

MAS County Tier Information





Online Government Surplus Auctions

GovDeals and the Mississippi Association of Supervisors have partnered to offer Mississippi County Agencies the ability to sell your surplus assets directly to each other, through the GovDeals system.

If you choose to participate in the County Tier, GovDeals will...

- Train your team to list assets in our system
- Provide Access to the GovDeals system for your team
- Automatically market your assets to all the potential buyers
- Provide Support for buyers and sellers during normal business hours
- For FREE

To participate, there are two steps – in one.

Part 1: MAS has asked that every county pass a resolution from their Board of Supervisors to give permission to and name the county agencies that may participate as sellers; and to give permission and name the personnel that have the right to bid on items as buyers. MAS has written this resolution for you and you can enter the specific information for your county.

Part 2: In addition, GovDeals has a Memorandum of Understanding (MOU) that lays out our commitments to you and your responsibilities as a seller. MAS has asked that the Board of Supervisors adopt and sign this MOU so that everyone understands the program.

The Resolution and MOU are included in this packet of information.

I am happy to help you understand the process to participate, the client onboarding process, the buying process and I can make presentations to your Board if that will help.

Feel free to reach out to me at (334) 300-9591 or jrobinson@govdeals.com

**RESOLUTION OF THE BOARD OF SUPERVISORS OF _____ COUNTY, MISSISSIPPI
AUTHORIZING PARTICIPATION IN ONLINE PROCESS FOR SELLING AND PURCHASING
PERSONAL PROPERTY**

BE IT RESOLVED by the Board of Supervisors (“the Governing Authority”) of _____ County, Mississippi (“County”), as follows:

Whereas, from time to time the County either needs to sell or otherwise dispose of personal property constituting commodities as defined in Section 31-7-13-1 of the Mississippi Code of 1972 as amended (the “Code”).

Whereas, Section 31-7-13(m)(vi) permits counties to enter into private agreements or other negotiations with other Mississippi counties allowing one county to sell, transfer or otherwise dispose of commodities to another county at prices that are agreed to by each party.

Whereas, Section 17-25-25(4) of the Code authorizes counties to sell or dispose of any surplus personal or real property at a public auction conducted by a qualified auctioneer hired by the governing authority of a county or municipality when the governing authority determines a sale thereof would promote the best interest of the governing authority.

Whereas, Section 31-7-13(m)(v) of the Code authorizes a county to purchase motor vehicles or other equipment from a county and certain other governmental entities at a public auction conducted for the purpose of disposing of such vehicles and other equipment, if the Board of Supervisors of the purchasing county first authorizes such purchase and includes in its minutes a listing of the item(s) to be purchased and the maximum bid authorized to be paid for such item(s).

Whereas, the Governing Authority has determined it would be in the County’s best interest to execute a Memorandum of Understanding with GovDeals, Inc. (“GovDeals”) that would allow the County the options of: (a) disposing of or acquiring commodities with or from other counties pursuant to Section 31-7-13(m)(vi) of the Code through the closed County Tier hosted by the Mississippi Association of Supervisors (“MAS”) or (b) otherwise selling or purchasing personal and real property through public sale outside of the County Tier.

Whereas, participating in the County Tier is limited to only Mississippi counties and to only the purchase and sale of commodities, as defined by Section 31-7-1 of the Code.

NOW THEREFORE, THE GOVERNING AUTHORITY HEREBY FINDS, RESOLVES AND ADJUDICATES AS FOLLOWS:

Section 1. The Governing Authority hereby approves the execution and performance of the Memorandum of Understanding in substantially the form attached hereto as **Exhibit A** (the “MOU”). The President of the Board is authorized to execute and the Chancery Clerk is authorized to attest, if necessary, the MOU in the form attached hereto, with any revisions thereto acceptable to the Board President, with such acceptance to be evidenced by the President’s execution of the MOU.

Section 2. The Board president and Chancery clerk are each further authorized to execute any other documents and take any other actions necessary to implement the MOU and the County Tier and any related matters related thereto.

Section 3. The following County agencies and individuals are authorized to utilize the County Tier and/or the public sale option, as the County deems in its best interests:

Agency	Authorized Person
_____	_____
_____	_____
_____	_____
_____	_____

Section 4. While the forgoing individuals may establish an account on behalf of the stated agency for using the Government Tier or the public sale option with GovDeal, none of the agencies or individuals listed above is authorized to use either the County Tier or public sale option described in the MOU without first obtaining the requisite approval from the Governing Authority in each instance to make such purchase or sale. The Governing Authority's authorization must indicate, among other things, the legal basis for making the purchase or sale, the designation of whether the purchase or sale is to be made through the County Tier or the public sale option, and making any other legally required findings, all of which is to be spread on the minutes of the Governing Authority.

Upon the motion of Board Member _____, seconded by Governing Authority Member _____, and the question being put to a vote, the foregoing resolution was adopted by a majority of the Board Members, with the vote being shown below:

Board Member _____	Voted: _____
Board Member _____	Voted: _____
Board Member _____	Voted: _____
Board Member _____	Voted: _____
Board Member _____	Voted: _____

DATED: _____, 2018.

_____ COUNTY, MISSISSIPPI

By: _____
President of the Board of Supervisors

ATTEST:

Chancery Clerk

GovDeals

Online Auction Memo of Understanding

This Online Auction Memo of Understanding (MOU) is between GovDeals, Inc. (“GovDeals”), a Delaware corporation having its principal place of business at 100 Capitol Commerce Boulevard - Suite 110 - Montgomery, Alabama, 36117 and _____ (“Client”), having its principal place of business _____.

- 1.0 Description of Services:** GovDeals provides a means for Client to post assets for sale and for potential buyers to bid on these assets via an online auction system. Mississippi Counties may also participate in a private “County Tier”, hereafter referred to as a “Tier”, where county agencies may buy and sell surplus with other Tier participants (only other Mississippi county agencies), with no GovDeals fee charged. Although GovDeals provides system access for Client to list assets, GovDeals is not a party to the actual sale and has no control over the listed information or the ability of the buyer and Client to complete the transaction. It is intended that the Tier constitutes a private agreement or arrangement between and for the benefit of Mississippi counties to allow such agencies to dispose of and/or purchase commodities from other county entities at a price that is agreed to by both parties as contemplated by Section 31-7-13(m)(vi) of the Mississippi Code of 1972, as amended (the “Code”). Only “commodities” as defined in Section 31-7-1 of the Code may be bought or sold through the Tier.
- 2.0 GovDeals’ Responsibilities:** In addition to maintaining and operating an online auction system, GovDeals will provide Client with the following services for the period agreed to in **5.0** below:
- 2.1** Access to a GovDeals online “Client Asset Server” (CAS), which will allow Client to load assets to the online auction system, maintain information about assets and view and run reports. The CAS will provide Client with the following capabilities:
- Accept descriptive information concerning an asset including unlimited photos
 - Allow different auction phases based upon dates and times
 - Allow Client to set minimum starting prices, bid increments and reserves
- 2.2** Training and support services to assist Client in implementing the GovDeals online auction system, which will include:
- Familiarization with the nature and operation of CAS
 - Guidance in the posting of assets and provide ongoing support
 - Procedures for taking and posting pictures of assets
 - Based on mutual agreement between GovDeals and Client, training and support services will be provided on-site or via telephone or Internet
- 2.3** Help Desk support available via telephone or email during normal business hours, except announced holidays.
- 2.4** Provide marketing of assets posted to the online auction site and promote use of the site to potential buyers.
- Work with Client to identify items that may benefit from marketing attention.
 - Provide documented proof of all marketing efforts made on behalf of Client.
 - Assist in determining values and starting prices for unique and high dollar assets.
- 3.0 Fees:** Please elect a Flexible Pricing Option (FPO) from **Exhibit A** and enter selection below signature block on MOU page two (2). Mississippi Counties that are buying and selling assets in the

Tier will do so free of charge. If an asset is not claimed in the Tier and is offered to the public on GovDeals outside of the Tier, the fees from Exhibit A will be charged on successful transactions.

4.0 Payment:

4.1 If Client elects to collect auction proceeds, GovDeals will invoice Client for fees on the first business day of the month following the month assets are sold. Client agrees to remit payment to GovDeals within thirty (30) calendar days from receipt of invoice, unless an applicable prompt payment act or similar legislation specifies a different time period.

4.2 Client shall promptly, but no more than fifteen (15) business days after the auction end date, notify GovDeals of any transaction that was not completed. The fees for said transaction shall be credited to Client during the next invoice period.

4.3 If Client elects GovDeals to collect auction proceeds electronically via PayPal, credit card or wire transfer please review and complete **Exhibit B**.

5.0 Term of MOU: This MOU shall commence on the date it is signed by the second party and will continue for a period of twelve months unless otherwise terminated upon sixty days written notice by either party. This MOU shall automatically extend for additional one-year periods, unless either party notifies the other in writing of its intent not to renew at least sixty days prior to the anniversary date.

6.0 Terms and Conditions: Please find **Exhibit C** attached as an example of suggested Client Terms and Conditions. At any time during the term of this MOU, Client may modify the Terms and Conditions. Provided, however, the Client may not make any revisions that would reasonably be expected to open participation in the Tier to entities other than Mississippi counties, or which would make the Tier constitute a public auction or which would otherwise violate applicable law. Any substitutions or modification must be submitted to GovDeals in writing before posting assets to the GovDeals auction site.

7.0 Governance: This MOU will be governed, interpreted, construed and enforced in accordance with the laws of the State of Mississippi.

8.0 Non-Exclusive Engagement: This MOU is not exclusive. Client may utilize other approaches, including traditional auctioneer services or sealed bids. However, it is understood and agreed that Client will not utilize other disposal approaches for an asset at the same time the asset is listed on the GovDeals online auction site or sell by some other means to a prior bidder any item currently or previously listed on the GovDeals site for the purpose of avoiding payment of the GovDeals fee. Client agrees to not manipulate or interfere with the bidding process on the GovDeals site.

9.0 Role of Mississippi Association of Supervisors: It is understood that the Mississippi Association of Supervisors (“MAS”) is entering into this Agreement as a Client to facilitate the hosting of the Tier as a service for its members. MAS will not be eligible to sell or purchase commodities through the Tier. Its role is administrative, to make the Tier available to counties and to facilitate communication between GovDeals and participating county agencies. The relationship between GovDeals and MAS and their relative obligations are governed by a separate Agreement Regarding County Tier between MAS and GovDeals effective as of May 1, 2018, Any conflict between this Agreement and the Agreement Regarding County Tier will be governed by the terms of the Agreement Regarding County Tier.

This online auction memo of understanding is agreed to by:

GovDeals, Inc

**Client: Mississippi Association of
Supervisors**

Signature: _____

Signature: _____

Print Name: Roger Grayley

Print Name: _____

Title: President

Title: _____

Date: _____

Date: _____

Memo of Understanding Contact:

Attention: Sales Support
100 Capitol Commerce Blvd, Ste 110
Montgomery, AL 36117
Telephone Number: 866.377.1494
Fax Number: 334.387.0519
Email: salesupport@govdeals.com

Flexible Pricing Options (FPO)

Select one from options described in **GovDeals Memo of Understanding- Exhibit A:**

Client Collects Proceeds

- Option A1 (7.5% Seller- 0% Buyer)
- Option A2 (0% Seller- 7.5% Buyer)

Client elects FSS (GovDeals collects Proceeds)

- Option B1 (7.5% Seller- 5% Buyer)
 - Option B2 (5% Seller- 7.5% Buyer)
 - Option B3 (2.5% Seller- 10% Buyer)
 - Option B4 (0% Seller- 12.5% Buyer)
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EXHIBIT A - Online Auction Memo of Understanding

Flexible Pricing Options (FPO)

The Client has the option to choose from the following alternative plans:

A - Client Collects Proceeds

Option A1: The Client pays a 7.5% fee, but not less than \$5.00, which will be reduced according to the Tiered Fee Reduction Schedule described below. GovDeals will invoice the client each month for fees on items sold in the previous month. The client is allowed thirty (30) calendar days from date of invoice receipt to remit payment.

Option A2: The Client pays a 7.5% fee, but not less than \$5.00, and is given the capability to easily pass the entire fee on to the winning bidder as an Administrative Fee based on the Tiered Fee Reduction Schedule described below. The amount invoiced to the winning bidder will include the gross sale amount of the item, the administrative fee, and any special fees and sales tax. GovDeals will invoice the client each month for fees on items sold in the previous month. This invoice will equal the Administrative fees collected, therefore, making the client's effective fee zero percent (0%). The client is allowed thirty (30) calendar days from date of invoice receipt to remit payment.

B - Client Elects GovDeals Financial Settlement Services (FSS) allowing GovDeals to Collect Proceeds. Only one option below can be used and once this option is chosen, it cannot be changed for twelve (12) months.

Option B1: The Client pays a 7.5% fee, but not less than \$5.00, and the winning bidder pays a 5% Buyers Premium.*

Option B2: The Client pays a 5% fee, but not less than \$5.00, and the winning bidder pays a 7.5% Buyers Premium.

Option B3: The Client pays a 2.5% fee, but not less than \$5.00, and the winning bidder pays a 10% Buyers Premium.

Option B4: The Client pays 0% and the winning bidder pays a 12.50% Buyers Premium.

*If the Client chooses to pay the full 7.5% fee, they will have access to the **Tiered Fee Reduction Schedule**.

Tiered Fee Reduction Schedule

GovDeals' **Tiered Fee Reduction Schedule** below explains how the base auction fee of 7.5% is reduced for assets that sell in excess of \$100,000 on www.govdeals.com.

- 1. When an asset sells for up to \$100,000 in a winning bid, the GovDeals fee is seven and one-half percent (7.5%) of the winning bid, but not less than \$5.00.**
2. Where an asset sells for more than \$100,000, and up to \$500,000 the GovDeals fee is seven and one-half percent (7.5%) of the winning bid up to \$100,000, plus five and one-half percent (5.5%) of the winning bid for auction proceeds in excess of \$100,000 up to \$500,000.
3. Where an asset sells for greater than \$500,000, and up to \$1,000,000 the GovDeals fee is seven and one-half percent (7.5%) of the first \$100,000 of the winning bid, plus a fee of five and one-half percent (5.5%) of the next \$400,000 of the winning bid, plus a fee of three and one-half percent (3.5%) of the bid amount in excess of \$500,000 up to \$1,000,000.
4. Where an asset sells for greater than \$1,000,000 the GovDeals fee is seven and one-half percent (7.5%) of the first \$100,000 of the winning bid, plus a fee of five and one-half percent (5.5%) of the next \$400,000 of the winning bid, plus a fee of three and one-half percent (3.5%) of the next \$500,000 of the winning bid, plus a fee of two and one-half percent (2.5%) of the bid amount in excess of \$1,000,000.

EXHIBIT B - Online Auction Memo of Understanding

Financial Settlement Services (FSS)

It is understood the Client elects GovDeals to collect all proceeds due the Client from the winning bidder and remit the proceeds to the Client less the GovDeals fee. Optionally, the Client may elect to not have GovDeals withhold the fee by electing the appropriate section on the following page of this exhibit.

GovDeals will charge the winning bidder a "Buyer's Premium", therefore, the Client is not allowed to charge the winning bidder an additional "Buyer's Premium".

GovDeals will collect all proceeds from the winning bidder, including the "Buyer's Premium" through PayPal, credit card or wire transfer. This is the only means of payment by the bidder.

The Client will not release an asset to the winning bidder until the Client has received verification from GovDeals that payment has been received from the winning bidder. Prior to an item being released to the winning bidder, the Client will ensure the winning bidder or his/her agent has signed a "Bill of Sale" containing the following notation: "Asset is sold as is, where is and without warranty. Once the asset is removed from the seller's premises there is no refund of monies previously paid". The Bill of Sale must be printed from the Client Asset Server (CAS). Any other "Bill of Sale" used by the Client must be submitted to GovDeals for approval.

No proceeds will be remitted to the Client for any asset sold without verification of payment from GovDeals and verification from the Client the item has been picked up by the winning bidder. Approved payment from the winning bidder through PayPal, credit card or wire transfer will be noted in CAS. It is the Client's responsibility to notify GovDeals when an item has been picked up, which is accomplished by the Client accessing CAS and selecting the "Picked Up" option from the "Paid, not picked up" report.

GovDeals will remit all proceeds collected, less the "Buyer's Premium" and the GovDeals fee to the Client on a weekly basis for all assets marked in CAS as 'Picked Up'. However, if you choose to be invoiced for the GovDeals' fee, GovDeals will remit all proceeds collected, less the "Buyer's Premium" only. All proceeds will be remitted electronically by Automatic Clearing House (ACH) unless elected on the following page of this exhibit to receive a paper check. Whether proceeds are remitted electronically via ACH or via paper check, a detailed backup will be submitted to the Client to support the amount remitted.

Under no circumstance will the Client collect any proceeds directly from the winning bidder and if requested to do so, the Client should refer the winning bidder directly to GovDeals for payment instructions.

GovDeals will absorb all costs of Charge Backs by PayPal or a credit card company where an item is released to the winning bidder after the Client receives proper payment notification from GovDeals, GovDeals receives proper pickup notification from the Client and the Client obtained and retained a signed "Bill of Sale" from the winning bidder.

GovDeals will refund proceeds collected to the winning bidder in those rare occasions where the winning bidder pays for an asset but never picks it up and subsequently convinces PayPal or the credit card company to withdraw the amount from GovDeals' bank account. It is the Client's responsibility to request a credit on the asset paid for but not picked up as soon as the allowable pick up time passes. By taking the credit, it insures GovDeals will not charge the Client a fee and will allow the Client to resell the asset. If the asset is mistakenly placed in 'picked up' status by the Client and GovDeals has remitted payment, the Client agrees to refund this amount back to GovDeals.

A GovDeals' Client Services Representative or a GovDeals Help Desk Representative will train the Client on how to effectively use the Financial Settlement Services feature and provide ongoing support as needed. There are no additional costs to the Client for training and support.

GovDeals is covered by a Crime Insurance Policy with a limit of \$5,000,000, which will protect the Client against any loss of funds.

Financial Settlement Services (FSS) Election and Information

Please complete payment instructions below:

If client elects FSS, this section must be completed when submitting the signed MOU back to GovDeals.

Accounting Contact: _____
(Person to receive checks and invoices) Name and Title

E-Mail Address: _____

Phone Number: _____

(Please choose only one option for payment)

If payment will be made by ACH, please provide the following information:

Name of Bank	
County of Bank	
Name of Client: (Name on bank account)	
Bank Routing Number	
Bank Account Number	
Checking/Savings	

OR:

If payment will be made by paper check, please provide the following information:

Make check payable to: _____
Client's Legal Name

Mail check to: _____
Street Address / P.O. Box Number

City, State and Zip Code

Please check here *only* if Client elects to **NOT** allow GovDeals to deduct the GovDeals fees from proceeds due the client.

Online Sales - Terms and Conditions

All bidders and other participants of this service agree they have read and fully understand these terms and agree to be bound thereby.

County Tier. The Tier constitutes a private agreement or arrangement between and for the benefit of Mississippi counties to allow such agencies to dispose of and/or purchase commodities from other county entities at a price that is agreed to by both parties as contemplated by Section 31-7-13(m)(vi) of the Mississippi Code of 1972, as amended (the "Code"). Only "commodities" as defined in Section 31-7-1 of the Code may be bought or sold through the Tier. Items listed through the Tier will not be visible to any parties other than other county members of the Tier and may be purchased only by other such members.

Guaranty Waiver. All assets are offered for sale "AS IS, WHERE IS." _____ (Seller) makes no warranty, guaranty or representation of any kind, expressed or implied, as to the merchantability or fitness for any purpose of the property offered for sale. The Buyer is not entitled to any payment for loss of profit or any other money damages – special, direct, indirect or consequential.

Description Warranty. Seller warrants to the Buyer the property offered for sale will conform to its description. Any claim for misdescription must be made prior to removal of the property. If **Seller** confirms the property does not conform to the description, **Seller** will keep the property and refund any money paid. The liability of the **Seller** shall not exceed the actual purchase price of the property. Please note upon removal of the property, **all sales are final.**

Personal and property risk. Persons attending during exhibition, sale or removal of goods assume all risks of damage of or loss to person and property and specifically release the **Seller** and **GovDeals** from liability therefore.

Inspection. Most assets offered for sale are used and may contain defects not immediately detectable. Bidders may inspect the property prior to bidding. Bidders must adhere to the inspection dates and times indicated in the asset description. See special instructions on each asset page for inspection details.

Consideration of Bid. Seller reserves the right to reject any and all bids and to withdraw from sale any of the assets listed.

Buyer's Certificate. Successful bidders will receive a Buyer's Certificate by email from **GovDeals**.

Buyers Premium. If a **Buyers Premium** is shown on the auction page bidder box, then that amount (expressed as a percentage of the final selling price) will be added to the final selling price of all items in addition to any taxes imposed.

Payment. Mississippi Counties that are buying and selling assets in the Tier will do so free of charge. If an asset is not claimed in the Tier and is offered to the public on GovDeals outside of the Tier, the fees from Exhibit A will be charged on successful transactions.

Payment in full is due not later than **5 business days** from the time and date of the Buyers Certificate. Payment must be made electronically through the GovDeals Website. Acceptable forms of payment are:

- PayPal
- Wire Transfer
- Visa
- MasterCard
- American Express
- Discover

PayPal and Credit Card purchases are limited to below \$5,000.00. If the winning bid plus applicable taxes, if any indicated, and the buyer's premium, equals more than \$4,999.99, PayPal and Credit Cards may not be used. If Wire Transfer is chosen, a Wire Transfer Transaction Summary page will provide payment and account information. The Wire Transfer must be completed within 5 days.

***The next section (payment) is used if the client collects the proceeds and may be modified to reflect exact forms of payment accepted by the client. The Buyers Premium and Payment section (above) is used only when GovDeals collects proceeds.**

***Payment.** Payment in full is due not later than **5 business days** from the time and date of the Buyer's Certificate. Acceptable forms of payment are:

- U. S. Currency
- Certified Cashiers Check
- Money Order
- Company Check (with Bank Letter guaranteeing funds – **mandatory**)

Checks shall be made payable to **Seller**. Payments shall be made at the location listed in the Buyer's Certificate.

Removal. All assets must be removed within **ten (10) business days** from the time and date of issuance of the Buyer's Certificate. Purchases will be released only upon receipt of payment as specified. Successful bidders are responsible for loading and removal of any and all property awarded to them from the place where the property is located as indicated on the website and in the Buyer's Certificate. The Buyer will make all arrangements and perform all work necessary, including packing, loading and transportation of the property. Under no circumstances will **Seller** assume responsibility for packing, loading or shipping. See instructions on each asset page for removal details. A daily storage fee of \$10.00 may be charged for any item not removed within the ten (10) business days allowed and stated on the Buyer's Certificate.

Vehicle Titles. **Seller** will issue a title or certificate upon receipt of payment. Titles may be subject to restrictions as indicated in the asset description on the website.

Default. Default shall include (1) failure to observe these terms and conditions; (2) failure to make good and timely payment; or (3) failure to remove all assets within the specified time. Default may result in termination of the contract and suspension from participation in all future sales until the default has been cured. If the Buyer fails in the performance of their obligations, **Seller** may exercise such rights and may pursue such remedies as are provided by law. **Seller reserves the right to reclaim and resell all items not removed by the specified removal date.**

Acceptance of Terms and Conditions. By submitting a bid, the bidder agrees they have read, fully understand and accept these Terms and Conditions, and agree to pay for and remove the property, by the dates and times specified. These Terms and Conditions are displayed at the top of each page of each asset listed on **GovDeals**.

Special Instructions appearing on the asset page will override certain sections of the terms and conditions. By listing an asset for sale in the Tier or publicly on the GovDeals site, the county certifies that any appropriate steps have been taken for the county to legally sell the asset. By participating in the Tier or submitting a bid in a public auction outside the Tier, the submitting county certifies that any appropriate steps have been taken for the county to legally purchase the asset.

State/Local Sales and/or Use Tax. Buyers may be subject to payment of State and/or local sales and/or use tax. Buyers are responsible for contacting seller or the appropriate tax office, completing any forms and paying any taxes that may be imposed.

Sales to Employees. Employees of the **Seller** may bid on the property listed for auction (but not property listed within the Tier), so long as they do NOT bid while on duty or in violation of any ethics laws or other legal prohibitions.