

REGULATION

NUTLEY SCHOOL DISTRICT

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Disposition of Federal Property

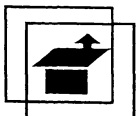
R 7300.4 DISPOSITION OF FEDERAL PROPERTY

A. Definitions

1. "Federal property" means all property, real or personal or otherwise, purchased with federal grant funds, including instructional materials.
2. "Excess property" means personal property that is still usable but is no longer needed in a school building or instructional program or administrative office and is not required as a trade-in on a replacement purchase.
3. "Estimated fair value" means the market value of the property between a willing seller and a willing buyer less the cost to the Board to continue storage or maintenance of any excess property.

B. Review

1. The School Business Administrator/Board Secretary will compile a list of excess federal property in the district at the close of each school year.
2. The list of excess federal property will be periodically distributed to all school facilities.
3. Any school may request the School Business Administrator/Board Secretary to transfer excess federal property to a currently or previously funded federal project or arrange a shared-time use with other such projects. Requests will be granted in the order in which they are received.
4. Property transferred to another school or office will be removed from the district-wide list of excess property.
5. Property that has remained on the list of excess federal property for thirty days or more will be considered to be unusable and will either be traded in or reported to the State Department of Education with a request for disposal.



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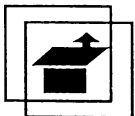
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C. Trade-in

Federal property no longer usable may be traded in to offset the cost of replacement. The additional cost to acquire a replacement shall be charged directly to the federal program, if the program budget permits, and provided the Board of Education has approved the transaction by resolution.

D. Disposal

1. Property with a unit value of more than \$1000 shall be disposed of as follows:
 - a. Notice of the date, time, and place of public sale, together with a description of the items to be sold and the conditions of sale, shall be published once in a legal newspaper.
 - b. A sale shall be held not less than seven nor more than fourteen days after publication of the newspaper notice.
 - c. If no bids are received, the Board may readvertise the public sale or sell the property at private sale without public notice. Any such property sold at private sale cannot be sold for less than the estimated fair value of the property.
 - d. The Board may reject all bids if it determines that such rejection is in the public interest. If all bids are rejected, the Board may readvertise the property for a second public sale.
 - e. If the Board rejects all bids at the second public sale, the Board may sell the property at private sale without public notice, provided the selling price at private sale is at least as high as the highest bid received at the two preceding public sales, and the terms and conditions announced at the public sales are unchanged.



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Disposition of Federal Property

2. Federal property with a unit value of less than \$1000 may be disposed of at private sale as follows:
 - a. The School Business Administrator/Board Secretary shall establish the sale price and make reasonable efforts to find private buyers. The price charged shall be fair in value, but in no case can it be less than the costs incurred by the Board in arranging the sale and maintaining and delivering the property.
 - b. Property that remains unsold after thirty days shall be given without cost to another school district or a charitable organization or institute within the school district.
 - c. Property that has not been claimed after thirty days shall be offered for scrap or, if that is not feasible, discarded.

E. Receipts

The receipts from the sale of any federal property or the value of any such property retained in the district and used for other than federal projects shall be handled as follows:

1. If the property is retained in the district, an amount equal to the fair market value of the property shall be paid to the State Department of Education by warrant payable to the "Treasurer, State of New Jersey."
2. If the property has been disposed of by sale, \$100 or ten percent of the sale proceeds, whichever amount is greater, may be deducted and retained by the district for selling and handling expenses. The balance shall be paid to the State Department of Education by warrant payable to the "Treasurer, State of New Jersey."

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