



POLICY

**Haddonfield
Board of Education**

PROPERTY

7300/Page 1 of 2
Disposition of Property

7300 DISPOSITION OF PROPERTY

The Board of Education believes the efficient administration of the district requires the disposition of property and goods no longer necessary for school purposes. The Board directs the periodic review of all district property and authorizes the disposition by sale, donation, or discard of any property no longer required for the maintenance of the educational program or the efficient management of the school district. The disposition of any school property will be in accordance with this Policy and applicable laws.

Real estate property will be disposed of by sale or otherwise, in accordance with N.J.S.A. 18A:20-5 through 18A:20-7 and N.J.A.C. 6A:26-7.4. If an approved site, or interest therein, is to be altered or disposed of through sale, transfer or exchange of all or part of the total acreage, including facilities, if applicable, a written request for approval of the disposal will be made to the Division of Administration and Finance (Division) in accordance with the requirements of N.J.A.C. 6A:26-7.4. The Division will notify the district of its approval or disapproval.

The Board may, by resolution and by sealed bid or public auction, authorize the sale of its personal property not needed for school purposes, and disposal of any property declared scrap or waste. If the estimated fair value of the property to be sold exceeds fifteen percent of the bid threshold in any one sale and it is neither livestock nor perishable goods, it shall be sold at public sale, together with a description of the items to be sold and the conditions of sale, shall be published once in an official newspaper. By resolution of the Board, the purchasing agent may include the sale of personal property no longer needed for school purposes as part of specifications to offset the price of a new purchase. In the event no bids are received for personal property or the personal property is not sold at private sale pursuant to, N.J.S.A. 18A:18A-45, the Board may declare the personal property as scrap or waste and dispose of it locally.

Personal property may be sold to the United States, the State of New Jersey, or to any body politic in the State of New Jersey, or any foreign nation which has diplomatic relations with these United States by private sale without advertising for bids.

Notwithstanding anything to the contrary in this Policy, property acquired with Federal funds for use in a Federally funded program will be disposed of in accordance with applicable law and guidelines.

The Superintendent shall develop regulations for the disposition of district property that provide for the review of the continued usefulness of all property in conjunction with the periodic inventory of property; the recommendation for Board designation of property for sale, donation, or discard; and the disposition of property in a fair and open manner consistent with the public interest and applicable laws.

N.J.S.A. 18A:18A-5; 18A:18A-45; 18A:20-5 through 18A:20-7
N.J.A.C. 6A:26-7.4



POLICY

**Haddonfield
Board of Education**

PROPERTY

7300/Page 2 of 2
Disposition of Property

BOE Revised Date: 3/28/2019
BOE Approved Date: 4/2/2019



REGULATION

PROPERTY

**Haddonfield
Board of Education**

R 7300.2/ Page 1 of 3
Disposition of Land

R 7300.2 DISPOSITION OF LAND

The Board of Education by a recorded roll call majority vote of its full membership may dispose, by sale or otherwise, of any lands or any rights or interest therein, owned by it, which cease to be suitable or convenient for the use for which they were acquired or which are no longer needed for school purposes, whether acquired through purchase or through condemnation proceedings and the purchaser shall acquire title free from any use of purpose for which it may have been acquired by the Board in accordance with N.J.S.A. 18A:20-5 through 18A:20-7, N.J.A.C. 6A:26-7.4, and Policy 7100.

A. Written Request for Approval for Disposal – N.J.A.C. 6A:26-7.4(a)

The district shall make to the Division of Administration and Finance (Division) a written request for school district-owned land to be altered or disposed of through sale, transfer, or exchange of all or part of the total acreage, including rights or interest therein and/or improvements thereon, such as facilities, if applicable.

1. The district will send a copy of the request to the Executive County Superintendent who shall make recommendations to the Division. The Executive County Superintendent shall provide a copy of the recommendations to the Board.
2. The request shall indicate whether the district intends to convey the site, rights, or interest therein, and/or improvements thereon, under an exception to the public sale requirements of N.J.S.A. 18A:20-6.
3. The request shall indicate whether the school district intends to convey the site, rights, or interest therein, and/or improvements thereon that had been conveyed to the school district from the New Jersey Schools Development Authority (Development Authority) or funded in whole or in part by the State share under Educational Facilities Construction and Financing Act (EFCFA).
4. If the land, rights, or interest therein, and/or improvements thereon have been conveyed to the school district from the Development Authority, the request shall provide evidence acceptable to the New Jersey Department of Education that the property has not reverted to the Development Authority as authorized under N.J.A.C. 19:34-3.6.
5. If a school district seeks to dispose of land, rights, or interest therein, and/or improvements thereon funded in part with debt service aid pursuant to N.J.S.A. 18A:7G-9 or 10, and the land and/or improvements are either not needed or not being used for the purposes for which the bonds were issued, any proceeds from the disposal shall be used by the school district first to reduce the outstanding principal amount at the earliest call date or to annually reduce the debt service principal payments. The Board may request approval from the Commissioner to apply the proceeds over the term of the outstanding debt or by some other



REGULATION

PROPERTY

Haddonfield Board of Education

R 7300.2/ Page 2 of 3
Disposition of Land

distribution mechanism if, for example, it is beneficial to stabilizing the school district's debt service tax levy.

B. Disposal – N.J.A.C. 6A:26-7.4(b)

The Division shall determine whether the disposal is consistent with the district's approved Long-Range Facilities Plan (LRFP) or has a negative impact on the educational adequacy of an individual site.

C. Notification of Approval – N.J.A.C. 6A:26-7.4(c)

The Division shall notify the school district of its approval or disapproval and send a copy to the Executive County Superintendent. If the disposal includes a site, rights, or interest therein and/or improvements thereon conveyed to the school district from the Development Authority, is funded in whole or in part by State share under EFCFA, or is in a school district that is required to use the Development Authority, the Division shall also notify the Development Authority.

D. Sale at Public Sale; Exceptions – N.J.S.A. 18A:20-6

Any lands, rights, or interests therein sold by the Board, except lands conveyed as part of a lease purchase agreement pursuant to N.J.S.A. 18A:20-4.2(f), shall be sold at public sale, to the highest bidder, after advertisement of the sale in a newspaper published in the district, or if none is published therein, then in a newspaper circulating in the district, in which the same is situated, at least once a week for two weeks prior to the sale, unless:

1. The same are sold to the State, or a political division thereof, in which case they may be sold at private sale without advertisement; or
2. The sale or other disposition thereof in some other manner is provided for in N.J.S.A. 18A.

E. Sales at Fixed Minimum Prices – N.J.S.A. 18A:20-7

1. In the case of public sales the Board may by resolution fix a minimum price with or without the reservation of the right, upon the completion of said public sale, to accept or reject the highest bid made, a statement whereof shall be included in the advertisement of sale of the lands and given as public notice at the time of the sale. The Board may by resolution provide without fixing a minimum price, that upon the completion of the public sale, the Board may accept or reject the highest bid received. If the Board fails to accept or reject the highest bid by the second regular Board meeting following the sale, the bid will be deemed to have been rejected.



REGULATION

PROPERTY

Haddonfield Board of Education

R 7300.2/ Page 3 of 3
Disposition of Land

2. If no bid is received or if the bids that are received are rejected by the Board in the public interest, the Board may enter into negotiations with any interested party or parties for the sale or other disposal of the property, but shall offer a bidder a hearing upon the bidder's request before entering into such negotiations.
3. The acceptance or rejection of a negotiated price shall be by the affirmative votes of a majority of the full number of Board members at a regularly scheduled meeting.

F. Sewer Lines - N.J.A.C. 6A:26-7.4(d)

The district may convey and transfer, without consideration, its right, title, and interest in and to any trunk or other sewer lines to a municipality, without requiring approval from the Division.



REGULATION

PROPERTY

**Haddonfield
Board of Education**

R 7300.3/ Page 1 of 3
Disposition of Personal Property

R 7300.3 DISPOSITION OF PERSONAL PROPERTY

A. Definitions

1. “Personal property” means all Board of Education property other than real property as defined in Regulation 7300.2 and Federal property as defined in Regulation 7300.4.
2. “Excess property” means personal property that is no longer needed and is not required as a trade-in on a replacement purchase.

B. Master List of Excess Property

1. Upon request of the School Business Administrator/Board Secretary or designee, a Principal or other administrator will compile a list of excess property in a school district building or program at the close of a school year.
2. The School Business Administrator/Board Secretary will receive lists prepared in accordance with paragraph B.1. and will maintain a master, district-wide list of excess property.
3. A Principal or other administrator may request transfer of excess property by submitting a request to the School Business Administrator/Board Secretary.
4. An item transferred to another location in the school district will be removed from the district-wide list of excess property.
5. An item of personal property that has remained on the district-wide master list of excess property may be disposed of in accordance with Policy 7300 and this Regulation.

C. Disposal at Public Sale – N.J.S.A. 18A:18A-45

The Board may, by resolution and by sealed bid or public auction, authorize the sale of its personal property not needed for school purposes.

1. If the estimated fair value of the property to be sold exceeds fifteen percent of the bid threshold in any one sale and it is neither livestock nor perishable goods, it shall be sold at public sale to the highest bidder.
2. Notice of the date, time and place of the public sale, together with a description of the items to be sold and the conditions of sale, shall be published once in the official newspaper.



REGULATION

PROPERTY

Haddonfield Board of Education

R 7300.3/ Page 2 of 3 Disposition of Personal Property

Such sale shall be held not less than seven nor more than fourteen days after the publication of the notice thereof.

3. Personal property may be sold to the United States, the State of New Jersey, another Board of Education, any body politic, any foreign nation which has diplomatic relations with the United States, or any governmental unit in these United States by private sale without advertising for bids.
4. If no bids are received the property may then be sold at private sale without further publication or notice thereof, but in no event at less than the estimated fair value; or the Board may if it so elects, reoffer the property at public sale.

As used herein, “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 personal property not needed for school purposes to be sold pursuant to N.J.S.A. 18A:18A-45.

5. The Board may reject all bids if it determines such rejection to be in the public interest.
 - a. In any case in which the Board has rejected all bids, it may readvertise such personal property for a subsequent public sale.
 - b. If it elects to reject all bids at a second public sale, pursuant to N.J.S.A. 18A:18A-45, it may then sell such personal property without further publication or notice thereof at private sale, provided that in no event shall the negotiated price at private sale be less than the highest price of any bid rejected at the preceding two public sales and provided further that in no event shall the terms or conditions of sale be changed or amended.
 6. If the estimated fair value of the property to be sold does not exceed the applicable bid threshold established pursuant to section C.1. above in any one sale or is either livestock or perishable goods, it may be sold at private sale without advertising for bids.
 7. Notwithstanding the provisions of N.J.S.A. 18A:18A-45 and this Regulation, by resolution of the Board, the purchasing agent may include the sale of personal property no longer needed for school purposes as part of specifications to offset the price of a new purchase.
- D. Discarding of Textbooks – N.J.S.A. 18A:34-3
1. Prior to discarding textbooks, the School Business Administrator/Board Secretary or designee shall notify the New Jersey Department of Education (NJDOE) of any textbooks the school district intends to discard.



REGULATION

PROPERTY

Haddonfield Board of Education

R 7300.3/ Page 3 of 3 Disposition of Personal Property

2. In accordance with the provisions of N.J.S.A. 18A:34-3, the NJDOE shall within fourteen days of receiving notification from the school district of the intent to dispose of textbooks, list the textbooks in a textbook database.
 3. The School Business Administrator/Board Secretary or designee shall retain the textbooks to be discarded for a period of one hundred and twenty days after the district has notified the NJDOE.
- E. Scrap and Waste Property
1. In the event no bids are received for personal property or the personal property is not sold at public or private sales pursuant to N.J.S.A. 18A:18A-45, the Board may declare the personal property as scrap or waste and dispose of it locally.
 2. Personal property declared scrap or waste with no recyclable or usable value may be discarded.
 3. Personal property declared scrap or waste may not be given or sold to employees, private citizens, local governments, non-profit organizations, etc.
- F. Board of Education Approval
1. The Board of Education will approve, by resolution of the Board, the negotiated price of personal property offered at private sale and any personal property declared scrap or waste.



REGULATION

PROPERTY

**Haddonfield
Board of Education**

R 7300.4/ Page 1 of 3
Disposition of Federal Property

R 7300.4 DISPOSITION OF FEDERAL PROPERTY

A. Definitions

1. “Awarding agency” means with respect to this Regulation and a Federal grant, the Federal agency awarding the grant.
2. “Uniform Grant Guidance” means a set of Federal grant regulations that combines several previous Federal cost principles, administrative requirements, and audit requirement circulars into a single, comprehensive document.
3. “Federal property” means all equipment, supplies, or real property purchased with Federal grant funds.
4. “Equipment” means 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, as defined in the Uniform Grant Guidance – 2 CFR Part 200.
5. “Real property” means land, including land improvements structures and appurtenances thereto, but excludes moveable machinery and equipment, as defined in the Uniform Grant Guidance – 2 CFR Part 200.
6. “Supplies” means all tangible personal property other than those described in “Equipment”, as defined in the Uniform Grant Guidance – 2 CFR Part 200.
7. “Federal property no longer needed” for the purposes of this Regulation means property acquired under a Federal award that is no longer needed for the original project or program or for other activities currently or previously supported by a Federal awarding agency, except as otherwise provided in Federal statutes, regulations, or Federal awarding agency disposition instructions.

B. Periodic Review

1. The School Business Administrator/Board Secretary will compile a list of physical inventory of Federal property in the district. This physical inventory must be taken and the results reconciled with the property records at least once every two years.
2. A list of Federal property no longer needed will be periodically distributed to all school facilities in the district.
3. Any school may request to transfer Federal property to a currently or previously funded Federal project or arrange a shared-time use with other such projects.



REGULATION

PROPERTY

Haddonfield Board of Education

R 7300.4/ Page 2 of 3
Disposition of Federal Property

4. Federal property no longer needed in the school district will be considered for disposition.
- C. Disposition of Federal Property - Equipment
1. The School Business Administrator/Board Secretary will request disposition instructions from the awarding agency for Federal equipment no longer needed.
 - a. If the awarding agency fails to provide requested disposition instructions within one hundred and twenty days, items of Federal equipment with a current per-unit fair-market value in excess of \$5,000 may be retained or sold by the school district. If the equipment is sold by the school district, the awarding agency is entitled to proceeds in accordance with 2 CFR 200.313(e)(2).
 - b. Federal equipment no longer needed 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 awarding agency.
 2. If the awarding agency fails to provide disposition instructions, the sale of Federal equipment no longer needed will be sold and/or disposed of in accordance with the provisions of N.J.S.A. 18A:18A-45 and Regulation 7300.3.
- D. Disposal of Federal Property – Supplies
1. Title to supplies will vest in the school district upon acquisition.
 2. If there is a residual inventory of unused supplies exceeding \$5,000 in total aggregate value upon termination or completion of the project or program, and the supplies are not needed for any other Federal award, the school district shall retain the supplies for use on other activities or sell them, but must in either case, compensate the awarding agency for its share. The amount of compensation shall be computed in the same manner as for Federal equipment in accordance with 2 CFR 200.313(e)(2).
- E. Disposal of Federal Property – Real Property
1. The School Business Administrator/Board Secretary or designee shall request disposition instructions from the United States Department of Education for real property equipment no longer needed for the original purpose.
 2. The instructions must provide for one of the following alternatives: retain title after compensating the awarding agency; sell the property and compensate the awarding agency; transfer title to the awarding agency; or third party designated/approved by the awarding agency.



REGULATION

**Haddonfield
Board of Education**

PROPERTY

R 7300.4/ Page 3 of 3
Disposition of Federal Property

BOE Revised Date: 3/28/2019
BOE Approved Date: 4/11/2019