

It is the policy of the Board of Trustees of Minidoka County Joint School District No. 331 that the proper procedures will be taken for the disposal of district property. This process will concur with the laws of the State of Idaho and the policy and procedures of the State Department of Education.

#### Acquisition of Property

**Real Property:** Within one year prior to acquiring or disposing of real property, the District will cause such property to be appraised by an appraiser certified in the State of Idaho. The appraised value will be used to establish the fair market value of the property. The appraisal shall be exempt from disclosure to the public. If the Board is purchasing a site for educational purposes, such building site must be located within the boundaries of the city limits, unless, by resolution of the Board, it is determined that it would be in the best interest of the District to acquire a site outside city limits, but within the boundaries of the District.

**Personal Property:** The District may purchase personal property as deemed necessary for the effective operation of the District by any means deemed appropriate when the expenditure of funds will be less than \$50,000. When the purchase of personal property (with the exception of curricular materials) is reasonably expected to cost \$50,000 or more, the District shall comply with the statutory bidding requirements found in Chapter 28, Title 67 of the Idaho Code.

#### Conveyance of Property

**Less than \$500:** For property that has an estimated value of less than \$500, the property may be disposed of in the most cost-effective and expedient manner by an employee empowered by the District to do so. However, the employee shall notify the Board in writing of the item(s) to be disposed of and the manner in which they will be disposed prior to disposal of the property.

**Less than \$1,000:** For property that has an estimated value of less than \$1,000, the Board may dispose of such property by sealed bid or by public auction. However, prior to disposal of the same at least one published advertisement is required.

**\$1,000 or Greater:** For property with a value of \$1,000 or greater, such property will be appraised. The Board may dispose of such property by sealed bids or by public auction to the highest bidder. Notice of the time and method of sale shall be published twice in accordance with I.C. § 33-402(g). Proof of posting as required in I.C. 33-402(h) must be acquired before the sale. Such property may be sold for cash or upon such terms and conditions as the Board determines, however, the term of the contract may not to exceed ten years and must bear an annual interest rate of not less than seven percent interest. Title to property sold on contract shall remain in the District until full payment is received.

**Equipment Acquired Under a Federal Award:** When it is determined that original or replacement equipment, acquired under a federal award is no longer needed for the original project or program or for other activities currently or previously supported by a federal awarding agency, the Superintendent or Business Manager will contact the awarding agency (or pass-through for a state-administered grant) for disposition instructions.

Generally, disposition of equipment is dependent on its fair market value (FMV) at the time of disposition. If the item has a current FMV of \$5,000 or less, it may be retained, sold, or otherwise disposed of with no further obligation to the federal awarding agency. If the item has a current FMV of more than \$5,000, the federal awarding agency is entitled to the federal share of the current market value or sales proceeds.

If acquiring replacement equipment, the District may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property.

The District will use whatever means available to ensure the highest possible return on any items sold.

According to 2 CFR §200.439 (2), Capital expenditures for special purpose equipment are allowable as direct costs, provided that items with a unit cost of \$5,000 or more have the prior written approval of the Federal awarding agency or pass-through entity. Therefore, the District should request prior approval from the State Department of Education for the purchase or the disposition of equipment with value of \$5,000 or more.

### Donated Property

If property is donated to the District, the Board may sell the property without advertising or bidding within one year of the time the initial appraisal was conducted. .

### Exchange of Property

The Board may exchange real or personal property for other property provided that:

1. Such property is appraised;
2. 1/2 plus one of the members of the full Board determine such conveyance or exchange is in the best interest of the District; and
3. A resolution is passed authorizing such exchange of real and/or personal property to any of the following:
  - a. U.S. government;
  - b. City;
  - c. County;
  - d. State of Idaho;
  - e. Hospital district;
  - f. School district;
  - g. Public charter school;
  - h. Idaho Housing and Finance Association;
  - i. Library district;
  - j. Community college district;
  - k. Junior college district; or
  - l. Recreation district.

[Prior to any transfer or conveyance of any real or personal property as set forth above, the Board shall have the property appraised by an appraiser certified in the state of Idaho, which appraisal shall be entered in the records of the Board and shall be used to establish the value of the real or](#)

personal property. Provided however, if the Board finds it is in the District's best interests to trade personal property to a person or entity for like kind personal property, the Board may vote to elect to do so. The Board may elect to abstain from an appraisal of the personal property if the estimated value of such property is less than \$5,000.

**Equipment Acquired Under a Federal Award:** When it is determined that original or replacement equipment, as defined in Policy 740.00 Federal Cash Management, acquired under a federal award is no longer needed for the original project or program or for other activities currently or previously supported by a federal awarding agency, the Superintendent or Business Manager will contact the awarding agency (or pass-through for a state-administered grant) for disposition instructions.

Generally, disposition of equipment is dependent on its fair market value (FMV) at the time of disposition. If the item has a current FMV of \$5,000 or less, it may be retained, sold, or otherwise disposed of with no further obligation to the federal awarding agency. If the item has a current FMV of more than \$5,000, the federal awarding agency is entitled to the federal share of the current market value or sales proceeds.

If acquiring replacement equipment, the District may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property.

The District will use whatever means available to ensure the highest possible return on any items sold.

Capital expenditures for special purpose equipment are allowable as direct costs, provided that items with a unit cost of \$5,000 or more have the prior written approval of the Federal awarding agency or pass-through entity. Therefore, the District should request prior approval from the State Department of Education for the purchase or the disposition of equipment purchased with federal funds that have a value of \$5,000 or more.

**Cross Reference:                    2510P                    Selection of Library Materials**

**Legal Reference:**                    I.C. § 33-402 Notice Requirements  
I.C. § 33-601 Real and Personal Property –  
Acquisition, Use or Disposal of Same  
I.C. § 67-2801, et seq. Purchasing by  
Political Subdivisions – Legislative Intent

Legal Reference: 2 CFR § 200.313(e)                    **Equipment Disposal**  
2 CFR § 200.439(b)(2)                    **Equipment and Other Capital**  
**Expenditures**

<u>I.C. § 33-402</u>	<u>Notice Requirements</u>
<u>I.C. § 33-601</u>	<u>Real and Personal Property –</u>
	<u>Acquisition, Use or Disposal of Same</u>
<u>I.C. § 67-2801, et seq.</u>	<u>Purchasing by Political Subdivisions</u>
<u>I.C. § 74-107(3)</u>	<u>Records Exempt from Disclosure –</u>
	<u>Appraisals</u>



~~LEGAL REFERENCE: Idaho Code 33-402, 33-601~~

**ADOPTED: Original Adoption Date Unknown**

**RATIFIED: August 21, 2006**

**AMENDED/REVISED: February 11, 2019**