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Bulletin

Title: ARS-Exchange/Sale Authority for Qualified Personal Property

Number: 08-220

Date: August 26, 2008

Expiration: August 26, 2009

Originating Office: Financial Management Division
Acquisition and Property Division

Distribution: Deputy Area Directors
Administrative Officers
Area Budget and Fiscal Officers
Area Property Management Officers

This bulletin establishes ARS policy to implement the exchange/sale authority for animals, animal products, plants, and plant products authorized under the 2008 Farm Bill.

1. Purpose

To assist in carrying out the research functions of Department of Agriculture (USDA), the 2008 Farm Bill amended Title III of the Federal Crop Insurance and Department of Agriculture Reorganization Act of 1994 by adding Section 307 which authorizes USDA to exchange, sell, or dispose of “**qualified**” items of personal property and to retain and apply the sale proceeds to acquire any “**qualified**” item of personal property or to offset costs related to maintenance, care, or feeding of any qualified personal property item.

The amendment defines a “**qualified**” item of personal property as:

- animals,
- animal products,
- plants, or
- plant products.

2. Policy

ARS may exchange or sell animals, animal products, plants, and plant products and retain/apply the proceeds to acquire another animal, animal product, plant, or plant product or apply the proceeds to offset costs related to maintaining, caring, or feeding the animal, animal product, plant, or plant product. These proceeds have no fiscal year limitations. **This authority only applies to personal property that meets the above definition of “qualified item.”**

3. Accounting Process

Proceeds from the sale of “qualified items” of personal property are classified as “no-year” and are available until fully expended. These funds will be allocated under the X89 Fund Code. It is recommended that a separate account be set up for each different commodity.

In order to standardize the collection process in Foundation Financial Information System (FFIS) and Agricultural Research Information System (ARIS), the following guidance is provided:

A. Administrative Officer/Technician (AO/T)

- ARIS - Enter Incoming Agreements Form, Authorization To Apply For and Use Funds From Outside Sources. Standard information is listed below and shown in Exhibit 1.

Source of Funds: 0250-Sale of Animals or Personal Property

Type of Agreement: Trust

Purpose of Funds: Services Only

Type of Service: Sale of Assets

Start/End Dates: Since these are no year funds, this should be set for the maximum term of 5 years.

Remarks: State purpose for collection (e.g., sale of hay).

Indirect Program Support Cost (IPSC): is not assessed for sale of assets collections.

- CRIS Allocation Tracking system (CATS) - Establish records and perform funds control for each account. As stated earlier, it is recommended that a separate account be set up for each commodity.

B. Area Budget & Fiscal Officers (ABFO)

- FFIS - Establish the program code using program type 69.
(Account Code Format: X89-XXXX-XXX)
- Deposit of Collected User Fees - Upon receipt of check or money order, prepare Form ARS-326-1, Record of Public Funds Received and Transmitted For Deposit, (Financial Management Manual, Exhibit 26-3). The Budget Object Class for collections is 0250.
- ARIS – After the funds are deposited, enter the receipt of funds on the Budget Page of the Incoming Agreements Form.
- After receiving the advice of allocation from Budget and Program Management Staff (BPMS), enter the Budget Level (BL) Document into FFIS for the actual funds received and deposited.

C. Budget & Program Management Staff (BPMS)

- Estimate fiscal year collections in preparation for the Agency's Apportionment and Reapportionment Schedules (SF-132) for the Execution of Funds report provided to the Office of Management and Budget. The SF-132 also provides the authority needed to enter the Appropriation and Apportionment Document (AA). Treasury Symbol = 12X1400, No-Year authority. Funds available until fully expended.
- Enter the AA (Appropriation and Apportionment Document) and PA (Appropriation Approval Document) into FFIS.

- Upon notification by receipt and downloading of Incoming Agreements Form Budget Page Transactions (Fund Commitments) from ARIS, transaction records are created in the Reimbursable and Trust Allocation System (RTAS). The BPMS staff will enter the Budget Execution (BE) Document (Allocation Level) into FFIS for the actual funds received and deposited, as well as e-mail the RTAS Allocation releases/changes to the ABFO's on a weekly basis. The official allocation (Form AD-705) and supplementary reports are completed and mailed monthly.
- Enter BE Document to reallocate carryover/recovery from prior year balances after Financial Management Division/FFIS Operations Branch develops a spreadsheet which details the distribution of the balances by Area.

D. Fund Holder

Designated fund holders may use sales proceeds to offset costs related to maintaining, caring, or feeding the animal, animal product, plant, or plant product.

4. Personal Property Reporting Requirements

Federal Management Regulations 102.38 requires agencies to submit an annual report of sales proceeds obtained when a source other than the General Services Administration (GSA) conducts the sale. The reporting requirements are:

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

Areas must track the above information and provide it to their Area Property Management Officer (APMO) for preparation of the annual report to GSA. APMO's will submit a consolidated Area report to the Acquisition and Property Division/Property and Support Services Branch upon request.

5. Questions

Address questions concerning this bulletin to Kim Parks, 301-504-1300 (Financial Management Division), or Cheryl Brumback, 202-720-2359 (Acquisition and Property Division).

/s/

S. M. HELMRICH
Director
Financial Management Division

/s/

LARRY R. CULLUMBER
Director
Acquisition and Property Division

08/07/08

**Agricultural Research Service
Agricultural Research Information System
Authorization to Apply for and Use Funds From Outside Sources
Incoming Agreements**

Modecode/Log Number: 6201-00-00 0037191 Status: Pending

Location/Management Unit Name:
OFFICE OF THE DIRECTOR

Contact: UPCHURCH DAN R Type: Principal Investigator
Series: General Biological Science Telephone: 979-260-9343

Type of Agreement: Trust ARS Primary Agreement Holder: Yes Award Date:
Agreement Number: --- Primary Agreement Proposed Total Funds: \$30,000.00

Purpose of Funds: Service Only Type of Service: Sale of Assets

Remarks: Sale of hay.

Original Source of Funds:

Direct Source of Funds: Type:
0199 SALE OF ANIMALS OR PERSONAL PROPERTY, DEPARTMENT OF AGRICULTURE Type: Non-Federal

IPSC: Always Waived
Requesting IPSC Waiver: Waiver approved by BPMS:
Why are you requesting IPSC?

Start Date: 10/01/2007 End Date: 09/30/2012 Duration: 60 (months)

How are funds to be used?		Prior Proposed:	\$0.00	
		Proposed Amount:	\$30,000.00	
Category 1 Salaries:	0.00 ARS FTE:	0.00	Total Proposed:	\$30,000.00
Other Federal Salaries:	0.00 Supplies:	30,000.00	Equipment:	0.00
Other Costs:	0.00 Travel:	0.00	RSA:	0.00

Do you or any full-time resident of your household have any activity or financial interest (dealings) with the Cooperating Organization? No

Area Ethics Advisor ONLY:
Confirmation and determination of 'dealings' question responded by SY.

AREA DIRECTOR ONLY:

Does the SY/MU have the needed expertise/facilities/time to conduct proposed research?

Is proposed funding level and duration adequate to provide the deliverables described?

Recommended				Approved / Concurred			
Signature	A/D	Date		Signature	A/D	Date	
RL:				NPL1:			
CD/LD/DAD:				NPL2:			
LAO:				NPL3:			
ABFO:				BPMS:			
AD:				DA:			
ADO:							

***** Unofficial *****

EXHIBIT 1