

DISPOSITION OF REAL PROPERTY/PERSONAL PROPERTY

The Board of Education believes that the efficient administration of the District may require the disposition of real property and/or personal property that is no longer necessary to meet the educational or operational needs of the School District.

**Real Property" means land, including land improvements, structures and appurtenances thereto, but excludes moveable machinery and equipment.**

**"Personal Property" means tangible property other than real property. It may be tangible, having physical existence, or intangible and may include automotive vehicles, equipment, and materials.**

All property considered for disposition (sale) may be subjected to a current, outside, professional appraisal prior to the solicitation of offers.

**Disposition of Personal Property under \$10,000**

Personal property, the value of which does not exceed \$10,000, shall be disposed of by the Superintendent in such a manner as will be in the public interest and benefit the School District (see Policy 7310 - **Disposition of Surplus Property and Donation of Real or Personal Property**). If the Board decides to trade an item of personal property as a part or an entire consideration on the purchase price of an item of similar personal property, the Board may trade the personal property upon such terms as are agreed upon by the parties.

**Disposition of Real Property under \$10,000**

Real property, the value of which does not exceed \$10,000, shall be disposed of by the Board in such manner as will be in the public interest and benefit to the School District and may be accomplished by private sale. If the Board identifies a parcel of real property that it determines is needed for school purposes, the Board may, upon majority vote of the members of the Board, acquire such parcel by exchanging its real property for the parcel or using the real property as part or an entire consideration for the purchase price of the identified real property. Any exchange or acquisition shall be made by conveyance executed by the President and the Treasurer of the Board.

**Disposition of Personal and Real Property over \$10,000**

Property, (personal and real), the value of which exceeds \$10,000, shall be sold at public auction to the highest bidder in accordance with law. The Board may offer real property for sale as an entire tract or in parcels.

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A. Unless the property is being:

1. sold to an exempt entity, as defined in R.C. 3313.41(C);

2. sold to a community school or the board of trustees of a college preparatory boarding school, as set forth in R.C. 3313.41(G); or
3. exchanged for an identified parcel of real property that the Board determines it needs for school purposes or the property is being used as part or an entire consideration for the purchase price of the identified real property, pursuant to R.C. 3313.41(F); or
4. traded as a part or an entire consideration on the purchase price for a similar item of personal property upon such terms as agreed to by the parties to the trade pursuant to R.C. 3313.41(E).

the District shall attempt to sell the property by public auction after giving at least thirty (30) days notice of the auction by publication in a newspaper of general circulation.

- B. If, after the property has been offered once by public auction, no acceptable bids have been received, the District may sell the property at private sale.
- C. If the Board decides to dispose of real property ~~that is suitable for use as classroom space,~~ prior to disposing of the property in the manner set forth above, the Board shall first offer the property **the governing authorities of high-performing community schools and any newly established community schools that are implementing a community school model that has a track record of high quality academic performance, as determined by the Department of Education. If no governing authority from either type of community school expresses an interest in the property within sixty (60) days after the offer is made, the Board must offer the property** for sale to —the governing authorities of the start-up community schools and the board of trustees of any college preparatory boarding school located within the territory of the District.
  1. The Board shall offer the property to ~~the~~**any** community school governing authority and college preparatory boarding school board of trustees at a price that is not higher than the appraised fair market value of the property as determined in an appraisal of the property that is not more than one (1) year old.
  2. In the event that more than one (1) community school

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governing authority or college preparatory boarding school board of trustees accepts the offer made by the Board, the property shall be sold to the community school governing authority or board of trustees that accepted the offer first in time.

3. The Board may dispose of the property by public auction **only** if no **start-up** community school governing authority or college preparatory boarding school board of trustees accepts the Board's offer within sixty (60) days after ~~such~~**the subsequent** offer.

D. Disposition of Unused School Facilities

1. "Unused School Facilities" means any real property that has been used by the District for school operations, including but not limited to academic instruction or administration, since July 1, 1998, but has not been used in that capacity for two (2) years.
2. The Board shall **first** offer any Unused School Facilities it owns for lease or sale to the governing authority of any **high-performing community school as defined by State law. If no governing authority accepts the offer of lease or sale within sixty (60) days, then the Board must next offer Unused School Facilities to the governing authority of any** community school or the board of trustees of any college preparatory boarding school that is located within the territory of the District.

At the same time the Board makes the offer to lease or sale, the Board may, but is not required to, offer the property for lease or sale to the governing authority of any community school with plans, as stated in applicable contracts, either to relocate to or add facilities in the District.

**3. If more than one (1) qualified governing board accepts the Board's offer within sixty (60) days, the Board shall conduct a public auction utilizing the process described above. Only the parties that notify the Board within sixty (60) days may offer a bid at the auction. The Board is not required to accept a bid that is lower than the appraised fair market value of the property as determined by an appraisal that is no more than one (1) year old.**

- ~~3~~**4.** Any subsequent lease or sale of the property shall proceed in accordance with law.
- ~~4~~**5.** If no governing authority or board of trustees accepts the offer to lease or buy the property within sixty (60) days after the **subsequent** offer is made, the Board may offer the property for sale or lease to any other permissible entity.

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- E. Further, the Board may dispose of property upon the majority vote of the members of the Board and a concurring vote of the legislative authority of a municipal corporation, declaring that an exchange of real property held by the District for school purposes for real estate held by the municipal corporation for municipal purposes will be mutually beneficial to both the District and the municipal corporation. The exchange may be made by conveyances that are executed by the President and Treasurer of the Board and the Mayor and Clerk of the municipal corporation, respectively.
  
- F. The Board President and Treasurer shall execute and deliver deeds or other necessary instruments of conveyance to complete any sale or trade under this policy.

**Donation of Real or Personal Property**

- A. If the School District has property that the Board, by resolution, determines is not needed for school purposes, is obsolete, or is not fit for the use for which it was acquired, the Board may donate the property if the estimated fair market value of such property is \$2,500 or less in the opinion of the Board. The property may only be donated to an eligible 501(c)(3) nonprofit organization located in the State of Ohio and exempt from Federal income taxation under 26 U.S.C. 501(a) and 501(c)(3).
- B. Prior to donating the property, the Board shall adopt a resolution that contains the following:
  1. a statement expressing the Board's intent to make unneeded, obsolete or unfit-for-use, District property available to nonprofit organizations;
  2. guidelines and procedures the Board considers to be necessary to implement the donation program;
  3. an indication of whether the District will conduct such program or by a representative under contract with the Board;
  4. contact information for such representative, if the person is known when the resolution is adopted;
  5. a requirement that any nonprofit organization desiring to obtain donated property submit a written notice to the board or its representative that includes:
    - a. evidence that the organization is a nonprofit organization that is located in the State of Ohio and exempt from Federal income taxation;
    - b. a description of its primary purposes;
    - c. a description of the type or types of property the organization needs; and
    - d. the name, address, and telephone number of a person designated by the organization to receive donated property as its agent.

- C. Upon the adoption of the resolution, the Board shall publish at least twice in a newspaper of general circulation, notice of its intent to donate unneeded, obsolete, or unfit-for-use property to eligible nonprofit organizations. The notice must also include a summary of the information provided in the resolution. A similar notice must also be continually posted in the Board's office and on the District's Internet website, if one exists. The second and subsequent notices shall be posted not less than ten (10) and not more than twenty (20) days after the previous notice.
- D. The Board or its representative must maintain a list of:
1. all eligible 501(c)(3) nonprofit organizations that submit a written notice described above; and
  2. a list of all real or personal property that qualifies for the program.

The list of qualifying property must be continually posted at the same locations at which the resolution creating the program must be posted.

1. An item of property on the list must be donated to the 501(c)(3) organization that first declares to the Board or its representative its desire to obtain the item unless the Board previously established in a separate and distinct resolution, a list of eligible 501(c)(3) organizations that are to be given priority for an item's donation.
  2. The resolution giving priority to certain nonprofit organizations must specify the reasons for giving the organizations this priority. Such priority may be given based on a direct relationship between the purposes of the organization and specific purposes of the programs provided or administered by the Board.
- E. Members of the Board must consult with the Ohio Ethics Commission and comply with R.C. Chapters 102 and 2921 when donating property to a 501(c)(3) organization of which a Board member, his/her family member(s) or a business associate(s) of a Board member is a trustee, officer, Board member, or employee.



**Proceeds from the Sale of Real Property**

When the Board disposes of real property pursuant to R.C. 3313.41, the proceeds received from the sale shall be used to retire any debt that was incurred by the District with respect to that real property. Any proceeds in excess of the funds necessary to retire that debt may be paid into the District's capital and maintenance fund and used only to pay for the costs of non-operating capital expenses related to technology infrastructure and equipment to be used for instruction and assessment.

R.C. 3313.17, 3313.40, 3313.41, **3313.413**  
**2 C.F.R. 200.78, 200.85**

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