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7310 - DISPOSITION OF SURPLUS PROPERTY

The Board of Education requires the Superintendent to review the property of the District periodically and to dispose of that material and equipment which is no longer usable in accordance with the terms of this policy.

A. Instructional Material

The District shall review instructional materials (i.e. textbooks, library books, manuals, support materials, etc.) periodically to determine the relevance of such materials to the present world and current instructional programs. The following criteria will be used to review instructional materials for redistribution and possible disposal:

1. concepts or content that do not support the current goals of the curriculum
2. information that may not be current
3. worn beyond salvage

B. Equipment

[DRAFTING NOTE: Pursuant to 2 C.F.R. 200, the following definition regarding equipment being tangible personal property should be added to the policy. See also Policy 7450 - Property Inventory to provide for a consistent threshold for such expenditures.]

For purposes of this policy, equipment shall mean tangible personal property (including information technology systems), a unit of furniture or furnishings, an instrument, a machine, an apparatus, or a set of articles which retains its shape and appearance with use, is nonexpendable, having a useful life of more than one (1) year, and a per-unit cost that equals or exceeds \$10,000 to replace as a single unit and does not lose its identity when incorporated into a more complex unit.

The District shall inspect the equipment used in the instructional program periodically, to determine the condition and usability of such equipment in the current educational program. Should the equipment be deemed no longer serviceable or usable, the following criteria will be used to determine possible disposal:

1. repair parts for the equipment no longer readily available
2. repair records indicate the equipment has no usable life remaining
3. obsolete and no longer contributing to the educational program
4. some potential for sale at a school auction
5. creates a safety or environmental hazard

C. Disposition

The Superintendent is authorized to dispose of obsolete instructional and other property by selling, it to the highest bidder, by donation to appropriate parties, or by proper waste removal in compliance with 2 C.F.R. 200.313(e) and 200.314.

When there is a residual inventory of unused supplies exceeding \$10,000 in aggregate value at the end of the period of performance, and the supplies are not needed for any other Federal award, the District may retain or sell the unused supplies. Unused supplies means supplies that are in new condition, not having been used or opened before. The aggregate value of unused supplies consists of all supply types, not just like-item supplies. The Federal agency or pass-through entity may be entitled to compensation in an amount prescribed in 2 C.F.R. 200.314.

Disposal of surplus property purchased with Federal funds shall be disposed of in accordance with Federal guidelines.

When 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 District shall request disposition instructions from the Federal awarding agency if required by the terms and conditions of the Federal award.

Disposition of the equipment will be made in accordance with disposition instructions of the Federal awarding agency.

~~Items of equipment with a current per unit fair market value of \$5,000 or less may be retained, sold or otherwise disposed of with no further obligation to the Federal awarding agency.~~

Except as provided in §200.313~~200.312~~ Federally-owned and exempt property, paragraph (b), or if the Federal awarding agency fails to provide requested disposition instructions within 120 days, items of equipment with a current ~~per unit~~ fair-market value in excess of \$~~10,000~~~~5,000~~ (per unit) may be retained by the non-Federal entity or sold. The Federal awarding agency is entitled to an amount calculated by multiplying the current market value or proceeds from sale ~~by the Federal awarding agency's percentage of participation in the cost of the original purchase.~~ If the equipment is sold, the Federal awarding agency may permit the non-Federal entity to deduct and retain from the Federal share \$~~1,000~~~~500~~ or ten percent (10%) of the proceeds, whichever is less, to cover expenses associated with the selling and handling of the equipment ~~for its selling and handling expenses.~~

The District may transfer title to the property to the Federal Government or to an eligible third party provided that, in such cases, the District shall be entitled to compensation for its attributable percentage of the current fair market value of the property.

When included in the terms and conditions of the Federal award, the Federal agency may permit the District to retain equipment, or authorize MDE to permit the District to retain equipment, with no further obligation to the Federal Government unless prohibited by Federal statute or regulation.

[CROSS REFERENCE: po7450]

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Legal 2 C.F.R. 200.312, 200.313

Cross References po7450 - PROPERTY INVENTORY

Last Modified by Chris Rice on October 17, 2024