of the disposal in accordance with PAL §2897 (d) (ii)

13. Yearly Property Report

Each year the Contracting Officer shall publish a report listing all real property of the Corporation and all real property and/or Assets disposed of by the Corporation during the previous twelve-month period. The report shall contain a full description of each item of property disposed of, the price received by the Corporation, and the name of the individual (s) or entity that purchased the property.

The Contracting Officer shall cause the report to be delivered to the Comptroller, Director of the Budget, the Commissioner of General Services, and the New York State Legislature c/o the Speaker of the House and the Senate Majority Leader.

The Contracting Officer shall cause the report to be made available to the public.

Amended: March 12, 2015
Re-Adopted: March 13, 2014
Adopted: July 18, 2013