CHAPTER 45. SALE OF SURPLUS STATE PROPERTY

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GENERAL PROVISIONS

§ 45.1. Authority to sell surplus or unserviceable property.

The Department is authorized to sell, either at public auction or private sale, those items of surplus or unserviceable furniture and equipment which are no longer of use to a department, board or commission of the Commonwealth and which have not been transferred under Chapter 43 (relating to transfer of surplus State property).

§ 45.2. Division to conduct sales.

(a) Sales of surplus State property, regardless of property location, shall be conducted by employes of the Division and in accordance with this chapter and the best interests of the Commonwealth.

(b) The Division shall determine the type of sale to be utilized for individual or group sales transactions.
(c) Sales, except in cases of perishable property, shall be advertised in accordance with section 2405 of The Administrative Code of 1929 (71 P. S. § 635). Sales may be advertised when the Division deems the advertising is in the best interests of the Commonwealth in view of the value of the property involved.

(d) Surplus State property shall be sold in the condition in which it is received by the Division, and all sales shall be “as is.”

§ 45.3. Removal of property.

(a) The Department and the Commonwealth will not be responsible for damage to property that has been sold.

(b) Surplus State property which has been sold shall be removed from Commonwealth premises immediately or within the time period specified by the Division or other proper authority.

PRIVATE SALES

§ 45.11. General requirements.

(a) Private sales of surplus State property shall be accomplished by securing competitive bids, by negotiation or by a predetermined fixed price. The office section of the Division shall have the sole responsibility for the administration of sales conducted on a competitive bid basis.

(b) Value and volume of particular items of surplus property shall be given prime consideration in the selection of the type of sale to be effected.

(c) The Commonwealth shall reserve the right to reject all bids.

(d) Care shall be taken to insure that, insofar as possible, administrative costs do not exceed the gross dollar return for the sale.

(e) Surplus State property sales shall be taxable transactions.

(f) Warehouse and field employees shall assist as required and directed.


Upon the sale of items of surplus State property, the warehouse or field section employees shall proceed in the following manner:

(1) Mark the items that have been sold with a Shipping Tag, Manila, 5 1/2 inches by 2 5/8 inches, Size 16, Commodity Code Number 0310-0300-030. Information posted to the tag shall include: purchaser’s name, Surplus State Property Identification Tag Number, date of sale, and signature of the warehouse or field representative. The word “Sold” and other identification requirements shall be hand stamped on blank tags.

(2) Remove the Surplus State Property Identification Tag, Office of Administration Form 552. Write the word “Sold,” the date, and actual sale price immediately above the suggested sale price block on the form. The Division employee conducting the sale shall sign the identification tag in the right margin to verify the sale.
(3) List all items that have been purchased by an individual on Property Transfer/Sale Slips, PSPD Forms. Direct the purchaser to sign and date all copies of the “Sales” slip.

(4) Individuals purchasing surplus State property shall be advised that the property must be removed from the premises immediately, or within the time specified by the Chief of the Division; otherwise, the property shall be considered abandoned and reentered on the inventory for further disposition. If purchaser has been granted additional time to remove the property, the date of the last day prior to abandonment action shall be entered on all copies of the Property Transfer/Sale Slip, PSPD Form 20 or PSSP Form 80. The purchaser shall initial the posted date to indicate that he is aware of the time limit. Further, the purchaser shall be advised that moneys paid for property and subsequently abandoned will be forfeited as liquidated damages.

§ 45.13. Procedures for sales at the warehouse.
Upon the sale of items of surplus State property at the warehouse, a warehouse employe shall proceed in the following manner:

(1) Affix Surplus State Property Identification Tags, Office of Administration Form 552, to Copy No. 1 of the Property Transfer/Sale Slip. Direct the purchaser to hand-carry the sales slips and identification tags to the cashier in the office division of the Division. The cashier shall accept the receipt for payment of purchase by stamping “Payment Received” on all copies of the Property Transfer/Sale Slips. Copy No. 3 shall be returned to the purchaser.

(2) Release the appropriate property to the purchaser upon presentation of the properly receipted Property Transfer/Sale Slips.

(3) Inform the purchaser that the property shall be removed immediately from Commonwealth premises or within the time period specified by the Division.

Upon the sale of items of surplus State property in the field, a field section employe shall proceed in the following manner:

(1)(i) Affix Surplus State Property Identification Tags, Office of Administration Form 552, to Copy No. 1 of the Property Transfer/Sale Slip. Accept and receipt payment of purchases by writing or stamping “Payment Received” on all copies of the Property Transfer/Sale Slips. Return Copy No. 3 to the purchaser.

(ii) Payment for property purchased in the field shall be made by check or money order.

(iii) Cash sales shall not be transacted.

(iv) Checks in excess of $50 shall be certified.
(2) Inform the purchaser that the property shall be removed from Commonwealth premises or the sale location immediately or within the time period specified by proper authority.

(3) Forward Property Transfer/Sale Slips, Copies No. 1 and No. 2, applicable Surplus State Property Identification Tags and moneys received for the sales transactions, to the Chief of the Division not later than 2 working days following the date of sale.

§ 45.15. Procedures for competitive bid sales.

(a) Competitive bid sales shall be accomplished in accord with established Departmental procedures.

(b) Invitation—Bid Proposal for surplus State Property, and attachments thereto, shall be assigned a control/sale number to facilitate filing and records disposition.

(c) When surplus State property is located outside the city of Harrisburg, the Department, in its discretion, may authorize the department, board or commission having possession of the same, without advertising, to obtain at least two bids in the locality where the property is located. The bids shall be referred to the Department, and if it believes that the property will not realize a higher net sale price if transported to the City of Harrisburg for sale, the Department may authorize the department, board or commission having possession of the same, to sell the property locally to the highest bidder, to take a proper receipt therefore, and to transmit the proceeds to the Department. When the sales are authorized, the Department will furnish the department, board or commission effecting the sale the forms to record receipt for the property and transmittal of moneys received from the sale.

§ 45.16. Advertisement.

(a) Sales of surplus State property shall, if the Department deems it feasible in view of the value of the property involved, be advertised in not exceeding five newspapers of the Commonwealth, once a week for 3 weeks.

(b) Advertisements shall include, but are not necessarily limited to, the date, time, place and conditions of the sale.

(c) The public shall be notified that the Department or the Commonwealth reserves the right to reject all bids.

PUBLIC AUCTION SALES

§ 45.21. General requirements.

(a) Public auction sales shall be conducted at the discretion of the Chief of the Division with the approval of the Department.

(b) Auction sales shall normally be conducted for large volumes of surplus property, but may be used for small lots of high value items.
(c) Care shall be taken to insure that, insofar as possible, administrative costs do not exceed the gross dollar return for the sale.

(d) The Chief of the Division shall be responsible for the overall administration and management of public auction sales.

§ 45.22. Types of auctions.

(a) Auctions may be conducted by the Division, except that a professional licensed auctioneer shall be utilized to effect the actual sale of the item. Other functions of the sale shall be the direct responsibility of the Division.

(b) Auctions may be conducted solely by a contracted professional licensed auctioneer, except that a Division employe shall be present and responsible for collection, recording and receipting of sales tax moneys on taxable sale items as required by law.

(c) Contract with the auctioneer shall define the requirement that the auctioneer shall record the description, sale price, name of purchaser and other data deemed necessary to insure positive identification of each item sold in sufficient detail to provide the Division with adequate record of the complete sale.

§ 45.23. Auctioneers.

(a) Professional licensed auctioneers shall be utilized for all public auction sales.

(b) Employment contracts with auctioneers shall be completed in detail, be limited to specific sales and be approved by the Department or other authority as directed.

(c) Listings of licensed auctioneers shall be available from the State Board of Auctioneer Examiners, Department of State.

§ 45.24. Procedures for Division employes.

Upon the sale of items of surplus State property at public auction, conducted by the Division, an employe of the Division or the auctioneer shall proceed in the following manner:

(1) Mark the items with a shipping tag, preprinted, fill-in tag or card, or a suitable substitute, containing the name of the purchaser, the identification tag number, date of sale and signature of the authorized representative of the Division or auctioneer.

(2) Remove the Surplus State Property Identification Tags, Office of Administration Form 552.

(3) List all times that have been purchased by an individual on Property Transfer/Sale Slips. Direct the purchaser to sign and date all copies of the “Sales” slip. Attach Identification Tags to Copy No. 1 of the appropriate Property Transfer/Sales Slips.

(4) Direct the purchaser to hand carry the sales slips and identification tags to one of the auction cashiers.
§ 45.25. Procedure for auction cashiers.
Upon the sale of items of surplus State property at public auction, the auction cashier shall proceed in the following manner:

(1) Accept and receipt payment of purchase by stamping or writing “Payment Received” on all copies of the Property Transfer/Sale Slips. Return Copy No. 3 to the purchaser as a receipt and property pass. Payment by check in excess of $50 shall be certified.

(2) Hold Copies No. 1 and No. 2 of the Property Transfer/Sale Slips with appropriate Surplus State Property Identification Tags and all moneys receipted from sales transactions, for pick-up by the designated representative of the Division or the auctioneer.

Upon the sale of items of surplus State property at public auction, the office section shall proceed in the following manner:

(1) Accept and receipt payment of purchases. Stamp “Payment Received” on all copies of the Property Transfer/Sale Slip. Return Copy No. 3 to the purchaser to authorize release of the property, except in cases of public auctions.

(2) Record sales in the Master Sales Log.

(3) Attach Property Transfer/Sale Slips and related Surplus State Property Identification Tags to appropriate Surplus State Property Reports. File as a completed property sales transaction.

(4)(i) Prepare transmittal documents and transfer all moneys accumulated from sales to the comptroller, Department, on a schedule mutually acceptable to the Comptroller and the Chief of the Division. The schedule, to be initiated by the comptroller, shall be in memorandum form with copies directed to all parties concerned.

(ii) Capitol Police shall be made available to escort all transfer of moneys upon request and reasonable notice.

(iii) Transmittal documents shall be prepared in accordance with § 45.27 (relating to preparation of transmittal documents).

§ 45.27. Preparation of transmittal documents.
Transmittal documents shall be prepared by the office section in the following manner:

(1) Sales transactions shall be grouped by fund and listed numerically.

(2) A summary shall be listed on the transmittal document to reflect the following:

(i) Total amount of cash.

(ii) Total value of checks and money orders.

(iii) Grand total for the entire transmittal action.
(3) Sales and sales tax for each fund shall be subtotaled for convenience of review or audit.

(4) A preprinted receipt statement shall be included on the transmittal documents for easy reference and control. The authorized representative of the comptroller shall acknowledge receipt of moneys on the transmittal documents. The comptroller shall furnish the Division with a copy of the revenue transmittal receipted by the Treasury Department. This document shall be filed with and become a permanent part of the transmittal records.

(5) Copy No. 2 of the Property Transfer/Sale Slips, for sales listed on the transmittal documents, shall be affixed to the appropriate document and forwarded to the office of the comptroller as a part of the transmittal procedure.

Cross References
This section cited in 4 Pa. Code § 45.26 (relating to procedures for office section).