# APD ALERT Sale of Personal Property



## <u>Purpose</u>

This Alert announces changes to Federal Management Regulation (FMR) 102-38, Sale of Personal Property. The Federal Assets Sales (eFAS), required the Government to provide a single-point, secure, effective, and efficient online source for the public to locate and buy Federal assets.

#### **Policy**

The primary change mandates agencies to use an approved Sales Center (SC) to conduct sales of exchange/sale and surplus property. Agencies must provide the SC all reasonable efforts to sell Federal assets. Approved SCs are:

- (1) General Services Administration (GSA): service to nation-wide customers.
- (2) USDA's Centralized Excess Property Operation (CEPO): service to customers in the Washington/Metropolitan area.

The Department of the Treasury and the U. S. Marshals Service serve as SCs for seized property within their organizations.

If an agency has a more efficient sales solution other than using a SC, the agency must request a waiver from the eFAS office. ARS has a waiver to use other sources for animal/crop sales. ARS must use GSA or CEPO for all other sales.

#### Action

Property management officers (PMOs), located outside the Washington/Metropolitan Area, will continue to report excess and exchange/sale property through AAMS/GSAXcess for required USDA and Federal screening. PMOs will select GSA as the authorized SC.

PMOs in the Washington/Metropolitan Area will continue to report excess property directly to CEPO. CEPO conducts USDA and Federal screening prior to conducting a sale.

If the SC does not sell the property, the SC will return disposal instructions to the PMO. PMOs may proceed with donation, abandonment, and destruction procedures, including posting a Public Notice, as appropriate.

PMOs are not required to report property in unserviceable or scrap condition through AAMS/GSAXcess. However, PMOs should consult with the regional GSA SC to determine whether it is feasible for the SC to sell scrap. Agencies must provide the SC all reasonable efforts to sell Federal assets. If it is not feasible, PMOs may proceed with donation, abandonment and destruction procedures, including posting a Public Notice.

### **Proceeds**

ARS may only retain proceeds for sales of exchange/sale property (to offset the cost of replacement property), or any costs direct costs associated with conducting the sale. PMOs must return all other proceeds to the U. S. Treasury.

SCs may retain a portion of the proceeds to cover costs associated with conducting the sale, including costs to support the eFAS Web site and reporting requirements. GSA retains \$275 per vehicle sale and a flat fee of 7% for all other property. CEPO negotiates its rates with the agency.

## **Reporting Requirements**

There are no reporting requirements when SCs conduct the sale. However, agencies must report data for all sales conducted by sources other than a SC.

Annually, PMOs must submit a separate report to APD/PSSB for each sale category:

- (1) Animal and Crop Sales (under the waiver), and
- (2) All Other Sales (including scrap sales).

The reporting requirements are:

- Sales Proceeds.
- Type of Commodity, and
- Cycle Time (number of days it took to conduct the sale).

Contact Cheryl Brumback on 301-504-1096 or e-mail <a href="mailto:Cheryl.Brumback@ars.usda.gov">Cheryl.Brumback@ars.usda.gov</a> if you have any questions.

ISSUE DATE: June 2, 2008 APD ALERT No. 2008-P09

**UPDATED: September 2011**