



Division of  
Community Colleges

Bureau of  
Community Colleges

# Guidelines for Perkins-Funded Equipment

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**T**he Iowa Department of Education is providing this guidance document as a resource for public school districts, secondary consortia, and community colleges in the State of Iowa that receive funds through the Carl D. Perkins Career and Technical Education Act of 2006.

The specific intent of the document is to provide information regarding sub-grantee accountability for Perkins-funded equipment.

## Definitions

**Equipment** is defined by Education Department General Regulations (EDGAR), 200.33, as tangible, personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the Non-Federal entity for financial statement purposes, or \$5,000. A grantee may use its own definition of equipment provided that definition would include, at a minimum, all equipment as defined above. EDGAR can be accessed via the U.S. Department of Education web site at <http://www2.ed.gov/policy/fund/reg/edgarReg/edgar.html>.

The Iowa Department of Education (IDE) (grantee) uses a per unit cost threshold of \$500 or more for K-12 Certified Annual Report (CAR) purposes and also includes items with a per unit cost under \$500 which are considered attractive or easily pilfered. "Easily pilfered" items include items such as digital cameras, laptop and tablet computers, DVD or Blu-Ray™ players, and tools. Computer equipment such as CPU, monitor, disk drive, keyboard, and cables purchased as a unit are to be listed and priced as a system. Such purchases may not be listed by individual components to achieve costs of less than \$500. The IDE does not set a state definition for equipment for community colleges, and each college sets its own definition; however, the community colleges do have an obligation to account for any capitalized or non-capitalized equipment purchased with Perkins funds.

A sub-grantee (i.e., district, secondary consortium, or community college) may set more restrictive dollar amount limits, but must include, at a minimum, the equipment defined by IDE and federal guidelines.

**Useful life** means the equipment is no longer meeting the needs of the program. Useful life is not defined by the depreciation schedule.

## Use of Perkins-funded Equipment

According to EDGAR 200.313(c), Equipment must be used by the non-Federal entity 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 award, and the non-Federal entity 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:

- Activities under a Federal award from the Federal awarding agency which funded the original program or project, then
- Activities under Federal awards from other Federal awarding agencies. This includes consolidated equipment for information technology systems.

## Inventory Requirements

An inventory sheet should be kept on all Perkins equipment that includes the following (EDGAR 200.313(d)(1))

- A description of the equipment.
- A serial number, model number, and/or other identification number.
- The funding source(s) and percentage of the item's acquisition cost covered by the source.
- The acquisition date and unit cost.
- The present location, use condition of the equipment, and date the information was reported.
- All pertinent information on the transfer, replacement, or disposition of the equipment (including the date of disposal and sale price).

A spreadsheet template containing the above listed items is available for download from the Iowa Department of Education web site (see [Perkins Grants Programs & Data](#)).

Additionally, the following guidelines apply:

- A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years. 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.
- Equipment items purchased with Perkins funds are to be identified and physically marked as such.
- Adequate safeguards must be in place related to the loss, damage, or theft of the equipment. Any loss, damage, or theft should be investigated and fully documented.
- Adequate maintenance procedures should be implemented to keep the equipment in good condition.
- During the time the equipment is used on the project or program for which it was acquired, the non-Federal entity must also make equipment available for use on other projects or programs currently or previously supported by the Federal government, provided that such use will not interfere with the work on the projects or program for which it was original required.

## Disposition of Equipment

EDGAR 200.313 states items of equipment with a current per-unit fair market value of less than \$5,000 may be retained, sold, or otherwise disposed of with no further obligation to the awarding agency.

The Iowa Department of Education requires sub-grantees to adhere to the following guidelines when disposing of Perkins-funded equipment:

- Complete the **Disposition Form** (Attachment A). Keep one copy on file locally and provide one copy to the Department CTE Consultant assigned to the community college region. A copy of this form is available for download from the Iowa Department of Education web site (see [\*Perkins Grants Programs & Data\*](#)).
- If part of a secondary Perkins consortium, a member district must first receive approval of the consortium to dispose/sell the item(s). When appropriate, the item(s) should be transferred to another member district. If transferred to another district within the consortium, inventory records must reflect the transfer.
- Records regarding item(s) sold (e.g., date of sale and amount received) must be retained for three (3) years after final disposition (ref: CFR 200.333) .
- Disposition of items must be reflected in the sub-grantee's inventory.
- At no time may the item(s) be given to instructors, other school personnel, students, or parents.
- At least ten (10) working days prior to sale/auction, a public posting of the item(s) offered for sale must be made.
- The full amount of proceeds received from items sold must be reinvested in career and technical education programs.
- Items which are discarded must be properly disposed.
  - ⇒ Items which are discarded may not be in the possession of school personnel, students, or parents after disposition.
  - ⇒ Electronic items must be properly discarded and/or recycled as appropriate. The Iowa Department of Natural Resources (Iowa DNR) regulates solid and hazardous waste disposal pursuant to the Iowa State Code (ISC) Chapter 455 and Iowa Administrative Code (IAC) Chapter 567.

## NOTES

## Appendix A

### Disposition Form

(Keep one copy on file locally; submit one copy to the IDE Regional Consultant)

Program for which the equipment was purchased: \_\_\_\_\_

Reason for disposition: \_\_\_\_\_  
\_\_\_\_\_

Board or Consortium policy/reference regarding disposition of equipment: \_\_\_\_\_

Date of disposition: \_\_\_\_\_

Method of disposition:

Transferred to other federal program      Program: \_\_\_\_\_

Transferred to consortium member district      District: \_\_\_\_\_

Traded in      Value received: \$ \_\_\_\_\_

Sold at fair market value      Amount received: \$ \_\_\_\_\_

Explain how fair market value was determined: \_\_\_\_\_  
\_\_\_\_\_

Discarded (broken/no market value)

Date of Purchase	Description of Equipment	Manufacturer and Model Number	Inventory Number	Original Cost

Name of person submitting the form: \_\_\_\_\_

Name of district/consortium/community college: \_\_\_\_\_

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If you have questions or grievances related to compliance with this policy by the Iowa Department of Education, please contact the legal counsel for the Iowa Department of Education, Grimes State Office Building, 400 E 14th St, Des Moines IA 50319-0146, telephone number 515/281-5295, or the Director of the Office for Civil Rights, U.S. Department of Education, 111 N. Canal Street, Suite 1053, Chicago, IL 60606-7204.