

INVENTORY AND DISPOSITION OF EQUIPMENT
OBTAINED WITH FEDERAL AWARDS

For purposes of this Board Policy, the term “equipment” means tangible personal property (including information technology systems) having a useful life of more than one (1) year and a per-unit acquisition cost which equals or exceeds Five Thousand Dollars (\$5,000.00), which was acquired by the Board, in whole or in part, under a federal award.

Inventory

Until disposition occurs, all equipment shall be managed in accordance with the following requirements:

1. Records shall be maintained which include:
 - a. A description of the property;
 - b. A serial number or other identification number;
 - c. The source of funding for the property, including the federal award identification number;
 - d. The holder of title to the property;
 - e. The acquisition date;
 - f. The cost of the property;
 - g. The percentage of federal participation in the project costs for the federal award under which the property was acquired;
 - h. The location, use, and condition of the property; and
 - i. Any ultimate disposition data, including the date of disposal and sale price of the property.
2. A physical inventory of the property shall be taken, and the results reconciled with the property records at least once every two (2) years.
3. Safeguards to prevent loss, damage, or theft of the property shall be implemented and documented. Any loss, damage, or theft shall be investigated.
4. Maintenance procedures shall be implemented and documented to keep the property in good condition.
5. If the Board is authorized or required to sell the property, proper sales procedures, in compliance with law, shall be followed to ensure the highest possible return.

Disposition

When original or replacement equipment is no longer needed for the original project or program or for other activities currently or previously supported by a federal awarding agency, except as otherwise provided in federal statutes, regulations, or federal awarding agency disposition instructions, the Board 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 as follows, in accordance with federal awarding agency disposition instructions:

1. Items of equipment with a current per unit fair market value of Five Thousand Dollars (\$5,000.00) or less may be retained, sold, or otherwise disposed of with no further responsibility to the federal awarding agency.
2. Unless prohibited by disposition instructions issued by the federal awarding agency per 2 C.F.R. §200.312(b), or if the federal awarding agency fails to provide requested disposition instructions within one hundred twenty (120) days, items of equipment with a current per-unit fair market value in excess of Five Thousand Dollars (\$5,000.00) may be retained by the Board or sold.
3. The Board may transfer title to the property to the federal government or to an eligible third party provided that, in such cases, the Board is entitled to compensation for its attributable percentage of the current fair market value of the property.
4. If the Board does not take appropriate disposition actions, the federal awarding agency may direct the Board to take disposition actions.

LEGAL REFS: 2 C.F.R. §§200.312; 200.313; 200.33

Adopted: August 15, 2022