



ADMINISTRATION FOR
CHILDREN & FAMILIES

Office of Head Start, 1301 Young Street, Room 106-1060, Dallas, TX 75202 www.eclkc.ohs.acf.hhs.gov

December 22, 2020

Ms. Aliza Oliveros
Webb County Commissioners
1200 Washington St.
Laredo, TX 78040

Grant Number: 06CH011213

RE: Request for disposition of Federal Interest in modular units classified as equipment

Dear Ms. Oliveros:

This letter is in response to your request dated November 1, 2020 to release the federal interest in five modular buildings (Jesus Garcia Modular Buildings I, II, and III located at 2518 Cedar, Laredo, TX and Magic Corner Modular Buildings I and II located at 2801 Ireland St., Laredo, TX) that are no longer needed to serve Head Start children.

This letter conveys our official disposition instructions per 45 CFR 75.320(e)(1) approving the request to dispose of two modular units (Jesus Garcia Modular Buildings I and II) with a fair market value of \$5,000 or less. Per the cited regulation, “items of equipment 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 HHS awarding agency.”

This letter also conveys our official disposition instructions per 45 CFR 75.320(e)(2) approving the request to dispose of three modular units (Jesus Garcia Modular Building III and Magic Corner Modular Buildings I and II) with a fair market value of greater than \$5,000. Per the cited regulation, “...items of equipment with a current per-unit fair-market value in excess of \$5,000 may be retained by the non-Federal entity or sold. The HHS awarding agency is entitled to an amount calculated by multiplying the current market value or proceeds from sale by the HHS awarding agency’s percentage of participation in the cost of the original purchase. If the equipment is sold, the HHS awarding agency may permit the non-Federal entity to deduct and retain from the Federal share \$500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.” For instructions on returning funds via the Payment Management System, please review <https://pms.psc.gov/grant-recipients/returning-funds-interest.html>.

Based on the appraisals provided for the Jesus Garcia and Magic Corner modular buildings, we have estimated the following current fair market values of each building:

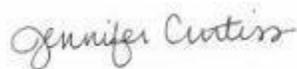
- Jesus Garcia Building I - \$4,032
- Jesus Garcia Building II - \$3,426
- Jesus Garcia Building III - \$7,642
- Magic Corner Building I - \$8,200
- Magic Corner Building II - \$8,200

Based on these appraisal estimates, if Webb County Commissioners requests to dispose of the five modular units, they must repay \$24,042 to the Administration for Children and Families for Jesus Garcia Modular Building III and Magic Corner Modular Buildings I and II. If Webb County Commissioners disagrees with the estimates or obtains additional information about the determination of the appraised value for each modular building (i.e. the land is included in the appraised value), we will reconsider the appraisal estimates and our disposition decision. Or, if you determine Webb County Commissioners is responsible for the demolition/site restoration/takedown/moving of the modular buildings per your lease agreement, please let us know so that we may factor this potential expense into the disposition request. Please revise your SF428-C, if needed.

Upon disposition, please be sure to remove the modular buildings from your Head Start inventory and note the disposition in your property records. Please ensure a copy of this letter is provided to your key staff, the Chief Financial Officer, and the agency auditor at the time your agency undergoes a scheduled audit of your Head Start Program.

Should you have any questions, please contact Kaycie Bennett, your assigned Grants Management Specialist, at 816-426-2283 or by email at kaycie.bennett@acf.hhs.gov.

Sincerely,



Jennifer Curtiss
Grants Management Officer

Cc: Alfredo Huerta, Program Specialist
Kaycie Bennett, Grants Management Specialist