



Administrative Policy

Management of surplus City personal property

AP No.

AP 7-10

Effective Date:

Upon Approval

1. POLICY STATEMENT

1.1 This policy addresses roles and responsibilities for the management and disposition of surplus City personal property.

2. POLICY PURPOSE

2.1 This policy establishes areas of responsibility and minimum guidelines for redistributing or disposing of surplus City personal property.

3. SCOPE

3.1 This policy applies to all City departments and shall be used to determine the most efficient, effective and cost-effective means of redistributing or disposing of surplus City personal property. Other applicable City ordinances policies and procedures shall be used in conjunction with this policy.

3.2 This policy applies to all surplus City personal property transactions conducted by the City.

4. DEFINITIONS

ARA: Administration and Regulatory Affairs Department.

City personal property: Any asset other than real estate to which the City has legal claim of ownership. The distinguishing factor between personal property and real estate is that personal property is movable; that is, the asset is not fixed permanently to one location.

DFAC: Department Fixed Asset Coordinator, which has the meaning ascribed in the *Fixed Asset Accounting and Management Procedures Manual* published by the Finance Department.

Director: The Director of the Administration and Regulatory Affairs Department or his or her designee.

Excess: in the context of the City's personal property, means property that is no longer needed, worn, or scrap.

HITS: Houston Information Technology Services.

Obsolete: in the context of the City's personal property, means personal property that no longer meets City specifications or requirements but is assumed to be in working order.

Sensitive Data: Data that has the meaning ascribed in A.P. 8-1.

Surplus city personal property: means City personal property, supplies, materials and equipment, excluding vehicles, that are obsolete or in excess of the city's requirements.

5. ROLES AND RESPONSIBILITIES

5.1 ARA shall:

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- 5.1.1 Establish a cost-effective, City-wide disposition program for surplus City personal property, for City departments to follow when disposing of surplus City personal property.
- 5.1.2 Publish written rules and procedures for disposing of surplus City personal property in accordance with the requirements in Section 2-507 of the City of Houston Code of Ordinances. The rules and procedures must include, at a minimum, the following guidelines:
 - 5.1.2.1 Procedure for City departments to use when identifying surplus City personal property.
 - 5.1.2.2 Procedure for City departments to use to properly transfer and account for surplus City personal property transferred to the custody of ARA.
 - 5.1.2.3 Procedure to ensure that no surplus City personal property contains, in any medium, any sensitive data prior to final disposition.
 - 5.1.2.4 Procedure to ensure that any sensitive data stored on electronics identified as surplus City personal property is erased, destroyed or otherwise rendered inaccessible prior to final disposition in accordance with standards approved by the HITS Director or designee.
 - 5.1.2.5 Procedure to ensure that all surplus City personal property, when either sold or donated, is described to the receiving party as in the following condition: “as-is”; “where-is”; and with no warranty, guarantee or representation of any kind expressed or implied as to the condition, utility or usability of the property offered.
 - 5.1.2.6 Procedure to ensure that all surplus City personal property, when either sold, transferred or donated, are disposed of pursuant to written terms and conditions, approved by the City Attorney or designee, which terms and conditions must include, without limitation, requirements to indemnify the City and to return surplus City personal property containing sensitive data.
- 5.1.3 Manage the final disposition of surplus City personal property, including collection, transfer, redistribution, donation, sale and destruction.
- 5.1.4 For those City departments managing the final disposition of surplus City personal property under their control, including collection, transfer, redistribution, donation, sale and destruction, ARA shall:
 - 5.1.4.1 Require said City departments to develop a disposition program that complies with the rules and procedures published by ARA.
 - 5.1.4.2 Review and approve the City department’s disposition program.

5.2 HITS shall:

- 5.2.1 Develop standards for use by ARA and other City departments managing their own disposition program to ensure that any sensitive data stored on surplus City personal property, including electronics, is removed prior to final disposition such that the receiving party will be unable to recover the sensitive data.
- 5.2.2 Develop alternative destruction standards for use by ARA and other City departments managing their own disposition program in situations where sensitive data stored on surplus City personal property, including electronics, cannot be removed such that the receiving party cannot recover the data.

5.3 City departments shall:

- 5.3.1 In accordance with the guidelines published by ARA, identify the City personal property assets in their possession as surplus.
- 5.3.2 Ensure that all surplus City personal property within the City department’s custody is disposed of in accordance with this policy and the program, rules and procedures published by the Director.
- 5.3.3 Assigns a staff member as that City department’s DFAC, with the duties ascribed in the *Fixed Asset Accounting and Management Procedures Manual*.
- 5.3.4 If electing to manage the final disposition of surplus City personal property under their control

rather than using the program established by ARA:

- 5.3.4.1 Develop a disposition program that complies with the rules and procedures published by ARA.
- 5.3.4.2 Submit the department's disposition program, including rules and procedures, to the Director for approval and make any modifications necessary to satisfy the Director that the City's interests are being safeguarded.
- 5.3.4.3 Refrain from implementing and using a new departmental disposition program until it has been approved by the Director.

6. RELATED DOCUMENTS AND INFORMATION

- Code of Ordinances, Chapter 2, Article XVI, Sec. 2-507, Management of surplus city personal property
- Code of Ordinances, Chapter 2, Article XVII, Sec. 2-603, Duties of Fleet Management Department
- Executive Order 1-48, Information Technology Security
- Administrative Policy 8-1, Use of City Information and City Information Technology Resources
- ARA Form 97-Asset Disposition Property Repurpose Form

7. POLICY SPONSOR

Department: ARA