

**10A NCAC 27A .0112 DISPOSITION OF EQUIPMENT - NON UNIT COST REIMBURSEMENT**

(a) Equipment costing five thousand dollars (\$5,000) or more purchased with non-unit cost reimbursement (UCR) Division funds by an area program or contract provider shall be used for Division funded client services. Except for Willie M and Thomas S. funded purchases, equipment purchased with Division funds may be transferred to other Division funded services if no longer needed by the original service. Willie M and Thomas S. purchased equipment shall be used only for Willie M or Thomas S. clients or disposed of in accordance with Rule .1136 or .1148 of this Subchapter.

(b) Except as stated in Paragraph (c) of this Rule, should transfer of equipment to Division funded services not be possible, the Division shall be contacted by the area program or through the area program for a contract provider for disposition instructions. The Division shall recover the Division's share of the fair market value. The Division's share will be established by the following methods in order of preference.

- (1) Through inventory records which establish the percent of funding for the equipment.
- (2) The Division's percent of participation for the area program for the year of purchase.
- (3) The Division's percent of participation for the area program for the current year.

(c) Equipment which is fully depreciated and no longer has any useful value may be disposed of in accordance with area program policy.

(d) The area program shall have a written procedure stating the equipment disposition policy for contract providers and include or reference this provision in all contracts between the area program and the contract provider.

*History Note: Authority G.S. 122C-147;*

*Eff. February 1, 1996;*

*Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. June 25, 2016.*