

REGULATION

RUMSON BOROUGH BOARD OF EDUCATION

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Disposition of Federal Property

R 7300.4 DISPOSITION OF FEDERAL PROPERTY

A. Definitions

1. “Awarding agency” means with respect to this Regulation and a Federal grant, the Federal agency awarding the grant.
2. “Uniform Grant Guidance” means a set of Federal grant regulations that combines several previous Federal cost principles, administrative requirements, and audit requirement circulars into a single, comprehensive document.
3. “Federal property” means all equipment, supplies, or real property purchased with Federal grant funds.
4. “Equipment” means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000, as defined in the Uniform Grant Guidance – 2 CFR Part 200.
5. “Real property” means land, including land improvements structures and appurtenances thereto, but excludes moveable machinery and equipment, as defined in the Uniform Grant Guidance – 2 CFR Part 200.
6. “Supplies” means all tangible personal property other than those described in “Equipment”, as defined in the Uniform Grant Guidance – 2 CFR Part 200.
7. “Federal property no longer needed” for the purposes of this Regulation means property acquired under a Federal award that 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.

B. Periodic Review

1. The School Business Administrator/Board Secretary will compile a list of physical inventory of Federal property in the district. This physical inventory must be taken and the results reconciled with the property records at least once every two years.



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2. A list of Federal property no longer needed will be periodically distributed to all school facilities in the district.
3. Any school may request to transfer Federal property to a currently or previously funded Federal project or arrange a shared-time use with other such projects.
4. Federal property no longer needed in the school district will be considered for disposition.

C. Disposition of Federal Property - Equipment

1. The School Business Administrator/Board Secretary will request disposition instructions from the awarding agency for Federal equipment no longer needed.
 - a. If the awarding agency fails to provide requested disposition instructions within one hundred and twenty days, items of Federal equipment with a current per-unit fair-market value in excess of \$5,000 may be retained or sold by the school district. If the equipment is sold by the school district, the awarding agency is entitled to proceeds in accordance with 2 CFR 200.313(e)(2).
 - b. Federal equipment no longer needed 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 awarding agency.
2. If the awarding agency fails to provide disposition instructions, the sale of Federal equipment no longer needed will be sold and/or disposed of in accordance with the provisions of N.J.S.A. 18A:18A-45 and Regulation 7300.3.

D. Disposal of Federal Property – Supplies

1. Title to supplies will vest in the school district upon acquisition.
2. If there is a residual inventory of unused supplies exceeding \$5,000 in total aggregate value upon termination or completion of the project or program, and the supplies are not needed for any other Federal award, the school district shall retain the supplies for use on other activities or sell them, but must in either case, compensate the awarding agency for its share. The amount of compensation shall be computed in the same manner as for Federal equipment in accordance with 2 CFR 200.313(e)(2).



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- E. Disposal of Federal Property – Real Property
1. The School Business Administrator/Board Secretary or designee shall request disposition instructions from the United States Department of Education for real property equipment no longer needed for the original purpose.
 2. The instructions must provide for one of the following alternatives: retain title after compensating the awarding agency; sell the property and compensate the awarding agency; transfer title to the awarding agency; or third party designated/approved by the awarding agency.

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