

When personal property becomes unnecessary and undesirable for public school purposes, the school system will sell or dispose of the property in order to provide additional revenue for educational purposes, in accordance with the requirements of Article IX, Section 7 of the North Carolina Constitution, G.S. 115C-518, and G.S. 160A, art. 12. Equipment and supplies acquired under a federal award will be disposed of in accordance with the terms and conditions of the federal award, all applicable requirements of federal law and regulation, and the provisions of this policy not inconsistent with such requirements.

Contracts for the sale or disposal of surplus property must be consistent with G.S. 147, art. 6E and 6G. Before any property may be sold or disposed of, it must be removed from the appropriate fixed asset inventory.

The superintendent or designee shall ensure that any confidential, proprietary, or other identifying information is removed from surplus property prior to disposition. In addition, the disposal of any equipment or other property through waste management services must be done in a manner consistent with environmental or other relevant rules and regulations.

A. PROPERTY WORTH LESS THAN \$30,000

Pursuant to G.S. 160A-266(c), the board permits the superintendent or designee to dispose of personal property worth less than \$500.00 for a single item or group of similar items; to set the property's fair market value; and to convey title to the property for the board of education. Prior to disposition, the superintendent or designee must make a finding that the property is no longer necessary or desirable for school use.

For property worth \$501.00 or more but less than \$30,000, the superintendent or designee shall determine and recommend to the board of education whether or not items or groups of similar items are unnecessary or undesirable for school purposes. The recommendation must include the description of the items or the groups of items and a recommended method of sale or disposition.

Property covered by this section may be disposed of through a public or private exchange or sale. The superintendent or designee shall choose or recommend any method of disposal that is designed to obtain a fair market value for the property in the most efficient and economical manner possible and is in the best interest of the school system, as determined by the superintendent or designee. For all public sales, the superintendent or designee must publish notice at least 10 days in advance. The notice must identify the property to be sold and set out the date, time, place, and terms of the sale. Notice must be published in a newspaper having general circulation and/or by electronic means.

The superintendent shall provide a semiannual report to the board detailing such transactions. The report must include: (1) a general description of the property sold or exchanged; (2) the name of the person(s) to whom the property was sold or with whom it

was exchanged; and (3) the amount of money or other consideration received for each sale or exchange.

B. PROPERTY WORTH \$30,000 OR MORE

Property worth at least \$30,000 will be disposed of pursuant to the requirements of G.S. 160A, art. 12, G.S. 115C-518, and Article IX, Section 7 of the North Carolina Constitution.

Legal References: 2 C.F.R. 200.313-200.314; N.C. Const. art. IX, § 7; G.S. 115C-518; 147 art. 6E, art. 6G; 160A, art. 12; *Boney v. Board of Trustees*, 229 N.C. 136 (1948)

Cross References: Fixed Assets Inventory (policy 8350)

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