

San Mateo County Employees' Retirement Association

SURPLUS PROPERTY POLICY

I. PURPOSE

When SamCERA property is no longer needed or useable, the following policy lays out methods for the proper disposal of the Surplus Property.

II. SAMCERA SURPLUS PROPERTY DEFINED

Surplus Property is defined as all furniture, equipment, or other tangible assets owned by SamCERA that is determined by the Chief Executive Officer (CEO), the Assistant Executive Officer (AEO) or the Chief Technology Officer (CTO) to be obsolete, damaged, or no longer useable by SamCERA.

III. METHODS TO DISPOSE OF SURPLUS PROPERTY

- A. Property Valued at \$5,000 or more.** For Surplus Property that is a capital asset and has, individually, an estimated market value exceeding \$5,000 or more at the time of surplus, the method used to dispose of such property must be approved by the Board of Retirement. In lieu of approving the disposal of each individual item of Surplus Property, the Board authorizes the CEO to dispose of such property from the methods listed below, taking into consideration the type of property, condition of the property, and circumstances under which disposal is deemed necessary (*e.g.*, storage issues), provided that the CEO shall, within a reasonable period of time, provide a report back to the Board regarding such disposal(s) at a regular meeting.
- B. Property Valued Under \$5,000.** The CEO, AEO, or the CTO will determine how to dispose of individual Surplus Property, with an estimated market value less than \$5,000 at the time of surplus, from the methods listed below, taking into consideration the type of property, condition of the property, and circumstances under which disposal is deemed necessary (*e.g.*, storage issues).
 - 1. County's Surplus Property Program (SPP).** Placing Surplus Property in the SPP so that it can be beneficially reused by the County, other Plan Sponsors, local nonprofit or charitable organizations. If the Surplus Property is not reused, the SPP assists in auctioning the property, or disposing of it.

2. **Direct Donation.** Donation of Surplus Property directly to any California public institution including but not limited to, public libraries, school districts, or interested 501 (c)(3) charities.
3. **Certain Electronic Equipment.** Surplus electronic equipment such as hard drives and other recordable media (rewritable and non-rewritable) will not be included in any SPP, direct donation, or other routine means of disposing of equipment (E-waste recycling, etc.).
 - a. All hard drives and other rewriteable media (tapes, etc.) will be removed and wiped by SamCERA IT Staff whenever possible, using software that is in accordance with the “NISPOM rule” set forth at 32 CFR Part 117.
 - b. Erased hard drives and rewritable media will then be submitted to an authorized third-party vendor to be physically destroyed. SamCERA will retain a copy of the “Certificate of Destruction” affidavit if available.
 - c. SamCERA IT Staff shall physically destroy, or make arrangements for the physical destruction of, any rewriteable and non-rewriteable media such as CDs, DVDs and USB Drives.
4. **E-waste Recycling.** Computers, monitors, DVD players, fax machines, and other types of electronic products that can be subject to E-waste recycling, in accordance with subsection (3) above, can be E-Waste recycled. If possible, staff should use an organization listed in the directory of participants in the Covered Electronic Waste Recycling Program established by California's Electronic Waste Recycling Act of 2003.
5. **Other Recycling.** If the Surplus Property cannot be reused by a third party, it should be recycled if possible. If the Surplus Property cannot be reused or recycled, then it shall be discarded.
6. **Other Available Methods.** If the use of the above methods is not in the best interest of SamCERA, the CEO, AEO, or the CTO can use another preferable method.

IV. **DOCUMENTATION AND PROCEEDS FROM THE SALE OF SURPLUS PROPERTY**

- A. **Documentation.** Staff shall indicate on a SamCERA Disposal of Surplus Property form that said item has been deemed Surplus Property and will include, at a minimum, the description of disposition method, date of the disposition, and any proceeds from said disposition. This form and related supporting documents should be submitted to the Finance Division for the timely updating of property inventory and accounting records.

B. Proceeds. Proceeds from the sale of any Surplus Property will be deposited into the Retirement Trust Fund and accounted for in accordance with Generally Accepted Accounting Principles.

V. MEMBERS OF THE BOARD OF RETIREMENT AND SAMCERA STAFF

Members of the Board of Retirement and employees of SamCERA are not permitted to purchase or receive SamCERA Surplus Property unless they participate under the SPP public auction.