

## **Cornerstone Montessori Elementary School Disposal of Property**

### **I. PURPOSE**

The purpose of this policy is to provide guidelines to assist in timely disposal of assets. Cornerstone Montessori Elementary School (CMES) will dispose of assets no longer in service or useable in accordance with federal, state, and local laws.

### **II. GENERAL STATEMENT OF POLICY**

The school may dispose of assets that are no longer required due to:

1. Excess of useful life
2. Lack of continued need
3. Unable to upgrade required hardware or software
4. Damage
5. Excessive maintenance costs

Any capitalized asset that is donated or disposed of will be recorded with the date discarded and method of disposal on an inventory log.

### **III. DEFINITION**

An asset is any physical item used in the function of the school.

### **IV. PROCEDURES**

Based on Administration assessment, the following process will be followed for disposal of any asset, except for those assets purchased with Charter School Program (CSP) Federal Grant Funds (see Section V). When disposing of computer hardware, CMES will ensure that any computer hardware is cleared of all software licensed to the school and any data left by the previous user.

1. Public Sale
  - Any asset considered no longer in service or useable may be sold in a public sale. No private sale shall be made of school property to anyone per MN Stat. Â§ 15.054, Sale or Purchase of State Property.
2. Donated
  - Any asset considered no longer in service or useable can be donated to a non-profit educational institution or other non-profit organization.
3. Salvaged
  - Any asset that can no longer be used but has useful parts will be salvaged.
4. Disposal
  - Any asset that cannot be donated or salvaged will be disposed of.
  - The equipment will be picked up by a reputable environmentally certified recycling company in compliance with all local, state and federal laws. All fees charged for the removal of the equipment, will be paid for by the school.

### **V. PROCEDURES FOR NON-CONSUMABLES PURCHASED WITH FEDERAL CSP GRANT FUNDS**

Non-consumables purchased with Federal CSP Grant Funds must also follow Minnesota's Federal CSP Grant Project disposition policy:

1. Closing/closed charter schools: As part of the school's closure process, all non-consumable items of value purchased with federal CSP grant funds must be distributed to other Minnesota charter schools at the discretion of the State.
  - MDE will work with a school on an individual basis to determine an appropriate redistribution process.
  - Federally-purchased non-consumable items of value may not be sold to pay creditors.
  - The school's board of directors is responsible for this process.
2. Operational charter schools: The following process is in place for operational charter schools who wish to sell, give-away or dispose of non-consumables purchased with federal CSP grant funds:
  - Disposition of items due to depreciation:
    - Grantees maintain and update as necessary a property inventory record to indicate disposition of old/unusable goods (add an additional column to the property inventory record entitled Disposition to track any items removed due to depreciation to \$0 value.)
  - Disposition of items with value due to sale/donation:
    - Grantees with current grants and for a period of time no less than six years after the end date of the last CSP grant agreement/Official Grant Award Notification (OGAN) shall submit a request to MDE with the specifics of what was purchased with CSP funds, the date of purchase and purchase price of items to be disposed, the current fair market value of the items the proposed method of disposition (e.g., donation or sale), the amount expected to be received for any sale, and a description of items to be purchased in the place of items sold. The request will be reviewed and a reply communicated in writing, which will serve as the grantee's authority to dispose of federal CSP non-consumable goods with value.
    - Current grantees and grantees with closed CSP grants will then update their federal CSP property inventory record to indicate disposition of goods and add new items purchased with funds received from a sale of federal CSP property.

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