

APPENDIX 11

Appendix 11

Disposition of Equipment and Buildings

Equipment (including portable buildings)

When equipment purchased with federal program funds can no longer be used for the originally authorized purpose or for other activities currently or previously supported by the federal government, disposition of the equipment will be as follows:

- ◆ **Unit-cost less than \$5,000**—Items of equipment with a current per-unit fair market value of less than \$5,000 may be retained, sold, or otherwise disposed of without special authorization from the TEA.
- ◆ **Unit-cost \$5,000 or more**—Items of equipment with a current per-unit fair market value of \$5,000 or more may be retained or sold. If the LEA elects to retain the equipment, it shall purchase the equipment for use in nonfederal programmatic activities and make an operating transfer to the appropriate federal program fund and sub-object code(s) for revenues, expenditures, other revenues and/or other uses, as appropriate, in the amount of the fair market value of the equipment. Market value may be determined by an independent appraiser, e.g., a vendor for the equipment. If the LEA elects to sell the equipment, the equipment may be sold according to the district policies for disposing of surplus property and 34 CFR 80.32. In either case, the proceeds from the purchase/sale may be credited to the appropriate federal program fund and sub-object codes for revenues, expenditures, other revenues and/or other uses, as appropriate, and be used to expand the program(s) at the LEA. If the LEA does not wish to use the proceeds in that program, the proceeds will be refunded to TEA.

Real Property (includes permanent buildings) (Title I, Part A only)

When buildings purchased with Title I, Part A funds are no longer needed for the originally authorized purpose, the LEA will request disposition instructions from the Division of No Child Left Behind Program Coordination at the Texas Education Agency. The instructions will provide for one of the following alternatives:

- ◆ **Retention of title**—After determining the market value of the building, the LEA may purchase the building for its market value. Market value shall be determined by an independent appraiser. The proceeds of the purchase may be credited to the Title I, Part A fund and sub-object codes for revenues, expenditures, other revenues and/or other uses, as appropriate, and be used to expand the current Title I, Part A program at the LEA. If the LEA does not wish to use the proceeds in the current Title I, Part A program, the proceeds will be refunded to TEA.
- ◆ **Sale of the building**—If the LEA wishes to sell the property, it shall follow the requirements in TEC 11.154 and 45.082, Local Government Code 272.001, and 34 CFR 80.31, including providing for competitive bid to the extent practicable and result in the best bid. The proceeds from the sale of the building may be credited to the Title I, Part A fund and sub-object codes for revenues, expenditures, other revenues and/or other uses, as appropriate, and be used to expand the current Title I, Part A program at the LEA. If the LEA does not wish to use the proceeds in the current Title I, Part A program, the proceeds will be refunded to TEA.