DEPARTMENT OF HEALTH AND HUMAN SERVICES

HHS Regional Offices - Utilization and Disposition Process & Procedure Guide

FINAL

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INTRODUCTION

HHS owns more than $2 Billion in assets personal property to support its mission. It is imperative that the HHS property management function, which is responsible for the utilization and disposition of assets, develop, operate and consistently improve associated practices working toward the effective, efficient and correct disposition of its personal property. This guide serves as a comprehensive tool as it relates to personal property management provisions in the Federal Management Regulations (FMR) and HHS Logistics Management Manual (LMM). This guide is provided to assist all individuals who directly or indirectly acquire, reassign, utilize, donate, sell or otherwise dispose of personal property within their respective HHS components.

I. ROLES AND RESPONSIBILITIES

The PSC Logistics Services Branch, Division of Property Management (DPM) is designated as the official asset management organization for personal property management and accountability for the PSC, OS, OP/STAFFDIVs, except NIH.

The PSC Regional Services Office is the official asset management liaison for the PSC, OS, STAFFDIVs and other Federal customers located within the regions.

The PSC/DPM/Logistics Program and Policy Staff establish Departmental policies and procedures satisfying requirements of law, regulation and sound management practice in the functional area of logistics. DLPP provides staff assistance to OP/STAFFDIVs performing logistical management functions.

The OPDIVs/STAFFDIVs are responsible for accomplishing a variety of complex and challenging missions and tasks leading toward maintaining full accountability for their property. The prudent management and careful stewardship of scarce resources is an integral part of the OPDIV and STAFFDIV missions and responsibilities.

1. *What is the purpose of this guide?*

This guide was written to provide an easy to use "how to" tool to assist you in acquiring, reassigning, reutilizing, and/or disposing of unrequired/excess/surplus Health and Human Services (HHS) personal property.

2. *Who does this guide apply to?*

All HHS employees with personal property management and related functional staff, and contractors.

3. *What is the governing authority for this guide?*

- The Federal Property and Administrative Services Act of 1949, as amended (act of 30 June 1949, 63 Stat. 372
- Public Buildings, Property, and Works, (*See* 40 U.S.C. § 524)
- Chief Financial Officers (CFO) Act of 1990 (*See* 31 U.S.C. § 901)
- Federal Management Regulations (FMR) (*See* 41 CFR 102)
- Disposition of Excess Personal Property (*See* 41 CFR 102-36)
- HHS Logistics Management Manual (LMM) (http://www.hhs.gov/hhsmanuals/)
- HHS Financial Management and Accounting Manual (http://www.hhs.gov/of/policy/damanual/)
- HHS - OCIO Policy for Information Systems Security and Privacy, Section 5.5 (http://www.hhs.gov/ocio/policy/policy-hhs-ocio-2010-0006-html.html)

4. *What is HHS required to do in accordance with these laws, regulations and policy?*

(1) Maintain adequate inventory controls and accountability systems for property under HHS control;
(2) Continuously survey property under its control to identify excess property;
(3) Promptly process unrequired/excess property through the HHS property management program and to GSA.
(4) Perform care and handling of excess property; and
(5) Reassign property to another HHS activity, transfer or dispose of excess property as promptly as possible; and
(6) Transfer or dispose of excess property under its control to other federal agencies and organizations.

5. *What does this guide cover?*

It applies to personal property that has reached the end of its lifecycle and is determined to be unrequired or excess to the needs of HHS

6. *What is the difference between personal property and real property?*

Any property, other than land and fixed-in-place buildings is considered to be personal property. *See* "Related personal property," 41 CFR 102-71.20). In addition, HHS considers software as intellectual property.

The General Services Administration (GSA) definition of real property is "Any interest in land, together, with the improvements, structures, and fixtures located thereon (including prefabricated movable structures, such as Butler-type storage warehouses and Quonset huts, and house trailer with or without undercarriages), and appurtenances thereto, under the control of any Federal agency…" *See* 41 CFR 102-71.20. In other words, the term "real" should be associated with realty, land or something attached to the land.

7. *To who do "we, "you", and their variants refer?*

Use of pronouns "we, "you", and their variants refer to the HHS OP/STAFFDIVs, and related program offices.

8. *How do we request a deviation from these requirements and who can approve it?*

Requests for deviations must be submitted to PSC DPM, Office of Logistics Program and Policy (OLPP). Refer to the HHS Logistics Management Manual (LMM) at:
http://www.hhs.gov/hhsmanuals/

9. *When is personal property excess?*

Personal property is excess when it is no longer needed by HHS to carry out the functions of official programs. *See* 41 CFR 102-36.40.

10. *How do I dispose of unrequired facilities materiel?*

Facilities materiel is another category of personal property. GSA's Public Buildings Service manages most excess/surplus property affixed to government buildings and land and additional guidance can be obtained from The Real Property Utilization and Disposal website at propertydisposal.gsa.gov.

11. *What are my responsibilities after reporting personal property as excess?*

Once you report personal property as excess, you are responsible for physically safeguarding the property (*see* LMM Section 1 and 41 CFR 102-36.245). You should not dispose of the property until directed to do so by the OP/StaffDiv Property Management Office (PMO). Once you have disposed of the property through any of the methods described in this guide, you must prepare the appropriate personal property disposition transaction as required for closeout of the property record. Refer to the Final Event Documentation, Attachment #4.

12. *What are the PMO's responsibilities for excess personal property?*

The OP/STAFFDIV PMOs (*see* LMM Section 1.2.4) have the responsibility for providing guidance for the utilization and disposition of excess personal property. Their role in coordination with the PSC Logistics Policy and Programs and Logistics Services Branch is to inform you about disposition options and provide information to you regarding compliant and legal disposition. Specific oversight responsibilities include:

- Ensuring unrequired property is reported for redistribution
- Ensuring safe storage of property while it is awaiting disposition
- Ensuring property is disposed of properly and in an environmentally safe an approved manner.
- Maintaining adequate and accurate records.
- Coordinating any equipment and system phase-in/phase-out plans with appropriate technical personnel and property custodians.
- Analyzing data to determine how well the disposal program is functioning and taking corrective action when required
- Providing disposal related advice, assistance, and training.
- Performing liaison functions with associated General Service Administration (GSA), Department of Defense (DOD) and other agency disposition activity personnel.

II. PERSONAL PROPERTY ASSET LIFE CYCLE - UTILIZATION AND DISPOSAL PHASE
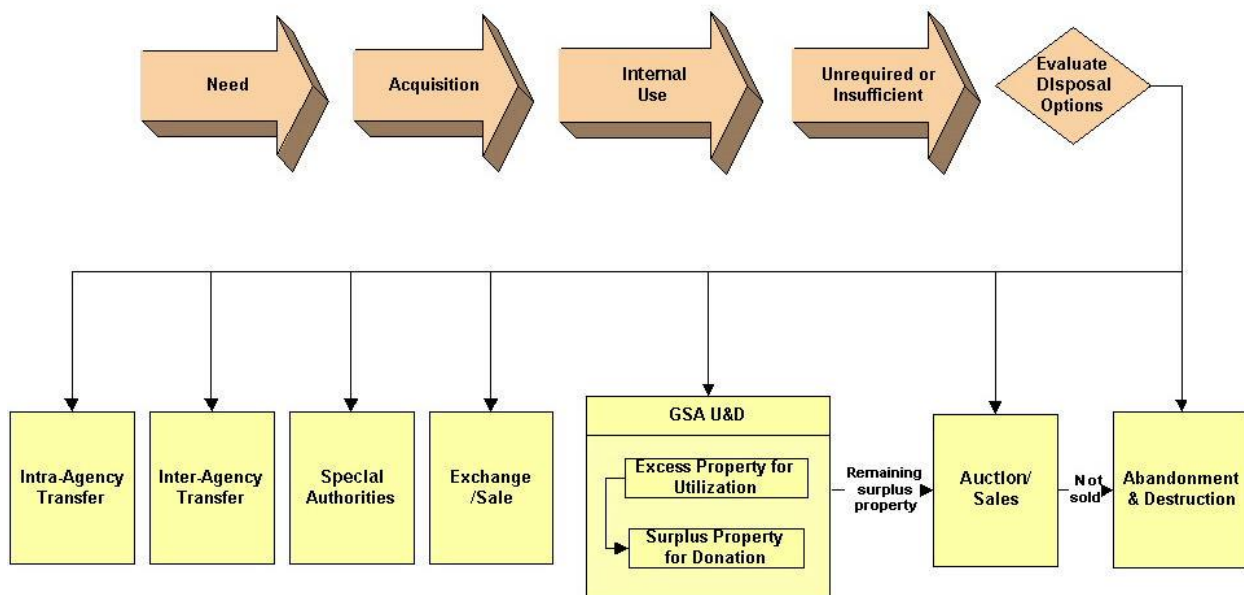
The federal personal property life cycle begins with the identification of a need within an OP/STAFFDIV. Once this need is identified, the life cycle evolves as shown below. This chart represents the disposition approach for HHS OP/STAFFDIV Regional Office components
1. The acquiring agency defines its need for an asset.

2. An agency procurement officer or authorized staff finds the proper item and acquires the asset through the appropriate procurement process.
3. The agency uses the asset to fulfill the original need identified.
4. The agency classifies the item as unrequired/insufficient for the original need after a period of usage.
5. The agency then evaluates disposal options. These options are as follows. The order of these options will vary based upon circumstances, agency, and property type.

- *Intra*-Agency Transfer (OP/STAFFDIV within HHS)
- *Inter*-Agency Transfer (federal agencies outside of HHS)
- Special Authorities (as allowed by statute)
- Exchange/Sale

6. Utilization & Donation
7. Final Disposition
- Auction / Sales
- Abandonment and Destruction

1. Intra-Agency Transfer

Description

HHS' first option after it deems an asset as unneeded is Intra-Agency transfer. Intra-Agency transfer is the transfer of the asset to another program area within HHS, to fulfill a need in the recipient's program area. The asset is first screened, or offered to potential claimants, in various ways including phone call, computer system, e-mail, fax, or an internal screening information system. Screening efforts not documented in an automated fashion should be manually documented in a suitable journal, particularly in the case of capital assets.

This option is carried out by the holding OP/STAFFDIV (HHS) itself and GSA is not involved.
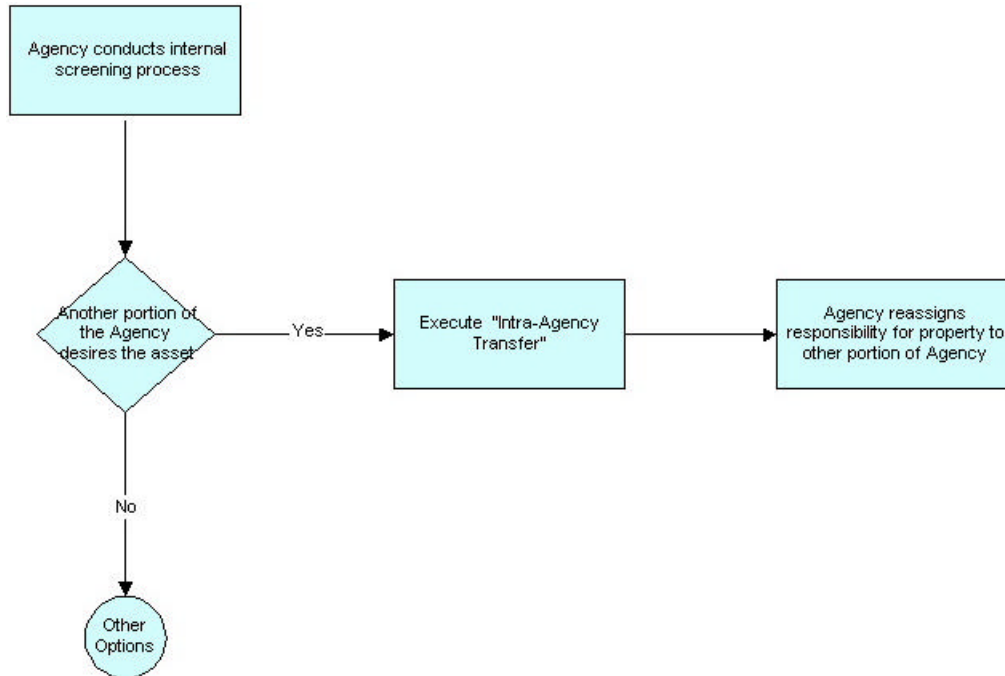
Process

The process typically follows these steps:
1. OP/STAFFDIV conducts the internal screening process, as described above.
2. A different component within the HHS determines that it desires the asset.
3. The current owner of the asset executes an Intra-Agency transfer using the HHS 22 – request for Property Action to the area of the HHS desiring the asset. This can be accomplished electronically in the Property Management Information System (PMIS).
4. The OP/STAFFDIV then reassigns responsibility for the asset to the receiving office.

Notes

- GSA has no statutory authority over HHS' internal use and reuse.

2. Inter-Agency Transfer

Description

Another disposition option is Inter-Agency transfer, which is the transfer of an asset from HHS to another federal agency, to fulfill that agency's need and avoid unnecessary procurement costs. The recipient usually becomes aware of an asset for this type of transaction through a contact at the disposing agency.

Like the intra-agency method for identifying other agency use for assets, this process often begins by means of contact from another agency.
This option is initiated by the OP/STAFFDIV itself and does not involve GSA unless the original acquisition cost (OAC) of the item is over $10,000. If the OAC of the item is greater than $10,000, then the acquiring agency must obtain prior approval from GSA Federal Acquisition

Service (FAS). This transaction is documented using form SF122.
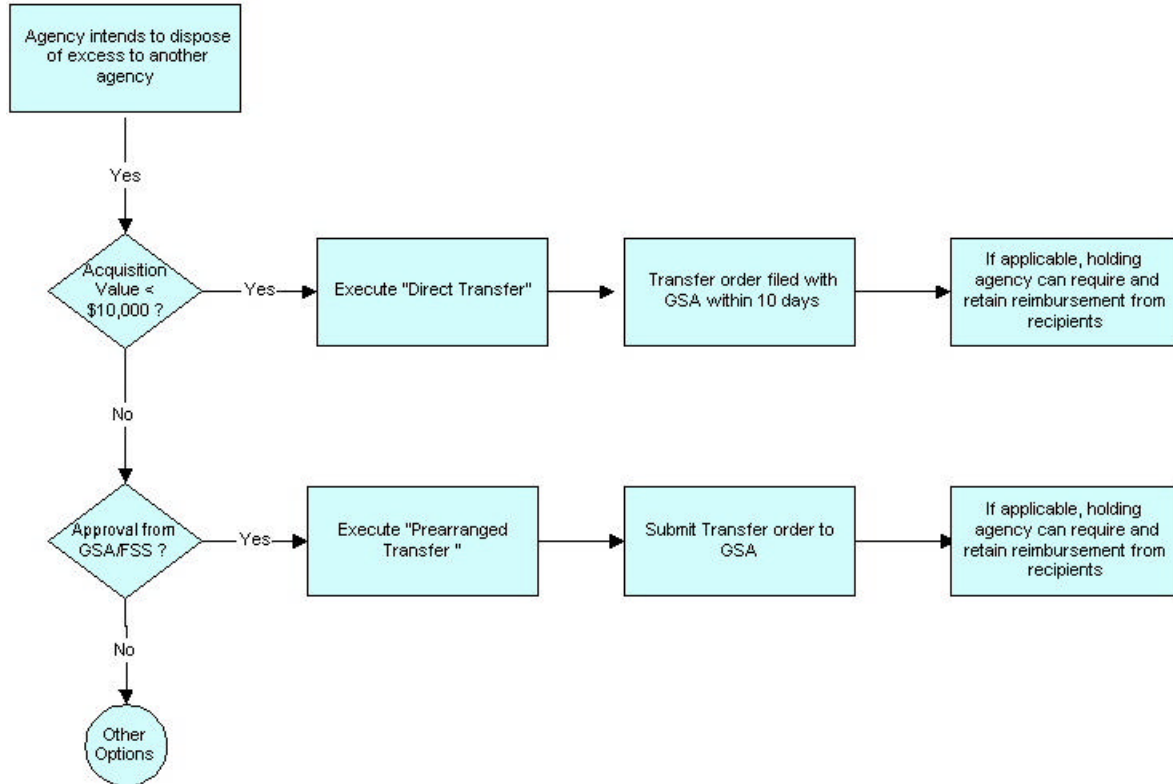
Process

The process includes the following steps:
1. The acquiring agency becomes aware of the excess property.
2. The acquiring agency determines that the asset will meet its needs, at a lower cost than a new procurement.
3. If the disposing OP/STAFFDIV agrees to transfer the asset to the requesting agency, the OP/STAFFDIV disposing of the property must determine
if the property must determine whether the OAC was greater than $10,000.
4. If the OAC was less than $10,000, the disposing OP/STAFFDIV may execute a direct transfer, and files a transfer order within 10 days of transfer. Under
certain situations, the disposing OP/STAFFDIV may also require reimbursement of transfer costs, and certifies transfer by submitting a SF122 to GSA.
5. If the OAC is greater than $10,000, the disposing agency must then obtain approval from GSA/FSS to execute the transfer. After receiving approval, the agency executes the prearranged transfer and submits a SF122 to GSA. The disposing OP/STAFFDIV can also require reimbursement of transfer costs.
6. If GSA declines approval or another acquiring agency is not identified quickly, the disposing OP/STAFFDIV evaluates other disposition options.

Notes

- GSA must be notified of all inter-agency transfers per FMR 102-36.

● This type of transaction occurs outside the normal U&D process, but is recorded in FEDS as a U&D transaction. This transfer must be documented using a SF122.

3. HHS Special Authorities

Description

HHS may, under certain, specific conditions, release property to an outside activity under provisions of a "special authority". Special authorities are statutory provisions designed to give excess assets to groups that may use them for a particular purpose, such as HHS's scientific equipment aiding research at universities. These authorities may exist to collectively support all Federal agencies or may support an agency-specific program. The primary Federal-wide programs are the Stevenson-Wydler Act and Executive Order 12999 (EO12999). Eligible recipients for such special authorities typically contact HHS/Regions to determine availability of property. It is the responsibility of the government agency to validate the eligibility of the requesting agency to receive federal property.

Finally, the HHS Regions in coordination with their OP/STAFFDIV PMO and recipient must complete the appropriate internal or program specific documentation to make a record of the transfer. See HHS Final Event Guidance, Attachment 4.
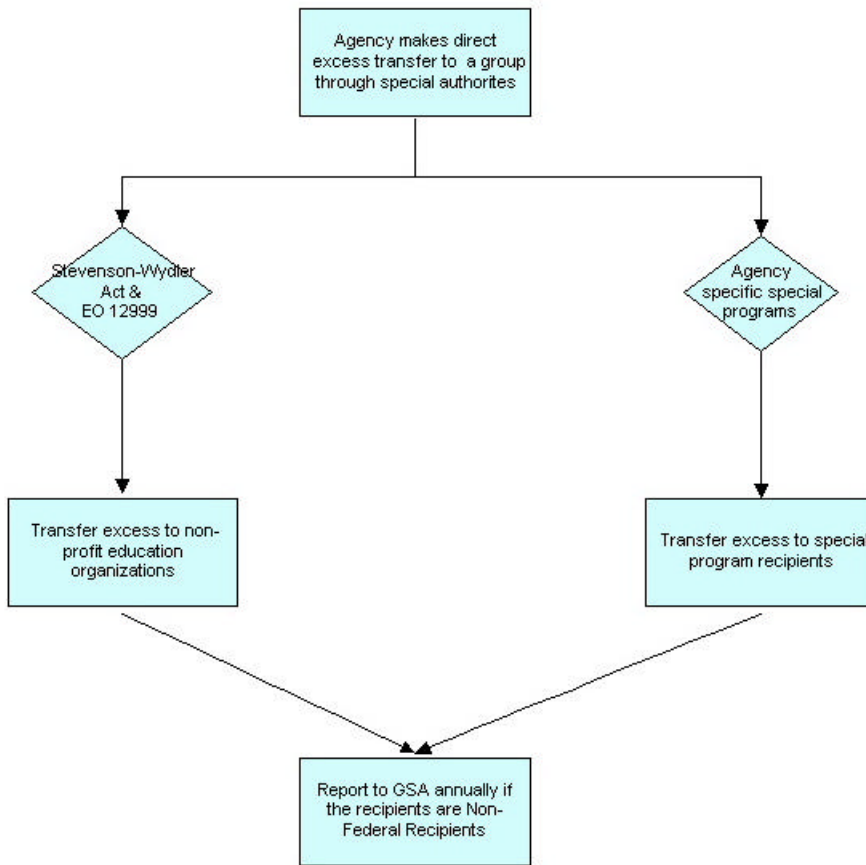
Process

When the OP/STAFFDIV participates in one of these programs, it must follow these steps:

1.   After eligibility verification, the OP/STAFFDIV component transfers the property directly to the recipient. Unless specifically identified otherwise, transfer costs are the responsibility of the recipient.
2. HHS/Regional Office components must report transfers made to non-Federal recipients on an annual basis. Such data is usually collected at the Op/StaffDiv HQ level and collected by the PSC/LSB for consolidated departmental reporting. This required reporting is accomplished by the PSC/LSB based on the appropriate final event documentation provided by the OP/STAFFDIV.

Notes

- Special authorities are the result of executive orders or combined authorizations.
- There are numerous types of personal property assets that go through this process.

4. Exchange/Sale

Description

Exchange/Sale (E/S) is a program that allows the OP/STAFFDIV to trade-in non-excess or obsolete property and use the proceeds or exchange allowance for the acquisition of new "similar" property HHS may receive credit for returned property from a vendor toward the purchase of new property or proceeds from an outside source for use toward the purchase of new property
The OP/STAFFDIV should coordinate with their contracting office component concerning E/S purchases.
OP/STAFFDIV's are encouraged to offer exchange/sale assets to other agencies with similar property needs for reimbursable transfers. This reimbursement is applied towards the purchase of the replacement item. OP/STAFFDIV may also exchange the property with a vendor for credit towards the purchase of a similar item E/S is not required to take place through GSA, and may be carried out by HHS or an outside contractor hired by HHS. E/S property to be sold by GSA is reported to GSA using an SF 126.

Agency intends to "trade-in" or sale of "no longer adequately performing property" and use the proceeds to acquire a replacement item

Exchange is impractical or < proceeds is unreasonably low —Yes— Other Options

No

Violate restrictions and limitations? —Yes— Other Options

No

Exchange — Provider delivers replacement items and removes the item

Transfer — Reimbursable transfer within Federal government

Sale ? — Option F: Sales — Sold property proceeds are credited to holding agency's account for acquisition of replacement. Otherwise, the proceeds are deposited as reimbursement credit

Process

The steps for exchange sale are as follows:

1. The OP/STAFFDIV must determine whether exchange/sale is practical or the proceeds justify the effort. If exchange/sale is not feasible, the agency evaluates other disposition options.
2. If exchange/sale is feasible, the agency determines if the transaction violates any restrictions or limitations on the types of goods allowed in this process. If restrictions are present; the agency must evaluate other disposition options.
3. If exchange/sale is allowable, the agency evaluates exchange or sale.
4. For exchange, the OP/STAFFDIV trades the item for a vendor credit towards replacement property, or transfers property with reimbursement to another government agency.
5. In rare cases, property can be transferred to another federal activity for reimbursement. at fair market value.
6. If an OP/STAFFDIV opts to perform a sale, the agency has the options to use GSA sale, sell on its own behalf, or finds an outside contractor to sell the item.
7. If the asset is sold before replacement property is acquired, the OP/STAFFDIV applies the proceeds towards future purchases of similar property.
8. If the asset is sold after replacement property is acquired, the OP/STAFFDIV keeps the proceeds and applies them towards the cost of the previously purchased replacement asset.

Notes

- GSA may be involved in this process depending on the disposition option.
- The following Federal Supply Classification (FSC) groups are ineligible for exchange/sale:

   -- 10 Weapons
   -- 11 Nuclear Ordinance
   -- 12 Fire Control Equipment
   -- 14 Guided Missiles
   -- 14 Aircraft; except FSC1560, Airframe Structural Components
   -- 42 Firefighting, rescue, and safety equipment
   -- 44 Furnace, steam plant, drying equipment, and nuclear reactors
   -- 51 Hand tools
   -- 54 Prefabricated structures and scaffolding
   -- 68 Chemicals and chemical products, except medicinal chemicals
   -- 84 Clothing, individual equipment, and insignia

5. Federal Utilization & Donation

Description

There are two important classifications of property in the U&D programs:

☐ *Excess Property:* personal property under the control of any Federal agency that is no longer required for that agency's needs, as determined by the agency head or designee.
☐ *Surplus Property*: excess personal property not required for the needs of any Federal agency, as determined by GSA.

The Federal Management Regulation (FMR) and the HHS Logistics Management Manual requires executive agencies to use excess property as the first source of supply. The objectives of the U&D Programs are to:

 The objectives of the U&D Programs are to:

- Receive, describe, record and account for all excess and surplus federal property;
- Promote the maximum use of excess property in lieu of new procurement throughout the government;
- Transfer excess and surplus property to eligible recipients; and
- Maximize the continued use of property before final disposal.
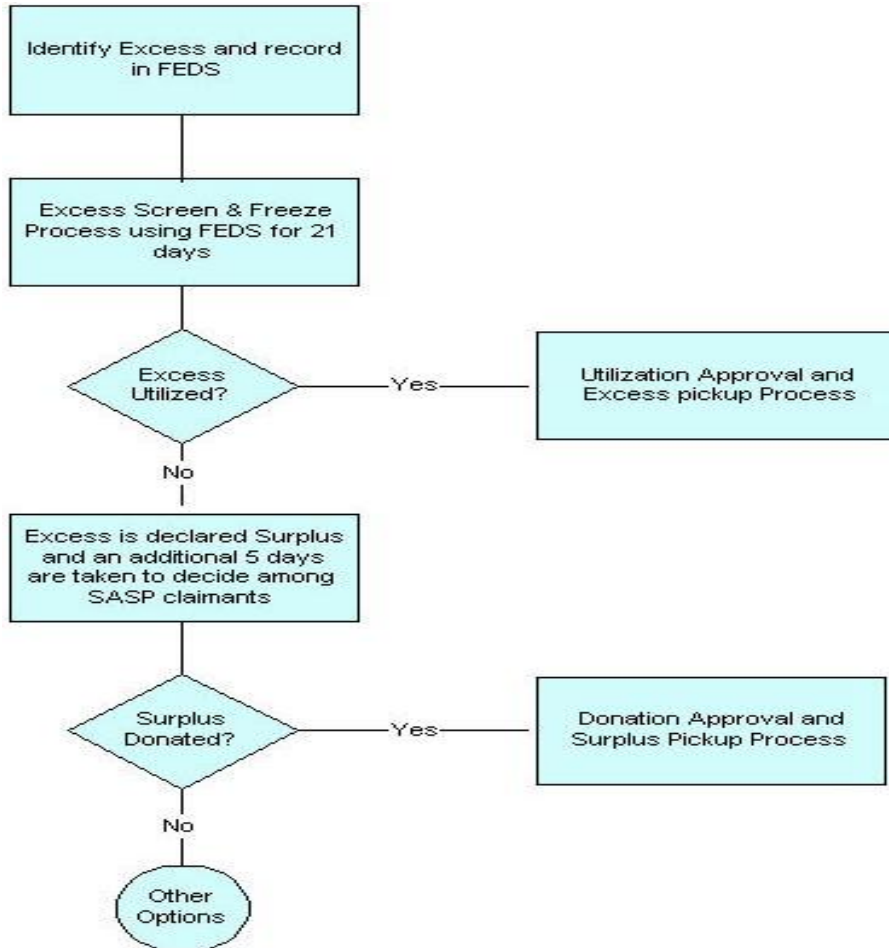
Process

The U&D phase begins when the HHS/regional office components declares an asset as excess.

The process follows:

1. An asset is declared excess by the OP/STAFFDIV by completing and submitting form HHS 22 or SF120 to the RAMs for electronic entry of the asset into the Federal Disposal System (FEDS).
2. When the asset is entered into FEDS/ GSAXcessTM, the asset has full visibility and federal and state agencies may "screen" or review that asset to see if it fulfills a need.
3. Federal agencies receive priority over state agencies for claiming assets.
4. If the asset fulfills a need of the screening agency, the agency places a "freeze" or claim on it. If the asset is frozen by a federal agency, the asset is allocated, generally on a first-come, first-serve basis.
5. If the asset is allocated to a federal agency, GSA approves the transaction, documents it on an SF 122, and the receiving agency handles the logistics for transportation of the asset.

6. The screening period for federal agencies lasts for 21 days after an asset is entered into FEDS/ GSAXcessTM.

7. Assets not frozen by a Federal Agency are declared surplus and are eligible to be allocated amongst state claims.

8. If the asset is frozen by a State Agency for Surplus Property (SASP), GSA allocates the property and the receiving agency arranges transfer. This is done using form SF123.

9. If GSA does not allocate the property in the 21-day period, the disposing agency evaluates other disposition options.

Note

☐ The recipient is responsible for the shipping and handling costs.

5.1 Excess Property

The following chart displays the processes for acquiring excess property in greater detail.
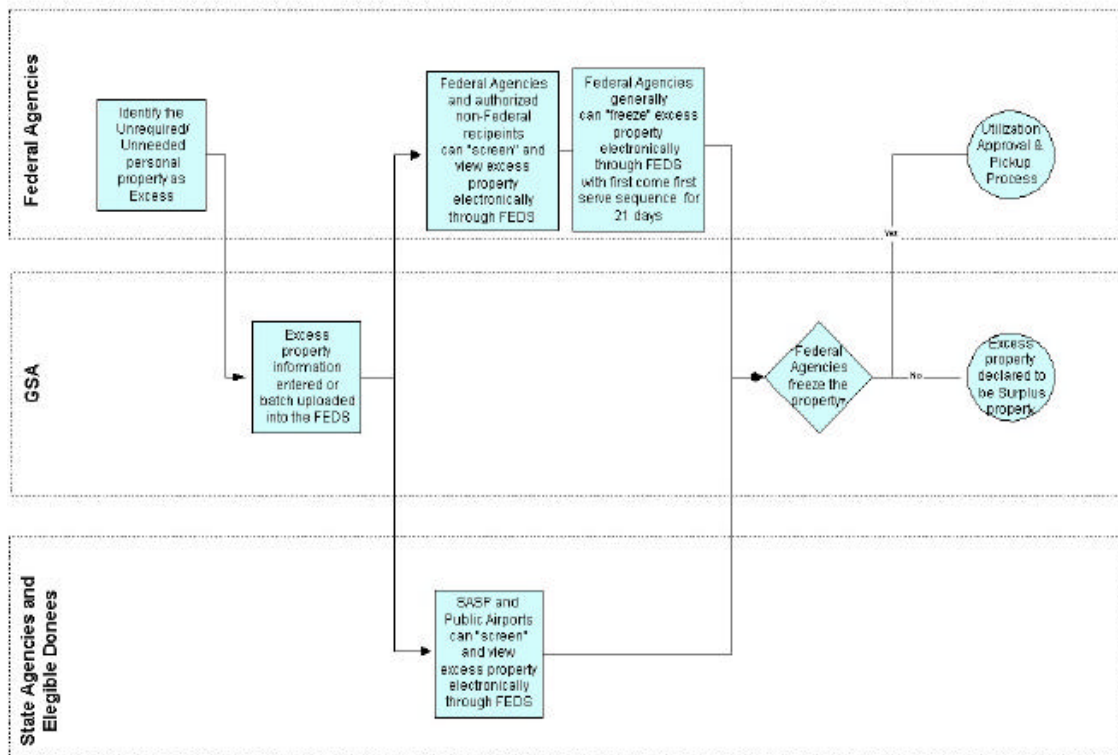
Interested government agencies may view excess property through FEDS/ GSAXcessTM. This part of the process is referred to as screening. The screening period is 21 days. The purpose of the screening period is to give federal agencies the opportunity to view the property and determine if a federal need for the excess property exists.

Property can be claimed or "frozen" for transfer to an agency by an authorized screener.

Authorized federal employees "freeze" excess property in FEDS/ GSAXcessTM to reserve it for their agencies. Freezing an item in FEDS/ GSAXcessTM online is the initial step required to generate an automated transfer order for the item.

Requests for excess property are generally honored on a first-come, first-served basis. In the event of competing freezes, consideration is given to national defense requirements, emergency needs, equitable distribution, transportation costs, and avoidance of new procurement. The allocation report will show that an allocation for property frozen by a federal agency is due the day after the freeze.

The procedure for utilization approval and excess logistics is depicted and described as follows:
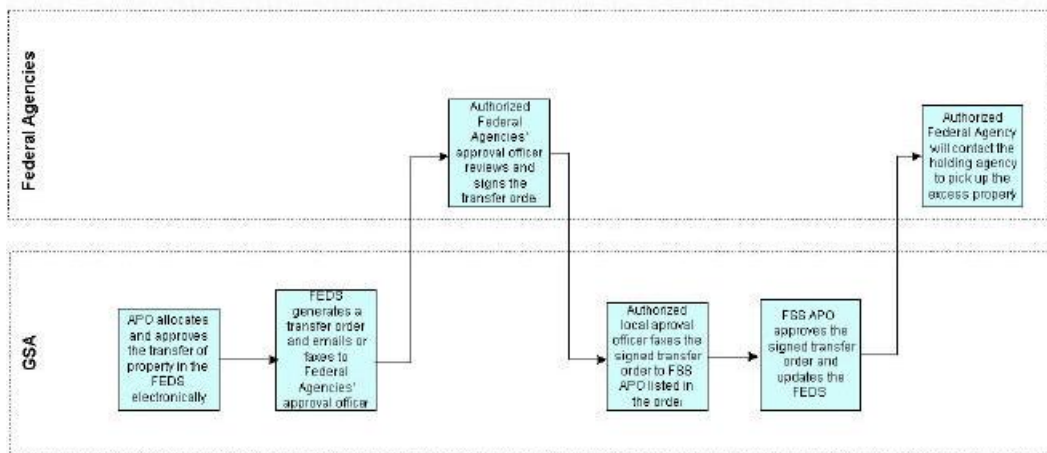
- FEDS/ GSAXcessTM generates an electronic allocation report to the appropriate GSA FSS Area Property Officer (APO).

- GSA FSS allocates the property in FEDS/ GSAXcessTM.

- Agencies identify authorized approving officer.

- FEDS/ GSAXcessTM generates a transfer order SF122 and emails or faxes it to the Agency's authorized approving officer.

- Authorized approving officer reviews and signs the transfer order.

- Authorized approving officer faxes the signed transfer order SF122 to the GSA FSS APO listed on the order.

- APO approves the signed transfer order and APO updates FEDS/ GSAXcessTM for the transfer transaction.

- Authorized federal agency will contact the holding OP/STAFFDIV to pick up the excess property

5.2 Surplus Property

The State Agencies for Surplus Property (SASP) and public airports can view and freeze the property in FEDS/GSAXcessTM during the excess stage of the lifecycle, but property cannot be allocated to them at that stage. However, if excess property is not frozen at the end of the 21-day screening period, GSA then designates excess property as surplus and available to SASPs and Public Airports.

GSA has up to five days to complete the allocations among the SASPs and the public airports. The authorized allocating official evaluates freezes from the SASPs and airports and the property is allocated based upon historical data. The overall procedure for donation approval and surplus logistics is depicted and described as follows:
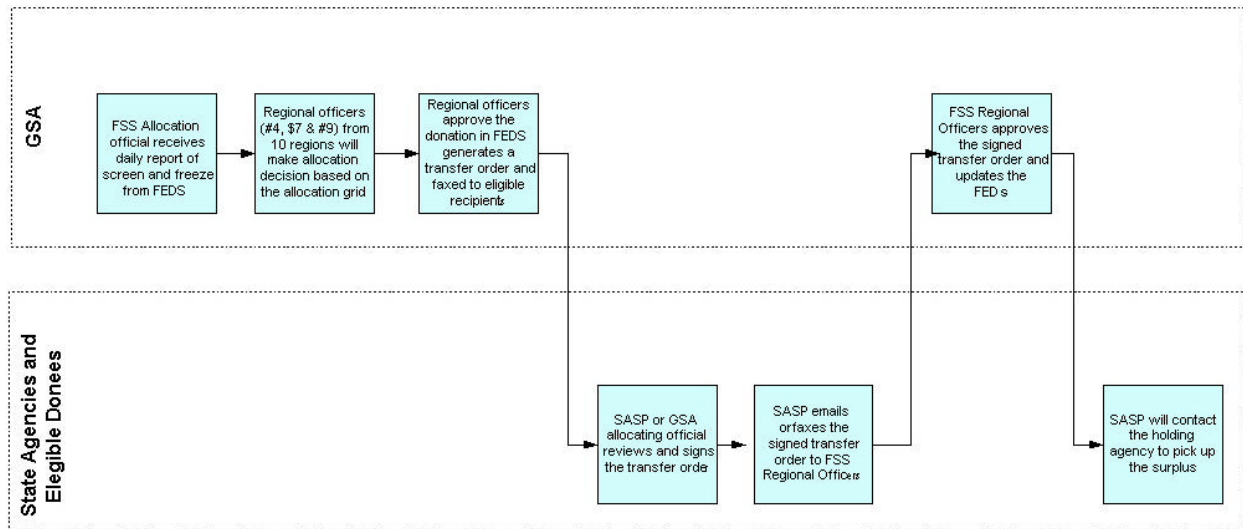
- Authorized SASP or Public Airport freezes the asset in FEDS/ GSAXcessTM.

- GSA FSS Allocating Official receives the daily report of frozen assets from FEDS/ GSAXcessTM.

- GSA FSS Allocating Officials will make allocation decision based on the allocation criteria.

- Allocating Officials approve the donation in FEDS/ GSAXcessTM and FEDS/ GSAXcessTM generates a transfer order Form SF123 and emails or faxes to SASP/FAA regional offices.

- SASP/FAA reviews and signs the transfer order SF123 and faxes the signed Order to FSS allocating officials.

- GSA FSS allocating officials approve the signed transfer order and update in FEDS/ GSAXcessTM, faxing it back to the SASP/FAA.

- SASP/FAA will contact the OP/STAFFDIV to arrange for the pickup of the surplus property.

6. Sales

Description

Any asset that is not removed during the Donation stage is available for sale. All sales proceeds are transferred to the Treasury (i.e., net proceeds are not retained by the selling component). Items for GSA sale are declared for sale using Form SF126, unless previously reported in FEDS/ GSAXcessTM. Assets are sold through various sources, including GSA Auctions, which is an on-line marketplace designed to sell assets to the highest private bidder. Timeframes to list and sell assets in the on-line marketplace vary by Agency and asset.
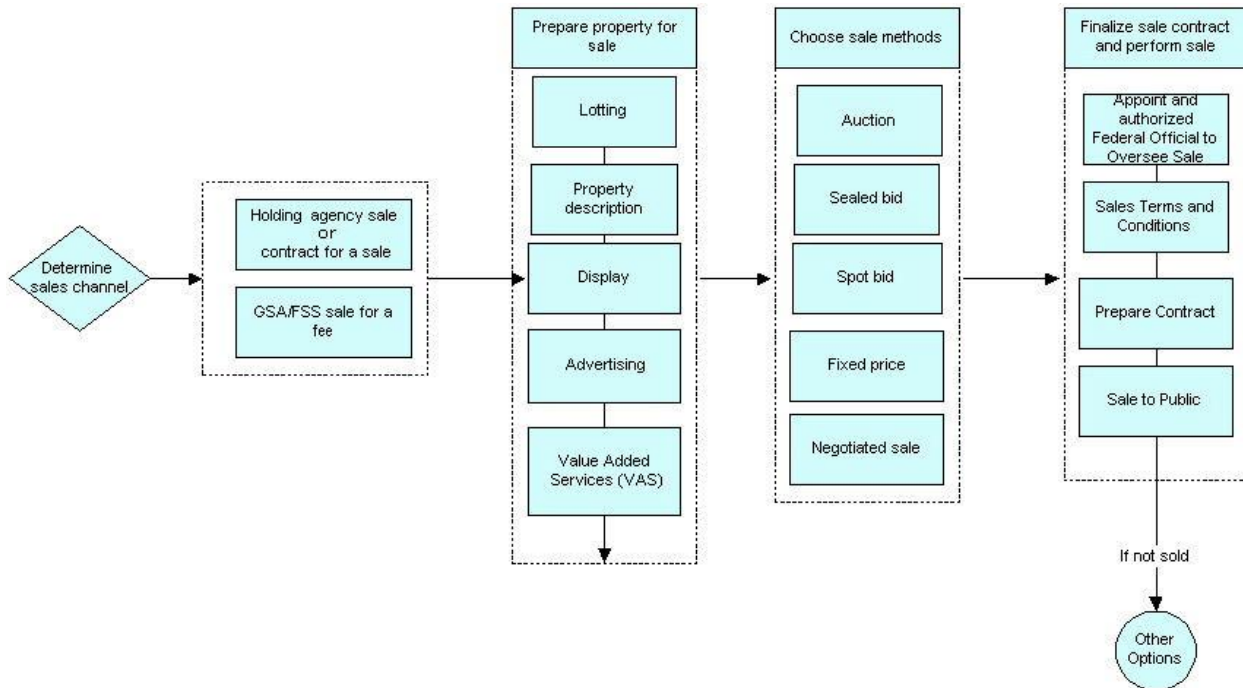
Process

The steps in the sales process are as follows:
1. The OP/STAFFDIV decides whether to sell an asset via a contractor, another agency, direct sale, or the GSA Sale Program. Generally, GSA conducts sales for HHS.
2. The OP/STAFFDIV (or party responsible for selling the asset) must prepare the asset for sale. This can include lotting, property description, arranging display, advertising and any other Value Added Services (VAS) such as asset repairs to improve its value. The OP/STAFFDIV should know that conducting sales for assets that will yield low return on dollars is not recommended.
3. The OP/STAFFDIV or selling party selects a method of sale such as auction, sealed bid, spot bid, fixed price, or negotiated sale.

4. The OP/STAFFDIV finalizes the sale by appointing a Federal Official to oversee the sale, negotiate the sales terms and conditions, prepare a sales contract, and transfer the asset to the buyer.

5. If the asset is not sold, the component will evaluate other disposition options such as Abandonment & Destruction.

7. Abandonment & Destruction

Description

Abandonment & Destruction (A&D) is the final disposal option available to the OP/STAFFDIV in the Federal Personal Property Lifecycle. If an OP/STAFFDIV makes the determination that no value is gained from an asset through its reuse or sale, they can choose to proceed with A&D. The agency completes the necessary documentation to justify abandonment or destruction, publicly declares the intent to abandon or destroy, and documents the method used for abandonment or destruction. When A&D is completed for an asset, the asset is removed from the OP/STAFFDIV inventory and retired from PMIS by PSC/LSB, assuming adequate documentation exists.
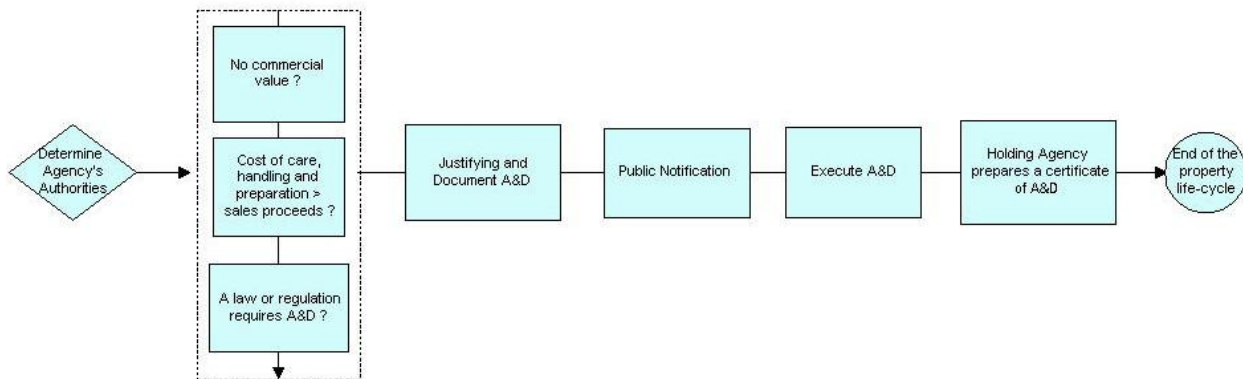
Process

The steps for A&D are as follows:

1. OP/STAFFDIV PMO determines if it has the justification to abandon or destroy the asset. The OP/STAFFDIV justifies that the asset has no commercial value, the cost of sale would exceed the proceeds, or that the law requires abandonment or destruction of the asset. For further guidance contact PSC/OLPP.

2. OP/STAFFDIV documents this justification.

3. OP/STAFFDIV notifies the public of intent to abandon or destroy if necessary.

4. OP/STAFFDIV executes the abandonment or destruction.

5. The OP/STAFFDIV prepares certification of abandonment or destruction for public record.

Notes

- A&D removes the property from the OP/STAFFDIV inventory and accountable personal property records and PMIS.

III. REPORTING EXCESS PERSONAL PROPERTY

1. *When should I consider using excess property?*

Whenever you have a requirement for new property or a request for procurement (HHS 393), you should check to see if excess property could meet your functional requirement. Requisitions should be validated that excess property was not available during the ordering of new property.

2. *How do I search for any HHS excess property?*

Some OP/STAFFDIV PMO may utilize a subsystem, (i.e. bulletins, want lists, email, website), for excess personal property turned into those HHS components. If you want to request the item, write down any property information with the item and contact your PMO. The PMO in coordination with the holding OP/STAFFDIV will establish the appropriate transfer records using an HHS 22 for the losing OP/STAFFDIV and the gaining OP/STAFFDIV. See PMIS User Guide.

3. *What is GSAXcess?*

GSAXcess is a web-enabled system operated by GSA for the Federal Excess Personal Property Utilization and the Federal Surplus Property Donation Program. This real-time system provides authorized users a means of electronically reporting excess personal property to GSA and is a source for searching and selecting excess property available for transfer. Excess property reports are posted through GSAXcess instantaneously, and batch reports excess reports are processed during an overnight cycle.

4. *What are the methods used to report excess property?*

There are three ways to report excess property:

- GSAXcess is the preferred method of reporting excess.
- HHS OPDIV PMOs may submit the "Report of Excess Personal Property" (SF 120) to their respective regional GSA Personal Property Management Office.

5. *What specific information is required to report excess property?*

Providing a good, comprehensive description of available property is the best way to ensure its quick disposition. Inadequate or inaccurate descriptions result in follow-ups to obtain correct (and necessary) information, and delays to the disposal process for opportunities for quick disposition by transfer or donation.

You must provide the following data on excess personal property:

(1) The HHS organization and location;
(2) A report number (six-digit activity address code, agency locator code, and four-digit Julian date);
(3) Four-digit Federal Supply Class Code;
(4) Description of the item, in detail;
(5) Quantity and unit of issue;
(6) Disposal Condition Code (FMR 41 CFR 102-36.240);
(7) Original acquisition cost, and cost or estimate of all sub units;
(8) Manufacturer, make, model, part and serial numbers;
(9) Any other additional information when appropriate and applicable.

6. *Are there excess property types that are not required to be reported to GSA?*

HHS is not required to report the following types of excess personal property to GSA for screening:

(1) Property determined appropriate for abandonment/destruction (FMR 41 CFR 102-36.305)
(2) Non-appropriated fund property (FMR 41 CFR 102-36.165)
(3) Foreign excess personal property (FMR 41 CFR 102-36.380)
(4) Scrap (FMR 41 CFR 102-36.340)
(5) Perishables (FMR 41 CFR 102-36.220)
(6) Hazardous waste (FMR 41 CFR 102-42)
(7) Controlled substances (FMR 41 CFR 102-42)
(8) Nuclear regulatory Commission –controlled materials (FMR 41 CFR 102-42)
(9) Property dangerous to public health and safety (FMR 41 CFR 102-42); and
(10) Items determined to be sensitive for reasons of national security (FMR 41 CFR 101-42).

To dispose of such excess property, follow the specific disposal procedures for the respective property, referenced above and elsewhere in the document. YOU SHOULD ALWAYS COORDINATE SUCH DISPOSALS WITH YOUR OP/STAFFDIV PMO AND SAFETY OFFICER.

7. *How do I get a login and password to GSAXcess?*

To obtain a login and password to GSAXcess, contact the PSC DPM/OLPP who will in turn coordinate with GSA for assignment of a permanent login and password. Note: Contractor staff are not allowed access to GSAXcess.

8. *How do I update my User Profile in GSAXcess?*

Go to the GSAXcess site at http://gsaxcess.gov/

9. *What if I need assistance with GSAXcess?*

- Call the GSAXcess help line at 1-866-333-7472
- Contact your local GSA Area Property Officer (APO) listed at:
  http://www.gsa.gov/portal/staffDirectory/group/Area+Property+Officers
- Send an email request to gsaexcesshelp@gsa.gov.
- Use "GSAXcess Practice" link located on the main GSAXcess page to enter trial transactions without the worry of corrupting the database.

10. *How is property accounted for when received through GSAXcess?*

Property requisitioned and transferred to HHS is processed as a new receipt in the PMIS by the receiving OP/STAFFDIV. If the property is greater than $25,000 in value provide a copy of all pertinent transfer documentation to your PSC/LSB Account Manager. Refer to the PMIS User Guide.https://assetweb.psc.gov/policies_procedures/pmis_users_guide_final.pdf

IV. HHS UNREQUIRED AND EXCESS PROPERTY

1. *What is the difference between "unrequired" and "excess" personal property?*

"Unrequired" is defined, as property that is no longer needed by the user, but has not been reported as "Unrequired to Excess". Once is has been formally reported into the Federal Utilization and Donation Program (U&D), it is considered to be "excess" and the disposition of the property is under the control of the OP/STAFFDIV PMO.

2. *Are there any other categories of personal property besides "unrequired" and "excess"?*

Yes, property may also be declared "non-excess". Non-excess property is property that is eligible for replacement and may be exchanged or sold in order to offset the cost of the replacement property. This is a process known as "Exchange/Sale" and is discussed later in this guide.

3. *What should I do if I have "unrequired" personal property?*

Offer any unrequired property for reassignment within the HHS before it is reported as excess. In addition, you can forward the information to the PSC, OLPP for dissemination or sending it directly from your PMO to all other HHS OP/STAFFDIV PMO's.

4. *What do I do if I don't find anyone interested in acquiring this property?*

The OP/STAFFDIV PMO will provide instruction for the turn-in of the property. That instruction may include listing the property on an HHS 22 and/or Report of Excess, SF 120 for processing. At this time, the property becomes "excess". Be sure to remove any markings or labels that identify the property as belonging to HHS before it is turned over to the receiving agency or entity.

5. *When should I report property as excess?*

You can initiate excess reports well in advance of when property will be available as long as you indicate its pending status and show when the property will be available. While this tool is available, doing so too far in advance can lead to confusion, so this option should be used sparingly. The following actions also speed up the disposition process

- Providing accurate descriptions and condition codes
- Notifying your PMO and GSA of any changes to the reported property.
- Coordinating with your PMO, PSC LSB, and GSA disposition personnel
- Promoting local Screening
- Using alternative disposition authorities
- Implementing prompt abandonment or destruction authority when property is eligible for this method of disposition.

6. *Do I have to report all excess property?*

Generally yes. HHS policy excludes reporting of furniture or non-accountable, low dollar value consumable items (this would typically fall under administrative supplies; rule of thumb is usually $300). GSA has determined that furniture is not reportable. However, they will assist in the screening and transfer of the property to appropriate Federal and non-Federal entities.

7. *Do I have to report property that is worn out or broken?*

Yes. This property should be reported using condition code S for scrap. Scrap is property that has no value except for its basic material content. This property will not be passed to GSA for screening and the OP/STAFFDIV PMO will issue a final disposition instruction after the 7-day internal screening period. Do **NOT** falsify condition codes to expedite screening/disposal actions. This places the HHS in a position of being non-compliant with the Federal Management Regulations (FMR 41 CFR 102) and would fail the annual audit. Refer to Disposal Condition Codes (41 CFR 102-36.240).

8. *Do I have to remove HHS or markings from property that I report as excess?*

Yes, be sure to remove any markings or labels that identify the property as belonging to the HHS .

9. *Does all excess property have to be reported to GSA?*

As indicated in # 6. above, almost all excess property has to be reported to GSA. There are certain exceptions listed below (*see* GSA Personal Property Disposal Guide at pg30, http://www.gsa.gov/graphics/fas/5-06-00389_R2-yWC-w_0Z5RDZ-i34K-pR.pdf):
- Perishables, defined as any foodstuffs which are subject to spoilage or decay
- Hazardous wastes
- Property dangerous to public health and safety
- Scrap property (use Condition Code s).
- Property classified or otherwise sensitive for reasons of national security
- Controlled substances
- Trading stamps and bonus goods
- NRC-Controlled material
- Non-appropriated fund property

10. *Why does excess property owned by HHS have to be reported to GSA?*

Although HHS is the owning agency, the federal government paid for it, and federal law requires appropriate stewardship. GSA is the agency tasked with managing federal excess and surplus property. All federal agencies get their funding through Congress and the General Treasury. That is why when surplus personal property is sold, the sales proceeds go back into the General Treasury. Refer to FMR 102-36.

11. *Are there any types of property that require special reporting or handling?*

Yes. These would include hazardous materials and several others addressed separately in this guide.

12. *How do I dispose of cell phones?*

Guidelines for accounting and disposing of wireless devices to include cell phone can be found in:

- NIST Special Publication 800-88 Guidelines for Media Sanitization dated September 2006 (*see* http://csrc.nist.gov/publications/PubsByLR.html)

Wireless devices include Blackberry, cell phones, pagers, air cards and satellite phones. **These items are accountable unless obtained under other contractual provisions and should be recorded in the PMIS.** *See* PMIS User Guide and HHS Logistics Management Manual, Sensitive Items List.

Unrequired cell phones and other wireless devices should be reported on the HHS 22 to the OP/STAFFDIV PMO and/or IT support activity for possible redistribution. If the property is determined as excess, manually delete all information, then perform a full manufacturer reset to its factory default settings. This includes deleting phonebook data, archived mail, message data, and removing memory chips if possible.

Enter into the description field on the HHS 22, a statement that the information has been deleted and the device has been reset.

If the property device items survive transfer/donation/sales upon reporting them to GSA, the PMO issues a Final Disposition Instruction (FDI), and disposition of the device is made through a local compliant disposal agent.

To use environmental/recycling services, see the section Recycling of Government Electronic Equipment.

Upon disposition of the device, the OP/STAFFDIV PMO will submit the transaction to the PSC LSB to retire the asset in PMIS.

13. *Can I recycle my cell phone?*

You may **NOT** dispose of HHS owned property of this type through local recycling programs or efforts such as the eco/environment friendly boxes found in many commercial sites – these are for privately owned wireless devices. The disposal of such devices is discussed in the section "Recycling of Government Electronic Equipment".

14. Can I donate my wireless device to a non-profit agency?

No. You cannot donate them to local non-profit agencies.
If you are aware of a need, have the non-profit contact their State Agency for Surplus Property (SASP) to arrange for a donation through GSAXcess (*see* http://gsa.gov/portal/content/100851).

SASP points of contact can be found at the National Association of State Agencies for Personal Property (NASASP) http://www.nasasp.org/roster/ or GSA www.gsa.gov/sasp.

15. When I excess an item, how long can it potentially take before it is finally ready for disposition?

Timeframes may vary depending on the type of property and whether or not the excess is transferred, donated, sold or otherwise disposed. HHS property is typically screened in this order:

1) 7 days through the OP/STAFFDIV and HHS wide
2) 21 days through GSA and the Federal agencies

During this time the property is also screened for donations. If no federal agencies request the excess, then GSA will allocate it to the SASP or other eligible entities if there has been a request. If no SASP/entity requests the property, then the property is referred to the sales cycle.

Sales normally take 30 – 60 days to complete.

If there is no transfer, donation, or sale of the property, then GSA directs HHS for final disposition, and the PMO will submit a Final Event transaction to the PSC LSB, and the action will be recorded in the PMIS.

V. USING THE EXCHANGE/SALE AUTHORITY

1. What is the purpose of the exchange/sale authority?

To reduce the need for additional funding for the acquisition of personal property that is being replaced. *See* FMR 102-39.

2. What types of actions are considered exchange/sale?

- Transfers with reimbursement within the OP/STAFFDIV, or to another federal agency.
- Exchange (typically using a trade-in allowance from the manufacturer/vendor of the replacement property).
- Sales to the general public (when otherwise allowed by law or regulation).

3. When should I use exchange/sale?

You can use the exchange/sale authority only if you meet all the following conditions:

- The property exchanged or sold must be similar to the property you are purchasing;
- The property exchanged or sold is not excess or surplus and you have a continuing need for that type of property;
- The number of items purchased must equal the number of items exchanged or sold unless:
  - The item(s) purchased perform all or substantially all of the tasks for which the item(s) exchanged or sold would otherwise be used; or
  - The item(s) purchased and the item(s) exchanged or sold meet the test for similarity specified in FMR 102-39.20 that they are a part(s) or container(s) for identical or similar end items;
- The property exchanged or sold was not acquired for the principal purpose of exchange or sale; and
- You document at the time of exchange or sale (or at the time of acquiring the replacement property if it precedes the sale) that exchange allowance or proceeds will be applied to the acquisition of replacement property. For example, this is documented by the contracting officer, and is usually reflected in a line item on a purchase order and tied to the program's fiscal accounting information.

4. *Are there any restrictions to the types of property that qualify for exchange/sale?*

Yes. Do not use exchange/sale if equipment falls within any of the categories listed in Table 1, Exchange/Sale Prohibition List (*See* FMR 102-39.45), unless a waiver is obtained through the OP/STAFDIV PMO by GSA.

Table 1. Exchange/Sale Prohibition List	
Federal Supply Group FSG	Classification
10	Weapons
11	Nuclear ordnance
12	Fire Control
42	Firefighting, rescue, and safety equipment
51	Hand tools
54	Prefabricated structures and scaffolding
68	Chemicals and chemical products, except medicinal chemicals
84	Clothing individual equipment and insignia

5. *How do I know if my property qualifies for exchange/sales?*

Basically, the "rules" are:

Property that is "non-excess" (being replaced because the property does not meet the agency's need as well as the property to be acquired, or property that no longer performs the tasks for which it was intended to be used), that is being replaced with a "similar" (identical, or designed and constructed for the same purpose), or fall within a single FSC.

For example, if you own two microscopes, and only need one of them, one is excess (and should be turned in to GSA) and the other is in-use. If you decide that you need to replace the in-use microscope, it becomes non-excess. If you take that microscope to the dealer and trade it in for a newer one, and he gives you a trade in allowance, you have just completed an exchange transaction. The trade in allowance is used to offset the cost of your new microscope.

6. *What are the restrictions for using exchange/sale?*

 Exchange/sale authority does not authorize:

- The sale, transfer, or exchange of scrap property.
- The sale, transfer, or exchange of strategic and critical materials or of Nuclear Regulatory Commission (NRC) controlled materials, except in accordance with NRC regulations.
- The sale or exchange of controlled substances.
- The sale or exchange of acquired forfeited, surplus, or excess property held by HHS less than 1 year.
- The sale or exchange of property that is dangerous, hazardous, or endangers public safety without first rendering the property harmless or providing adequate safeguards.

7. *How do reimbursable transfers work?*

Reimbursable transfers to other federal agencies are made on terms agreed to by HHS and the other receiving Federal agency or organization.   Reimbursement cannot exceed the estimated gross proceeds if the equipment was sold on competitive bid basis or dollar value allowed for trade in.   Funds from the transfer must be applied in whole or partial payment for the replacement item(s).

8. *How does the exchange process work?*

When replacement equipment is purchased from Federal Supply Schedule contracts and a trade-in allowance for the replaced item is specified in the contract, the old item is exchanged and the trade-in allowance applied to the purchase of the replacement item.

9. *How do I process items that are being exchanged?*

 Provide the PMO with the barcode of the asset that you are exchanging and the purchase order number of the replacement equipment.

The PMO will document that "this asset was exchanged under the authority contained in FMR 102-39 under purchase order number XXXXX." The exchange is recorded on an HHS 22, which

will provide proof of exchange/transfer to the recipient. This documentation will be submitted to PSC LSB to have the exchanged asset retired in PMIS.

10. *How does the sales process work?*

The sale is conducted like any other surplus property sale, except that the statement: "This is Exchange/Sale Property. Proceeds are to be applied to the replacement item will be annotated on all sale documentation". If trade-in allowance was offered, but not accepted for items reported for sale, this should be included on the sales documentation.

11. *How do I get access to the sales proceeds?*

When property to be replaced is sold prior to acquisition of its replacement, the proceeds are credited to OP/STAFFDIV for obligation of the replacement item and will be available for obligation during the fiscal year the sale is made.

VI. PROPERTY REQUIRING SPECIAL HANDLING/REPORTING

HAZARDOUS PROPERTY

1. *What are the special handling/reporting requirements for hazardous property?*

When an item is determined to be hazardous, document the inventory and flag the PMIS record to clearly reflect the actual or potential hazard associated with handling, storage, or use of the item. If it is not labeled, place an appropriate marking or tag on the item in accordance with Occupational Safety Health Administration (OSHA), Nuclear Regulatory Commission (NRC), and Environmental Protection Agency (EPA) requirements (*See also* FMR 109-42). Refer to HHS LMM for further guidance.

2. *Who can be contacted for assistance with questions about hazardous property?*

Contact the Office of Logistics Policy and Programs or the HHS Occupational Safety and Health Program, and HHS Safety Policy Manual, which also includes the HHS OPDIV Safety Officer point-of-contacts at: http://www.hhs.gov/asa/ofmp/programs/index.html

3. *When is property considered to be environmentally regulated?*

When it is classified as a hazardous material (HM).

4. *How do I know that property is a hazardous material (HM)?*

HM is any material that is capable of posing an unreasonable risk to health, safety, and property during transportation under DOT. HM includes:

- Any item that appears in the Hazardous Material Table (49 CFR 172.101). DOT defines a number of hazard classes (e.g., flammable liquid, corrosive material, oxidizer, etc.) that establish the parameters a material has to be measured against to determine if it is HM.
- Any item that is hazardous in accordance with the Department of Labor, OSHA, Toxic Substances Control Act (TSCA), or other federal, state, local agency, or regulations.
- Any item that may produce hazardous dusts, gases, fumes, vapors, or mists.
- Any item that could cause harm if used, stored, or disposed of improperly.

5. *What is Material Safety Data Sheet (MSDS)?*

An MSDS provides the characteristics of an item and what the hazardous properties are.

6. *Where do I get an MSDS?*

MSDS's can be obtained from the Hazardous Materials Information Resource System (HMIRS).

7. *What is the Hazardous Materials Information Resource System (HMIRS)?*

HMIRS is a DoD automated system developed and maintained by the Defense Logistics Agency (DLA). It is the central repository for MSDS's for the military services and civilian agencies. It also contains information input by service/agency focal points such as the Hazardous Communications (HAZCOM) warning labels and transportation information. The system assists Federal government personnel who handle, store, transport, use, or dispose of HM. You must register to use this no cost service. The website is located at http://www.dlis.dla.mil/hmirs/default.asp. Additional information concerning transportation incidents, regulation exemptions, interpretations to regulations and Research and Special Program Administration (RSPA) approvals and registrations can be obtained from the HMIS.

8. *What is Hazardous Materials Identification System (HMIS)?*

HMIS is the primary national data source for Federal, State, and local agencies responsible for the safe transportation of hazardous materials by air, highway, rail and water. Information can be accessed through the website at http://www.hmsa.dot.gov/hazmat. This information should be recorded in the asset record and for use in preparing reports of excess property, reassignment or transfer documents, or any other required documentation and kept in the inventory/PMIS records.

9. *Is Hazardous Waste (HW) different than HM?*

Yes. While HM and HW are both considered to be hazardous property, the simple difference is that HM is usable, HW is not.

10. *Is all Hazardous Property disposed of the same way?*

No. HW must be disposed of in accordance with Federal, State, and local regulations. You should contact the manufacturer, HHS EOSH contact or the local, State, or Federal EPA office for assistance. Another source of information is the Resource Conservation and Recovery Act (RCRA), Comprehensive Environmental Response Compensation and Liability Act (CERCLA),

Emergency Planning and Community Right-To-Know Act Assistance Hotline operated by EPA (1-800-424-9346).

VII. INFORMATION TECHNOLOGY (IT) AND MEDIA SANITIZATION

11. What are the special handling/reporting requirements for computers and other information technology (IT) equipment and software?

The Department of Health and Human Services (HHS) Chief Information Officer (CIO) has primary responsibility and authority for management of the Department's IT security program **assisted by the HHS** Chief Information Security Officer (CISO) (see http://www.hhs.gov/ocio/securityprivacy/index.html). Per the *HHS-OCIO Policy for Information Systems Security and Privacy (IS2P)* the HHS CIO has the authority to issue policy specific to media sanitization and special handling requirements. Individual OPDIVs have their own CIOs who retain responsibility for IT security and are supported by OPDIV CISOs within their respective organizations. Together the HHS and OPDIV CIOs and CISOs are responsible for managing the risks of their respective organization's systems and data throughout the HHS Enterprise Performance Life Cycle (EPLC).

Prior to transferring or disposing of information systems (servers, workstations, laptops, media, memory and storage devices), measures must be taken to remove sensitive and proprietary data. This may include steps that render data unrecoverable and, in certain cases, physical destruction of the media or system.

While IT equipment can be reassigned within HHS, processed through exchange/sale, transferred through the Computers for Learning (CFL) program to eligible recipients, transferred to another Federal agency if a potential user is found, or recycled; appropriate measures must be taken to ensure that data on such systems is not compromised. If the IT equipment is not transferred, it can be recycled after sensitive information is appropriately disposed.

Commercially leased software no longer required (other than by upgrade) can be reassigned, processed through exchange/sale, or transferred to another Federal agency if a user is found. This should be done through your CIO. The GSA does not require interagency screening of software. Software owners should return software not reassigned, transferred, exchanged or sold, to the licenser. If the licenser declines return, the Program Management Office (PMO) should document the file that recycling or destruction is the most cost-effective disposal approach.

If no license agreement is available, destroy the software by tearing, cutting, or shredding and document in accordance with abandonment and destruction guidelines.

Computers and electronic equipment should not be disposed of in a landfill, but recycled by a Compliant Disposal Agent. See Section XIII. Disposal Agents.

12. *What exactly is IT?*

Information Technology (IT) is any equipment or interconnected system or subsystem of equipment that is used in the electronic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission or reception of data information by an executive agency (*see also* 44 U.S.C. §3502). The term "IT" includes computers, ancillary equipment, and commercial off-the-shelf (COTS) software.

13. *Who sets the standards for security and disposition of IT?*

The Federal Information Security Management Act of 2002 (FISMA) passed as Title III of the E-Government Act (Public Law 107-347) in December 2002 reaffirmed NIST's role to develop information security standards (Federal Information Processing Standards) and guidelines (Special Publications in the 800-series) for non-national security Federal information systems and assigned NIST some specific responsibilities. (see http://csrc.nist.gov/groups/SMA/fisma/index.html).

For more information regarding NIST recommendations, see the following NIST Special Publications: NIST SP 800-36*, Guide to Selecting Information Technology Security Products*: Section 5.9, Media Sanitizing; NIST SP 800-64, *Security Considerations in the Information System Development Life Cycle*, Section 2.3.5.2. Media Sanitization; NIST SP 800-88, *Guidelines for Media Sanitization,* and NIST SP 800-53, *Recommended Security Controls for Federal Information Systems and Organizations,* control MP-6 Media Sanitization (http://csrc.nist.gov/publications/PubsSPs.html).

The *HHS-OCIO Policy for Information Systems Security and Privacy Handbook* dated July 7, 2011 and available at:
http://intranet.hhs.gov/it/cybersecurity/policies_by_document_type/index.html also includes section 1.24 on Media Sanitization and Disposal (MS) and stipulates the following controls:
P-MS.1 – Ensure sanitization and disposal techniques (i.e., clear, purge, destroy) are determined in accordance with NIST SP 800-88 prior to the disposal, release or transfer of custody for re-use of digital and non-digital media.
P-MS.2 – Ensure selected disposal techniques are performed in accordance with instruction in NIST SP 800-88 media sanitization decision matrix.
P-MS.3 – Ensure that all confidential, classified information is sanitized and disposed of in accordance with policy and procedures established by the National Security Agency (NSA).

The *HHS OCIO Policy for Information Technology (IT) Enterprise Performance Life Cycle (EPLC)* dated October 6, 2008 and available at: http://www.hhs.gov/ocio/policy/2008-0004.001.html specifically addresses disposition as one of the life cycle phases of the EPLC. Refer directly to the policy for more details.

14. What is "media"?

NIST SP 800-88, defines two general types of media: hard copy and soft copy. Hard copy media, often referred to as "paper records," are physical representations of information. Paper printouts, printer, and facsimile ribbons, drums, and platens are all examples of hard copy media. These types of media are often the most uncontrollable. Information tossed into recycle bins and trash containers exposes a significant vulnerability to "dumpster divers" and overcurious employees, risking accidental disclosures.

Electronic (or soft copy) media are the bits and bytes contained in hard drives, random access memory (RAM), read-only memory (ROM), disks, memory devices, phones, mobile computing devices, and networking equipment. A more complete list of soft copy media is contained in NIST SP 800-88 Appendix A.

15. What is sanitization?

Sanitization is the process of removing information from storage media in a manner that gives assurance that the information cannot be recovered. Before the sanitization process begins, the computer should be disconnected from any external network to prevent accidental damage to the network operating system or other files on the network. The sanitizing process includes validation activities to ensure data is no longer retrievable. This means that proper sanitization requires specialized skills and knowledge. For this reason, OP/STAFFDIVs may employ licensed contractors to conduct sanitization activities for their organizations.

16. Who is responsible for sanitizing media?

The OP/STAFFDIV IT system owners, information security officers, and support offices are all responsible for ensuring that all computer storage media turned in for recycling or transfer to a third party or that has otherwise reached the end of its lifecycle is properly sanitized and certified on the HHS 22 before leaving HHS. Contact your IT office for assistance.

17. What is relationship between media sanitization and information sensitivity?

Data sensitivity determinations are based on the data type or information security classification of the data and that of the system on which the data resides. FIPS 200, *Minimum Security Requirements for Federal Information and Information Systems*, and NIST SP 800-60 Rev. 1, *Guide for Mapping Types of Information and Information Systems to Security Categories* describe the approved method for identifying data types, their sensitivity, and the requirements for protecting it. These requirements include protective measures that are to be implemented throughout the EPLC; including media sanitization requirements.

The risk management framework, introduced in NIST SP 800-37 Rev. 1, *Guide for Applying the Risk Management Framework to Federal Information Systems: A Security Life Cycle Approach* provides a formal structure for managing the risk to the confidentiality, integrity, and availability of information systems and data and requires that data and information systems

(including the media) use protective measures commensurate with the risk of unauthorized disclosure, loss of integrity, and loss availability based on the impact of such compromises to the organization and the public. Taken together, these standards provide a method for determining the appropriate means of media sanitization so that risk is minimized and control is maintained.

18. *What are the approved methods for media sanitization?*

The data sensitivity and the system of which it was a part will determine the appropriate sanitization method. Each of the following methods provides different levels of trust that sensitive information will not be retrievable from the media; with physical destruction providing the highest level of assurance.

- Clear (Overwrite): Replacing previously stored data on a drive or disk with a predetermined pattern of meaningless information. Overwriting effectively renders data unrecoverable.
- Purge (Degauss): Degaussing is a process where the magnetic media is erased, (i.e., returned to a zero state). Degaussing renders any previously stored data on magnetic media unreadable by keyboard or cyber attack.
- Destroy: There are many different destructive methods with various levels of effectiveness. If destruction is selected due to the high security categorization of the media, then measures should be selected to render the media unrecoverable by a laboratory attack. Methods of physical destruction include: disintegration, pulverization, melting, incineration, and shredding.

19. *Is there software that can be used to overwrite a file?*

There are many file sanitization/overwrite programs available. Contact the OP/STAFFDIV ISSO for information on agency approved software for overwriting and for further technical assistance if required.

20. *When should I consider destroying a hard drive?*

Physical destruction of hard drives should be reserved for those hard drives that are inoperable or were part of a system that would create a potential security risk if data contained on them was released to the general public. The selection of physical destruction of a hard drive as the appropriate sanitization method is based on the potential risk to the organization of inadvertent disclosure of information on the media. When selected, physical destruction of a hard drive should be handled by a licensed facility capable of executing the physical destruction activities. Refer to NIST SP 800-88 for specific guidance and consult with the OP/STAFFDIV ISSO for further technical assistance if required.

21. *How should I sanitize CDs/DVDs?*

Physical destruction is the primary method for sanitizing CDs, DVDs, and other optical media. The data that is stored on CDs/DVDs is sanitized by physically destroying the disk using a

crosscut shredder capable of destroying plastics, CDs, and DVDs. This will cut the media into small pieces that are unreadable by optical drives.

22. *Are there other types of media storage devices that should be sanitized?*

Yes. There are other media that pose privacy/security risks. For example, network devices; routers, and Personal Digital Assistants (PDAs) can have HHS information stored as personal data or configuration information. Prior to disposal, someone who understands the device(s) in question should clear this data or configuration information manually. When sensitive data cannot be removed then the device must be physically destroyed.

23. *What records should I keep to show that equipment has been sanitized?*

When disposing of media records should be maintained for all sanitization activities sufficient to support the identification of the media, the information security categorization of the media, the system to which it belonged, and its ultimate disposition. OP/STAFFDIV property management officers, along with the ISSO should be consulted to determine specific documentation requirements.

24. *What are the disposal requirements for leased IT or other electronic office equipment?*

For leased IT equipment, **refer to terms identified in the purchase contract, lease or license**. Leased equipment, in most cases, must be returned to the leasing company with the original operating system. However, HHS data stored on leased equipment must still be disposed of properly. The OPDIV/STAFFDIV contracting office can provide additional assistance with proper disposal of lease equipment.

25. *What if I'm reassigning, transferring, or donating the equipment?*

If possible, keep the operating system intact. If you are donating equipment with a pre-installed Microsoft operating system, keep in mind that the license is only valid when used in the original equipment in which it was first installed. Since charitable organizations usually cannot afford to purchase and license new operating systems, a legal transfer (keeping the machine and operating system together) can be very helpful. Mac and Linux operating systems may have different requirements; provide the operating system software with all donated equipment.

26. *Is there any software license liability if I transfer the software with the equipment?*

Without proper documentation, equipment operating systems may not be transferred with the equipment. Few application licenses are transferrable. Refer to and comply with the software End User License Agreement (EULA)/Software License Agreement before transferring computers with software installed.

27. *How do I dispose of software?*

Commercially licensed software (including all applicable documentation and media, even if never opened or used) that has been replaced or upgraded by a new release should be destroyed. Commercially licensed software no longer required (other than by upgrade) can be

processed through exchange/sale provisions in the Federal Management regulation (FMR) 102-39, reutilized within HHS, or transferred to another Federal agency if a potential user is found. GSA does not require interagency screening of software. Software not exchanged, reutilized, transferred, or sold should be destroyed.

VIII. REUTILIZATION and SPECIAL PROGRAMS

1. *Once property is determined as unrequired/excess reported, what else should be done?*

During the phase where property has been reported as excess, OP/STAFFDIV property management staff (PMO) and employees should attempt to locate other agencies or programs to which they might transfer HHS excess property. The PMO can assist and provide guidance in completing a transfer.

2. *What special programs get primary consideration for HHS excess property?*

HHS participates in three special programs for the transfer of excess HHS property. The first of these is the Stevenson-Wydler (S/W) Technology Innovation Act of 1980 which allows for the direct transfer of research equipment to be used for technical and scientific, including medical scientific, education and research activities. The second is the Computers for Learning (CFL) program under Executive Order (EO) 12990. The third is P.L. 93-638, the Indian Self-Determination and Education Assistance Act, January 4, 1975, which permits the transfer of property provided under contracts and grants to Tribes and Tribal organizations.

3. *What types of property can I transfer?*

HHS eligible Federal Supply Groups (FSGs) include:

34	Metal working machinery
36	Special industry machinery
41	Refrigeration, air conditioning and air circulating equipment
52	52 Measuring tools
60	Fiber optic material, components, assemblies, and accessories
61	Electric wire, power and distribution equipment
65	Medical and medical scientific research equipment
66	Laboratory instruments and equipment
67	Photographic equipment
70	General-purpose Information Technology (IT) equipment

4. *What type of agreement does the recipient have to sign?*

The HHS 22 - Request for Property Action with all documentation required by the HHS Final Event Guidance is normally the document used to transfer and assign title to the recipient

school or organization. Refer also to the LMM and the Final Event Documentation at Appendix # 4.

5. *Does title pass to the recipient?*

Yes. The property is considered a gift or donation and title immediately passes to the school or eligible educational organization.

6. *Who pays for the transportation?*

The recipient pays all transportation and related costs.

7. *Do I have to report the transfer to GSA?*

No. PSC LSB reports these transfers/donations to GSA annually for all OP/STAFFDIVs except NIH. This reporting data is obtained from OP/STAFFDIV final event requests.

8. *What is the Computers for Learning (CFL) Program?*

The CFL program evolved as a necessary process for implementing EO 12999, Educational Technology: Ensuring Opportunity for all Children in the Next Century. The EO encourages federal agencies such to transfer excess computers and related peripheral equipment directly to schools and eligible nonprofit organizations.

The EO 12999 requires that HHS:

- Protect and make available "educationally useful Federal equipment" to schools/eligible non-profit institutions.
- Publicize the availability of this type equipment.
- Report annually to GSA any transfers made under this order (specifically, type of equipment transferred, quantities involved, and recipient).

The EO authorizes the direct **transfer** (bypass GSA) of excess property to schools and eligible nonprofit organizations. It does not however, override the requirement to screen eligible equipment through the HHS prior to direct donations nor does it remove the need to sanitize equipment in an appropriate manner. Refer to FMR 102-36.475 and the HHS Logistics Management Manual at Section 9.5.8.5.

9. *What equipment can I transfer under the CFL program?*

- Computer equipment and related peripheral tools (printers, modems, routers, servers, etc.)
- Research equipment

10. *Who is eligible to receive excess property under the CFL program?*

- Nonprofit Educational Organizations/Institutions. These entities must have a tax exempt certificate and identification number issued by the IRS under section 501(c) of

the US tax code and operate exclusively for educational or scientific purposes. For direct donations to non-profit organizations under the CFL program, agencies should request certification of the home school or nonprofit organization's eligibility (i.e. Pre-K through grade 12, tax exempt under 501(c), education as its primary mission).

- Pre K through grade 12 schools may be public, private, and parochial or home schools, schools or school districts and located with the United States or its territories. Refer to Q13.

It is the responsibility of HHS and in particular the OP/STAFFDIV PMO to validate eligibility prior to transferring property under EO 12999. Whenever possible, HHS should undertake outreach efforts to schools and eligible educational organization concerning any availability of useful HHS excess computer and related equipment.

11. *How do I transfer property to a school?*

For HHS accountability purposes, direct transfer is made using the HHS 22 – Request for Property Action.

- If you locate a school to transfer excess computer equipment, the recipient signs the HHS 22 and a copy is returned to the PMO.
- The PMO will close out the record in PMIS and coordinate with PSC LSB staff
- The PMO in coordination with the PSC LSB staff will report the transfer in the annual report.
- Refer to the Final Event Guidance for these requirements.
- The PSC/LSB staff will record the transfer in the Post Transaction Module (PTM) of GSAXcess or other means for purposes of including it in the annual CFL report.

12. *What is the Post Transaction Module (PTM) for Computers for Learning reporting?*

The PTM is used when HHS donates directly to the school under EO 12999. The PTM allows you to report the data into GSAXcess system so that the computer equipment can be accounted for in the CFL Report. Refer to the GSAXcess site at http://gsaxcess.gov/.

13. *What if the school or non-profit that I'm donating to can't be found in the PTM module?*

The school or organization can go to http://computersforlearning.gov/ to register.

14. *How do I get a report of all donations I've done through PTM?*

The main menu of the CFL under CFL reports you can view the items reported and that have been transferred by the PTM. Donations will be shown for items transferred at the end of the month.

15. *What if the school that I'm donating the computers to doesn't have the software to run them?*

Advise the school to contact the Community Microsoft Authorized Refurbisher (MAR) Americas program, which provides Microsoft operating system software to schools and non-profits. See http://www.techsoup.org/mar/default.aspx

16. *Are there special requirements for emergency and disaster relief?*

Yes. Excess property can be used on behalf of or loaned to Federal, State and local governments (with or without compensation) to provide assistance in alleviating suffering or damage resulting from an emergency or major disaster. In addition, excess medicines, foods, and other consumable supplies may be distributed to the government entities for these purposes. In HHS, the OP/STAFFDIV will coordinate with the Assistant Secretary for Preparedness and Response (ASPR) and GSA and other Federal agencies as necessary.

See also the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended and Related Authorities, PL 93-288, 42 U.S.C. §5121 at http://www.fema.gov/about/stafact.shtm

17. *Can excess property be cannibalized?*

Cannibalization is normally used when specialized HHS equipment, (i.e. medical/scientific) is being decommissioned and spare parts for remaining systems are no longer available. It involves the practice of disassembling unserviceable equipment to use serviceable parts on similar units. Cannibalization when properly managed and controlled, may be a cost-effective and mission-enhancing property management practice. The OP/STAFFDIV PMO in coordination with the program office should annotate the intent to cannibalize, list the items to be removed from the specialized equipment, the use to be made of the salvaged items and why cannibalization is preferred over offering the items for reuse. *See* the Logistics Management Manual at section 9.5.3, the Final Event Documentation located in Appendix #4 and the HHS Final Event Policy website document. (https://assetweb.psc.gov/guides.html)

IX. TRANSFERRING HHS EXCESS PROPERTY TO OTHER GOVERNMENT AGENCIES

 Availability of property not reassigned during the internal HHS OP/STAFDIV screening period (7days) is then made available for screening by other Federal agencies using GSAXcess or other processes. HHS can also follow best practice methods by notifying entities such as the GSA Interagency Committee (ICPM), Federal Property Users and Screeners Association, and the Federal Executive Boards (FEB) for available excess personal property.

1. *How do I transfer property requested through GSAXcess?*

Eligible recipients request property in GSAXcess and GSA will allocate the property and send the HHS OP/STAFFDIV PMO a Notice of Allocation (SF123) to the Holding Activity.   The

OP/STAFFDIV PMO will coordinate the transfer document so that the record can be closed out in PMIS. Shipping arrangements and costs are the responsibility of the recipient.

2. *Can I transfer property to another federal agency without reporting it to GSA?*

Yes, if the acquisition cost of the property is less than $10,000 and the property has not been reported as excess to GSA, the OP/STAFFDIV PMO can transfer the property by using an SF 122. See http://www.gsa.gov/portal/forms/download.

If the acquisition value is over $10,000, the OPDIV must get GSA approval prior to transferring the property as follows:

Report the property as excess to GSA using an SF 120. This fillable form can be downloaded from the GSA forms library at http://www.gsa.gov/portal/forms/type/SF.

Fax the completed SF 120 to the appropriate GSA Area Property Officer (APO) and inform the APO to which agency you want to transfer the property. See the listing of APOs and their contact information at www.gsa.gov/apo.

GSA will approve the transfer and email a signed SF 122, Transfer of Excess Property so that you can complete the transfer.

3. *What happens if no other Federal agencies want HHS excess property?*

After 21 days screening period through GSAXcess, the property is declared surplus and is eligible for donation to eligible donees, primarily State Agencies for Surplus Property (SASP).

4. *How do I know that GSAXcess has finished screening HHS excess?*

The OP/STAFFDIV PMO and/or PSC LSB will receive an email from GSA stating that the item has completed screening (Transfer to Federal agencies and Donation) and is being passed on to GSA Sales. HHS has selected GSA as its Federal Asset Sales Center (FAS); the asset will automatically be forwarded to sales.

X. DONATING SURPLUS PROPERTY

1. *What is the Federal Surplus Property Donation Program and what does it do?*

The donation program enables certain non-Federal organizations to receive property that the Federal government no longer needs. The Federal Property and Administrative Services Act allows the transfer of surplus personal property to State Agencies for Surplus Property (SASP). *See* 41 CFR 102-37.

Most property is available for donation after it completes the Federal "excess" screening timeframe and is considered "surplus" to any Federal government needs. Donating property is secondary to reusing it by a federal agency (HHS), but takes precedence over sale, abandonment or destruction.

2. Is all property eligible for donation?

No. Certain property is ineligible for donation including:

- Surplus agricultural commodities, food, and other items as determined by the Secretary of Agriculture.
- Property in trust funds.
- Non-appropriated fund property.

3. What is GSA's role in the program?

GSA runs the Federal donation program with the assistance of the various SASPs and the National Association for State Agency Surplus Property (NASASP). Generally, the GSA APO is the liaison between HHS and SASPs, However, HHS OPDIV PMOs are encouraged to coordinate as appropriate with these entities. For more information about the program see FMR 102-37 and the HHS Logistics Management Manual, Section 9.5.9.

4. What is a SASP and what is their role?

State Agencies for Surplus Property (SASPs) have been established in each state and U.S. territory for the purpose of distributing personal property designated as surplus by the Federal government. The SASPs advise applicants of eligibility requirements and procedures to be followed in acquiring surplus property and of the conditions and restrictions placed on the property. Most SASPs operate on a self-sustaining basis and may assess recipients a service charge to cover handling, transportation, and administrative expenses.   Additionally, The National Association for State Agencies for Surplus Property (NASASP) assists the State and the Federal government in developing, promoting and maintaining standard practices throughout the nation for transferring available Federal property.

Links to the NASASP organization and the SASP point-of-contact list and can be found at http://nasasp.org/ and at www.gsa.gov/sasp.

5. How do I determine who is an eligible donee?

GSA determines eligibility. Most eligible donees must request property through the SASP. If you receive a request for donations, refer the requesting party to the servicing SASP. The following activities are generally eligible to receive donations through the SASP:

- State and Public Agencies:
  - States departments, divisions, cities, counties, and other instrumentalities;
  - Indian tribes, bands, groups, pueblos, or communities located on state reservations.
- Nonprofit Educational and Public Health Activities, including Programs for the Homeless and Impoverished;

- Nonprofit, tax exempt organizations, that provide food directly to shelters and soup kitchens where homeless and/or impoverished individuals are assisted;
  Nonprofit and Public Programs for the Elderly. State or local agencies and nonprofit organizations that receive funds for programs for older individuals under the Older Americans Act of 1965; and
- Educational Activities of special interest to the DoD. These activities are known as Service Educational Activities (SEA) and have a formal donation agreement with DoD that outlines the terms and conditions for obtaining DoD surplus property.

6. *How do Donees know what property HHS has?*

Eligible donees can contact their SASP and obtain a list of available property from them and some can access GSAXcess directly.
Property allocations under GSAXcess are made on the first day following the Surplus release Date (SRD).

7. *How do Donees request surplus property?*

The requester should contact their SASP to request assignment of surplus property. The SASP will submit a request to GSA through GSAXcess. Once approved, GSA sends an information copy of the SF 123 Request for Transfer of Surplus Property to the OP/STAFFDIV PMO or PSC/LSB.

The SASP is responsible for providing transportation information to the HHS OPDIV or PSC/LSB. Once the information is provided, the OP/STAFFDIV PMO or PSC LSB notifies the SASP that the property is available. The SASP is responsible for removing the property within 15 calendar days after notification. HHS personnel are not to act as an agent or shipper for the donation and the SASP is responsible for the cost to pick up and ship donated property.

8. *Can HHS donate hazardous material?*

Yes, surplus HAZMAT is normally available for donation under the following conditions (1) the SASP is informed of the nature of the HM via MSDS, HMIRS data or other appropriate mechanism and (2) Signs a Donation Certification. GSA will ensure that all required certifications and agreements accompany the SF 123 before approving the transfer of the HM.

XI. SELLING SURPLUS PROPERTY

1. *Why does the government have a sales program?*

The objective of the sales program is to sell surplus property so as to achieve the greatest return to the government.

2. *Who can sell government property?*

Federal agencies are required to use an approved Federal Asset Sales (FAS) Center to perform sales of surplus property. Federal agencies with approved waivers can conduct their own sales. HHS has elected to use the GSA Auctions at www.gsa.auctions.gov

3. *Can HHS employees purchase HHS surplus?*

HHS employees are prohibited from bidding on HHS property if they have had any part in conducting the sale or were directly connected with the property during the course of their duties.

4. *How do I report property to GSA for sales?*

You can enter the report of excess directly into GSAXcess or by SF 126 Report of Excess Property for Sale. GSA will then conduct the sale for your agency.

5. *Is there are a charge by GSA for conducting sales?*

GSA retains a portion of the proceeds of GSA-conducted sales to cover their administrative costs, rather than billing HHS. All other monies are deposited to the General Treasury unless it is sold under FMR 102-39 (exchange/sale).

6. *What responsibilities does HHS have in a GSA conducted sale?*

OP/STAFFDIV's must:

- Provide the appropriate GSA office with information necessary to sell the property and the accounting data for application of gross proceeds.
- Transport property to a consolidated sales site when agreed upon by HHS OP/STAFFDIV and GSA.
- Provide for the inspection of property by prospective bidders.
- Assist in physical lotting of property.
- Pending disposal, bear the cost of care and handling the property.

7. *Can I follow up on the items that GSA is selling for HHS?*

Yes, via access to GSA's MySales program. It provides HHS with the ability to manage their surplus property disposal status. See website at http://www.gsa.gov/portal/content/101658

8. *What if there are no bids on HHS property?*

The GSA Sales Contracting Officer may re-offer HHS property if it did not sell the first time. Otherwise, GSA returns the item to HHS for final disposition. The PMO or PSC LSB will determine the final event action for the item(s), that final event typically being destruction or recycle.

9. *How do I record a sale in PMIS?*

To retire the property record in PMIS, refer to the PMIS User Guide and the HHS Final Event Guidance.

XII. ABANDONING OR DESTROYING (A&D) PERSONAL PROPERTY

1. *What should be considered before abandoning or destroying property?*

A&D can be used at any time in lieu of the Federal utilization, donation and sale efforts, if deemed appropriate. Great care must be taken to fully justify, document and ensure audit trail visibility for your actions. This is the least preferred method of disposition, must be coordinated and authorized by the OP/STAFFDIV PMO or PSC LSB. This method should only be used it only when other methods have been exhausted or are uneconomical to pursue. Consult with your OP/STAFFDIV PMO and/or OLPP for assistance in determining whether A&D is the appropriate action and for establishing authorization for abandonment or destruction. Refer to the HHS Logistics Management Manual, PMIS User Guide, Final Event Documentation, and FMR 102-36.

2. *What are the criteria for A&D?*

Abandonment is only allowed when public safety, health or extreme conditions exist.

Destruction is usually performed in order that property cannot be re-used as the result of a safety or security issue.

Property may be abandoned or destroyed when an OP/STAFFDIV or authorized personnel has made a written determination that:

- Property has no commercial value; and
- Cost of care, handling and preparation of the property for sale would be greater than the expected proceeds.

3. *Do I have to make notification that I plan to abandon or destroy?*

If an item is to be abandoned or destroyed, a public notice of proposed A&D must be prepared **unless** the item has an acquisition value of less than $500, is in scrap condition or is required to be abandoned/destroyed because of health, safety, or security reasons (such as hazardous electronic or medical/scientific equipment.

4. *How do I post a public notice?*

A public notice can be accomplished by posting it in public places, such as bulletin boards, newspapers, grocery stores, or other common-use facilities or government office. Offers to

purchase the property resulting from a public notice should be referred to the OPDIV PMO so they can coordinate the sales action with GSA.

5. *Can't I just give the property to anyone who will take it?*

No. You can only donate the property to public bodies after it has completed all screening and sale cycle and GSA has released it back to HHS for final disposition.

6. *What is a public body?*

Public bodies are any department, agency, district, or other instrumentality of a State or local government; any Indian tribe; or Federal agency. This includes schools and universities.

7. *Can I donate the property to a non-profit in lieu of A&D?*

No. Non-profits are not Public Bodies for this purpose and the property and these entities must go through their SASP to receive any HHS surplus equipment. The exception to this general rule is computers transferred under EO 12999. To qualify for this exception, the non-profit agency seeking the material must be eligible under CFL requirements..

8. *Can I abandon or destroy hazardous property?*

Dispose of hazardous material in accordance with Federal, State, local waste disposal and air and water pollution control standards only and only after full authorization is provided. Make sure any hazardous waste intended for off-site shipment for treatment, storage, or disposal are accompanied by the Uniform Hazardous Waste Manifest developed by the EPA and DOT (*see* EPA Form 8700-22 and 22A in the appendix to 40 CFR Part 262).

9. *Can I abandon or destroy electronic equipment?*

Electronic equipment and components often contain materials that are harmful to human life and the environment and may require special handling under environmental regulations when being abandoned or destroyed. You should coordinate such actions with the HHS OP/STAFFDIV PMO and Regional office RAM. To avoid potential liability for landfill clean up, electronic equipment will not be disposed of in a landfill, but will be de-manufactured through an approved disposal agent. Refer to Executive Order EO 13423, Strengthening Federal Environmental, Energy, and Transportation Management, Section 2. Goals for Agencies. Essentially, the EO requires HHS to use environmentally sound practices with respect to disposition of aging electronic equipment that has reached the end of its useful life.

XIII. DISPOSAL AGENTS

Disposal Agents have been approved to perform disposal of electronic equipment for Federal agencies and HHS. The HHS must confirm the selected disposal agent's level of certification, and ability to comply with applicable laws and regulations. The Disposal Agent must operate a waste management and/or recycling system to include waste collection, reuse assessments,

destruction, and inventory transfer and/or disposal outlined in FMR's 101-42, 102-36, and 102-37 (as applicable).

1. *How do I find a Compliant Disposal Agent?*

The following are recommended sources for HHS:

- DLA Disposition Services at https://www.dispositionservices.dla.mil/turn-in/usable/
- Federal Prison Industries/UNICOR at http://www.unicor.gov/recycling
- GSA Environmental Services Schedule 899.5 at http://www.gsalibrary.gsa.gov
- E-Stewards Recycler Listing at http://e-stewards.org/find-a-recycler/recycler-listing/
- Local Compliant Disposal Agents
  Note: Local recycler's are sometimes the most economical means of disposal, however they must be certified as compliant.

XIV. USE OF DLA DEFENSE REUTILIZATIONAND MARKETING SERVICE – DISPOSITION SERVICES

1. *What allows me to use the DLA Disposition Services?*

HHS can enter into an interagency agreement with DLA Disposition Services as a disposal agent since it is a federal agency. See https://www.dispositionservices.dla.mil/turn-in/usable/ The DD Form 1348-1A,is the document used for this service. The DLA Disposition Services maintains a web-based system called Electronic Turn In Document (ETID) that will create your document for you. To use ETID, you must register at https://www.drms.dla.mil/etid.html. DLA Disposition Services will approve and confirm via email and provide you with further instructions.
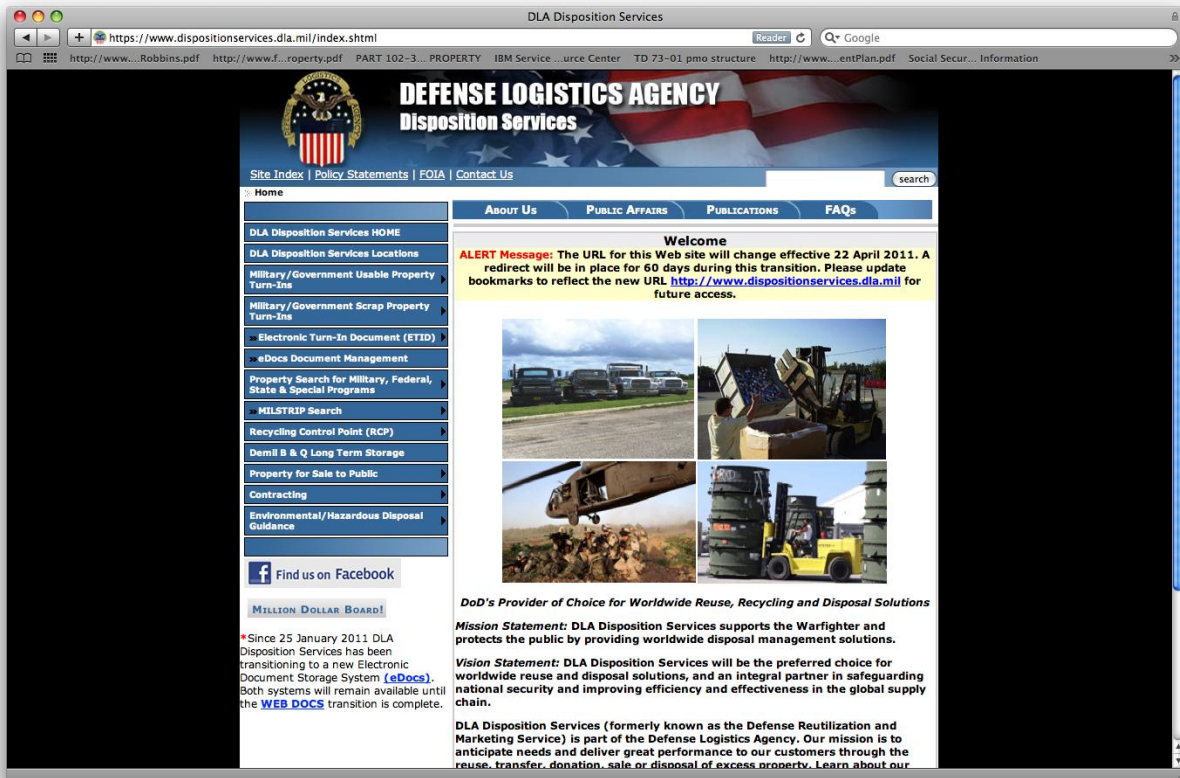
XV. USE OF FEDERAL PRISON INDUSTRY (FPI) UNICOR

1. What allows me to use the FPI UNICOR service?

HHS and/or OP/STAFFDIV's can enter into an interagency agreement with FPI UNICOR as a disposal agent since it is a federal agency. Contact the nearest FPI UNICOR office or central office concerning the intent to utilize FPI UNICOR recycling services. See also http://www.unicor.gov/recycling and http://www.unicor.gov/recycling/mapfront for FPI UNICOR points-of-contacts.

XVI. RECYCLING OF GOVERNMENT ELECTRONIC EQUIPMENT

1. What is the Federal Recycling of Electronic Equipment Program?

Executive Order (E.O.) 13514, Federal Leadership in Environmental, Energy, and Economic Performance, requires federal agencies to employ environmentally sound practices with respect to the agency's disposition of all excess and surplus electronic equipment.

There are many options available to the OP/STAFFDIV's for recycling of its owned electronic equipment. Leased equipment must be disposed IAW the leasing instrument. Used electronics that are broken or obsolete may have no reuse value but may be made of valuable materials, such

as precious metals, copper and plastic, that can be recovered by recycling. Broken or obsolete electronics should be recycled in an environmentally sound manner.

It is more cost effective and environmentally friendly to recycle certain items in lieu of disposal. The following environmental hierarchy – from most to least preferred – should be followed for managing end-of-life electronics:
- Reuse
- Refurbishment
- Recycling
- Incineration or Landfill

Incineration or the dumping of government electronics in landfills should only be a matter of last resort. Storing the material until a qualified recycler becomes available is the preferred course of action. This environmental hierarchy captures the specific end-of-life processes required by FMR 102, and the HHS LMM, and as shown in the following U&D Process Flow Chart.

Note: Some HHS components utilize Seat Management contracts, a form of leased management and must follow contract requirements for the disposition of this type of property

Environmental Hierarchy	GSA Process	Time Frame	Regulation
	Reuse Internally		41 CFR 102-36
	Declared Excess / *Reported to GSA*		
	GSAXcess®		
	Donation (Computers for Learning)	7 days	41 CFR 102-36.475
Reuse	Transfer (Eligible Federal Entities)	14 days	41 CFR 102-36
—AND/OR— Refurbishment	*Declared Surplus*		
	Donation (States or Nonprofits)	5 days	41 CFR 102-37
	GSA Auctions®		
	Public Sales		41 CFR 102-38
Recycling	Abandonment / Destruction		41 CFR 102-36
Incineration / Landfill			

* Exceptions to this process, including direct transfers, exchange/sales, alternative reporting methods, and other special circumstances are not represented here.

2. *What are the Recycling Options for HHS and the Regions?*

There are a number of options available to assist the OP/STAFFDIV's in the regions in their recycling of electronic equipment:

- Use UNICOR to recycle electronics. UNICOR is a wholly owned government corporation whose mission is to train and employ inmates housed in Federal prisons. UNICOR sustains its operations through the sale of goods and services to Federal agencies. Information is available on UNICOR's website: http://www.unicor.gov/recycling/
- Use an electronic recycler certified to the Responsible Recycling (R2) Practices for Use in Accredited Certification Programs or the e-Stewards Standard for responsible Recycling and Reuse of Electronic Waste.

- Information to find an R2 certified recycler, see the R2 Solutions website: http://www.r2s0olutions.org
- To find an eStewards certified recycler, please check their online map for recyclers indicated by markers as **certified** to the e-Stewards Standard for Responsible Recycling and Reuse of Electronic Waste: http://e-stewards.org/find-a-recycler/.

- Use manufacturer take-back services for electronics recycling
   through one of two methods: exchange/sale or abandonment/destruction
- Exchange/Sale: When replacing personal property with similar items, the value of the old items may be used to reduce the cost of the replacement item by exchange (trade-in) or sale with a manufacturer or vendor.
- Abandonment/Destruction (A&D): If the manufacturer is willing to take-back obsolete and/or broken equipment, declare the property for A&D and use manufacturer take-back services.
- Utilize GSA's Environmental Services Schedule (GSA 899-5), a multiple award schedule of electronics waste or hazardous material recycling contractors.
- Refer to EPA's eCycling website at http://www.epa.gov/epawaste/conserve/materials/ecycling/donate.htm
- Local or state environmental or solid waste agency may have local collection programs or databases of vendors who recycle obsolete electronics.

3. *Are there GSA E-Waste Programs in Federal Buildings and HHS Regional Offices?*

The OP/STAFFDIVs and RAMS are encouraged to check with their local GSA Building Services and/or Property Management Office concerning their E-Waste Service and Standard Operating Procedure (SOP). Note: HHS Regional Office 9 – San Francisco, CA, utilizes an E-Waste Program because of the need for strict compliance with California law and regulation.

Appendix 1. TERMS AND DEFINITIONS

Abandonment or Destruction - A method of disposing of surplus personal property other than electronic equipment, which usually involves leaving the property at its original location or taking action to relocate/transfer the property to a certified recycler and/or a public or private dump where it is normally crushed, burned, or buried.

Accountable Personal Property - A term used to identify property that is recorded in the HHS property accounting system (HHS PMIS) and is controlled by an identification system and supporting records from its acquisition through final disposition.

Acquisition Cost - The original purchase price of an item.

Approving Official - The individual designated by the HHS OPDIV Head as having the final authority to approve findings and recommendations contained in Reports of Survey (HHS 342). This responsibility may be delegated to the OPDIV Manager, Logistics Division, or equivalent.

Area Property Officer (APO) - APOs are GSA staff assigned to assist the HHS, federal agencies, nonfederal recipients (SASPs) with the screening, acquisition, donation and sale of property,

Asset - (1) anything owned having monetary value; (2) tangible or intangible items owned by an HHS component that have probable economic benefits that can be obtained or controlled by the component.

Barcode - A symbol consisting of a series of parallel, adjacent bars and spaces that is scanned using automatic identification technology to allow data to be collected accurately and rapidly.

Cannibalize - The act of removing serviceable parts from one item of equipment and to install them on to another item of equipment.

Disposal - The process that results in the removal of personal property from HHS official property records by the transfer, donation, or sale of usable excess and surplus property.

Disposal Condition Code - A one-character GSA code that describes the physical condition, serviceability, and the need for repairs of an item of excess or surplus personal property.

Disposition - The act of discarding or relinquishing control over excess or surplus property in accordance with appropriate Federal regulations trough transfer, donation, sale, abandonment or destruction.

Donation - Refers to transfers of property under the Federal Surplus Personal Property Donation Program.

Educational institution - An approved, accredited, public or nonprofit entity or organization conducting educational programs or research for educational purposes.

Donation - A method of disposing of excess or surplus personal property at the direction of HHS special authorities, GSA direction, without reimbursement, to SASPs for donation to eligible Donees under Federal Management Regulations.

Donee - An entity that GSA has approved as an eligible recipient of surplus personal property. The entity may be a service, educational, state, municipal, tax-exempt or non-profit type organization that performs governmental, public service, educational or welfare activities.

Excess Personal Property - Personal property under control of the HHS OPDIV that is no longer required for its needs.

Exchange/Sale Property - Personal property not excess to the needs of HHS, but eligible for replacement, which is exchanged (by trade-in) or sold under the provisions of FMR 102-39 in order to apply the exchange allowance or proceeds of sale in whole or part payment for replacement of a similar item.

Expedited screening - A process coordinated by HHS and GSA that allows for the property line item(s) to have reduced screening time frames or eliminated and/or bypass some of the established screening period within the Federal utilization and donation (U&D) program.

Federal Management Regulation (FMR) - The Federal Regulations (102-36 – 39) issued by GSA to govern and guide Federal agencies relative to the management and control of property.

GSA Auctions - GSA's website to offer personal property sales to the general public.

GSAXcess - GSA's website for reporting, searching, and selecting excess personal property.

Hazardous Material - Any used or unused personal property, including scrap and waste that is ignitable, corrosive, reactive, toxic because of its quantity, concentration, or physical, chemical, or infectious characteristics. The property can be in solid, liquid, or contained gas form and may cause or significantly contribute to an increase in mortality or serious illness, or pose a substantial hazard to human health or the environment when improperly treated, stored, transported, disposed of, or otherwise managed.

Nonfederal Agency - An activity that receives excess property through a federal sponsor that is neither a federal agency nor a donee (e.g. HHS Indian Health Service (HIS), and the Bureau of Indian Affairs).

Nonprofit - An organization not organized for profit and exempt from federal income tax under section 501 of the Internal Revenue Code (26 U.S.C. 501)

Personal Property - Any property, except real property (land, and fixed in-place buildings/assets) owned by HHS (OP/STAFFDIV) including software which is intellectual property.

Property Management Officer (PMO) - This is the individual delegated by the OP/STAFFDIV Head to perform assigned responsibilities and manage the components personal property program.

Property Accountability - The responsibility to ensure security and conscientious inventory management of personal property. This obligation, imposed by public law, requires maintenance of accurate records of personal property assets; conducting physical inventories to reconcile property records. It also includes maintaining an audit trail for applicable physical and financial property transactions.

Property Control - The physical and administrative protection of property to include security, location, identity, and recordation of property transactions. It also includes the care and protection of property, physical inventory, data management, and processing all property life cycle transactions.

Property Management Office (PMO) - The functional business system and organization of acquiring, maintaining, using, and disposing of the personal property of an HHS OP/STAFFDIV.

Public Body - Public bodies are defined as any agency, department, district, or other instrumentality of a State or local government; any Indian tribe; or agency of the Federal government. This includes public schools and universities.

Real Property - Any interest in land, together with the improvements, structures, and fixtures located thereon (including prefabricated movable structure, such as Butler-type storage warehouse, and house trailers under the control of any Federal agency.

Reassignment - Transferring unrequired property internally within HHS.

Reimbursement - A requirement made by a code during report of excess property that identifies how GSA should process the item if identified for excess, if HHS will receive reimbursement of cost or GSA will sell the item.

Sale - A method of disposing surplus personal property, when interest in ownership in the property is exchanged for monetary reimbursement.

Scrap - Personal property that has no value except for its basic material content.

Screening Period-   Comparing requirements during a period of time with available excess or surplus personal property, and which is available for excess or surplus donation to eligible recipients.

State Agency for Surplus Personal Property (SASP) - An agency in each State responsible for the fair and equitable distribution within the State for all donations of surplus personal property to public agencies and eligible nonprofit, tax exempt agencies.

Surplus Personal Property - Excess personal property which GSA in coordination with HHS OP/STAFFDIV PMOs is not required for the needs of Federal agencies.

Surplus Release Date (SRD) - The predetermined date if not waived under expedited screening procedures, on which Federal screening of excess personal property is terminated and the property is then available for donation as surplus.

Transfer - Transferring excess personal property HHS internally, and to other Federal agencies to fill current or future requirements in lieu of new procurements.

Unrequired Personal Property - "Unrequired" is defined as property that is no longer required by the user, and is flagged as "Excess" in the HHS PMIS and reported in the GSA Xcess system or hard copy excess property reporting.

Want List - A projection of a known or expected need by an HHS component to replace obsolete, worn-out, or currently authorized or budgeted items to support program

Appendix 2. ACRONYMS

APO	Area Property Officer
CAA	Clean Air Act
CASU	Cooperative and Administrative Support Unit
CERCLA	Comprehensive Environmental Response Compensation and Liability Act
CFR	Code of Federal Regulations
DLA	Defense Logistics Agency
DOD	Department of Defense
EOSH	Environmental Occupational Safety and Health
EPA	Environmental Protection Agency
EPCRA	Emergency Planning and Community Right-To-Know
F&E	Facilities and Equipment
FEI	Final Event Instruction (Final Event Document)
FMR	Federal Management Regulations
FPI	Federal Prison Industries
FSC	Federal Supply Class
GSA	General Services Administration
HAZCOM	Hazardous Communication
HAZMAT	Hazardous Material
HMIRS	Hazardous Material Information Resource System
HMIS	Hazardous Materials Information System
HP	Hazardous Property
HW	Hazardous Waste
ISSO	Information System Safety Officer
IT	Information Technology
MSDS	Material Safety Data Sheet
NIST	National Institute for Standards and Technology
NRC	Nuclear Regulatory Commission
OSHA	Occupational Safety and Health Administration
PDO	Property Disposal Officer
PMIS	HHS Property Management Information System
PMO	Property Management Officer/Property Management Office
PSC LSB	PSC Logistics Services Branch
PSC DPM	PSC Division of Property Management
PSC DLP&P	PSC Division of Logistics Policy and Programs
PTM	Post Transaction Module in GSAXcess for CFL program
SF	Standard Form
RCRA	Resource Conservation and Recovery Act
ROE	Report of Excess
TSCA	Toxic and Substances Control Act
U&D	Utilization and Disposition

Appendix 3. HHS PROPERTY MANAGEMENT OFFICERS

HHS Property Management Officers/ Key Contacts

HHS Logistics Policy	James Begis	301-443-5221
HHS Logistics Policy	Jim Kerr	301-443-5214
HHS Logistics Policy	Patrina Cuthbertson	301-443-5213
ACF	Nina Campbell (Starkey)	202-401-5049
AHRQ	Deborah Voigt	301-427-1822
AHRQ	Kathleen Melendez	301-427-1215
AOA	Melissa Middleton	202-205-9732
ASPR/PMO	Victor Harper	202-260-1948
CDC	Mike Daley	770-488-8098
CMS	Shane Merrick	410-786-1249
CMS	Elias Bouloubassis	410-786-5514
CMS	Ray Wajbel	410-786-7887
FDA/PMO	Ed McGee	301-796-7147
HRSA/PMO	Ken Kotchenreuther	301-443-0877
IHS/PMO	Chris Jones	301-443-1771
NIH/PMO	Lonnie Winley	301-496-4548
NIH	George Martinez	301-451-9605
OGC	Bahar Niakan	202-205-8322
OIG/PMO	Robert Owens	202-205-9117
OIG	Dannine Johnson	202-205-5167
OS/ASA	Phil Lynah	202-690-7656
PSC/Contact	Debbie Orfe	240-276-0817
PSC	Gaynel Abadie	240-276-0808
SAMHSA	Kathleen Milenkowic	240-276-1011
SAMHSA	Jeff DeSanto	240-276-1006
Fleet Contacts:		
ASPR	Chuck Stovall	202-205-7617
CDC	Shirley Alston	770-488-0854
CMS	Larry Johnson	410-786-6462
FDA	Scarlet West	301- 413-0465
HRSA	Ken Kotchenreuther	301-443-0877
IHS	Patricia Spuck	301-443-1299
NIH	Mark Minnick	301-402-6778
OIG	Kimber Smith	202- 619-2675
PSC	Gary Boykin	240-276-0814
SAMHSA	Paul Johnson	240-276-1019

Appendix 4. FINAL EVENT DOCUMENTATION

Final Events

Final Disposition of assets (Other Documents Required to Remove Assets from PMIS)
In order to complete the disposition of an asset, the item must have the appropriate form and
related documentation completed and attached to the asset in addition to the information
being entered in the appropriate PMIS module. Below is a list of the categories of asset
disposition and the associated documentation. Where the form is available online, hyperlinks
have been added for ease of use.

Disposition Type	Required Documentation	Form/Links
ASSETS SOLD THROUGH GSA	Copy of all GSA documentation, at a minimum a copy of the Purchaser's Receipt and a Authority to Release from GSA	www.gsaxcess.gov
CANCELLATION OF CONTRACT	Copy of the cancellation including a list of the items to be canceled to include decal and/or serial numbers	OF-347
DAMAGED PROPERTY	Provide a copy of Report of Survey (ROS) or a receipt from the Manufacturer returning the item to company.	HHS-342 or a Manufacturer Receipt
DESTROYED PROPERTY	Name and address of location where destroyed and disposed. List of all items that were destroyed including HHS Decal Number and Serial Number. Witness MUST sign Section 10 on the ROS. Witness must include a Statement of Destruction on GSA documents, signature, and date.	HHS-342 or GSA approval documents
DISPOSED TO RECYCLER	Provide documentation from the recycler showing date of receipt, recipient signature and address.	HHS-22 or CDC-993(E)
INVENTORY ADJUSTMENT	Prepare an HHS-365 to account for: - Cost adjustments; - Removing an item from the active inventory due to a change from accountable to nonaccountable - Removing an item from the active inventory due to a change from sensitive to non-sensitive - Assembly or disassembly of equipment (systems, sets, kits) - Adding item found during inventory	HHS-365
REPORT OF SURVEY	Completed ROS to include supporting documentation. For stolen items a copy of the guard, police, FPS, or any other police agencies reports MUST be included as part of the ROS.	HHS-342 and Police reports as necessary
RETURN OF PURCHASED ASSET	When item returned to the vendor for refund, need proof of delivery by Vendor.	Receipt from Vendor
SCHOOL DONATIONS	Printed Name and signature of the recipient. Name and Address of receiving organization on specific form. (Copy of a driver's license and/or other picture ID of the representative from receiving organization as prescribed by HHS LMM).	HHS-22 (Rev 8/00), Certification Letter and School Letter Head letter (found under FORMS on the PMIS Homepage) or CDC 0.993 (E)
TRADE-IN	Organization must show proof of trade via a Purchase	PO showing trade in and

Appendix 5. GSA Regional Personal Property Directory

PERSONAL PROPERTY DIRECTORY

Region 1 - Boston	Region 5 - Chicago	Region 8 - Denver	National Capital Region
States: CT, MA, ME, NH, RI, VT	*States: IL, IN, MI, MN, OH, WI*	*States: CO, MT, ND, SD, UT, WY*	*States: DC and Metro MD, VA*
O'Neill Federal Building	230 S. Dearborn Street	P.O. Box 25506, DFC, Bldg. 41	490 L'Enfant Plaza East SW, Ste 8214
10 Causeway Street, Room 1085	Suite 3280	Denver, CO 80225-0506	Washington, DC 20407
Boston, MA 02222-1047	Chicago, IL 60604-1696	**Director: H Jan Faulkner**	**Director: Charles L. Robinson**
Director: Anthony Guerra	**Director: Stephanie Wilson-Coleman**	No. 303-236-7700/Fax 303-236-7544	No. 202-619-8986/Fax 202-619-8985
No. 617-565-6573/Fax 617-565-5767	No. 312-886-8194/Fax 312-886-8901	**U&D APO/National Firearms**	**Utilization/Donation Manager:**
Region 2 - New York	**Sales Manager: Miriam van Gerpen**	**Program Manager: Debbie Rojas Cook**	**Rickey D. Parker**
States: NJ, NY, PR, VI	No. 312-983-1840/Fax 312-886-8901	No. 303-236-7707/Fax 303-236-7544	No. 202-619-8975/Fax 202-619-8985
26 Federal Plaza	**Region 6 - Kansas City**	**Sales Manager: Pat Honley**	**Springfield/Franconia Warehouse Center**
Room 20-112	*States: IA, KS, MO, NE*	No. 303-236-7698/Fax 303-236-7544	6808 Loisdale Road, Building A
New York, NY 10278	1500 East Bannister Rd.	Info Line: 303-236-7735	Springfield, VA 22150
Director: Catherine Morant	Bldg. 6, 1st Floor	**Region 9 - San Francisco**	**Personal Property Center**
No.212-264-2626/Fax 212-264-9806	Kansas City, MO 64131	*States: AZ, CA, HI, NV, (CM, AS, GU, NMI)*	**Manager: Sherlean P. Route**
Region 3 - Philadelphia	**Director: Judy Schroyer**	450 Golden Gate Ave.	No. 703-605-9318/Fax 703-605-9362
States: DE, MD, PA, WV, VA	No. 816-823-3719/Fax 816-823-3711	San Francisco, CA 94102-3434	**Surplus Sales Center Manager:**
The Strawbridge Building	**Utilization/Donation Manager:**	**Director: Ralph Cervantes**	**Canardo M. Richardson**
20 North Eighth St., 10th Floor	**Jimmy Kirby**	No. 415-522-3030/Fax 415-522-3033	No. 703-605-9331/Fax 703-605-9365
Philadelphia, PA 19107	No. 816-823-3356/Fax 816-823-3711	**Deputy Director: Drew DellaValle**	**GSA Central Office**
Director: Steve Olds	**Sales Manager: Tim Gosnell**	No. 415-522-3046	**Office of Personal Property**
No. 215-446-5075/Fax 215-829-2760	No. 816-823-3641/Fax 816-823-3701	**Utilization/Donation Manager:**	**Management**
Senior Advisor: Gregory M. Flores	**Region 7 - Fort Worth**	**Drew DellaValle**	2200 Crystal Drive
No. 312-983-1849/Fax 215-446-0265	*States: AR, LA, NM, OK, TX*	No. 415-522-3046	Crystal Plaza 4, Room 706
Utilization/Donation & Sales Managers	819 Taylor St., Room 13A05	**Sales Manager: Sindi Nishimura**	Arlington, VA 22202
South: Vacant	Fort Worth, TX 76102	No. 415-581-1722	**Director: David Robbins**
North: Kevin Murphy No. 856-472-2395	**Director: Alberta (Genni) Brown**	Info Line: 415-522-2891	No. 703-605-5610/Fax 703-605-9833
Fax 215-446-5116	No. 817-850-8353/Fax 817-574-2366	**Region 10 - Auburn**	**Utilization/Donation Program Division**
Region 4 - Atlanta	**Utilization/Donation Manager:**	*States: AK, ID, OR, WA*	**Director: Bill Kemp**
States: AL, FL, GA, KY, MS, NC, SC, TN	**Nina Gonzales**	400 15th Street, SW	No. 703-605-2879
401 West Peachtree Street, Ste. 2600	No. 817-850-8150/Fax 817-574-2366	Auburn, WA 98001-6599	**Sales Program Division Director:**
Atlanta, GA 30308	**Sales Manager: Ericka Grim**	Fax 253-931-7824	**Lynne Price**
Director: Karen Warrior	No. 817-850-8156/Fax 817-574-2367	**Director: Nancy Hamilton**	No. 703-605-2910
No. 404-332-3323/Fax 404-331-1877	Info Line: 817-850-8103	No. 253-931-7021/Fax 253-931-7389	**Special Projects Manager:**
Deputy Director: Donald Clark		Info Line: 253-931-7566	**Roman Marciniak**
No. 404-331-0974		**Utilization/Donation and Sales**	No. 703-605-2905
Utilization/Donation Program Manager:		**Manager: Lori Marrs**	**Area Property Officers**
Mark Brantley No. 404-331-0972		No. 253-931-7576	Find your APO at:
Sales Program Manager: Deone McMillan			www.gsa.gov/apo
No. 404-331-0543			
Utilization/Donation Manager:			
Jackie Powell No. 404-331-3057			
Sales Manager: Tonya Dillard			
No. 404-331-0535/Fax 404-331-7584			