

## **Administrative Board Rule #23<sup>1</sup>**

### **Designation and Control of Surplus Material and Supply Items by the Procurement Department**

Pursuant to the Philadelphia Home Rule Charter, Section 4-300(1)(a) and Section 6-500(a)(e), the Administrative Board hereby adopts the following policy on control of surplus material and supply items:

1. The Procurement Department will be responsible for the periodic review of central and agency materials and supply inventory, stock status, stock control and other appropriate records to ascertain if the quantity of individual items on hand are in excess of the current limit set by Procurement Department Directives.
2. When the quantity of any item on hand is found to be excess of current limits, such item will revert to the overall control of the Procurement Department in order to reduce this current surplus as expeditiously as possible.
3. Agencies having surplus materials and supplies items on hand will maintain normal inventory and stock control of such items until notified by the Procurement Department of surplus reduction action to be taken.
4. In order to take the above action quickly and with minimum expense, the Procurement Commissioner is authorized to deal with items of materials and supplies determined by him to be surplus to the needs of the agency in which they are stored by any or all of the following methods:
  - a. Use of surplus to fill current requisitions by transferring items from one department to another. This method will require that Procurement Buyers compare requisitions for materials and supplies with current list of surplus. When this comparison shows usable surplus available, the Procurement Department will direct movement of goods to fill the requisitions.
  - b. Prohibit an agency with surplus to purchase more of the surplus item until a proper on-hand balance has been reached. This again will require a comparison of materials and supplies requisitions with current surplus lists by the Procurement Department.
  - c. Removal of surplus from its current location to:
    - (1) Central Warehouse Surplus Section for resale at cost to other agencies.

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<sup>1</sup>Established December 15, 1970.

- (2) To Property Disposal Depot for public sale to the highest bidder. This action will only be taken when the cost of research and transportation are such that the City will gain an economic benefit of removal of surplus from the original field point.
  - d. Sale of surplus from the field point location.
    - (1) When the cost of moving surplus items from a field point to the Property Disposal Depot or other location of sale is too great, the Procurement Property Disposal Officer will conduct a public sale of such surplus from the original field location.
  - e. Any other method which in the judgment of the Procurement Commissioner is in the best interest of the City or Agency involved.
5. In any, or all, of the above actions, Agencies will not be compensated for surplus items released, nor will they be charged for surplus items received from sources other than the Procurement Central Warehouse. However, transactions involving the Water and Sewer funds and the School District of Philadelphia will require appropriate charges and transfers of funds.