

## UNITED NATIONS DEVELOPMENT CORPORATION

### Guidelines on Disposition of Assets

United Nations Development Corporation (the "Corporation") is required by Section 2896 of the Public Authorities Law to adopt by resolution comprehensive guidelines, to be annually reviewed and approved by the Corporation's Board of Directors (the "Board"), regarding the use, awarding, monitoring and reporting of contracts for the disposal of Property. The following guidelines (the "Guidelines") are adopted pursuant to such requirement and apply to the use, awarding, monitoring and reporting of all Property Disposition Contracts which are entered into by the Corporation. These guidelines shall not apply to space leases made by the Corporation to the United Nations and other parties in accordance with the Corporation's enabling statute.

#### I. DEFINITIONS

1. "Contracting Officer" shall mean the officer or employee of the Corporation who shall be appointed by resolution of the Board to be responsible for the disposition of Property.
2. "Dispose" or "disposal" shall mean transfer of title or any other beneficial interest in personal or real property.
3. "Property" shall mean personal property in excess of five thousand dollars (\$5,000) in value, real property, and any inchoate or other interest in such property, to the extent that such interest may be conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party.
4. "Property Disposition Contracts" shall mean written agreements for the sale, lease, transfer or other disposition of Property, excluding leases entered into by the Corporation in accordance with its enabling statute.
5. "Real Property" shall mean real property and interests therein.
6. "Surplus Property" shall mean personal property with a value of five thousand dollars (\$5,000) or less.

#### II. PRINCIPAL DUTIES OF CONTRACTING OFFICER

The Contracting Officer shall be an officer of the Corporation appointed by the Board who is responsible for the supervision and direction over the custody, control and disposition of Property and responsible for the Corporation's compliance with these Guidelines. The

Contracting Officer shall: (a) maintain adequate inventory controls and accountability systems for all Property under the Corporation's control; (b) periodically inventory such Property to determine which Property shall be disposed of; (c) produce a written report of such Property at least annually in accordance with Section V of these Guidelines, which must be delivered to the Office of the State Comptroller, the Director of the Budget, the Commissioner of General Services, and the State legislature; and (d) transfer or dispose of such Property as promptly as possible in accordance with these Guidelines.

### III. PROPERTY DISPOSITION CONTRACTS

#### A. Reason(s) for Use of Property Disposition Contracts

Property Disposition Contracts may be entered into for the purpose of disposing of Property which is no longer necessary or useful for the operations of the Corporation, if the disposition of such Property will result in cost savings or other benefits to the Corporation and/or the disposition thereof will result in the receipt of valuable consideration or other benefits by the Corporation.

#### B. Method of Disposition

The Corporation may dispose of Property for not less than its fair market value by sale, exchange, or transfer, for cash, credit, or other Property, upon terms and conditions determined by the Contracting Officer and in accordance with these Guidelines and the Corporation's enabling statute. No disposition of any Property which because of its unique nature is not subject to fair market pricing shall be made unless an appraisal of the value of such Property has been made by an independent appraiser and included in the record of the transaction.

#### C. Award of Property Disposition Contracts

1. All sales or other dispositions of Property shall be conducted in accordance with these Guidelines and the Corporation's enabling statute by or under the supervision of the Contracting Officer.
2. All Property Disposition Contracts shall be made after publicly advertising for bids except as provided in paragraph 3 below. Whenever public advertising for bids is required, (i) the advertisement for bids shall be made at such time prior to the disposal or execution of a contract for such disposal, through such methods, and on such terms and conditions as shall permit full and free competition consistent with the value and nature of the Property; (ii) all bids shall be publicly disclosed at the time and place stated in the advertisement; and (iii) the award shall be made with reasonable promptness by notice to the responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the

Corporation, price and other factors considered; provided, that all bids may be rejected when it is in the public interest to do so.

3. Property Disposition Contracts may be negotiated or made by public auction without regard to the criteria set forth in paragraph 2 above but subject to obtaining such competition as is feasible under the circumstances, if (i) the personal property involved is of a nature and quantity which, if disposed of by publicly advertising for bids, would adversely affect the state or local market for such property, and the estimated fair market value of such property and other satisfactory terms of disposal can be obtained by negotiation; (ii) the fair market value of the Property does not exceed fifteen thousand dollars; (iii) bid prices after advertising therefor are not reasonable, either as to all or some part of the Property, or have not been independently arrived at in open competition; (iv) the disposal will be to the state or any political subdivision, and the estimated fair market value of the Property and other satisfactory terms of disposal are obtained by negotiation; (v) the disposal is for an amount less than the estimated fair market value of the Property, the terms of such disposal are obtained by public auction or negotiation, the disposal of the Property is intended to further the public health, safety or welfare or an economic development interest of the state or a political subdivision (to include but not be limited to, the prevention or remediation of a substantial threat to public health or safety, the creation or retention of a substantial number of job opportunities, or the creation or retention of a substantial source of revenues, or where the Corporation's enabling legislation permits), the purpose and the terms of such disposal are documented in writing and approved by resolution of the Board of Directors of the Corporation; or (vi) such action is otherwise authorized by law.
4. The Contracting Officer shall provide a statement explaining the circumstances of the negotiated disposition of Property by at least ninety days (90) prior to such disposal to each of the State Comptroller, the Director of the Budget, the Commissioner of General Services, and the State legislature, and a copy thereof shall be preserved in the files of the Corporation. Such a statement shall be prepared in connection with a negotiated disposition of Property of any of the following: (i) any personal property which has an estimated fair market value in excess of fifteen thousand dollars, (ii) any Real Property that has an estimated fair market value in excess of one hundred thousand dollars, (iii) any Real Property or related personal property disposed of by exchange, regardless of value, or any Property any part of the consideration for which is Real Property.
5. To the extent that Property Disposition Contracts are competitively awarded, such awards shall be made upon receipt and evaluation of bids or proposals or other information obtained from persons/firms responding to

a request for proposals or other form of solicitation on the basis of the criteria specified in the request for proposals or other solicitation. The Contracting Officer shall document the processes by which Property is sold or otherwise disposed of, by making a record summarizing the nature and scope of the Property disposed, the name of each person or organization submitting, or requested to submit, a bid or proposal, the price or other consideration bid and received, and the basis for selection of both the purchaser and method of disposition of the Property.

#### IV. SURPLUS PROPERTY

A responsible officer of the Corporation will determine if there are any potential purchasers for the Surplus Property in question. If so, the Corporation will sell such Surplus Property for the highest price it can obtain within a reasonable amount of time.

If no purchaser can be found for the Surplus Property, said property will be donated to a recognized and pre-qualified charitable organization selected by the Contracting Officer.

If no appropriate charity is found to accept the Surplus Property, or if said property is either obsolete or too worn or damaged to be used by a recipient organization, said property will be discarded as appropriate as determined by the Contracting Officer.

#### V. REPORTS

On or before the thirty-first day of March in each year, the Corporation shall file a report with the Office of the State Comptroller, the Director of the Budget, the Commissioner of General Services, and the State legislature including:

1. the Guidelines most recently reviewed and approved by the Corporation, including the name of the Corporation's designated Contracting Officer. At the time of the filing of the Guidelines with the Comptroller, the Corporation shall post the Guidelines on the Corporation's internet website.
2. a list of all Real Property of the Corporation.
3. a list and description of all real and personal property disposed of during such period, including the price received and the name of the purchaser.
4. a list and description of all real property of the Corporation having an estimated fair market value in excess of \$15,000 that the Corporation intends to dispose of, including an estimate of fair market value for all such property held by the Corporation at the end of the period covered by the report.

**United Nations Development Corporation's Board of Directors appointed Jorge Ortiz, Controller as the Corporation's Contracting Officer to be responsible for the disposition of property as of March 21, 2007.**

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