

TEXAS FACILITIES COMMISSION (TFC) FEDERAL SURPLUS PROPERTY PROGRAM (FSPP)

PROPOSED CHANGES TO STATE PLAN OF OPERATION (SPO). Pursuant to Federal Management Reg. §102-37.165, TFC is accepting public comments on proposed revisions to the SPO for the FSPP. The SPO is the framework by which TFC administers FSPP which provides for the donation of surplus federal government personal property to eligible organizations in Texas.

Deadline to submit written comments is 12/15/2020.

Submit comments by email to megan.sim@tfc.texas.gov, by fax to 512/236-6173, or by mail addressed to Texas Facilities Commission, Attn: Federal Surplus Property Program, PO Box 13047, Austin, TX 78711-3047.

Please contact Megan Sim at megan.sim@tfc.texas.gov or 512/364-2345 with questions.

INCLUDED IN THIS DOCUMENT:

- Proposed State Plan of Operation (rev. October 2020) pg. 2-50
- Summary of Changes pg. 51-52
- Current State Plan of Operation (rev. March 1998) pg. 53-82

Texas Facilities Commission
Federal Surplus Property Program
1711 San Jacinto
Austin, TX 78701



Texas State Agency for Surplus Property (TX SASP)

STATE PLAN OF OPERATION

October 2020

As required by:

Title 40, United States Code- Public Buildings, Property, and Works, Subtitle I, Chapter 5, Section 549
Federal Management Regulation (FMR) Subchapter B-Personal Property, Part 102-37-Donation of Surplus
Personal Property

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Approved:

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Kristy Fierro
SASP Administrator

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Executive Director

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PART ILEGAL AUTHORITY(FMR §102-37)

The “Texas State Educational Agency for Surplus Property” was established by the Governor in 1945 by executive order under authority of his “War Emergency Powers.” In 1949, the 51st Legislature of Texas changed the name to “Texas Surplus Property Agency” and continued the Agency by passage of Senate Concurrent Resolution No. 33.

Each successive Legislature continued the Texas Surplus Property Agency by Concurrent Resolutions until March 19, 1971, when House Bill 216 became law as Article 6252-6b, Vernon’s Annotated Revised Civil Statutes of the State of Texas, establishing the Texas Surplus Property Agency as a permanent agency of the State.

On June 19, 1993, the 73rd Legislature passed Senate Bill 381 abolishing the Texas Surplus Property Agency. The bill called for the functions of the agency to pass to the General Services Commission effective September 1, 1993, thus establishing the General Services Commission, Federal Surplus Property Program. The General Services Commission was abolished in 2001, effective February 2002, with most of its functions taken over by the newly created Texas Building and Procurement Commission (Senate Bill 311, 77th Legislature, Regular Session) (TBPC). Pursuant to House Bill 3560 of the 80th Texas Legislature, the state’s procurement division was transferred to the Comptroller of Public Accounts and the remaining divisions, including the Federal Surplus Property Program, became the Texas Facilities Commission. The Texas Facilities Commission is the designated “State Agency for Surplus Property” for Texas, hereafter referred to as the “SASP.”

- A. Acquire, warehouse and distribute surplus personal property to all eligible donees in the State.
- B. Enter into cooperative agreements pursuant to FMR §102-37.
- C. Undertake other actions and provide other assurances as set forth in the Plan.

PART II

DESIGNATION OF STATE AGENCY

A. Agency

House Bill 3560, passed by the Texas 80th Legislature, transferred the programs, powers, duties, functions, finances, and procedures to the Texas Facilities Commission.

B. Organization

House Bill 3560 states that the Texas Facilities Commission is designated as the State Agency for Surplus Property (SASP) for the purpose of Section 203 (J) of the Federal Property and Administrative Services Act of 1949 as amended (hereinafter referred to as the Federal Act), 40, U.S.C. 484(j).

B.1. The Texas Facilities Commission organization consists of a seven-member Commission and the Executive Director. The agency administers the Federal Surplus Property Program.

B.2. The SASP is responsible for carrying out all aspects of the State Plan. Those functions include, but are not limited to eligibility, compliance, marketing, screening, transportation, warehousing and allocation. The support staff is comprised of supervisors, clerical support, warehouse workers, equipment operators and property screeners. The program staff is supported as necessary by other agency operations such as personnel, procurement, finance, risk management and data management.

B.3. Texas State Agency for Surplus Property structure (See Appendix 2).

B.4. The Executive Director of the Texas Facilities Commission or a designated deputy (Program Supervisor) directly supervises the Texas SASP.

C. Facilities

The Texas Facilities Commission, based on the demands of the program operations, determines the number, size and location of all real property facilities to support its implementation of the plan. The facilities may be owned or leased. The current facilities utilized by the Agency in support of the SASP are set out in Appendix 3.

PART III

INVENTORY CONTROL AND ACCOUNTING SYSTEMS

A. Management Control and Property System

An effective management control and property accounting system is established which provides:

- ◆ Recording and reporting all overages and shortages of property.
- ◆ Provisions for any necessary adjustments to inventory records as prescribed or authorized by the Federal Surplus Program Administrator.
- ◆ Documentation for tracking items of property from allocation documents to distribution or disposal documents.
- ◆ Physical and record accountability with quantity verification from allocation to issuance, disposal or expiration of restrictions.

B. Inventory Control and Fiscal Accounting System

A detailed explanation of the inventory control and fiscal accounting system follows:

B.1. Inventory control system includes:

B.1.a. Management control and accounting system that effectively governs the utilization, inventory control, accountability, and disposal of property.

B.1.b. Agency truck drivers, contracted freight vendors, and/or donee representatives picking up property at the holding agencies verify the quantity of property loaded by comparison with the SF 123s insofar as the nature of the property and time permits.

B.1.c. Upon receipt of property at the SASP distribution center and/or donee locations, the property is compared with the holding agency's shipping document, and the actual quantity received is verified. Where differences exist, appropriate notations are made on the SF 123 such as over, short, withdrawn, etc. When a shortage in total original acquisition cost of \$500.00 or more of all items is noted, or an overage of \$500.00 or more is noted, a report listing the discrepancies called the "Over and/or Short Report" is submitted to the warehouse administrative office, the holding agency issuing the property, and the appropriate U.S. General Services Administration (GSA) regional office. When the total estimated acquisition cost of all line items of property received is \$500.00 or more, it will be listed on a SF123; and the application will be submitted to the General Services Administration regional office for approval.

Part III continued

B.1.d. The actual quantity of property received is posted to the database master inventory record/receiving file.

B.1.e. Periodic verification of accuracy is accomplished by comparing the physical count of items on hand with the quantity listed on the database master inventory record file.

B.1.f. When property is distributed, it is listed to the agency distribution document (Appendix 4) which automatically updates the database master inventory record showing the customer account. A copy of the certifications and agreements form is included as Appendix 5.

B.1.g. The inventory and accounts receivable control systems provide the audit trail from receipt of property to its issuance or disposal.

Distributions of property to eligible donees are recorded on controlled pre-numbered distribution documents (Appendix 4). The distribution document is used for items issued from the warehouse as well as direct allocations when the item is picked up directly by the donee. The distribution document identifies the item being issued, quantity, service charge and the donee organization. Copies of the distribution document are used as the source of input information for the computerized inventory management system.

B.1.h. All surplus property in the custody of the agency is recorded on the database master inventory record which reflects all transactions pertaining to the named items. Inventory discrepancy reports are submitted to the Program Administrator with requests for appropriate inventory adjustment authorization.

B.1.i. An annual inventory of property is conducted. Provisions for any necessary adjustments to inventory records as a result of the annual inventory are made only upon approval of the Program Administrator.

B.2. A full accrual accounting system is utilized to maintain all the records and accounts required for a full accounting of income, expenses, and status of the Service Charge Trust Fund including.

- B.2.a. Cash Receipts Journal
- B.2.b. Accounts Receivable
- B.2.c. Invoice Journal
- B.2.d. Budget
- B.2.e. General Ledger
- B.2.f. Payment of Bills and Expenses
- B.2.g. Monthly Financial Report

All revenue and interest earned shall be credited to the federal surplus property service charge fund, with proceeds from the sale of property acquired from GSA's negotiated sale at fixed price program or the Transportation Security Administration deposited in a subaccount separate from Donation Program revenue.

Part III continued

C. Non-donable Property Records

Any Federal surplus property needed for the day to day operation of the SASP will be with the approval of GSA.

A separate set of records is maintained for federal surplus personal property used in the day to day operations of the SASP. This property may be released for donation after SASP use. Property being returned for SASP donation is to be maintained as an inventory item the same as the federal surplus personal property being offered to eligible donees.

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PART IV

RETURN OF DONATED PROPERTY

A. Requirement for Return

The certifications and agreements, terms, conditions, reservations and restrictions forms are required and maintained as part of the eligible donee's file. The form states that all items of property shall be placed in use for the purposes for which acquired within one year of receipt and shall be continued in use for such purposes for the time period outlined in Part VI.

B. Methods of Return

In the event the property is not placed in use for the purpose for which it was donated within 1 year of donation, or the donee ceases to use the property within 1 year after placing it in use, the donee shall immediately notify the SASP. Such property is to be physically returned to the SASP, at the donee's expense, or otherwise made available for retransfer directly to another donee, SASP, or Federal agency, as required by the SASP, or other disposal by the SASP (provided the property is still usable as determined by the SASP).

The SASP staff will periodically emphasize this requirement when corresponding and meeting with donees and when surveying the utilization of donated property at donee facilities.

C. Procedures to Accomplish Property Returns

When property is returned to the agency, a "Receipt for Property Returned", which is cross-referenced to the Distribution Document, is issued relieving the donee of further responsibility for the property being returned. As an inducement to the donee to expeditiously attempt to place the property in use, a decreasing scale of service charge refund is used for property if it is returned in the same condition as distributed:

- ◆ If returned within 30 calendar days: Full refund of service charge.
- ◆ Items returned from 1 – 3 months: 75% of service charge.
- ◆ Items returned from 4 – 6 months: 50% of service charge.
- ◆ Items returned from 7 – 9 months: 25% of service charge.
- ◆ Items returned after 9 months: No refund.

Part IV continued

Service charge refunds and over-payments on accounts may be credited to the donee's account as a credit balance. This credit balance will be carried forward and applied against future service charges. Refund checks may be issued at the SASP's discretion in certain circumstances. No service charge refund will be allowed for any donee organization found to be in non-compliance with the terms and conditions on donated property.

No service charge refund or credit will be allowed on returned property which was screened by the donee organization directly at a federal holding agency unless there is evidence of concealed damage or condition misrepresentation at the time of actual screening by the donee. The final determination will be made by the Program Administrator, and favorable rulings will conform to the refund procedure previously mentioned.

Procedures for SASP accountability and responsibility for returned property will be the same as for any other property in its custody for distribution.

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PART V

FINANCING AND SERVICES CHARGES

A. Financing of SASP

A.1. The SASP, in providing for the disposition of federal surplus property, shall require the payment of such service charges by the donees. Revenue from these charges will be used for the operation of the SASP to the benefit of participating donees. Service charges will support the direct and indirect costs of the SASP's activities and will provide for the accumulation and maintenance of a working capital reserve. The SASP shall also generate revenues from, but not limited to, sales (i.e. GSA Auctions, GSA's negotiated sale at fixed price program, and Voluntarily Abandoned Property acquired from the Transportation Security Administration), compliance proceeds, charges for handling and processing late payments, interest on savings and investments, gifts and grants.

A.2. The SASP may acquire federal personal property by negotiated sale at fixed price per 40 USC 545. This allows the SASP to obtain items for donees that are not normally available through the Donation Program. The SASP may sell the property to eligible donee organizations and/or the general public. The SASP will collect a service charge in order to cover any costs incurred as outlined below. Funds used to purchase this property will be kept in an account separate from the Federal Donation Program Funds. Additionally, the SASP may act as a broker by providing positive confirmation to the federal holding agency that the buyer is an eligible entity per 40 U.S. Code § 545(b)(8) within the SASP's jurisdiction. Accordingly, the SASP may collect a service charge. All service charges collected under the negotiated sale at fixed price process will be deposited, along with the proceeds from sale, in an account separate from the Federal Donation Program Funds.

A.3. The SASP may also acquire Voluntarily Abandoned Property (VAP) from the Transportation Security Administration per FMR §102-36.320 for the purpose of selling the property to the general public. All proceeds collected from the sale of this property will be deposited in an account separate from the Federal Donation Program Funds.

B. Service Charges

Service charges assessed by the SASP will be fair and equitable and based on the services performed or paid for by the SASP, which include direct and indirect costs of administering the surplus property program plus accumulation and maintenance of a working capital reserve. Those costs include, but are not limited to: Equipment, travel, screening, transportation, promotions, depreciation, operating reserve, insurance, printing, advertising, marketing, compliance, warehousing, accounting, maintenance, fuels, personnel, packing, crating, postage, utilities, telephone, supplies and administration.

Part V continued

C. Criteria for Assessing Charges

Charges for services will be assessed at a level which the SASP estimates will be sufficient to recover its expenses, including reasonable indirect costs of administering the surplus property program. In determining charges and fees, consideration will be given to the following criteria:

- ♦ Expenses of operation as set out above.
- ♦ The original government acquisition cost of the property.
- ♦ The type or nature of the property which would indicate if it is only suitable to be cannibalized for parts.
- ♦ The quantity of the property.
- ♦ Special processing, handling, transportation, or services.

These criteria and the following scale of acquisition costs versus percentages will serve as guidelines in establishing the service charge for donation property:

<u>If acquisition cost is:</u>	<u>Service Charge % range is:</u>
\$0 - 50,000	0 – 50%
\$50,001 - 250,000	0 – 45%
\$250,001 - 1 million	0 – 40%
over \$1 million	0 – 35%

D. Minimal Charges for Donation Property

Eligible agencies or institutions which, through their initiative in locating items or by virtue of being physically located near federal holding agencies, desire to pick up property direct from the holding agency may do so using their own transportation. In such instances, the normal service charge which would be assessed on the item if it were transported, warehoused and transferred through a distribution center will be discounted. This discount will be granted considering that agency screening, administrative, direct and indirect operational, and compliance responsibility costs will still apply to the property.

An additional discount may be granted where no direct screening costs are incurred by the agency.

The service charge may be further reduced for major items of equipment, and in such instances will be negotiable to ensure it is fair and equitable.

E. Special Discount for Homeless Assistance for Donation Property

Property provided to nonprofit providers of assistance to homeless individuals (Public Law 110-77, Stewart B. McKinney Homeless Assistance Act enacted July 22, 1987) be distributed at a nominal cost for care and handling of the property.

Part V continued

F. Use of Funds

Funds accumulated from service charges, as well as sales (i.e. GSA Auctions, GSA's negotiated sale at fixed price program, and Voluntarily Abandoned Property acquired from the Transportation Security Administration), compliance proceeds, charges for handling and processing late payments, interest on savings and investments, gifts, grants, etc., will be used to:

- F.1. Cover direct and indirect costs of the SASP's operation.
- F.2. Purchase necessary equipment, supplies and any such other purchases as deemed necessary to carry out the SASP's operations.
- F.3. Accumulate and maintain a working capital reserve, to be sufficient for projected costs of operation for one full year.
- F.4. Rehabilitate property and purchase replacement parts for property.
- F.5. Provide and maintain office and distribution center facilities.

G. Deposit of Funds

The SASP, with the advice of the State Comptroller, has authority to deposit and invest funds in accordance with Texas Government Code § 2175.370. Deposits and/or investments will be in the best interests of the State and in the type and forms allowed by law. All revenue and interest earned shall be credited to the federal surplus property service charge fund, with proceeds from the sale of property acquired from GSA's negotiated sale at fixed price program or the Transportation Security Administration deposited in a subaccount separate from Donation Program revenue.

H. Authority

In accordance with Texas Government Code § 2175.368, the authority has been given to the SASP to use service charges in either acquiring or improving program office space or distribution facilities. In the event the SASP disposes of a facility or facilities purchased with service and handling charges by sale or otherwise, and assets are realized, those assets shall remain in the federal surplus property service charge fund and may be used for operations and activities of the Program. Any funds remaining in the federal surplus property service charge fund from prior SASP activities shall be retained in the fund for the continued operation of the SASP.

I. Reduction in Service Charges

Service charges will be reduced on future donations when the working capital reserve exceeds the projected costs of operation for one full year prorated in an equitable manner.

PART VI

TERMS AND CONDITIONS ON DONABLE PROPERTY

A. Requirements

The SASP will require each donee to agree to and accept the certifications and agreements, including the terms, conditions, reservations and restrictions applicable to the donation of federal surplus property. These certifications and agreements will be part of the Application for Eligibility, and be maintained as part of the requirements of the donee for continued eligibility.

Additional restrictions will be required of the donee for:

- A.1. Items with an original government acquisition cost of \$5,000.00 or more (12-month Federal restriction period plus 6-month SASP restriction period of a total 18-month restriction period).
- A.2. Passenger vehicles regardless of acquisition cost (12-month Federal restriction period plus 6-month SASP restriction period of a total 18-month restriction period), or
- A.3. Any foreign gift or decoration, in accordance with 41 CFR Part 102-42

The SASP requirements in Part VI shall be superseded by conflicting federal law, regulations or agreement (i.e. Service Educational Activities, SBA 8(a) businesses).

B. Special Requirements and Conditional Transfer Documents

These distribution and transfer documents are hereby incorporated in and made part of this Plan of Operation as follows:

Agency Distribution Document Appendix 4

The Agency shall retain the right to amend, modify, or release those terms, conditions, reservations, or restrictions as may be imposed; except the Agency may not amend, modify, or release those terms, conditions, reservations or restrictions as imposed by federal law or the Administrator of the General Services Administration. Any such action taken to modify State-imposed restrictions shall be consistent with good management practices.

C. Restriction Modification

The SASP may impose any additional terms, conditions, reservations and restrictions it deems reasonable on the use of donable property.

Part VI continued

The SASP may amend, modify, or grant release of any term, condition, reservation, or restriction if has imposed on donated items of personal property in accordance with FMR § 102-37 and the standards set forth in this plan.

D. Special Handling or Use Limitation

The SASP will impose a special handling or use limitation on the donation of any item of property as determined necessary by the General Services Administration due to the characteristics of the property.

E. Statutory Requirement

There will be imposed on all donees the statutory requirement that all items donated must be placed into use within one year after donation and be used for the purpose for which donated for one year after being placed in use, or otherwise returned to the SASP, while the property is still useable.

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PART VIINON-UTILIZED DONABLE PROPERTY

Property for which no utilization has been found in the State will be reported to the GSA on an annual basis or as directed by the Program Administrator. Items so reported will be made available for transfer to other State Surplus Property Agencies, or for such other disposition as prescribed by General Services Administration in accordance with the provisions of FMR §102-37.

- A. Retransfer to another SASP or Federal agency.
- B. Sale.
- C. Return of Department of Defense (DOD) generated property to a Defense Logistics Agency (DLA) Location.
- D. Abandonment or destruction.
- E. As prescribed by GSA.

In event of disposal by transfer to another State Agency for Surplus Property or by public sale, the Texas SASP will seek reimbursement as provided in FMR §102-37.

PART VIII

FAIR AND EQUITABLE DISTRIBUTION

A. Needs, Relative Resources, and Ability to Utilize Property

It is the intent of this Plan of Operations to provide a fair and equitable distribution of federal surplus personal property to donees based on their relative needs, resources and their ability to utilize the property. This plan and the following criteria are designed to accommodate the relative greater need of donees located in less developed and/or rural areas with fewer resources thereby placing surplus personal property where it will do the most good.

A.1. Relative Needs

In considering requests of donees, the criteria for determining the relative need will be:

- Size and type of programs conducted.
- Contemplated use and frequency of use.
- Economic condition of agency, activity, or institution.
- Economic condition of area served by donee.
- Urgency of need.
- Geographical location (urban, suburban, or rural).

A.2. Relative Resources

In considering requests of donees, the criteria for determining relative resources will be:

- Funding source and availability (grants, donations, taxes, etc.)
- Equipment availability.

A.3. Ability to Utilize Property

In considering requests of donees, the criteria for evaluating ability to utilize property will be:

- Availability of funds to repair and maintain property in use.
- Length of time of contemplated usage.
- Contemplated time period to place in use.

Part VII continued

B. Policies and Procedures for Prompt, Fair and Equitable Distribution

B.1. The following will be utilized to help establish the relative needs and resources and the ability of each donee to utilize property:

- The State Agency for Surplus Property shall, insofar as practicable, select property requested by an eligible donee.
- SASP distribution center – Distribution centers are strategically located throughout the State to efficiently service the donees of surplus property. Agencies or institutions which are geographically located in the immediate vicinity of a distribution center may be limited in their frequency of visits for selection of property. This limitation is designed to ensure that donees located at a greater distance from the distribution center will receive equity in the distribution of desirable items. The distribution centers will be the primary source of small, common use type property. Except for those items listed on the Critical Item Request List, all property in distribution centers is available and will be distributed on a first-come, first-served basis.
- Service to Remote or Distant Areas – Special effort is made to ensure that potential donees located in distant or remote areas share equitable in the available property.
- Bulletins and Notices – The SASP will send notices to eligible donees in their geographical area containing information about the program and listing representative samples of the items of property available. On occasion, special notices are also sent announcing the availability of specialized items or large quantities of desirable items.

Part VIII continued

B.2. When two or more donees request the same property, distribution will be according to determination of greatest need considering relative resources and ability to utilize the property. The following will be utilized to assist in this determination.

- Critical Item Request File – Special files of requests for items which are in “great demand” and in “short supply” such as motor vehicles, forklifts, machine tools, construction equipment, fire trucks, etc., will be maintained. Each request for an item on the list will be evaluated against the above criteria for determining greatest need, considering relative resources and ability to utilize the items. When one of these items is received, it will be offered to the donee determined to have the greatest need. Donee receipt of a critical item of property will be a factor to be considered when the program makes subsequent determinations of greatest need for like items of property to ensure fair and equitable distribution.
- Emergency Need – Donees which suffer or experience a local disaster and/or loss of property due to fire, flood, tornado, etc., will be given a temporary “greatest need” category for all requested items of property. Special efforts will be exerted to locate and distribute critically needed items of property.
- Special Requested Items – An expression of special need by a public agency or other eligible institute or organization for a specific item of property which they have located, will be validated by the SASP and submitted to General Services Administration with a request for the property.
- Special Items – As a service agency, every effort is made to assist donees in acquiring needed items of property if they are available through the program. The SASP staff provides special direct assistance in acquiring aircraft, vessels over 50 feet in length, and other designated high dollar cost or specialized items of property.

C. Direct Shipment of Property to Donees

Procedures are established for the donee to make direct pick-ups of property at federal holding activities or make arrangements for commercial shipment from distribution centers.

Property selected by distantly located donees may be held in SASP distribution centers for reasonable period of time, pending arrangements for transportation or shipping instructions.

PART IX

ELIGIBILITY

A. Procedures

The SASP will provide surplus personal property program information to potentially eligible applicants through public information media, direct mail outs, email and/or information releases to public agencies, public health and education associations. Applicants for eligibility will be provided detailed instructions, application forms, and assistance upon request.

B. Eligibility Requirements

To establish eligibility, applicants will be required to:

B.1. Complete the Application for Eligibility form.

B.2. Provide documentary evidence of status as an organization eligible to receive federal surplus property per Federal law, regulation, Executive Order, or cooperative agreement.

B.3. Provide documentary evidence to support claim of eligibility as required by federal law, FMR, or GSA memo, guidance and/or policy, including but not limited to:

B.3.a. Legal name and address of the donee.

B.3.b. Status of the donee as a public agency or as an eligible nonprofit activity.

B.3.c. Scope of their programs.

B.3.d. If a nonprofit education or public health institution or organization, or program operated for older individuals the applicant must provide documentary evidence of tax exemption under Section 501 of the Internal Revenue Code of 1986.

B.3.e. Furnish documentary evidence of applicant's approval, accreditation or licensing or meets any other legal requirement for operation of its program(s)."

B.3.f. Financial Information.

Part IX continued

- B.3.g. Furnish a written authorization signed by the chief administrative officer or executive head of the applicant's activity or a resolution by the governing board or body of the applicant designating one or more representatives:
- Acquire donable property from the SASP; and,
 - Obligate any necessary funds of the applicant for this purpose.

and;

- B.4. Execute the SASP distribution document including terms, conditions, reservations and restrictions that the SASP or federal government may establish on the use and disposal of the property.
- B.5. Provide assurance of compliance with GSA's regulations on nondiscrimination.
- B.6. Specify types of property needed when requested.
- B.7. Provide certification regarding Debarment, Suspension, ineligibility and Voluntary Exclusion for covered contract.

PART X

COMPLIANCE AND UTILIZATION

A. Utilization Reviews/Surveys

Approximately six months after donation of each passenger motor vehicle and each item of property having an original government acquisition cost of \$5,000 or more and items transferred with a GSA imposed special handling or use restriction, a utilization questionnaire will be emailed to the donee.

B. Acquisition Period

Since the donee has one year to place property in use for the purpose acquired, the questionnaire will reveal the actual date the item was placed in such use. If not yet placed in use, it will elicit information concerning the problems or difficulties being encountered by the donee to place it in use in sufficient time for the SASP to provide assistance, if possible. Items of property which the donee does not or cannot place into use for the purpose acquired within one year of acquisition must be returned to the SASP at the donee's expense.

C. Verification

In addition to the documentation developed through the use of utilization questionnaires, on-site visits and virtual compliance checks will occasionally be made to verify proper utilization of property and compliance with applicable restrictions. When such verifications are scheduled, agency personnel will perform inspections and prepare the necessary reports. The frequency of such verifications shall be determined by and at the discretion of the Program Administrator for the purpose of enforcing all terms, conditions, reservations and restrictions on donations and to correct non-compliance.

SASP personnel conducting the on-site visit shall also utilize the opportunity to promote the donation program, solicit donee comments, suggestions or criticisms, determine donee needs and develop a want list, advise donee of property currently available and encourage regular participation.

D. Reports

All instances of non-compliance will be reported to the Program Administrator, who will initiate appropriate actions or investigations, in accordance with FMR §102-37. Copies of reports of non-compliance will be furnished to the General Services Administration Zonal Office.

Part X continued

E. Alleged Fraud

Indications of fraud in the acquisition of property, unauthorized disposal of an item still under a period of restriction, misuse of property, and items not placed into use for the purpose for which acquired within one year and used as required thereafter constitute instances of non-compliance. Follow-up procedures will include:

E.1. Alleged fraud will be promptly investigated, and notification given to the regional General Services Administration office for possible referral to the Federal Bureau of Investigation (FBI).

E.2. Advise General Services Administration of any misuse of donated property.

E.3. Full cooperation and assistance will be given to the General Services Administration, Federal or State agencies in the investigation of any reported compliance cases.

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PART XI

CONSULTATION WITH ADVISORY BODIES AND GROUPS

A. Consultation

An advisory group will be established for the purpose of assisting the SASP in determining the relative needs and resources of donees, the proposed utilization of surplus property by eligible donees, and how distribution of surplus property can be effected to fill existing needs of donees.. Donees from each district will be invited to serve on this body for one year. As a minimum and whenever possible, the Advisory Board will consist of two rural donees, two metro donees, two public donees and two non-profit donees. All donees will have participated in the program within the last two years prior to the time their term begins. Notice will be given in program publication advising donees to notify program management if interested in serving on the Advisory Board. Those who have not participated in the past will be given priority over those who have previously served. Group discussions may be held between these donees and management on an as needed basis. Concomitantly, communication between the advisory group and SASP staff will be possible at any time by means of informal contacts and correspondence.

Additionally, agency publications will be furnished, and briefings presented to local, regional, or statewide meetings of public agencies, associations or committees representing potential and/or eligible donees. Liaison will be established with area Council of Governments throughout the State to assist the agency in resolving relative need and resource questions.

B. SASP Briefings

The SASP will solicit expression of need and interest from advisory groups in order to advise General Services Administration of such requirements, including requirements for specific items of property.

Orientation tours of distribution center facilities, with appropriate program briefings, will be conducted for public agency or nonprofit health and educational groups to foster increased participating and wider dissemination of information concerning the program.

PART XII

AUDITS

A. Internal Audit

There will be periodic internal audits of the operational and procedural activities of the SASP operations and financial affairs conducted at the TFC Director of Internal Audit's discretion.

B. External Audit

The operations and financial affairs of the SASP are audited by the State Auditor in accordance with generally accepted audit standards and in compliance with State law. This audit will include program conformance with the provisions of this plan of operation and Office of Management and Budget Circular A-133 (Replaced by 2 CFR 200 Uniform Audit Act).

B.1. Copies of this audit will be furnished to the GSA.

B.2. The Program Administrator of the SASP will advise the GSA of all corrective actions taken and scheduled completion dates for the actions with respect to any exceptions or violations indicated by this audit.

B.3. The Program Administrator of the SASP will provide for cooperation in GSA or Comptroller General conducted audits.

PART XIII

COOPERATIVE AGREEMENTS

A. Agreements

These agreements may include but will not be limited to:

- A.1. Use of real property by SASP
- A.2. Use of TFC facilities.
- A.3. Interstate transfer of property.
- A.4. Use of Federal facilities.
- A.5. Overseas property.

B. Renewals/Revisions

The SASP will enter into cooperative agreements and renew or revise existing agreements as authorized by Texas Government Code § 2175.367 and pursuant to the provisions of FMR §102-37.

PART XIV

LIQUIDATION

When a determination is made to liquidate the SASP, a liquidation plan will be submitted to the GSA prior to the actual termination of the agency's activities to include:

- reasons for liquidation;
- a schedule for liquidating the SASP and the estimated date of termination;
- method of disposing of surplus property on hand, consistent with the provisions of FMR §102-37;
- method of disposing of the SASP's physical and financial assets;
- retention of all available books and records of the agency for a two-year period following liquidation; and
- designation of another governmental entity to serve as the agency's successor in function until continuing obligations on property donated prior to the closing of the agency are fulfilled.

PART XV

FORMS

A copy of the Distribution Document, which will be used by the agency to distribute all surplus property to donees is attached as Appendix 4. This document may be revised to conform to SASP and/or federal regulations or requirements.

Aircraft and vessels (over 50 feet in length), with a unit acquisition cost of \$5,000 or more will be donated in accordance with the provisions of a conditional Transfer Document provided by the GSA.

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PART XVI

RECORDS

The official records of this agency will be retained for a minimum period of three years. Exceptions are:

- A. A. Records involving property subject to restrictions for more than two years will be kept for a minimum of one year beyond the specified period of restriction.
- B. Records involving property with perpetual restriction must be retained in perpetuity.
- C. Records pertaining to noncompliance with any terms, conditions, covenants, agreements, reservations or restrictions on donated property will be retained one year after the case is closed.

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Appendix 1

Texas Government Code Chapter 2175

DRAFT

GOVERNMENT CODE

TITLE 10. GENERAL GOVERNMENT

SUBTITLE D. STATE PURCHASING AND GENERAL SERVICES

CHAPTER 2175. SURPLUS AND SALVAGE PROPERTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 2175.001. DEFINITIONS. In this chapter:

(1) "Assistance organization" means:

(A) a nonprofit organization that provides educational, health, or human services or assistance to homeless individuals;

(B) a nonprofit food bank that solicits, warehouses, and redistributes edible but unmarketable food to an agency that feeds needy families and individuals;

(C) Texas Partners of the Americas, a registered agency with the Advisory Committee on Voluntary Foreign Aid, with the approval of the Partners of the Alliance office of the Agency for International Development;

(D) a group, including a faith-based group, that enters into a financial or nonfinancial agreement with a health or human services agency to provide services to that agency's clients;

(E) a local workforce development board created under Section [2308.253](#);

(F) a nonprofit organization approved by the Supreme Court of Texas that provides free legal services for low-income households in civil matters;

(G) the Texas Boll Weevil Eradication Foundation, Inc., or an entity designated by the commissioner of agriculture as the foundation's successor entity under Section [74.1011](#), Agriculture Code;

(H) a nonprofit computer bank that solicits, stores, refurbishes, and redistributes used computer equipment to public school students and their families; and

(I) a nonprofit organization that provides affordable housing.

(1-a) "Commission" means the Texas Facilities Commission.

(2) "Personal property" includes:

(A) personal property lawfully confiscated and subject to disposal by a state agency; and

(B) personal property affixed to real property, if its removal and disposition is for a lawful purpose under this or another law.

(3) "Salvage property" means personal property that through use, time, or accident is so damaged, used, or consumed that it has no value for the purpose for which it was originally intended.

(4) "Surplus property" means personal property that exceeds a state agency's needs and is not required for the agency's foreseeable needs. The term

Sec. 2175.306. EXCEPTION FOR CERTAIN AGENCIES. This chapter does not apply to the disposition of surplus computer equipment by a state agency involved in the areas of health, human services, or education, except for an agency to which Section 2175.304 applies. Those agencies shall give preference to transferring the property to a public school, school district, or assistance organization specified by the school district.

Added by Acts 2003, 78th Leg., ch. 908, Sec. 4, eff. June 20, 2003.

Sec. 2175.307. EXCEPTION FOR OFFICE OF COURT ADMINISTRATION. This chapter does not apply to the disposition of surplus computer equipment by the Office of Court Administration of the Texas Judicial System. The office shall give preference to transferring the equipment to a local or state governmental entity in the judicial branch of local or state government.

Added by Acts 2007, 80th Leg., R.S., Ch. 73 (H.B. 368), Sec. 2, eff. September 1, 2007.

Sec. 2175.308. EXCEPTION FOR CERTAIN PROPERTY OF DEPARTMENT OF PUBLIC SAFETY.

(a) Notwithstanding any conflicting provision of this chapter, if the commission determines that this state's efforts to secure this state's international border and combat transnational crime will sufficiently benefit from the donation of the surplus motor vehicles and other law enforcement equipment of the Department of Public Safety of the State of Texas to a municipal or county law enforcement agency in an economically disadvantaged area of this state, the commission may transfer the property to the agency at a price or for other consideration agreed to by the commission and the agency.

(b) A law enforcement agency that receives surplus property under Subsection (a) may not sell the property before the second anniversary of the date the property is received.

Added by Acts 2015, 84th Leg., R.S., Ch. 677 (H.B. 229), Sec. 1, eff. September 1, 2015.

SUBCHAPTER G. FEDERAL SURPLUS PROPERTY

Sec. 2175.361. DEFINITIONS. In this subchapter:

(1) "Federal act" means the Federal Property and Administrative Services Act of 1949 (40 U.S.C. Section 541 et seq.), as amended, or any other federal law providing for the disposal of federal surplus property.

(2) "Federal property" means federal surplus property acquired:

(A) by the commission or under the commission's jurisdiction under this subchapter; and

(B) under 40 U.S.C. Section 483c, 549, or 550, or under any other federal law providing for the disposal of federal surplus property.

Added by Acts 1995, 74th Leg., ch. 41, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2003, 78th Leg., ch. 309, Sec. 7.33, eff. June 18, 2003.

Sec. 2175.362. DESIGNATED AGENCY; SEPARATE AND INDEPENDENT OPERATION OF FEDERAL SURPLUS PROPERTY PROGRAM. (a) The commission is the designated state agency under 40 U.S.C. Section 549 and any other federal law providing for the disposal of federal surplus property.

(b) Except for the sharing of support functions with other divisions, the federal surplus property program shall operate independently of the rest of the commission.

(c) The administrative offices of the federal surplus property program may be located in a building separate from the location of other commission offices.

Added by Acts 1995, 74th Leg., ch. 41, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 127, Sec. 11, eff. May 19, 1997; Acts 2003, 78th Leg., ch. 309, Sec. 7.34, eff. June 18, 2003.

Sec. 2175.363. ACQUISITION, WAREHOUSING, AND DISTRIBUTION OF FEDERAL PROPERTY.

(a) The commission may acquire and warehouse federal property allocated to the commission under the federal act and distribute the property to an entity or institution that meets the eligibility qualifications for the property under the federal act.

(b) The commission shall establish and maintain procedures to implement this section.

(c) The commission is not required to comply with the provisions of this chapter that relate to the disposition of surplus state agency property in acquiring, warehousing, and distributing federal surplus property under this chapter.

Added by Acts 1995, 74th Leg., ch. 41, Sec. 1, eff. Sept. 1, 1995.

Sec. 2175.364. COMMISSION ASSISTANCE IN PROCUREMENT AND USE OF PROPERTY. The commission may:

(1) disseminate information and assist a potential applicant regarding the availability of federal real property;

(2) assist in the processing of an application for acquisition of federal real property and related personal property under 40 U.S.C. Section 550 or any other federal law providing for the disposal of federal surplus property;

(3) act as an information clearinghouse for an entity that may be eligible to acquire federal property and, as necessary, assist the entity to obtain federal property;

(4) assist in assuring use of the property; and

(5) engage in an activity relating to the use of federal property by another state agency, institution, or organization engaging in or receiving assistance under a federal program.

Added by Acts 1995, 74th Leg., ch. 41, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2003, 78th Leg., ch. 309, Sec. 7.35, eff. June 18, 2003.

Sec. 2175.365. STATE PLAN OF OPERATION; COMPLIANCE WITH MINIMUM FEDERAL STANDARDS. The commission shall:

- (1) file a state plan of operation that complies with federal law and operate in accordance with the plan;
- (2) take necessary action to meet the minimum standards for a state agency in accordance with the federal act; and
- (3) cooperate to the fullest extent consistent with this subchapter.

Added by Acts 1995, 74th Leg., ch. 41, Sec. 1, eff. Sept. 1, 1995.

Sec. 2175.366. ADMINISTRATIVE FUNCTIONS; COMPLIANCE WITH FEDERAL REQUIREMENTS. The commission may:

- (1) make the necessary certifications and undertake necessary action, including an investigation;
- (2) make expenditures or reports that may be required by federal law or regulation or that are otherwise necessary to provide for the proper and efficient management of its functions under this subchapter;
- (3) provide information and reports relating to its activities under this subchapter that may be required by a federal agency or department; and
- (4) adopt rules necessary for the efficient operation of its activities under this subchapter or as may be required by federal law or regulation.

Added by Acts 1995, 74th Leg., ch. 41, Sec. 1, eff. Sept. 1, 1995.

Sec. 2175.367. CONTRACTS. The commission may enter into an agreement, including:

- (1) a cooperative agreement with a federal agency under 40 U.S.C. Section 549 or any other federal law providing for the disposal of federal surplus property;
- (2) an agreement with a state agency for surplus property of a state agency that will promote the administration of the commission's functions under this subchapter; or
- (3) an agreement with a group or association of state agencies for surplus property that will promote the administration of the commission's functions under this subchapter.

Added by Acts 1995, 74th Leg., ch. 41, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 2003, 78th Leg., ch. 309, Sec. 7.36, eff. June 18, 2003.

Sec. 2175.368. ACQUISITION OR IMPROVEMENT OF PROPERTY; RENT PAYMENTS. The commission may:

(1) acquire and hold title or make capital improvements to federal real property in accordance with Section 2175.369; or

(2) make an advance payment of rent for a distribution center, an office space, or another facility that is required to accomplish the commission's functions under this subchapter.

Added by Acts 1995, 74th Leg., ch. 41, Sec. 1, eff. Sept. 1, 1995.

Sec. 2175.369. CHARGES. (a) The commission may collect a service charge for the commission's acquisition, warehousing, distribution, or transfer of federal property.

(b) The commission may not collect a charge for federal real property in an amount that is greater than the reasonable administrative cost the commission incurs in transferring the property.

Added by Acts 1995, 74th Leg., ch. 41, Sec. 1, eff. Sept. 1, 1995.

Sec. 2175.370. FEDERAL SURPLUS PROPERTY SERVICE CHARGE FUND. (a) The commission shall deposit a charge collected under Section 2175.369 in the state treasury to the credit of the federal surplus property service charge fund.

(b) Income earned on money in the federal surplus property service charge fund shall be credited to that fund.

(c) Money in the federal surplus property service charge fund may be used only to accomplish the commission's functions under this subchapter.

Added by Acts 1995, 74th Leg., ch. 41, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 127, Sec. 12, eff. May 19, 1997.

Sec. 2175.371. ADVISORY BOARDS AND COMMITTEES. The commission may appoint advisory boards and committees necessary and suitable to administer this subchapter.

Added by Acts 1995, 74th Leg., ch. 41, Sec. 1, eff. Sept. 1, 1995.

Sec. 2175.372. PERSONNEL. (a) The commission may employ, compensate, and prescribe the duties of personnel, other than members of advisory boards and committees, necessary and suitable to administer this subchapter.

(b) The commission may fill a personnel position only with an individual selected and appointed on a nonpartisan merit basis.

Added by Acts 1995, 74th Leg., ch. 41, Sec. 1, eff. Sept. 1, 1995.

SUBCHAPTER Z. MISCELLANEOUS PROVISIONS

Sec. 2175.901. PURCHASE OF CHAIRS BY CERTAIN STATE OFFICERS AND AGENCY HEADS.

(a) Notwithstanding other law, on vacating an office or terminating employment, an

Appendix 2

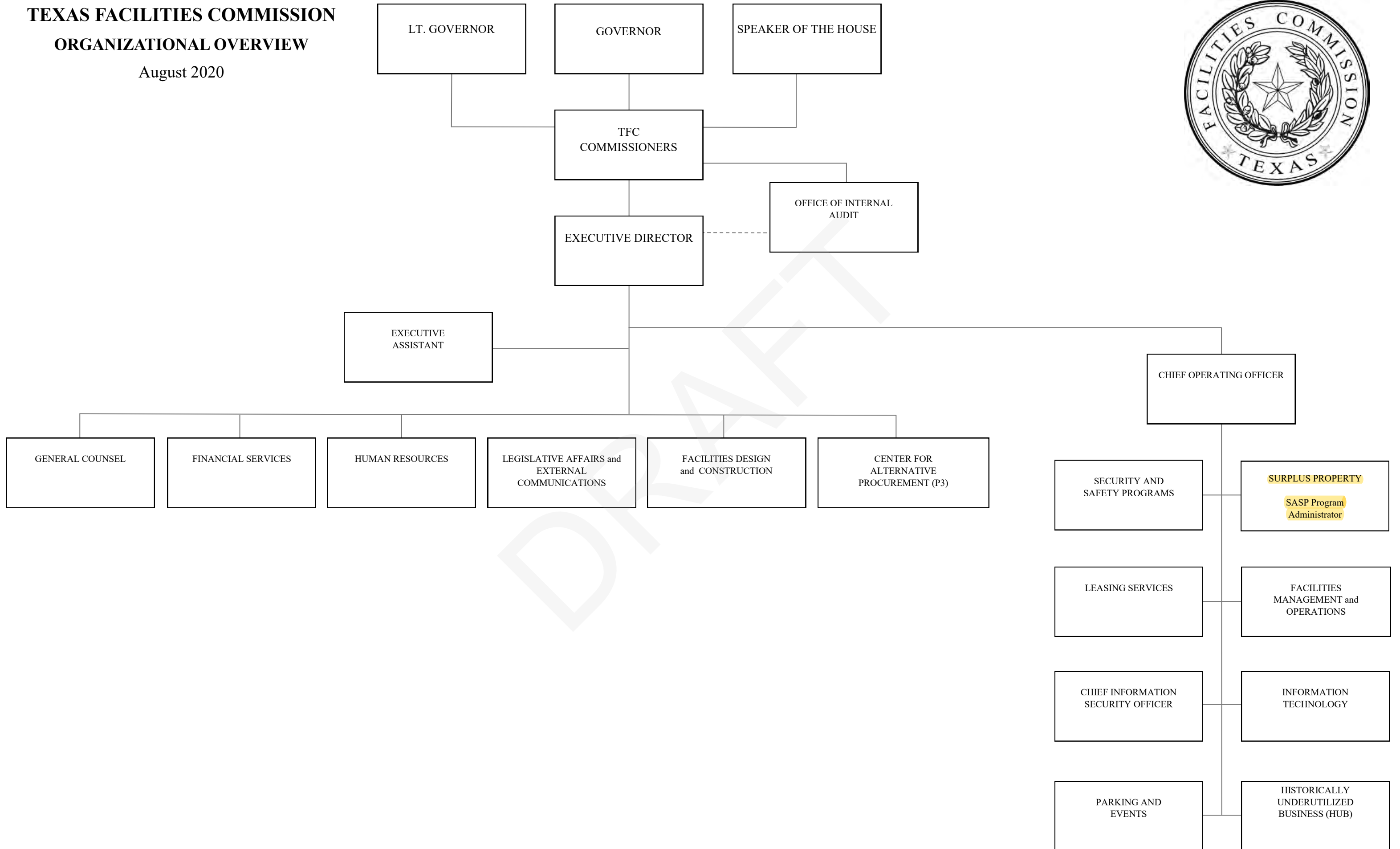
Program Organization

Two Organization Charts included:

- 1) Texas Facilities Commission
- 2) SASP specific

TEXAS FACILITIES COMMISSION
ORGANIZATIONAL OVERVIEW

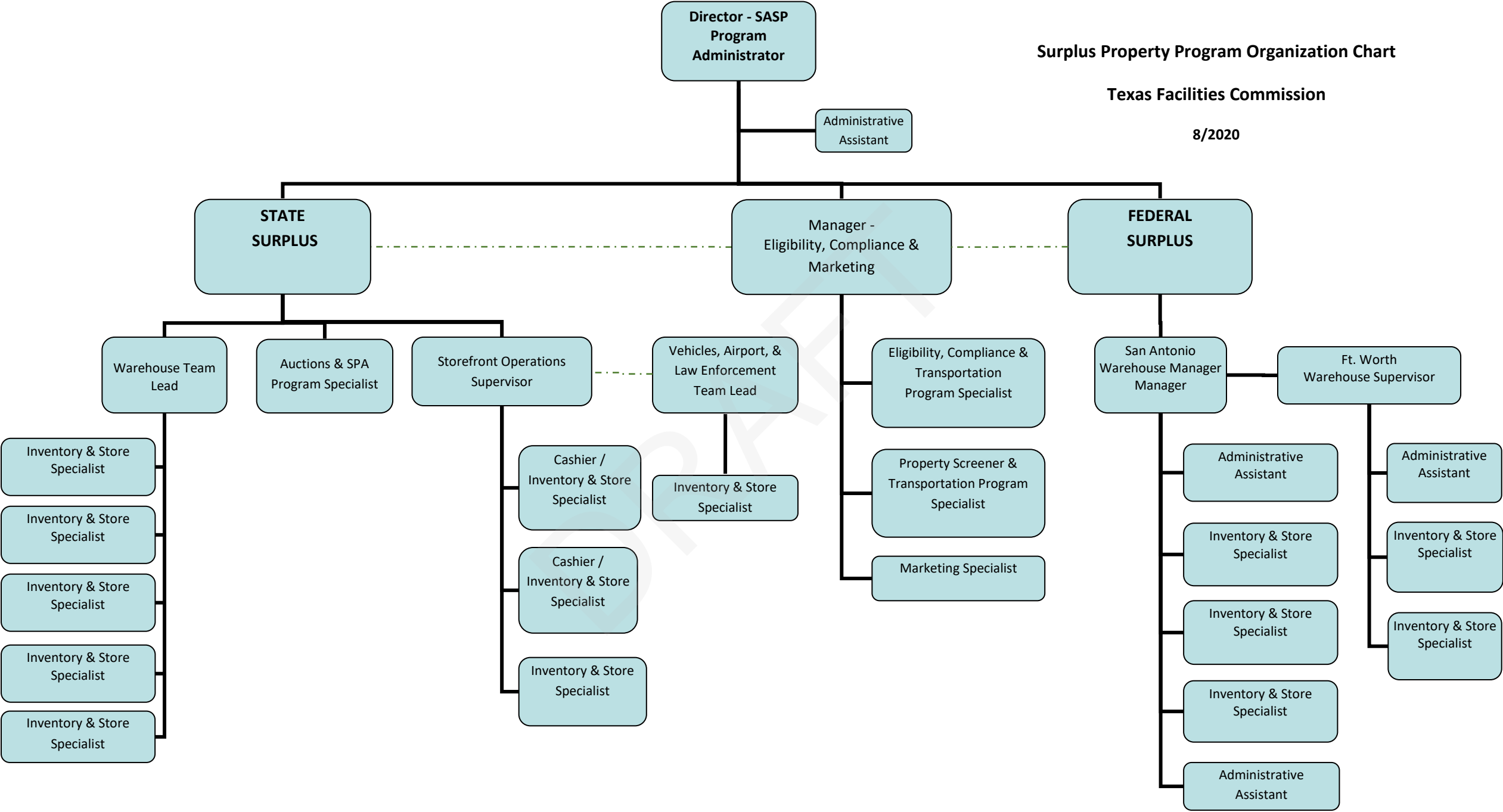
August 2020



Surplus Property Program Organization Chart

Texas Facilities Commission

8/2020



Appendix 3

Facilities

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Texas State Agency for Surplus Property Facilities

DESCRIPTION	ADDRESS	STATE OWNED & MANAGED?
<p>Texas Facilities Commission</p> <ul style="list-style-type: none"> • Headquarters • SASP Administrative Support (i.e. Human Resources, Fiscal, Legal) 	<p>1711 San Jacinto Blvd. Austin, TX 78701</p>	<p>Yes</p>
<p>State Surplus Property Store & Warehouse</p> <ul style="list-style-type: none"> • SASP Administrative Headquarters • TSA Property Sales • 164,478 sq. ft. property • 50,622 sq. ft. warehouse 	<p>6506 Bolm Road Austin, TX 78721</p>	<p>Yes</p>
<p>Federal Surplus Property Warehouse</p> <ul style="list-style-type: none"> • SASP Donation Property Distribution Center • 178,060 sq. ft. property • 22,843 sq. ft. warehouse 	<p>2826 N. Beach Street Fort Worth, TX 76111</p>	<p>No - owned and managed by Texas SASP</p>
<p>Federal Surplus Property Warehouse</p> <ul style="list-style-type: none"> • SASP Donation Property Distribution Center • 192,800 sq. ft. property • 25,000 sq. ft. warehouse 	<p>2813 Ackerman Road San Antonio, TX 78219</p>	<p>No - owned and managed by Texas SASP</p>

Appendix 4

Agency Distribution Document

Two versions included:

- 1) Delivery Order – manual form used to place items on hold for pickup at a later date, to arrange direct pickups from federal holding location, or when an electronic invoice cannot be immediately issued.
- 2) Invoice – electronic form issued after items are removed from SASP warehouse, or when a direct pickup is completed.



FEDERAL SURPLUS PROPERTY PROGRAM

TEXAS FACILITIES COMMISSION
P.O. Box 13047, Austin, Texas 78711-3047

DELIVERY ORDER

Date: _____ Account Number: _____ Delivery Order No.: **DO 0000 F**

Donee: _____

Direct Pick Up (check one): Yes No

Notes: _____

ITEM	ASSET #	DESCRIPTION	QTY	SERVICE CHARGE	EXTENDED SERVICE CHARGE
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
				TOTAL	

NOTICE: ALL PROPERTY MUST BE PLACED IN USE WITHIN 12 MONTHS OF INVOICE DATE. THE PROPERTY LISTED ABOVE IS SUBJECT TO THE APPROPRIATE CERTIFICATIONS AND AGREEMENTS. BY SIGNING BELOW, YOU AGREE THAT THIS PROPERTY IS BEING OBTAINED EXCLUSIVELY FOR USE OF THE DONEE ORGANIZATION LISTED ABOVE, AND THAT THE INCLUDED CERTIFICATIONS AND AGREEMENTS ARE AFFIRMED.

SIGNATURE: _____ PRINT NAME: _____

TITLE: _____ DATE: _____

DONEE CERTIFICATIONS & AGREEMENTS

NOTE: "State agency" = Texas Facilities Commission; "Donee" = your organization

(a) THE DONEE CERTIFIES THAT:

(1) It is a public agency, a nonprofit institution or organization exempt from taxation under section 501 of the Internal Revenue code of 1954, or an SBA 8(a) business; within the meaning of section 203(j) of the Federal Property and Administrative Services Act of 1949, as amended, and/or the regulations of the General Services Administration (GSA).

(2) If a public agency, the property is needed and will be used by the recipient for carrying out or promoting for the residents of a given political area one or more public purposes, or if a nonprofit tax-exempt institution or organization, the property is needed for and will be used by the recipient for educational or public health purposes, including research for any such purpose, or for programs for older individuals, or SBA or SEA organizations, or assistance to homeless/impooverished, or assistance to Veterans. The property is not being acquired for any other use or purpose, or for sale or other distribution; or for permanent use outside the State, except with prior approval of the State agency and GSA.

(3) Funds are available to pay all costs and charges incident to donation.

(4) This transaction shall be subject to the nondiscrimination regulations governing the donation of surplus personal property issued under Title VI of the Civil Rights Act of 1964, Title VI Section 606 of the Federal Property and Administrative Services Act of 1949, as amended, and Section 504 of the Rehabilitation Act of 1973, as amended, Title IX of the Education Amendments of 1972, as amended, and Section 303 of the Age Discrimination Act of 1975 and the Civil Right Restoration Act of 1987.

(5) In accordance with 28 C.F.R. Section 42.401-42.415, the Federal Surplus Property Program collects information related to a donees race and national origin in order to provide GSA officials, upon request, with enough information for determining compliance with applicable civil rights laws. Data is collected for those donees who; (1) are eligible to participate in the FSP Program; (2) those actually participating in the recipient's programs and activities; (3) those denied participation in the recipient's program.

(6) If a SBA 8(a) business, the terms identified in (b), (c), and (d) may not apply. SBA 8(a) businesses must follow SBA guidelines.

(b) THE DONEE AGREES TO THE FOLLOWING FEDERAL CONDITIONS:

(1) All items of property shall be placed in use for the purpose(s) for which acquired within one year of receipt. Property shall be continued in use for such purposes for at least one year from the date the property was placed in use. Some property must be used longer than one year (see Section (c)). In the event the property is not so placed in use, or continued in use, the donee shall immediately notify the State agency, and at the donee's expense, return such property to the State agency, or otherwise make the property available for transfer or other disposal by the State agency, provided the property is still usable as determined by the State agency.

(2) Such special handling or use limitations as are imposed by General Services Administration (GSA) on any item(s) or property.

(3) In the event the property is not used or handled as required by (b)(1) and (2), title and right to the possession of such property shall at the option of GSA revert to the United States of America and upon demand the donee shall release such property to such person as GSA or its designee shall direct.

(c) THE DONEE AGREES TO THE FOLLOWING FEDERAL CONDITIONS, APPLICABLE TO ITEMS WITH A UNIT ORIGINAL ACQUISITION COST OF \$5,000 OR MORE AND PASSENGER MOTOR VEHICLES, REGARDLESS OF ACQUISITION COST. THE FOLLOWING CONDITIONS DO NOT APPLY TO VESSELS 50 FEET OR MORE IN LENGTH AND AIRCRAFT, FOREIGN GIFTS OR OTHER ITEMS OF PROPERTY REQUIRING SPECIAL HANDLING OR USE LIMITATIONS, REGARDLESS OF THE ACQUISITION COST OR PURPOSE FOR WHICH ACQUIRED:

(1) The property shall be used only for the purpose(s) for which acquired and for no other purpose(s).

(2) There shall be a period of restriction which will expire after such property has been used for the purpose(s) for which acquired for a period of 18 months from the date the property is placed in use. (Not applicable to Service Educational Activities (SEAs) or SBA 8(a) Businesses).

(3) In the event the property is not used or handled as required by (b)(1) and (2) and (c)(1) and (2), title and right to the possession of such property shall at the option of GSA revert to the United States of America and upon demand the donee shall release such property to such person as GSA or its designee shall direct.

(d) THE DONEE AGREES TO THE FOLLOWING TERMS, RESERVATIONS, AND RESTRICTIONS:

(1) From the date it receives the property and through period(s) of time the conditions imposed by (b), (c) and (f) remain in effect, the donee shall not sell, trade, lease, lend, bail, cannibalize, encumber, or otherwise dispose of such property, or remove it permanently, for use outside the State, without the prior approval of GSA under (b) and (f), or the State agency under (c) and (f). The proceeds from any sale, trade, lease, loan, bailment, encumbrance or other disposal of the property shall be remitted promptly by the donee to GSA or the State agency, as the case may be.

(2) In the event any of the property is sold, traded leased, loaned, bailed, cannibalized, encumbered, or otherwise disposed of by the donee from the date it receives the property through the period(s) of time the conditions imposed by (b), (c) and (f) remain in effect, without prior approval of GSA or the State agency, the donee, at the option of GSA or the State agency, shall pay to GSA or the State agency, as the case may be, the proceeds of the disposal or the fair market value or the fair rental value of the property at the time of such disposal, as determined by GSA or the State agency.

(3) If at any time, from the date it receives the property through the period(s) of time the conditions imposed by (b), (c) and (f) remain in effect, any of the property is no longer suitable, usable, or further needed by the donee for the purpose(s) for which acquired, the donee shall promptly notify the State agency, and shall, as directed by the State agency, return the property to the State agency, release the property to another donee or another State agency, a department or agency of the United States, sell or otherwise dispose of the property. The proceeds from any sale shall be remitted promptly by the donee to the State agency.

(4) The donee shall make reports to the State agency on the use, condition, and location of the property and on other pertinent matters as may be required time to time by the State agency.

(5) At the option of the State agency, the donee may abrogate the State conditions set forth in (c) and the State terms, reservations, and restrictions pertinent thereto in (d) by payment of any amount as determined by the State agency.

(e) THE DONEE AGREES TO THE FOLLOWING CONDITIONS, APPLICABLE TO ALL ITEMS OF PROPERTY:

(1) The property acquired by the donee is on an "as is, where is" basis, without warranty of any kind, and the Government of the United States of America, the State of Texas, its agencies or assigns, and employees thereof will be held harmless from any or all debts, liabilities, judgments, costs, demands, suits, actions, or claims of any nature arising from or incident to the donation of the property, its use, or final disposition.

(2) Where a donee carries insurance against damages to or loss of property due to fire or other hazards and where loss of or damage to donated property with unexpired terms, conditions, reservations or restrictions occurs, GSA or the State agency, as the case may be, will be entitled to reimbursement from the donee out of the insurance proceeds, of any amount equal to the unamortized portion of the fair market value of the damaged or destroyed donated items.

(f) THE DONEE AGREES TO THE FOLLOWING ADDITIONAL TERMS AND CONDITIONS APPLICABLE TO THE DONATION OF AIRCRAFT AND VESSELS (50 FEET OR MORE IN LENGTH) HAVING AN ACQUISITION COST OF \$5,000 OR MORE, AND FOREIGN GIFTS OR OTHER ITEMS OF PROPERTY REQUIRING SPECIAL HANDLING OR USE LIMITATIONS, REGARDLESS OF THE ACQUISITION COST OR THE PURPOSE FOR WHICH ACQUIRED:

(1) The donation shall be subject to the additional special terms, conditions, reservations, and restrictions set forth in the Conditional Transfer Document or other agreements executed by the authorized donee representative.

(g) THE DONEE CERTIFIES by signing and submitting this lower tier proposal, the prospective lower tier participant, as defined in 41 CFR105-68, certifies to the best of its knowledge and belief that it and its principals: (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. (b) Where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal.

(h) THE DONEE UNDERSTANDS that by execution of this document, it is considered a sub recipient of federal financial assistance pursuant to the Single Audit Act of 1984 and further agrees to provide the State agency with results of the audit required by OMB Circular A-133.

Rev. 01/23/19

X

SIGNATURE OF AUTHORIZED REPRESENTATIVE

DATE

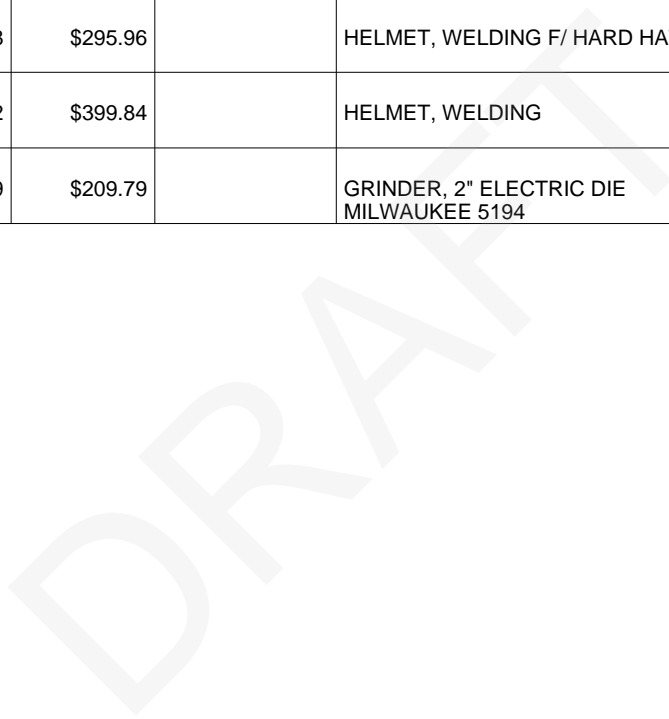
Invoice No. 1701022

INVOICE

Monday, August 17, 2020		ACCOUNT NO. <u>44068</u>
Authorized Rep:	CHRIS WILDER	
Donee P.O. Num/Delivery:		
Donee:	CROCKETT ISD	
	1400 WEST AUSTIN ST	
	CROCKETT, TEXAS 75835	
Fax:	936-544-5856	
County:	HOUSTON	

MAIL PAYMENT DIRECTLY TO:
Texas Facilities Commission
Federal Surplus Property Program
Attn: Fiscal Management
 P.O. Box 13047
 Austin, Texas 78711 - 3047
 Phone: 512-962-4167

Asset Number	Govt Acquisition Cost		Serial Number	Description of Property	Qty	Handling Fee	
	Unit	Total				Unit	Total
48-019-6038-21-017	\$210.00	\$210.00		GRINDER, 2" ELECTRIC DIE MILWAUKEE	1	\$20.00	\$20.00
48-019-6058-21-002	\$42.28	\$295.96		HELMET, WELDING F/ HARD HAT	7	\$2.00	\$14.00
48-019-6061-21-002	\$33.32	\$399.84		HELMET, WELDING	12	\$10.00	\$120.00
48-019-6074-21-007	\$209.79	\$209.79		GRINDER, 2" ELECTRIC DIE MILWAUKEE 5194	1	\$5.00	\$5.00



Invoice Created by: OLIVIA SPAIN

PAY THIS AMOUNT
\$159.00

The receipt of the property identified in this invoice constitutes an award of Federal Financial Assistance. As such, the donee is subject to all Federal Office of Management and Budget (OMB) circulars that apply to federal awards. The donation of property through the Federal Surplus Property Program should be reported on your Schedule of Expenditures of Federal Awards under CFDA 39.003.

As an authorized representative of the above donee, I accept the property hereon and on the attached continuation sheet(s) where appropriate and commit the donee to the certifications, terms and conditions accompanying this document, which I have read and understand.

Signature & Title of Authorized Representative _____ **Date** _____

See Next Page for Terms

**** NOTICE ****

RETURN POLICY: Items returned to the warehouse within 30 calendar days of receipt will get 100% credit of service charge. Credit of service charge may not be allowed on items returned to the warehouse after 30 days of receipt.

PAYMENT POLICY: All invoices are due paid in full immediately. After 30 days, collection procedures will begin. Collection procedures may include placing the donee on warrant hold with the Comptroller of Public Accounts and/or referral to the Office of the Attorney General for collection. Credit will not be given on property screened by the donee directly at a holding agency (donee screened at DLA, etc.; direct pick-up) unless there is evidence of concealed damage or condition misrepresentation at the time of actual screening by the donee.

NOTE: "State agency" = Texas Facilities Commission; "Donee" = your organization

(a) THE DONEE CERTIFIES THAT:

(1) It is a public agency, a nonprofit institution or organization exempt from taxation under section 501 of the Internal Revenue code of 1954, or an SBA 8(a) business; within the meaning of section 203(j) of the Federal Property and Administrative Services Act of 1949, as amended, and/or the regulations of the General Services Administration (GSA).

(2) If a public agency, the property is needed and will be used by the recipient for carrying out or promoting for the residents of a given political area one or more public purposes, or if a nonprofit tax-exempt institution or organization, the property is needed for and will be used by the recipient for educational or public health purposes, including research for any such purpose, or for programs for older individuals, or SBA or SEA organizations, or assistance to homeless/impoverished, or assistance to Veterans. The property is not being acquired for any other use or purpose, or for sale or other distribution; or for permanent use outside the State, except with prior approval of the State agency and GSA.

(3) Funds are available to pay all costs and charges incident to donation.

(4) This transaction shall be subject to the nondiscrimination regulations governing the donation of surplus personal property issued under Title VI of the Civil Rights Act of 1964, Title VI Section 606 of the Federal Property and Administrative Services Act of 1949, as amended, and Section 504 of the Rehabilitation Act of 1973, as amended, Title IX of the Education Amendments of 1972, as amended, and Section 303 of the Age Discrimination Act of 1975 and the Civil Right Restoration Act of 1987.

(5) In accordance with 28 C.F.R. Section 42.401-42.415, the Federal Surplus Property Program collects information related to a donees race and national origin in order to provide GSA officials, upon request, with enough information for determining compliance with applicable civil rights laws. Data is collected for those donees who; (1) are eligible to participate in the FSP Program; (2) those actually participating in the recipient's programs and activities; (3) those denied participation in the recipient's program.

(6) If a SBA 8(a) business, the terms identified in (b), (c), and (d) may not apply. SBA 8(a) businesses must follow SBA guidelines.

(b) THE DONEE AGREES TO THE FOLLOWING FEDERAL CONDITIONS:

(1) All items of property shall be placed in use for the purpose(s) for which acquired within one year of receipt. Property shall be continued in use for such purposes for at least one year from the date the property was placed in use. Some property must be used longer than one year (see Section (c)). In the event the property is not so placed in use, or continued in use, the donee shall immediately notify the State agency, and at the donee's expense, return such property to the State agency, or otherwise make the property available for transfer or other disposal by the State agency, provided the property is still usable as determined by the State agency.

(2) Such special handling or use limitations as are imposed by General Services Administration (GSA) on any item(s) or property.

(3) In the event the property is not used or handled as required by (b)(1) and (2), title and right to the possession of such property shall at the option of GSA revert to the United States of America and upon demand the donee shall release such property to such person as GSA or its designee shall direct.

(c) THE DONEE AGREES TO THE FOLLOWING FEDERAL CONDITIONS, APPLICABLE TO ITEMS WITH A UNIT ORIGINAL ACQUISITION COST OF \$5,000 OR MORE AND PASSENGER MOTOR VEHICLES, REGARDLESS OF ACQUISITION COST. THE FOLLOWING CONDITIONS DO NOT APPLY TO VESSELS 50 FEET OR MORE IN LENGTH AND AIRCRAFT, FOREIGN GIFTS OR OTHER ITEMS OF PROPERTY REQUIRING SPECIAL HANDLING OR USE LIMITATIONS, REGARDLESS OF THE ACQUISITION COST OR PURPOSE FOR WHICH ACQUIRED:

(1) The property shall be used only for the purpose(s) for which acquired and for no other purpose(s).

(2) There shall be a period of restriction which will expire after such property has been used for the purpose(s) for which acquired for a period of 18 months from the date the property is placed in use. (Not applicable to Service Educational Activities (SEAs) or SBA 8(a) Businesses).

(3) In the event the property is not used or handled as required by (b)(1) and (2) and (c)(1) and (2), title and right to the possession of such property shall at the option of GSA revert to the United States of America and upon demand the donee shall release such property to such person as GSA or its designee shall direct.

(d) THE DONEE AGREES TO THE FOLLOWING TERMS, RESERVATIONS, AND RESTRICTIONS:

(1) From the date it receives the property and through period(s) of time the conditions imposed by (b), (c) and (f) remain in effect, the donee shall not sell, trade, lease, lend, bail, cannibalize, encumber, or otherwise dispose of such property, or remove it permanently, for use outside the State, without the prior approval of GSA under (b) and (f), or the State agency under (c) and (f). The proceeds from any sale, trade, lease, loan, bailment, encumbrance or other disposal of the property shall be remitted promptly by the donee to GSA or the State agency, as the case may be.

(2) In the event any of the property is sold, traded leased, loaned, bailed, cannibalized, encumbered, or otherwise disposed of by the donee from the date it receives the property through the period(s) of time the conditions imposed by (b), (c) and (f) remain in effect, without prior approval of GSA or the State agency, the donee, at the option of GSA or the State agency, shall pay to GSA or the State agency, as the case may be, the proceeds of the disposal or the fair market value or the fair rental value of the property at the time of such disposal, as determined by GSA or the State agency.

(3) If at any time, from the date it receives the property through the period(s) of time the conditions imposed by (b), (c) and (f) remain in effect, any of the property is no longer suitable, usable, or further needed by the donee for the purpose(s) for which acquired, the donee shall promptly notify the State agency, and shall, as directed by the State agency, return the property to the State agency, release the property to another donee or another State agency, a department or agency of the United States, sell or otherwise dispose of the property. The proceeds from any sale shall be remitted promptly by the donee to the State agency.

(4) The donee shall make reports to the State agency on the use, condition, and location of the property and on other pertinent matters as may be required time to time by the State agency.

(5) At the option of the State agency, the donee may abrogate the State conditions set forth in (c) and the State terms, reservations, and restrictions pertinent thereto in (d) by payment of any amount as determined by the State agency.

(e) THE DONEE AGREES TO THE FOLLOWING CONDITIONS, APPLICABLE TO ALL ITEMS OF PROPERTY:

(1) The property acquired by the donee is on an "as is, where is" basis, without warranty of any kind, and the Government of the United States of America, the State of Texas, its agencies or assigns, and employees thereof will be held harmless from any or all debts, liabilities, judgments, costs, demands, suits, actions, or claims of any nature arising from or incident to the donation of the property, its use, or final disposition.

(2) Where a donee carries insurance against damages to or loss of property due to fire or other hazards and where loss of or damage to donated property with unexpired terms, conditions, reservations or restrictions occurs, GSA or the State agency, as the case may be, will be entitled to reimbursement from the donee out of the insurance proceeds, of any amount equal to the unamortized portion of the fair market value of the damaged or destroyed donated items.

(f) THE DONEE AGREES TO THE FOLLOWING ADDITIONAL TERMS AND CONDITIONS APPLICABLE TO THE DONATION OF AIRCRAFT AND VESSELS (50 FEET OR MORE IN LENGTH) HAVING AN ACQUISITION COST OF \$5,000 OR MORE, AND FOREIGN GIFTS OR OTHER ITEMS OF PROPERTY REQUIRING SPECIAL HANDLING OR USE LIMITATIONS, REGARDLESS OF THE ACQUISITION COST OR THE PURPOSE FOR WHICH ACQUIRED:

(1) The donation shall be subject to the additional special terms, conditions, reservations, and restrictions set forth in the Conditional Transfer Document or other agreements executed by the authorized donee representative.

(g) THE DONEE CERTIFIE by signing and submitting this lower tier proposal, the prospective lower tier participant, as defined in 41 CFR105-68, certifies to the best of its knowledge and belief that it and its principals: (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. (b) Where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal.

(h) THE DONEE UNDERSTANDS that by execution of this document, it is considered a sub recipient of federal financial assistance pursuant to the Single Audit Act of 1984 and further agrees to provide the State agency with results of the audit required by OMB Circular A-133.

(i) THE DONEE UNDERSTANDS that e-mail addresses provided may receive notices about program updates and available property. Additionally, information on property donated to your organization, including pictures and service charge(s) paid, may be used by Federal Surplus Property Program for marketing and outreach purposes.

Appendix 5

Certification and Agreements

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DONEE CERTIFICATIONS & AGREEMENTS

NOTE: "State agency" = Texas Facilities Commission; "Donee" = your organization

(a) THE DONEE CERTIFIES THAT:

(1) It is a public agency, a nonprofit institution or organization exempt from taxation under section 501 of the Internal Revenue code of 1954, or an SBA 8(a) business; within the meaning of section 203(j) of the Federal Property and Administrative Services Act of 1949, as amended, and/or the regulations of the General Services Administration (GSA).

(2) If a public agency, the property is needed and will be used by the recipient for carrying out or promoting for the residents of a given political area one or more public purposes, or if a nonprofit tax-exempt institution or organization, the property is needed for and will be used by the recipient for educational or public health purposes, including research for any such purpose, or for programs for older individuals, or SBA or SEA organizations, or assistance to homeless/impoverished, or assistance to Veterans. The property is not being acquired for any other use or purpose, or for sale or other distribution; or for permanent use outside the State, except with prior approval of the State agency and GSA.

(3) Funds are available to pay all costs and charges incident to donation.

(4) This transaction shall be subject to the nondiscrimination regulations governing the donation of surplus personal property issued under Title VI of the Civil Rights Act of 1964, Title VI Section 606 of the Federal Property and Administrative Services Act of 1949, as amended, and Section 504 of the Rehabilitation Act of 1973, as amended, Title IX of the Education Amendments of 1972, as amended, and Section 303 of the Age Discrimination Act of 1975 and the Civil Right Restoration Act of 1987.

(5) In accordance with 28 C.F.R. Section 42.401-42.415, the Federal Surplus Property Program collects information related to a donees race and national origin in order to provide GSA officials, upon request, with enough information for determining compliance with applicable civil rights laws. Data is collected for those donees who: (1) are eligible to participate in the FSP Program; (2) those actually participating in the recipient's programs and activities; (3) those denied participation in the recipient's program.

(4) If a SBA 8(a) business, the terms identified in (b), (c), and (d) may not apply. SBA 8(a) businesses must follow SBA guidelines.

(b) THE DONEE AGREES TO THE FOLLOWING FEDERAL CONDITIONS:

(1) All items of property shall be placed in use for the purpose(s) for which acquired within one year of receipt. Property shall be continued in use for such purposes for at least one year from the date the property was placed in use. Some property must be used longer than one year (see Section (c)). In the event the property is not so placed in use, or continued in use, the donee shall immediately notify the State agency, and at the donee's expense, return such property to the State agency, or otherwise make the property available for transfer or other disposal by the State agency, provided the property is still usable as determined by the State agency.

(2) Such special handling or use limitations as are imposed by General Services Administration (GSA) on any item(s) or property.

(3) In the event the property is not used or handled as required by (b)(1) and (2), title and right to the possession of such property shall at the option of GSA revert to the United States of America and upon demand the donee shall release such property to such person as GSA or its designee shall direct.

(c) THE DONEE AGREES TO THE FOLLOWING FEDERAL CONDITIONS, APPLICABLE TO ITEMS WITH A UNIT ORIGINAL ACQUISITION COST OF \$5,000 OR MORE AND PASSENGER MOTOR VEHICLES, REGARDLESS OF ACQUISITION COST. THE FOLLOWING CONDITIONS DO NOT APPLY TO VESSELS 50 FEET OR MORE IN LENGTH AND AIRCRAFT, FOREIGN GIFTS OR OTHER ITEMS OF PROPERTY REQUIRING SPECIAL HANDLING OR USE LIMITATIONS, REGARDLESS OF THE ACQUISITION COST OR PURPOSE FOR WHICH ACQUIRED:

(1) The property shall be used only for the purpose(s) for which acquired and for no other purpose(s).

(2) There shall be a period of restriction which will expire after such property has been used for the purpose(s) for which acquired for a period of 18 months from the date the property is placed in use. (Not applicable to Service Educational Activities (SEAs) or SBA 8(a) Businesses).

(3) In the event the property is not used or handled as required by (b)(1) and (2) and (c)(1) and (2), title and right to the possession of such property shall at the option of GSA revert to the United States of America and upon demand the donee shall release such property to such person as GSA or its designee shall direct.

(d) THE DONEE AGREES TO THE FOLLOWING TERMS, RESERVATIONS, AND RESTRICTIONS:

(1) From the date it receives the property and through period(s) of time the conditions imposed by (b), (c) and (f) remain in effect, the donee shall not sell, trade, lease, lend, bail, cannibalize, encumber, or otherwise dispose of such property, or remove it permanently, for use outside the State, without the prior approval of GSA under (b) and (f), or the State agency under (c) and (f). The proceeds from any sale, trade, lease, loan, bailment, encumbrance or other disposal of the property shall be remitted promptly by the donee to GSA or the State agency, as the case may be.

(2) In the event any of the property is sold, traded leased, loaned, bailed, cannibalized, encumbered, or otherwise disposed of by the donee from the date it receives the property through the period(s) of time the conditions imposed by (b), (c) and (f) remain in effect, without prior approval of GSA or the State agency, the donee, at the option of GSA or the State agency, shall pay to GSA or the State agency, as the case may be, the proceeds of the disposal or the fair market value or the fair rental value of the property at the time of such disposal, as determined by GSA or the State agency.

(3) If at any time, from the date it receives the property through the period(s) of time the conditions imposed by (b), (c) and (f) remain in effect, any of the property is no longer suitable, usable, or further needed by the donee for the purpose(s) for which acquired, the donee shall promptly notify the State agency, and shall, as directed by the State agency, return the property to the State agency, release the property to another donee or another State agency, a department or agency of the United States, sell or otherwise dispose of the property. The proceeds from any sale shall be remitted promptly by the donee to the State agency.

(4) The donee shall make reports to the State agency on the use, condition, and location of the property and on other pertinent matters as may be required time to time by the State agency.

(5) At the option of the State agency, the donee may abrogate the State conditions set forth in (c) and the State terms, reservations, and restrictions pertinent thereto in (d) by payment of any amount as determined by the State agency.

(e) THE DONEE AGREES TO THE FOLLOWING CONDITIONS, APPLICABLE TO ALL ITEMS OF PROPERTY:

(1) The property acquired by the donee is on an "as is, where is" basis, without warranty of any kind, and the Government of the United States of America, the State of Texas, its agencies or assigns, and employees thereof will be held harmless from any or all debts, liabilities, judgments, costs, demands, suits, actions, or claims of any nature arising from or incident to the donation of the property, its use, or final disposition.

(2) Where a donee carries insurance against damages to or loss of property due to fire or other hazards and where loss of or damage to donated property with unexpired terms, conditions, reservations or restrictions occurs, GSA or the State agency, as the case may be, will be entitled to reimbursement from the donee out of the insurance proceeds, of any amount equal to the unamortized portion of the fair market value of the damaged or destroyed donated items.

(f) THE DONEE AGREES TO THE FOLLOWING ADDITIONAL TERMS AND CONDITIONS APPLICABLE TO THE DONATION OF AIRCRAFT AND VESSELS (50 FEET OR MORE IN LENGTH) HAVING AN ACQUISITION COST OF \$5,000 OR MORE, AND FOREIGN GIFTS OR OTHER ITEMS OF PROPERTY REQUIRING SPECIAL HANDLING OR USE LIMITATIONS, REGARDLESS OF THE ACQUISITION COST OR THE PURPOSE FOR WHICH ACQUIRED:

(1) The donation shall be subject to the additional special terms, conditions, reservations, and restrictions set forth in the Conditional Transfer Document or other agreements executed by the authorized donee representative.

(g) THE DONEE CERTIFIES by signing and submitting this lower tier proposal, the prospective lower tier participant, as defined in 41 CFR105-68, certifies to the best of its knowledge and belief that it and its principals: (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. (b) Where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal.

(h) THE DONEE UNDERSTANDS that by execution of this document, it is considered a sub recipient of federal financial assistance pursuant to the Single Audit Act of 1984 and further agrees to provide the State agency with results of the audit required by OMB Circular A-133.

(i) THE DONEE UNDERSTANDS that e-mail addresses provided may receive notices about program updates and available property. Additionally, information on property donated to your organization, including pictures and service charge(s) paid, may be used by Federal Surplus Property Program for marketing and outreach purposes.

X

SIGNATURE OF AUTHORIZING OFFICIAL

DATE

Appendix 6

Terms and Standards

DRAFT

PROPERTY COMPLIANCE PERIOD

Participating organizations (referred to as “donees” by the federal government) are required to use the property obtained through the program for a specific amount of time before the property can be sold, transferred or otherwise disposed of. The compliance period is often determined by the “original acquisition cost” of the item. The “original acquisition cost” is defined as the amount the federal government paid when it was initially purchased.

- Property must be used for the program approved for participation in the Federal Surplus Property program.
- All property must be placed into use within one year of the invoice date.
- Property is considered “in use” as soon as it is ready and able to serve its intended purpose.
- The compliance period varies according to item and donee type but is **at least** 12 months from date put into use.
 - For property valued at less than \$5,000 in original acquisition cost, the compliance period is 12 months from the date put into use.
 - For property valued at \$5,000 or more in original acquisition cost and all passenger motor vehicles, the **compliance period is 18 months from the date put into use. Not applicable to Service Educational Activities.**
 - For items requiring special handling or use limitations for which a Conditional Transfer Document (CTD) must be signed, donee will adhere to the terms and conditions of use set forth on the CTD.
 - Some items, such as non-combat aircraft and vessels longer than 50 feet, have a compliance period of 60 months (5 years) from the date put into use.
 - Some items, such as combat aircraft and firearms, are considered “perpetual use.” Donee organizations do not obtain title or ownership to property designated “perpetual use” by the federal government. The compliance period is considered to be “perpetual” or ongoing on these items. If a donee has a perpetual use item that is no longer needed or used, then the donee must contact TFC for return instructions. The donee may not dispose of a perpetual use item without prior, written approval from TFC.
- TFC staff performs scheduled and unscheduled onsite property compliance visits to ensure the property is being used as represented. The donee agrees to make the property available for visual inspection by TFC staff in a timely manner.
- If the property is not paid for in full or is not being used or handled as required, the donee will be required, at its expense, to return the property to TFC or offer for transfer to another donee, as instructed by TFC.
- Property must be used and stored at the street address listed on page 2 of this Application, or at other appropriate donee-managed satellite locations (for example, county precinct barns, district fire stations, school campuses, maintenance/transportation warehouse). Property may not be removed indefinitely from an approved location without prior, written approval from TFC.
- Property may not be stored at a personal residence, unrelated business or storage facility, or any other location that is not managed by the donee organization. Property is not intended for personal use; it must be readily accessible to all donee staff.
- Donees are required to complete reports regarding property use as a condition of participating in the program.
- **During the compliance period, the donee may not sell, trade, lease, lend, bail, cannibalize, encumber, or otherwise dispose of such property, or remove it permanently, for use outside the State, without the prior approval of GSA.**
- **If property is sold, transferred, or otherwise disposed of during the compliance period, the donee may be subject to penalties and fines, as well as possible state or federal prosecution.**

I understand and agree to the above terms and conditions regarding property compliance and reporting and the Certifications & Agreements on page 5.

IMPORTANT NOTE FOR SBA 8(a) APPLICANTS: If applying as an SBA 8(a) business, I understand that the property compliance terms identified above do not apply to my business and that as an SBA 8(a) business I must follow SBA property compliance guidelines. Additionally, I understand that I may not have access to certain items – including aircraft or property with an original acquisition cost of \$5,000 or more – if my business is due to graduate from the SBA 8(a) program with insufficient time to cover the entire federally required compliance period for that item.

X

SIGNATURE OF AUTHORIZING OFFICIAL

DATE

SEND APPLICATIONS TO:
*Applications may be emailed,
faxed or mailed.*

TEXAS FACILITIES COMMISSION
FEDERAL SURPLUS PROPERTY PROGRAM
P.O. BOX 13047, AUSTIN, TX 78711-3047
TEL: (512) 962-4167 FAX: (512) 236-6173
EMAIL: Federal.surplus@tfc.texas.gov

Texas SASP
Summary of Changes to State Plan
Sept. 2020

Summary of Change(s)	Justification	Impacted Part(s)	Page(s)
Updated references throughout the document to our agency ("Commission") and Federal Surplus program ("SASP") to make consistent throughout and provide clarity. Now using "SASP" as the primary identifier throughout the State Plan.	In the previous version, there were conflicting and confusing references to "General Services Commission" (our former agency name), "agency," "program," "state agency," etc. For this revision, the goal was to enable the State Plan to easily adapt to agency name changes/re-organizations, therefore we refer to the program as the "SASP" for Texas which is more consistent with state and federal law.	All	All
Legal citations updated throughout the document. Updated references to Texas legislation and statute (Texas Government Code). Updated references to the Federal Property Management Regulations" or "FPMR" to "Federal Management Regulations" or "FMR."	Outdated.	All	All
Added signature lines.	To document approval within State Plan instead of a stand-alone page.	Cover page	1
Added language to bring the history of the Texas Facilities Commission up to date.	Outdated.	Part I: Legal Authority	4
Updated references to SASP truck drivers or deliveries.	We no longer have staff who are fully dedicated to performing pickups or deliveries, and primarily use hired vendors instead.	Part III: Inventory Control & Accounting Systems; and Part VIII: Fair & Equitable Distribution	6, 18
Updated language to accommodate items and donees who may have longer than the minimum compliance period of 1 year.	Provides document the flexibility to accommodate perpetual compliance items, aircraft, firearms, SBA 8a businesses, etc.	Part IV: Return of Donated Property, Section A: Requirement for Return	9
Language was updated to reflect that we may issue the donee a credit balance OR refund for returned property.	Our Fiscal Department prefers to issue refunds instead of credit balances.	Part IV: Return of Donated Property, Section C: Procedures to Accomplish Property Returns	10

Texas SASP
Summary of Changes to State Plan
Sept. 2020

Summary of Change(s)	Justification	Impacted Part(s)	Page(s)
Added language regarding sales of Federal property (Fixed Price Sales and TSA Property), and updated language to clarify how and when funds may be deposited and spent so that there is a clear distinction between the donation and sales programs. In Sections D and E modified language to allow more flexibility to give discounts in certain circumstances.	To provide support for existing TSA Sales Program and future Fixed Price Sales program.	Part V: Financing and Service Charges	11-13
Updated language to give flexibility to accommodate all donee types.	Current language does not take into account new donee groups added by federal law (i.e. SBA 8a's, VOSBs, RISE Act) since 1998.	Part VI: Terms & Conditions on Donable Property; and Part IX: Eligibility, Section B: Eligibility Requirements	14-15, 20-21
Updated reference to DRMO to DLA.	Outdated.	Part VII: Non-Utilized Donable Property	16
Removed language regarding GSA Screener cards.	Outdated.	Part VIII: Fair & Equitable Distribution	17-19
Updated language to reflect that we now use email instead of mail for donee correspondences and reports.	Email is a faster and more efficient method of communication than mail.	Part VIII: Fair & Equitable Distribution; Part IX: Eligibility; and Part X: Compliance & Utilization	18, 20, 22
Updated this phrase "Execute the State Agency distribution document including terms, conditions, reservations and restrictions that the State Agency or General Services Administration government may establish on the use and disposal of the property" to now state "Execute the SASP distribution document including terms, conditions, reservations and restrictions that the SASP or federal government may establish on the use and disposal of the property."	Goal is to reflect the fact that other agencies (i.e. DLA or SBA) may also place restrictions on use of property.	Part IX: Eligibility	20
Updated language to reflect that we perform "virtual" compliance checks in addition to site visits.	Update only. Virtual checks are a GSA-approved method, and provide an effective and efficient means of performing compliance checks.	Part X: Compliance & Utilization, Section C: Verification	22
Removed references to specific CTDs, and instead stated we will use current forms provided by GSA.	CTDs are GSA provided documents that may change. Removed from State Plan so that it could better adapt to changes over time.	Part XV: Forms, and Appendices	28, Appendices
Updated language to say that we will keep records for a minimum of one year beyond restriction.	To ensure there are not conflicts with State records retention policies.	Part XVI: Records	29

TEXAS FEDERAL SURPLUS PROPERTY PROGRAM
STATE PLAN OF OPERATION

STATE PLAN OF OPERATION
TEXAS BUILDING AND PROCUREMENT COMMISSION
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APPENDICES

<u>NO.</u>	<u>TITLE</u>
1	Senate Bill 381
2	Program Organization
3	Facilities
4	Agency Distribution Document
5	Certification and Agreements
6	Application for Eligibility
7	Combat Type Aircraft Conditional Transfer Document
8	Non-Combat Type Aircraft Conditional Transfer Document
9	Vessel Conditional Transfer Document
10	Terms and Standards
11	Critical Item Request Form

PART I

LEGAL AUTHORITY

(FPMR 101-44)

The "Texas State Educational Agency for Surplus Property: was established by the Governor in 1945 by executive order under authority of his "War Emergency Powers." In 1949, the 51st Legislature of Texas changed the name to "Texas Surplus Property Agency" and continued the Agency by passage of Senate Concurrent Resolution No. 33.

Each successive Legislature continued the Texas Surplus Property Agency by Concurrent Resolutions until March 19, 1971, when House Bill 216 became law as Article 6252-6b, Vernon's Annotated Revised Civil Statutes of the State of Texas, establishing the Texas Surplus Property Agency as a permanent agency of the State.

On June 19 1993, the 73rd Legislature passed Senate Bill 381 abolishing the Texas Surplus Property Agency. The bill called for the functions of the agency to pass to the General Services Commission effective September 1, 1993, thus establishing the General Services Commission, Federal Surplus Property Program. A copy of this law is attached as Appendix 1.

A. Acquire, warehouse and distribute surplus personal property to all eligible donees in the State.

B. Enter into cooperative agreements pursuant to the revisions of FPMR 101-44.206.

C. Undertake other actions and provide other assurances as set forth in the Plan.

PART II

DESIGNATION OF STATE AGENCY

A. Agency

Senate Bill 381, passed by the Texas 73rd Legislature transferred the programs, powers, duties, functions, finances, and procedures to the General Services Commission.

B. Organization

Senate Bill 381 states that the General Services Commission is designated as the State Agency for the purpose of Section 203 (J) of the Federal Property and Administrative Services Act of 1949 as amended (hereinafter referred to as the Federal Act), 40, U.S.C. 484(j).

B.1. The General Services Commission organization consists of a six member Commission and the Executive Director. The agency administers the Federal Surplus Property Program.

B.2. The Federal Surplus Property Program is directly supervised by a Program Administrator (the State agent).

B.3. The General Services Commission is responsible for carrying out all aspects of the State Plan. Those functions include, but are not limited to eligibility, compliance, marketing, screening, transportation, warehousing and allocation. The support staff is comprised of supervisors, clerical support, warehouse workers, equipment operators and property screeners. The program staff is supported as necessary by other agency operations such as personnel, procurement, finance, risk management and data management.

B.4. State Agency Surplus Property structure (See Appendix 2).

B.5. The Executive Director of the General Services Commission or a designated deputy directly supervises the State agency (Program Administrator).

C. Facilities

The General Services Commission, based on the demands of the program operations, determines the number, size and location of all real property facilities to support its implementation of the plan. The facilities may be owned or leased. The current facilities utilized by the Agency in support of the program are set out in Appendix 3.

PART III

INVENTORY CONTROL AND ACCOUNTING SYSTEMS

A. Management Control and Property System

An effective management control and property accounting system is established which provides:

- ◆ Recording and reporting all overages and shortages of property.
- ◆ Provisions for any necessary adjustments to inventory records as prescribed or authorized by the Federal Surplus Program Administrator.
- ◆ Documentation for tracking items of property from allocation documents to distribution or disposal documents.
- ◆ Physical and record accountability with quantity verification from allocation to issuance, disposal or expiration of restrictions.

B. Inventory Control and Fiscal Accounting System

A detailed explanation of the inventory control and fiscal accounting system follows:

B.1. Inventory control system includes:

B.1.a. Agency truck drivers and/or donee representatives picking up property at the holding agencies verify the quantity of property loaded by comparison with the SF 123s insofar as the nature of the property and time permits.

B.1.b. Upon receipt of property at the Agency distribution center and/or donee locations the property is compared with the holding agency's shipping document and the actual quantity received is verified. Where differences exist, appropriate notations are made on the SF 123 such as over, short, withdrawn, etc. When a shortage in total original acquisition cost of \$300.00 or more of all items is noted, or an overage of \$500.00 or more is noted, a report listing the discrepancies called the "Over and/or Short Report" is submitted to the agency administrative office, the holding agency issuing the property, and the appropriate General Services Administration regional office. When the total estimated fair market value acquisition cost of all line items of property received is \$500.00 or more, it will be listed on a SF123; and the application will be submitted to the General Services Administration regional office for approval.

Part III continued

B.1.c. The actual quantity of property received is posted to the database master-inventory record/receiving file.

B.1.d. Periodic verification of accuracy is accomplished by comparing the physical count of items on hand with the "Record Balance: quantity listed on the database master inventory record file.

B.1.e. When property is distributed, it is listed to the agency distribution document (Appendix 4) which automatically updates the database master inventory record showing the customer account. A copy of the certifications and agreements form is included as Appendix 5.

B.1.f. The inventory and accounts receivable control systems provide the audit trail from receipt of property to its issuance or disposal.

Distributions of property to eligible donees are recorded on controlled per-numbered distribution documents (Appendix 4). The distribution document is used for items issued from the warehouse as well as direct allocations when the item is picked up directly by the donee. The distribution document identifies the item being issued, quantity, service charge and the donee organization. Copies of the distribution document are used as the source of input information for the computerized inventory management system.

B.1.g. All surplus property in the custody of the agency is recorded on the database master inventory record file which reflects all transactions pertaining to the named items. Inventory discrepancy reports are submitted to the Program Administrator with requests for appropriate inventory adjustment authorization.

B.1.h. An annual inventory of property is conducted. Provisions for any necessary adjustments to inventory records as a result of the annual inventory are made only upon approval of the Program Administrator.

B.2. A full accrual accounting system is utilized to maintain all the records and accounts required for a full accounting of income, expenses, and status of the Service Charge Trust Fund including.

- B.2.a. Cash Receipts Journal
- B.2.b. Accounts Receivable
- B.2.c. Invoice Journal
- B.2.d. Budget
- B.2.e. General Ledger
- B.2.f. Payment of Bills and Expenses
- B.2.g. Monthly Financial Report

Part II continued

C. Non-donable Property Records

Any Federal surplus property needed for the day to day operation of the agency will be with the approval of GSA.

A separate set of records is maintained for federal surplus personal property used in the day to day operations of the program. This property may be released for donation after program use. Property being returned for program donation is to be maintained as an inventory item the same as the federal surplus personal property being offered to eligible donees.

PART IV

RETURN OF DONATED PROPERTY

A. Requirement for Return

The certifications and agreements, terms, conditions, reservations and restrictions form is required and maintained as part of the eligible donee's file. The form states that all items of property shall be placed in use for the purposes for which acquired within one year of receipt and shall be continued in use for such purposes for one year from the date the property was placed in use.

B. Methods of Return

In the event the property is not placed in use, or continued in use, the donee shall immediately notify the State Agency. Such property is to be returned to the State Agency, at the donee's expense, or otherwise made available for transfer or other disposal by the State Agency (provided the property is still usable as determined by the State Agency).

The State Agency will periodically emphasize this requirement when corresponding and meeting with donees and when surveying the utilization of donated property at donee facilities.

C. Procedures to Accomplish Property Returns

When property is returned to the agency, a "Receipt for Property Returned", which is cross-referenced to the Distribution Document, is issued relieving the donee of further responsibility for the property being returned. As an inducement to the donee to expeditiously attempt to place the property in use, a decreasing scale of service charge refund is used for property if it is returned in the same condition as distributed:

- ◆ If returned within 30 calendar days: Full refund of service charge.
- ◆ Items returned from 1 – 3 months: 75% of service charge.
- ◆ Items returned from 4 – 6 months: 50% of service charge.
- ◆ Items returned from 7 – 9 months: 25% of service charge.
- ◆ Items returned after 9 months: No refund.

Part IV continued

All service charge refunds and over-payments on accounts will be credited to the donee's account as a credit balance. This credit balance will be carried forward and applied against future service charges. No service charge refund will be allowed any donee organization found to be in non-compliance with the items and conditions on donated property.

No service charge refund or credit will be allowed on returned property which was screened by the donee organization directly at a federal holding agency unless there is evidence of concealed damage or condition misrepresentation at the time of actual screening by the donee. The final determination will be made by the Program Administrator, and favorable rulings will conform to the refund procedure previously mentioned.

Procedures for agency accountability and responsibility for returned property will be the same as for any other property in its custody for distribution.

PART V

FINANCING AND SERVICES CHARGES

A. Financing of Program

The Commission, in providing for the disposition of federal surplus property, shall require the payment of such service charges by the donees. Revenue from these charges will be used for the operation of the Program to the benefit of participating donees. Service charges will support the direct and indirect costs of the Program's activities and will provide for the accumulation and maintenance of a working capital reserve. The Program shall also generate revenues from, but not limited to, sales and compliance proceeds, charges for handling and processing late payments, interest on savings and investments, gifts and grants.

B. Service Charges

Service charges assessed by the Program will be fair and equitable and based on the services performed or paid for by the Program, which include direct and indirect costs of administering the surplus property program plus accumulation and maintenance of a working capital reserve. Those costs include, but are not limited to: Equipment, travel, screening, transportation, promotions, depreciation, operating reserve, insurance, printing, advertising, marketing, compliance, warehousing, accounting, maintenance, fuels, personnel, packing crating, postage, utilities, telephone, supplies and administration.

C. Criteria for Assessing Charges

Charges and fees for services will be assessed at a level which the Commission estimates will be sufficient to recover its expenses, including reasonable indirect costs of administering the surplus property program. In determining charges and fees, consideration will be given to the following criteria:

- ♦ Expenses of operation as set out above.
- ♦ The original government acquisition cost or estimated fair market value of the property.
- ♦ The type or nature of the property which would indicate its usefulness.
- ♦ The condition and/or quantity of the property.
- ♦ Special processing, handling, transportation, or services.

Part V continued

These criteria and the following scale of acquisition costs versus percentages will service as guidelines in establishing the handling fee:

<u>If acquisition cost is:</u>	<u>Handling Fee % range is:</u>
\$ 0 - 50,000	0 – 50%
50,001 - 250,000	0 – 45%
250,001 - 1 million	0 – 40%
over 1 million	0 – 35%

D. Minimal Charges

Eligible agencies or institutions which, through their initiative in locating items or by virtue of being physically located near federal holding agencies, desire to pick up property direct from the holding agency may do so using their own transportation. In such instances, the normal service charge which would be assessed on the item if it were transported, warehoused and transferred through a distribution center will be discounted by 30%. This discount will be granted considering that agency screening, administrative, direct and indirect operational, and compliance responsibility costs will still apply to the property.

An additional discount of 10% may be granted where no direct screening costs are incurred by the agency.

The service charge may be further reduced for major items of equipment, and in such instances will be negotiable to ensure it is fair and equitable.

E. Special Discount for Homeless Assistance

Property provided to homeless activities (Public Law 110-77, Stewart B. McKinney Homeless Assistance Act enacted July 22, 1987) will be provided a discount of up to 50% off of the normal service charge.

F. Use of Funds

Funds accumulated from service charges, as well as from other sources such as sales, compliance actions, gifts, grants, appropriations, etc. will be used to:

- F.1. Cover direct and indirect costs of the Program's operation.
- F.2. Purchase necessary equipment supplies and any such other purchases as deemed necessary to carry out the Program's operations.
- F.3. Accumulate and maintain a working capital reserve, to be sufficient for projected costs of operation for one full year.

Part V continued

F.4. Rehabilitate donable property and purchase replacement [parts for donable surplus property.

F.5. Provide and maintain office and distribution center facilities.

G. Deposit of Funds

The Commission, with the advise of the State Comptroller, has authority to deposit and invest funds in accordance with State laws. Deposits and/or investments will be in the best interests of the State and in the type and forms allowed by law. All service charges and interest earned shall be credited to the surplus property service charge fund.

H. Authority

In accordance with Senate Bill 381 (Appendix 1), the authority has been given to the General Services Commission to use service charges in either acquiring or improving program office space or distribution facilities. In the event the Commission disposes of a facility or facilities purchased with service and handling charges by sale or otherwise, and assets are realized, those assets shall remain in the surplus property service charge fund and may be used for operations and activities of the Program. Any funds remaining in the surplus property service charge fund from prior Program activities shall be retained in the fund for the continued operation of the Program.

I. Reduction in Service Charges

Service charges will be reduced on future donations when the working capital reserve exceeds the projected costs of operation for one full year prorated in an equitable manner.

Part VI

Terms and Conditions on Donable Property

A. Requirements

The State Agency will require each donee to agree to and accept the certifications and agreements, including the terms, conditions, reservations and restrictions applicable to the donation of federal surplus property. These certifications and agreements will be part of the Application for Eligibility, Appendix 6, and be maintained as part of the requirements of the donee for continued eligibility.

Additional restrictions will be required of the donee for:

- A.1. Items with an original government acquisition cost of \$5,000.00n or more (18 months utilization period).
- A.2. Passenger vehicles regardless of acquisition cost (18 month utilization period), or
- A.3. Any foreign gift or decoration, in accordance with 41 CFR 101-49.304(b).

B. Special Requirements and Conditional Transfer Documents

These distribution and transfer documents are hereby incorporated in and made part of this Plan of Operation as follows:

Agency Distribution Document	Appendix 4
Combat Type Aircraft Conditional Transfer Document	Appendix 7
Non-combat Type Aircraft Conditional Transfer Document.	Appendix 8
Vessel Conditional Transfer Document.	Appendix 9

The Agency shall retain the right to amend, modify, or release those terms, conditions, reservations, or restrictions as may be imposed; except the Agency may not amend, modify, or release those terms, conditions, reservations or restrictions as imposed by federal law or the Administrator of The General Services Administration. Any such action taken to modify State-imposed restrictions shall be consistent with good management practices.

C. Restriction Modification

The State Agency may impose any additional terms, conditions, reservations and restrictions it deems reasonable on the use of donable property.

Part VI continued

The State Agency may amend, modify, or grant release of any term, condition, reservation, or restriction if has imposed on donated items of personal property in accordance with FPMR 101-44.208(h) and the standards set forth in this plan (attached as Appendix 10).

D. Special Handling or Use Limitation

The State Agency will impose a special handling or use limitation on the donation of any item of property as determined necessary by the General Services Administration due to the characteristics of the property.

E. Statutory Requirement

There will be imposed on all donees the statutory requirement that all items donated must be placed into use within one (1) year after donation and be used for the purpose for which donated for one (1) year after being placed in use, or otherwise returned to the State Agency, while the property is still usable.

PART VII

NON-UTILIZED DONABLE PROPERTY

Property for which no utilization has been found in the State will be reported to the Regional Administrator, General Services Administration on an annual basis or as directed by the Program Administrator. Items so reported will be made available for transfer to other State Surplus Property Agencies, or for such other disposition as prescribed by General Services Administration in accordance with the provisions of FPMR 101-44.205

- A. Retransfer to Another SASP.
- B. Sale.
- C. Return of DOD generated property to a DRMO
- D. Abandonment or destruction.
- E. As prescribed by GAS.

In event of disposal by transfer to another State Agency for Surplus Property or by public sale, the agency will seek reimbursement as provided in FPMR 101-44.205.

PART VIII

FAIR AND EQUITABLE DISTRIBUTION

A. Needs, Relative Resources, and Ability to Utilize Property

It is the intent of this Plan of Operations to provide a fair and equitable distribution of federal surplus personal property to donees based on their relative needs and resources and their ability to utilize the property. This plan and the following criteria are designed to accommodate the relative greater need of donees located in less developed rural areas with fewer resources thereby placing surplus personal property where it will do the most good.

A.1. Relative Needs

In considering requests of donees, the criteria for determining the relative need will be:

- Size and type of programs conducted.
- Contemplated use and frequency of use.
- Economic condition of agency, activity, or institution.
- Economic condition of area served by donee.
- Urgency of need.
- Geographical location (urban, suburban, or rural).

A.2. Relative Resources

In considering requests of donees, the criteria for determining relative resources will be:

- Funding source and availability (grants, donations, taxes, etc.)
- Equipment availability.

A.3. Ability to Utilize Property

In considering requests of donees, the criteria for evaluating ability to utilize property will be:

- Availability of funds to repair and maintain property in use.
- Length of time of contemplated usage.
- Contemplated time period to place in use.

Part VII continued

B. Policies and Procedures for Fair and Equitable Distribution

B.1. The following will be utilized to help establish the relative needs and resources and the ability of each donee to utilize property:

- The State Agency for Surplus Property shall insofar as practicable select property requested by an eligible donee.
- State Agency distribution center – Distribution centers are strategically located throughout the State to efficiently service the donees of surplus property. Agencies or institutions which are geographically located in the immediate vicinity of a distribution center may be limited in their frequency of visits for selection of property. This limitation is designed to ensure that donees located at a greater distance from the distribution center will receive equity in the distribution of desirable items. The distribution centers will be the primary source of small, common use type property. Except for those items listed on the Critical Item Request List, all property in distribution centers is available and will be distributed on a first-come, first-served basis.
- Service to Remote or Distant Areas – Special effort is made to ensure that potential donees located in distant or remote areas share equitable in the available property.
- Bulletins and Circulars – The State Agency will send bulletins to eligible donees in their geographical area containing federal information about the program and listing representative samples of the items of property available. On occasion, special circulars are also mailed announcing the availability of specialized items or large quantities of desirable items.
- Donee Designated Screeners – The State Agency shall prepare and submit to General Services Administration recommendations for State Agency and donee designated screeners. The donee screener request shall state the name and address of the activity represented and a list of the federal installations he wishes to be authorized to visit. General Services Administration will review requests for donee screening and issue appropriate identification and authorization for screeners to visit federal installations for the purpose of screening surplus personal property.

Part VIII continued

B.2. When two or more donees request the same property, distribution will be according to determination of greatest need considering relative resources and ability to utilize the property. The following will be utilized to assist in this determination.

- Critical Item Request File – Special files of requests for items which are in “great demand” and in “short supply” such as motor vehicles, forklifts, machine tools, construction equipment, fire trucks, etc., will be maintained (Appendix 11). Each request for an item on the list will be evaluated against the above criteria for determining greatest need, considering relative resources and ability to utilize the items. When one of these items is received, it will be offered to the donee determined to have the greatest need. Donee receipt of a critical item of property will be a factor to be considered when the program makes subsequent determinations of greatest need for like items of property to ensure fair and equitable distribution.
- Emergency Need – Donees which suffer or experience a local disaster and/or loss of property due to fire, flood, tornado, etc., will be given a temporary “greatest need” category for all requested items of property. Special efforts will be exerted to locate and distribute critically needed items of property.
- Special Requested Items – An expression of special need by a public agency or other eligible institute or organization for a specific item of property which they have located, will be validated by the State Agency and submitted to General Services Administration with a request for the property.
- Special Items – As a service agency, every effort is made to assist donees in acquiring needed items of property if they are available through the program. The program’s central procurement office provides special direct assistance in acquiring aircraft, vessels over 50 feet in length, and other designated high dollar cost or specialized items of property.

Part VIII continued

C. Direct Shipment of Property to Donees

Procedures are established for the donee to make direct pick-ups of property at federal holding activities or make arrangements for commercial shipment from distribution centers. Alternatively, donees may arrange for State Agency trucks to ship from either hold activities or distribution centers.

Property selected by distantly located donees may be held in distribution centers for reasonable period of time, pending arrangements for transportation or shipping instructions.

PART IX

ELIGIBILITY

A. Procedures

The General Services Commission will provide surplus personal property program information to potentially eligible applicants through public information media, direct mail outs and information releases to public agencies, public health and education associations. Applicants for eligibility will be provided detailed instructions, application forms, and assistance upon request.

B. Eligibility Requirements

Appendix 6 illustrates the information basis upon which eligibility is determined. To establish eligibility, applicants will be required to:

B.1. Complete the Application for Eligibility form.

B.2. Provide documentary evidence of status as a public agency, or as a nonprofit education or public health institution or organization, or evidence of being a "provider of assistance to the homeless", or evidence of programs operated for older individuals.

B.3. Provide scope of their programs.

B.4. If a nonprofit education or public health institution or organization, or program operated for older individuals the applicant must provide documentary evidence of tax exemption under Section 501 of the Internal Revenue Code of 1986.

B.5. Furnish documentary evidence of applicant's approval, accreditation or licensing.

B.6. Provide means and method of funding if the applicant is a nonprofit activity that conducts programs for older individuals.

B.7. Furnish a written authorization signed by the chief administrative officer or executive head of the applicant's activity or a resolution by the governing board or body of the applicant designating one or more representatives:

B.7.a. Acquire donable property from the State Agency;

B.7.b. Obligate any necessary funds of the applicant for this purpose,
and;

Part IX continued

B.7.c. Execute the State Agency distribution document including terms, conditions, reservations and restrictions that the State Agency or General Services Administration may establish on the use and disposal of the property.

B.8. Provide assurance of non-discrimination compliance.

B.9. Specify types of property needed when requested.

B.10. Provide certification regarding Debarment, Suspension, ineligibility and Voluntary Exclusion for covered contracts.

PART X

COMPLIANCE AND UTILIZATION

A. Utilization Reviews/Surveys

Approximately six months after doantion of each passenger motor vehicle and each item of property having an original government acquisition cost of \$5,000 or more and items transferred with a GSA imposed special handling or use restriction, a utilization questionnaire will be mailed to the donee.

B. Acquisition Period

Since the donee has one year to place property in use for the purpose acquired, the questionnaire will reveal the actual date the item was placed in such use. If not yet placed in use, it will elicit information concerning the problems or difficulties being encountered by the donee to place it in use in sufficient time for the State Agency to provide assistance, if possible. Items of property which the donee does not or cannot place into use for the purpose acquired within one year of acquisition must be returned to the State Agency at the donee's expense.

C. Verification

In addition to the documentation developed through the use of utilization questionnaires, on-site visits will occasionally be made to verify proper utilization of property and compliance with applicable restrictions. When such visits are scheduled, agency personnel will perform inspections and prepare the necessary reports. The frequency of such visits shall be determined by and at the discretion of the Program Administrator for the purpose of enforcing all terms, conditions, reservations and restrictions on donations and to correct non-compliance.

Program personnel conducting the on-site visit shall also utilize the opportunity to promote the donation program, solicit donee comments, suggestions or criticisms, determine donee needs and develop a want list, advise donee of property currently available and encourage regular participation.

D. Reports

All instances of non-compliance will be reported to the Program Administrator, who will initiate appropriate actions or investigations, in accordance with FPMR 101-44.208(f) and (g). Copies of reports of non-compliance will be furnished to the General Services Administration Regional Office.

Part X continued

E. Alleged Fraud

Indications of fraud in the acquisition of property, unauthorized disposal of an item still under a period of restriction, misuse of property, and items not placed into use for the purpose for which acquired within one year, and used as required thereafter constitute instances of non-compliance. Follow-up procedures will include:

E.1. Alleged fraud will be promptly investigated and notification given to the regional General Services Administration office and the Federal Bureau of Investigation (FBI).

E.2. Advise General Services Administration of any misuse of donated property.

E.3. Full cooperation and assistance will be given General Services Administration, Federal or State agencies in the investigation of any reported compliance cases.

PART XI

CONSULTATION WITH ADVISORY BODIES AND GROUPS

A. Consultation

An advisory group will be established for the purpose of consulting with management on issues and ideas for the improvement of the program. Donees from each district will be invited to serve on this body for one year. As a minimum and whenever possible, the Advisory Board will consist of 2 rural donees, 2 metro donees, 2 public donees and 2 non-profit donees. All donees will have participated in the program within the last 2 years prior to the time their term begins. Notice will be given in program publication advising donees to notify program management if interested in serving on the Advisory Board. Those who have not participated in the past will be given priority over those who have previously served. Group discussions may be held between these donees and management on an as needed basis. Concomitantly, communication between the advisory group and program staff will be possible at any time by means of informal contacts and correspondence.

Additionally, agency publications will be furnished and briefings presented to local, regional, or statewide meetings of public agencies, associations or committees representing potential and/or eligible donees. Liaison will be established with area Council of Governments throughout the State to assist the agency in resolving relative need and resource questions.

B. Program Briefings

The State Agency will solicit expression of need and interest from advisory groups in order to advise General Services Administration of such requirements, including requirements for specific items of property.

Orientation tours of distribution center facilities, with appropriate program briefings, will be conducted for public agency or nonprofit health and educational groups to foster increased participating and wider dissemination of information concerning the program.

Part XII

A. Internal Audit

There will be at least one internal audit of the operational and procedural activities of the program operations and financial affairs conducted each year.

B. External Audit

The operations and financial affairs of the program are audited by the State Auditor in accordance with generally accepted audit standards and in compliance with State law. This audit will include program conformance with the provisions of this plan of operation and Office of Management and Budget Circular A-133.

B.1. Copies of this audit will be furnished to the General Services Administration Regional Office.

B.2. The Program Administrator of the Agency will advise the General Services Administration Regional Office of all corrective actions taken with respect to any exceptions or violations indicated by this audit.

PART XIII

A. Agreements

These agreements may include but will not be limited to:

A.1. Use of real property by State Agency.

A.2. Use of F.T.S. facilities.

A.3. Interstate transfer of property.

A.4. Use of Federal facilities.

A.5. Overseas property.

B. Renewals/Revisions

The General Services Commission will enter into cooperative agreements and renew or revise existing agreements as authorized in Senate Bill 381, (Appendix 1) and pursuant to the provisions of FPMR 101-44.206.

PART XIV

LIQUIDATION

When a determination is made to liquidate the General Services Commission, Federal Surplus Property Program, a liquidation plan will be submitted to the Administrator, General Services Administration, prior to the actual termination of the agency's activities to include:

- reasons for liquidation;
- a schedule for liquidating the program and the estimated date of termination;
- method of disposing of surplus property on hand, consistent with the provisions of FPMR 101-44.205;
- method of disposing of the program's physical and financial assets;
- retention of all available books and records of the agency for a 2 year period following liquidation; and
- designation of another governmental entity to serve as the agency's successor in function until continuing obligations on property donated prior to the closing of the agency are fulfilled.

PART XV

FORMS

A copy of the Distribution Document, which will be used by the agency to distribute all surplus property to donees is attached as Appendix 4. This document may be revised to conform to State Agency and/or federal regulations or requirements.

Aircraft and vessels (over 50 feet in length), with a unit acquisition cost of \$5,000 or more will be donated in accordance with the provisions of a conditional Transfer Document (See Appendices 7.8, and 9).

PART XVI

RECORDS

The official records of this agency will be retained for a minimum period of three years. Exceptions are:

- A. Records involving property subject to restrictions for more than two years will be kept for one year beyond the specified period of restriction.
- B. Records pertaining to noncompliance with any terms, conditions, covenants, agreements, reservations or restrictions on donated property will be retained one year after the case is closed.