

WILLIAM JEANES MEMORIAL LIBRARY

Library Disposal of Surplus Equipment or Materials Policy

Purpose

The purpose of this policy is to provide the parameters for disposal of the William Jeanes Memorial Library (hereafter known as the Library) assets (equipment or materials) that are no longer needed by the Library or have little to no remaining value.

Disposing of Equipment or Materials

Assets Purchased with Federal Funds

Equipment or materials must be used by the Library in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the Federal grant, and the Library must not encumber the property without prior approval of the Federal awarding agency. When no longer needed for the original program or project, the equipment may be used in other activities supported by the Federal awarding agency, in the following order of priority:

1. Activities funded by a Federal grant from the Federal awarding agency which funded the original program or project, then
2. Activities funded by a Federal grant from other Federal awarding agencies. This includes consolidated equipment for information technology systems.

When acquiring replacement equipment, the Library 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.

Management of Equipment or Materials Purchased with Federal Funds

Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part under a Federal award, until disposal takes place will, at a minimum, meet the following requirements:

1. Property records must be maintained that 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 FAIN);
- d. Who holds title;
- e. The purchase date;
- f. 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;
- i. Use and condition of the property; and
- j. Any ultimate disposition data including the date of disposal and sale price of the property.

2. A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.
3. A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated.
4. Adequate maintenance procedures must be developed to keep the property in good condition.
5. If the Library is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

Disposal of Equipment or Materials Purchased with Federal Funds

When original or replacement equipment acquired under a Federal grant is no longer needed for the original project or program or for other activities currently or previously supported by a Federal awarding agency the Library must request disposition instructions from the Federal awarding agency if required by the terms and conditions of the Federal award.

Disposal of the equipment or materials will be made as follows, in accordance with Federal awarding agency disposal instructions:

1. 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.
2. Except as provided in §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 \$5,000 may be retained by the Library 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 Library to deduct and retain from the Federal share \$500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.

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

4. In cases where a Library fails to take appropriate disposition actions, the Federal awarding agency may direct the Library to take disposition actions.

Approved by Library Board of Directors--2/24/21