



Missoula Housing Authority
Disposition Policy – Personal and Real Property

I. Purpose

This policy prescribes the procedures for the authorized disposition of Missoula Housing Authority (MHA) personal and real property.

II. Definitions

- a. “Contracting Officer” shall mean the Executive Director or designee.
- b. “Dispose”, “Disposal” or “Disposition” shall mean transfer of title or any other beneficial interest in Property in accordance with these Guidelines.
- c. “FMV” shall mean fair market value. Personal and real property shall not be sold or exchanged for less than FMV as determined by Missoula Housing Authority.
- d. “MHA” shall mean Missoula Housing Authority.
- e. “Property” shall mean personal or real property.
- f. “Personal Property” shall mean all property that is not considered real property. All MHA personal property shall be subject to these provisions, regardless of means of acquisition.
- g. “Real Property” shall mean land and anything cultivated on, connected to, or built on it, excluding anything that may be severed without damage to the land. May either be corporeal (soil and buildings) or incorporeal (easements).
- h. “Real Property” vs. “Personal Property” – The fundamental difference between real and personal property is that personal property is generally movable and real property generally is not moveable. For example: Land, buildings and other structures are real property, while personal property consists of office equipment, vehicles, large mobile equipment, supplies and scrap.
- i. “Surplus Property” shall mean personal property that is no longer needed by MHA for the performance of its duties.
- j. “Scrap” shall mean personal property for which there is no residual value beyond the value of its material content.
- k. “Surplus Sale” shall mean a method of disposing of surplus personal property which is not needed by MHA. Such disposal is generally to the public-at-large, and may take the form of a sealed bid sale, a public auction or a public sale.

III. Determination of Fair Market Value (FMV)

In order to determine FMV the MHA shall solicit or acquire information from the market and determine the estimated value of the property being disposed. The MHA shall be required to estimate:

- a. a price analysis by using commercial pricing and sales information, sufficient to enable the MHA to verify the reasonableness of the proposed price by using information from a catalog or market price of a commercial product sold in substantial quantities to the general public, or services provided to the general public; or

- b. documentation showing that the offered price is set by law or regulation.

IV. Personal Property Disposal Procedures

- a. Disposition of scrap.
 - 1. Personal property that is determined to be unusable and to have no value other than the material content will be considered to be scrap.
 - 2. In most cases surplus property will not be deemed to scrap unless all efforts to dispose of it otherwise are unsuccessful.
 - 3. An explanatory statement of the circumstances surrounding the scrap disposition must be prepared and include the nature of the personal property, quantity, attempts at determining a FMV, the attempts at disposing the property for some value and the final end result whether landfill etc.
 - 4. All scrap maybe offered to staff first and disposed of by lottery. MHA staff will receive preference in receiving any scrap.
- b. Donation.

Personal property of the value of \$500.00 or less may be donated or disposed of in any fashion determined by the Contacting Officer to be in the best interest of MHA.
- c. Fair Market Value.
 - 1. Any personal property in an amount of \$500 - \$5,000 will be disposed of for FMV by any commercially reasonable manner including but not limited to sale, exchange or transfer, for cash, credit or other property through postings, advertising, public announcement, public auction or public sale.
 - i. The manner of disposal for FMV shall be made at such time prior to the Disposal or contract for disposal through such methods, and on such terms and conditions as the Contracting Officer determines will permit full and free competition consistent with the value and nature of MHA's property proposed for Disposal.
 - ii. the award shall be made by the Contracting Officer on behalf of MHA with reasonable promptness by notice to the responsible party whose bid will be most advantageous to MHA taking into consideration, price and other factors; provided that all bids may be rejected when MHA determines it is in the public interest to do so.
 - iii. A tabulation of all bids received shall be prepared and filed with the winning contract as a part of the permanent record.
 - 2. Any personal property with estimated FMV of \$5,000 - \$100,000 will require a Formal Bid process prior to the sale, exchange, or transfer, for cash, credit or other property.
 - i. The advertisement for bids shall be made at such time prior to the Disposal or contract for disposal through such methods, and on such terms and conditions as the Contracting Officer determines will permit full and free competition consistent with the value and nature of MHA's property proposed for Disposal.
 - ii. All bids shall be publicly disclosed at the time and place stated in the advertisement; and
 - iii. the award shall be made by the Contracting Officer on behalf of MHA with reasonable promptness by notice to the responsible bidder

whose bid, conforming to the invitation for bids, will be most advantageous to MHA taking into consideration, price and other factors; provided that all bids may be rejected when MHA determines it is in the public interest to do so.

iv. A tabulation of all bids received shall be prepared and filed with the winning contract as a part of the permanent record.

3. Personal property with estimated FMV in excess of \$100,000 will require MHA Board Approval prior to the sale, exchange, or transfer, for cash, credit or other property by Formal Bid.

i. The advertisement for bids shall be made at such time prior to the Disposal or contract for disposal through such methods, and on such terms and conditions as the Contracting Officer determines will permit full and free competition consistent with the value and nature of MHA's property proposed for Disposal.

ii. All bids shall be publicly disclosed at the time and place stated in the advertisement; and

iii. the award shall be made by the Contracting Officer on behalf of MHA with reasonable promptness by notice to the responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to MHA taking into consideration, price and other factors; provided that all bids may be rejected when MHA determines it is in the public interest to do so.

iv. A tabulation of all bids received shall be prepared and filed with the winning contract as a part of the permanent record.

V. Real Property Disposal Procedures

a. Annual Contribution Contract (ACC) property.

1. Disposal of less than full interest in ACC property will be disposed of for FMV by any commercially reasonable manner including but not limited to sale, exchange or transfer, for cash, credit or other property.

2. Disposal of full interest in ACC property will require MHA Board Approval prior to the sale, exchange, or transfer, for cash, credit or other property by Formal Bid.

i. The advertisement for bids shall be made at such time prior to the Disposal or contract for disposal through such methods, and on such terms and conditions as the Contracting Officer determines will permit full and free competition consistent with the value and nature of MHA's property proposed for Disposal.

ii. All bids shall be publicly disclosed at the time and place stated in the advertisement; and

iii. the award shall be made by the Contracting Officer on behalf of MHA with reasonable promptness by notice to the responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to MHA taking into consideration, price and other factors; provided that all bids may be rejected when MHA determines it is in the public interest to do so.

iv. A tabulation of all bids received shall be prepared and filed with the winning contract as a part of the permanent record.

b. Non-Annual Contribution Contract (ACC) property.

1. Disposal of less than full interest in Non-ACC property will be disposed of for FMV by any commercially reasonable manner including but not limited to sale, exchange or transfer, for cash, credit or other property.

2. Disposal of full interest in Non-ACC property will require MHA Board Approval prior to the sale, exchange, or transfer, for cash, credit or other property by any commercially reasonable manner including but not limited to sale, exchange or transfer, for cash, credit or other property

VI. Participation of MHA employees in personal property sales

- a. MHA employees shall be permitted to participate in the purchase of MHA surplus personal property, only in the same manner as the public-at-large, except that no single MHA employee shall be given any consideration or privilege in any such sale that might be construed as giving him/her an advantage in obtaining any surplus property.