



TO: Secondary and Postsecondary Educators, CTE Directors, and Procurement Officers
FROM: Utah State Board of Education (USBE) Career and Technical Education (CTE) Department.
DATE: July 31 2026
SUBJECT: Perkins V Equipment Purchase, Tracking, & Disposal Guidance

Guidance Equipment Definitions and General Requirements

- “Equipment” is defined under [2 CFR 200.1](#) as “Tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost that equals or exceeds the lesser of the capitalization level established by the recipient or subrecipient for financial statement purposes, or \$10,000.”
- Equipment purchases must comply with the Carl D. Perkins Act requirements, federal cost principles under EDGAR ([34 CFR](#)), and Uniform Guidance ([2 CFR Part 200](#)), the [State of Utah’s Procurement Code](#), and LEA procurement policies.
- All capital equipment purchases require prior written approval from USBE-CTE, as evidenced by either: 1) the approved Perkins V Local Application, or 2) a fully executed USBE-CTE Capital Equipment Approval Request form.
- Equipment purchases must be reasonable and necessary Perkins program expenditures.
- The LEA must use equipment in the program for which it was acquired and for as long as needed, whether or not the program continues to be supported by the Federal award. The LEA must not dispose of or encumber the equipment’s title without prior written approval of the Utah State Board of Education (USBE) – CTE Coordinator.
- When selling equipment purchased with federal funds, a subrecipient must determine fair market value (FMV) using reasonable, documented methods, such as recent comparable sales, current price listings for similar used equipment, or an independent appraisal if appropriate. The method used should reflect what a willing buyer would pay in an open market at the time of sale and must be adequately documented to support compliance with federal property standards.

Accountability and Inventory Requirements

- Per [CFR 200.313 Subpart \(d\)](#), LEAs must establish proper controls to:
 - Maintain adequate property records for equipment purchases.
 - Conduct a physical inventory at least once every two years and reconcile with LEA inventory records. NOTE: Perkins V Consortium



- members must provide the Fiscal Agent with regular equipment inventory updates.
- Implement controls against loss, damage, or theft, and report any such incidents to USBE-CTE (and, if applicable, to the Consortium Fiscal Agent).
- Ensure adequate maintenance procedures.
- LEAs must maintain property records for all capital equipment purchases. LEAs are also encouraged to track this information for "walkable" items like smaller computers and IT equipment that do not meet the capitalization threshold. At a minimum, LEAs must provide/track the following information:
 - date of purchase
 - item description
 - serial/model number
 - institutional tag number, if applicable
 - purchase price
 - location of equipment
 - source of funds used for purchase
 - date of disposal (if applicable)
 - method of disposal (if applicable)
 - fair market value (FMV) at the date of disposal (if applicable)

LEA's may choose to use the [Equipment Inventory Template](#) provided on the USBE-CTE website as an additional tool to track inventory, but they are required to still follow their own internal inventory policies and procedures.

Disposing of Equipment

When disposing of equipment purchased with Perkins V funds, LEAs must prioritize continued program use and ensure compliance with federal and USBE requirements.

- If disposing of equipment where FMV is \$10,000 or more, USBE's preference will always be that the equipment be transferred to other programs supported by Perkins V.
- Prior written approval by USBE must be obtained prior to any sale or transfer of ownership when the equipment has a current FMV of \$10,000 or more. The required approval and disposal process is outlined below.



- Equipment should first be evaluated for continued use within the same program. If the equipment is no longer needed, preference must be given to other programs in the State supported by Perkins V.
- USBE will assist in facilitating transfers to other eligible programs in the State when necessary.
- If equipment is sold:
 - All proceeds must always be returned to the original program of study that purchased the equipment.
 - Proceeds must always be spent within that program before any new Perkins funds are used.

If Transferring Equipment to Another CTE Program

- LEAs should contact regional CTE partners to inquire whether they need the equipment, prioritizing potential recipients in the order noted below.
- If other CTE regional partners express no interest in acquiring the equipment, reach out to the USBE-CTE Coordinator to discuss what other Utah CTE programs may desire the equipment.

If replacing equipment:

- An LEA should ask the vendor to accept the old equipment as a trade-in to secure a more favorable price, using its current market price as the minimum trade-in value.

If selling equipment with a current FMV exceeding \$10,000 (per unit):

- With prior written approval from USBE-CTE, equipment with a current FMV exceeding \$10,000 per unit may be sold by the LEA.
- In these cases, the LEA must return the portion of the sale proceeds attributable to federal funds, may keep the locally funded portion, and may be permitted to retain up to \$1,000 of the federal share to cover selling and handling costs. The remaining federal share of proceeds must be returned to USBE-CTE.
- The LEA must submit to USBE-CTE via email an equipment disposal request for equipment no longer needed to accomplish the purpose for which it was originally purchased under Perkins V. The LEA may not move ahead with the



disposition of any equipment until USBE-CTE has approved the request in writing. The request should include the following:

- Name of LEA currently using the equipment for their Perkins V Program
 - CTE Program and Course(s) for which the equipment was originally purchased
 - Equipment description and quantity (including location and tag#)
 - Original equipment cost, and estimated current FMV
 - Planned disposition of the equipment
- First preference for other use of the equipment must be given to other programs supported by the Federal Agency that financed the equipment.
- Prior to approving the sale of equipment with a current FMV exceeding \$10,000, consideration should be given to whether the equipment can be used by another federally funded program, consistent with 2 CFR § 200.313(c). USBE-CTE may consider potential continued federal use when reviewing disposal requests.
- LEAs should prioritize potential buyers in the following order:
 - Utah districts or charter schools within the LEA's CTE region for use in their Perkins V program.
 - Utah districts or charter schools outside the LEA's CTE region for use in their Perkins V program.
 - Utah districts or charter schools for use under a federally funded program.
 - Utah districts or charter schools for use under a non-federally funded program.
- All proceeds must be returned to the same program of study for which it was originally purchased. If the program is closing, the LEA must contact USBE-CTE and return the funds to the pass-through entity (USBE).
- If returned to the LEA's Perkins V program, proceeds must be spent before other Perkins V grant funds are spent.
- You must document how FMV was determined.



If selling equipment with a current FMV of \$10,000 or less (per unit):

- First preference for other use of the equipment must be given to other programs supported by the Federal Agency that financed the equipment.
- All proceeds must be returned to the same program of study for which it was originally purchased and proceeds must be spent *before* other Perkins V grant funds are spent.
- You must document how FMV was determined.
- The LEA may sell or otherwise dispose of the equipment, with no further federal responsibility for disposition approval requirements. All State and Local policies still apply.