COETC TAACCCT Grant Equipment/Equipment Disposal guidelines

Purpose: To provide a suggested process local recipients can use to provide additional information and request reimbursement after equipment has been purchased by submitting an equipment information update.

Overview: The Department of Education’s Office of Management & Budget (OMB), through Cost Circulars A-21, A-87 and A-133 and the EDGAR publication, defines certain requirements for pre-approval of equipment purchases and equipment tracking. The equipment information step provides a mechanism for local recipients to provide the CCCS COETC Grant Accountant with detailed transaction information, once an equipment purchase has been completed and reimbursement is being requested. Note that federal laws define equipment as a single unit with a useful life of greater than one year and an acquisition cost of >=$5,000. Acquisition cost of equipment means the net invoice price of the equipment, including the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the property usable for the purpose for which it was acquired. Other charges, such as the cost of installation, transportation, taxes, duty, or protective in-transit insurance, shall be included or excluded from the unit acquisition cost in accordance with the recipient’s regular accounting practices.

*Disposal of Equipment*

Occasionally, COETC recipients no longer need equipment that was funded or partially funded with COETC monies. No items purchased with COETC funds should be sold without consulting the CCCS COETC Director for procedural guidance. Equipment that met the definition of equipment at the time of acquisition needs to be currently valued before disposal, transfer or trade-in. If the item has a current fair market value that equals or exceeds $5,000, the recipient needs CCCS approval to proceed. The equipment information form should be updated with the disposition details. If the item’s current fair market value is less than $5,000, the recipient may dispose of, transfer or trade-in the item without CCCS approval. However, the recipient should NOT SELL any COETC funded items without guidance from the CCCS COETC Director. Documentation evidencing the current fair market value must be maintained.

If any COETC funded equipment is stolen, the local recipient needs to advise the CCCS COETC Director. This advisement must include a copy of the police report.

COETC funded items that were less than $5,000 for the total unit, at the time of purchase, and, thus, do not meet the definition of equipment, can be disposed of without CCCS approval. HOWEVER, it is strongly recommended that all COETC funded items are recorded on a spreadsheet that includes columns of: Reason for disposal; how it was disposed; and date of disposal. NO items purchased with COETC funds should ever be sold without consulting with the CCCS COETC Director for procedural guidance.