**OFFICE OF CAREER AND TECHNOLOGY EDUCATION**

**MANAGEMENT GUIDELINES for CATE EQUIPMENT**

The following guidelines provide the Office of Career and Technology Education’s (OCTE) policy and procedures for the management and disposition of Career and Technology Education (CATE) equipment (including replacement equipment) purchased in whole or in part with **federal** or **state** funds. **These guidelines apply to:**

* All tangible, non-consumable CATE property items having a useful life of more than one year and an acquisition cost of **$500** or more.
* **ALL** computers purchased with **federal** or **state** CATE funds, regardless of cost.

In the event of a conflict between federal (EDGAR, Section 80.32), state, or local educational agency (LEA) requirements for equipment management and disposition, the most restrictive requirement prevails.

**I. Management Requirements for CATE Equipment**

LEA procedures for managing **CATE equipment** (including replacement equipment), until disposition takes place, will meet the following minimum requirements:

1. The LEA (school district or multi-district career center) must use the CATE equipment in the **CATE course/program/activity** for which it was acquired as long as needed, whether or not the CATE course/program/activity continues to be supported by federal/state funds.
2. The LEA must maintain **property records** that include a description of the property; a serial number or other identification number; the vendor (source of the property); who holds title; the acquisition date and cost of the property; percentage of federal/state participation in the cost of the property; the location, use, and condition of the property; and any ultimate disposition data including the date of disposal and sale price of the property.
3. The LEA must conduct a **physical inventory** of the property and reconcile the results with the property records at least once every year.
4. The LEA must develop a **control system** to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated and the findings shall be maintained on file for audit purposes.
5. The LEA must develop adequate **maintenance procedures** to keep the property in good condition.

**II. Disposition of CATE equipment that is no longer needed, inoperable, or obsolete (and the CATE course/program is continued)**

1. The LEA must adhere to the following procedures and maintain **written** **documentation for audit purposes** of the action taken to ensure the proper disposition of CATE equipment purchased using federal/state funds.
2. CATE equipment with current per-unit fair market value of **less than $5,000**:
3. The LEA may transfer the equipment to another CATE course/program within the district.
4. The LEA may trade the equipment in for another item of equipment needed for the CATE course/program.

1. The LEA may transfer the equipment to a CATE program in another district.
2. If not needed in any CATE course/program/activity, the LEA may transfer the equipment to other federally funded programs in the district.

1. If the equipment is not needed in a CATE course/program/activity or in any federal program, the item of equipment with a current per-unit fair market value of less than $5,000 may be sold or otherwise disposed of with no further obligation to the Office of Career and Technology Education (OCTE). The date of disposal and sale price must be retained in the LEA’s equipment inventory files. Proper sales procedures must be established by the LEA to ensure the highest possible return. LEA proceeds from the sale of CATE equipment must be used in support of CATE programs.
2. CATE equipment with current per-unit fair market value of **more than $5,000:**
3. The LEA may transfer the equipment to another CATE course/program within the district.
4. The LEA may trade the equipment in for another item of equipment needed for the CATE course/program.

1. The LEA may transfer the equipment to a CATE program in another district.

1. If not needed in any CATE course/program/activity, the LEA may transfer the equipment to other federally funded programs in the district.
2. Items of equipment with a current per-unit fair market value in excess of $5,000 may be retained or sold and the OCTE shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the federal/state share of the equipment. The date of disposal and sale price must be retained in the LEA’s equipment inventory files. Proper sales procedures must be established by the LEA to ensure the highest possible return. LEA proceeds from the sale of CATE equipment must be used in support of CATE programs.

**III. Disposition of CATE equipment when a CATE course is discontinued**

Federal and state funds allocated to school districts and multi-district career centers for CATE equipment are provided to expand and improve secondary CATE courses and programs for South Carolina students. When an LEA closes or discontinues a CATE course, special provisions must be implemented to ensure accountability for the federal/state investment in CATE equipment for the course. LEA failure to comply with the following procedures may jeopardize future federal/state allocations approved for CATE equipment.

1. When a school district or multi-district career center determines that a **CATE course will be discontinued**, the LEA must **notify** **the OCTE** in writing to obtain approval for the disposition of CATE equipment purchased in whole or in part with **federal** or **state** funds. The OCTE’s highest priority for disposition will be to transfer the operable equipment to a comparable CATE course/program (either within the LEA or in another district or multi-district career center) where there is a **need** for the equipment.
2. The LEA must complete and submit the attached *Disposition of CATE Equipment for Discontinued Course* form to the OCTE for review and **approval prior to** the disposition of the CATE equipment. The form fill-in document should be saved, completed, printed, and signed. Mail the completed form to Melissa Benton at the Office of Career and Technology Education, South Carolina Department of Education, 916-C Rutledge Building, 1429 Senate Street, Columbia, SC 29201 **or** e-mail a scanned copy to [mbenton@ed.sc.gov](mailto:mbenton@ed.sc.gov).
3. The OCTE’s CATE program associate will approve or disapprove the LEA’s proposed disposition of CATE equipment items and will notify the LEA within 30 days of receipt of the completed *Disposition of CATE Equipment for Discontinued Course* form. Additional instructions will be provided for any disposition options that are not approved by the OCTE. The LEA may proceed with the approved disposition upon receipt of the form signed by the OCTE. Note: LEA proceeds from the sale of CATE equipment no longer needed for a closed or discontinued course must be used in support of CATE programs.
4. Documentation to verify the final disposition of the CATE equipment may be required at the discretion of the OCTE’s CATE program associate. If additional documentation is required, specific instructions will be provided to the LEA along with the signed *Disposition of CATE Equipment for Discontinued Course* form.
5. CATE program associate contact information for the various career cluster areas and a listing of the CATE courses and programs by cluster may be found in the current CATE Student Reporting Procedures Guide on the Web at <http://ed.sc.gov/agency/programs-services/152/>.

**Office of Career and Technology Education (OCTE)**

**Disposition of CATE Equipment for Discontinued Course**

**District:**       **District Superintendent Signature:**

**School:**       **CATE Coordinator Signature:**

**CATE Course/Program:**       **District Contact for Equipment Disposition:**

**Course Ending Date (Month/Year):**       **Name:**       **Phone/Email:**

**Reason for Discontinuing the CATE Course/Program:**

**CATE Equipment Disposition Summary**

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Equipment**  **Item** | **I.D. or**  **Serial Number** | **Date**  **Acquired** | **Cost** | **Funding**  **Source/**  **Percent**  **“F” or “S”** | **Current**  **Condition** | **Proposed**  **Disposition Option #** | **School/Course to Receive Equipment Item** | **OCTE Approval** | |
|  |  |  | Whole $ |  |  | Options 1–4 | Applicable for Options 1 or 2 | **YES** | **NO** |
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*For OCTE Use Only—*

**Reviewed by:**       **Signature:**   **Date:**   **Phone/Email:**

**Disposition Options for CATE Equipment Purchased With Federal/State CATE Funds (Course Discontinued/Closed)**

**1 – Transfer item to a CATE course within the District/Center (Identify School/Course)**

**2 – Transfer item to a CATE course in another District/Center (Identify School/Course)**

**3 – Not needed for CATE: Sell/dispose of item–Use any LEA proceeds for CATE programs (Current Item Value < $5,000)**

**4 – Not needed for CATE: Sell/dispose of item–Use any LEA proceeds for CATE programs (Current Item Value > $5,000)\***

**\*** The OCTE has a right to the value/proceeds in an amount applicable to the federal/state share of equipment valued > $5,000.