

**Forest Service Handbook
National Headquarters - Washington Office
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**Forest Service Handbook 3109.12 – Property Acquisition Assistance Handbook
Chapter 30 - Disposal Of Federal Excess Personal Property (FEPP)**

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Responsible Staff:

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Posting Instructions: Amendments are numbered consecutively by handbook number and calendar year. Post by document; remove the entire document and replace it with this amendment. Retain this transmittal as the first page(s) of this document.

Digest: Following is an explanation of the changes throughout the directive by section.

Zero Code: Makes major editorial changes to fit organizational structure and revises direction for clarity throughout the chapter.

04: Clarifies areas of responsibility and adds references to the Federal Excess Property Management Information System (FEPMIS) as a tool developed to assist State cooperators in managing Forest Service personal property.

05: Adds definitions for the following terms: "Accountable Officer," "Acquisition Date," "Agency Acquisition Management System (AAMS)," "Change of Status," "Cooperator," "Demilitarization (DEMIL)," "Donee," "Emergency," "Expendable Property," "Federal Excess Property Management Information System (FEPMIS)," "Fire Program," "Flight Safety Critical Aircraft Part (FSCAP)," "GSA Xcess," "Incidental Use," "Inventoried Property," "Modification," "Mutilate," "Negligence," "Ninety/Ten rule," "Non-expendable Property," "Property Management Officer (PMO)," "Public Body," "Reimbursable Property," "Report Number,"

“Rolling Stock,” “Review,” “Screen,” “Separation of Duties,” “Technical Assistance,” “Transfer,” and “Unsalvageable Aircraft Part.”

Removes obsolete terms: “Exchange/Sale Property,” “Non-accountable Property,” “Non-reportable Excess Personal Property,” “Reportable Excess Personal Property,” and “Standard Price.”

06: Updates references to include Web hyperlinks.

10: Makes major editorial changes to fit organizational structure throughout the chapter. Revises direction for clarity and adds references to the Federal Excess Property Management Information System (FEPMIS) as the method for processing acquisitions.

20: Makes major editorial changes to fit organizational structure throughout the chapter. Revises direction for clarity, adds references to the Federal Excess Property Management Information System (FEPMIS) as the method of processing acquisition, management, and disposal of excess property, and adds direction for use of new form; FS-3100-9; Request for Cannibalization, Modification and Deregistration of Forest Service Owned Property.

30: Makes major editorial changes to fit organizational structure and revises direction for clarity throughout the chapter. Adds references to the Federal Excess Property Management Information System (FEPMIS) as the method to facilitate disposition of Federal Excess Personal Property (FEPP) property.

40: Makes major editorial changes to fit organizational structure and revises direction for clarity throughout the chapter. Adds references to the Federal Excess Property Management Information System (FEPMIS) as the method to facilitate acquiring, managing, and disposing of excess aviation property. Adds direction for use of the form; FS-3100-9; Request for Cannibalization, Modification and Deregistration of Forest Service Owned Property.

50: Makes major editorial changes to fit organizational structure and revises direction for clarity throughout the chapter. Adds references to the Federal Excess Property Management Information System (FEPMIS) as the method of processing acquisition, management, and disposal of excess property. Adds direction for use of form FS-3100-9, Request for Cannibalization, Modification and Deregistration of Forest Service Owned Property.

60: Makes major editorial changes to fit organizational structure, revises direction for clarity, and adds references to the Federal Excess Property Management Information System (FEPMIS) as the source for needed forms for Federal Excess Personal Property (FEPP) throughout the chapter.

62.1: Updates the requirements for the Annual Non-Federal Recipients report.

63.1: Adds the FEPP Review Checklist exhibit.

63.2: Updates the disposal codes for FEPP.

Table of Contents

30.1 - Authority	5
30.2 - Objective	5
30.3 - Policy	5
30.4 - Responsibility.....	5
31 - Reporting Requirement.....	6
31.1 - General Requirements	6
31.2 - Items Exempt from Reporting.....	7
32 - Items Requiring Special Handling	7
33 - Lost, Stolen, Damaged, or Destroyed Property	8
33.1 - Liability	9
34 - Abandonment and Destruction	9
35 - Donation	10
36 - Sales.....	10
36.1 - Small Lot Sales	11
37 - Documentation.....	12

30.1 - Authority

1. OMB Circular A-87. This Circular authorizes Federal awards carried out through grants, cost reimbursement contracts, and other agreements with State and local governments and federally recognized Indian tribal governments.
2. Title 41, Code of Federal Regulations, 102-35 through 102-38. These chapters outline the policy on the disposition of Federal personal property for transfer, donation and sale.

30.2 - Objective

To identify disposition requirements and regulations for the disposal of Federal Excess Personal Property (FEPP) that is on loan to State agencies.

30.3 - Policy

Create all changes to the status of FEPP in the Federal Property Management Information System (FPMIS).

State forestry organizations shall not dispose of any Federal excess personal property without the approval of the State forester, or their designated appointee, and the Forest Service regional or Area property management officer (PMO).

30.4 - Responsibility

The Forest Service regional/Area property management officer (PMO) shall promote the use and disposal of excess personal property to the maximum extent practicable and ensure that procedures comply with Federal regulations.

The Forest Service regional/Area PMO and the State agency shall monitor personal property to assure maximum use and develop and maintain a system to prevent and detect nonuse, improper use, unauthorized disposal, or destruction of FEPP.

Excess property must be reported promptly when no longer needed by any activity within the State or FEPP program for further reuse by eligible recipients.

The State shall provide reasonable access to authorized personnel for inspection and removal of FEPP property when excess.

The State agency shall report unneeded FEPP to the Forest Service regional/Area PMO for disposal.

Property must not be abandoned nor destroyed in a manner that is detrimental or dangerous to public health or safety, or that may infringe on the rights of others.

31 - Reporting Requirement

31.1 - General Requirements

Excess personal property shall be reported, when no longer needed, to promote reuse by the Government to enable Federal agencies to benefit from the continued use of property already paid for with taxpayers' money.

In accordance with the Federal Personal Property Disposition Process, acceptable methods of disposal include transfer, donation, sale, local scrap authority, abandonment, and destruction. Cannibalization is a form of use that requires a subsequent disposal action. Exchange, sale, or trade-in of FEPP is prohibited.

The Department reports property not requested by another Forest Service unit or agency to the General Services Administration (GSA) for final disposition. Once reported, do not use excess property or dispose of it without permission of the Forest Service regional/Area PMO, except in emergencies. To withdraw property previously reported as excess, submit a letter requesting withdrawal to the Forest Service regional/Area PMO. Identify the property by report number, item number, description, and quantity of withdrawal.

Data elements required on the Report of Excess Personal Property (SF 120) or the Report of Unserviceable, Lost, Stolen, Damaged or Destroyed Property (AD 112) will be entered in FEPMIS and FEPMIS will be used to generate the appropriate form.

When reporting excess hazardous property to GSA, certify on the SF 120 that the property has been packaged and labeled as required. Annotate any special requirements for handling, storage, or use, and provide a description of the actual or potential hazard. Final disposition must comply with applicable environmental, health, safety, and national security regulations.

Excess U.S. Department of Agriculture (USDA), including Forest Service, property must be screened within the agency and then within the Department before it is reported to General Services Administration (GSA) for possible use by other Federal agencies (AGPMR 110-36.210).

USDA Forest Service regional or Area Asset Management staff will electronically submit the data elements required on the SF 120 in the Agency Asset Management System (AAMS) where it will be available for 15 days for Departmental screening.

1. After internal screening, the property will automatically be sent electronically to GSAXcess (FMR 102-36.215, AGPMR 110-50.104) for additional screening by other Federal agencies and authorized and eligible donees.
2. With the exception of demilitarization required property, items not transferred to another Federal agency or donated will be sold by GSA Sales.

The GSA Property Management Office may provide a written determination that the property has no commercial value, or the estimated cost of its continued care and handling would exceed the estimated proceeds from its sale. Abandonment, destruction, or local scrap sale authority will then be authorized by the Forest Service regional/Area PMO.

Demilitarization required property will be reported in its current condition for possible reuse, but will be returned to the Agency for demilitarization after GSAXcess screening.

Forest Service regional/Area PMOs will provide direction to the State agency on the method of demilitarization referencing the regulation as outlined in the Department of Defense Demilitarization Manual 4160.21-M-1 found on the Defense Logistics Agency Disposition Services Web site at <http://www.dispositionservices.dla.mil/publications/index.shtml>.

Copies of all disposal documentation will be placed in the master asset file and retained for 6 years and 3 months after final disposition (FSH 6509.19).

31.2 - Items Exempt from Reporting

Property items which pose a safety or health risk, or items that have no utility or monetary value (either as an item or as scrap), do not need to be reported for screening and will be destroyed. Written findings must be documented on the form AD 112, Report of Unserviceable, Lost, Stolen, Damaged or Destroyed Property, and signed by a witness and an authorized official verifying the destruction and method of disposal.

An item under \$500 in acquisition cost which has no commercial value, or the estimated cost of its continued care and handling would exceed the estimated proceeds from its sale, may be abandoned or destroyed without public notice and should be documented on the AD 112 form.

Hazardous materials which can no longer be used for their intended purpose must be destroyed in compliance with Federal, State, and local waste disposal and air and water pollution control standards.

Items that are a health or safety risk must not be reported as excess and must be destroyed to render the item unusable and non-repairable for future use.

Shelf life items that have reached their expiration date must be destroyed to prevent use.

32 - Items Requiring Special Handling

All excess aircraft, regardless of condition or dollar value, (FMR 102-36.340), must be reported to GSA.

Flight Safety Aircraft Parts (FSCAP) must be documented to determine whether the part is adequate to allow transfer, donation, or sale of the part.

Undocumented FSCAP must be mutilated and disposed of as scrap.

When reporting hazardous property, certify on the SF 120, Report of Excess Personal Property, that the property has been packaged and labeled as required. Annotate any special requirements for handling, storage, or use and provide a description of the actual or potential hazard.

Demilitarization required property must be mutilated beyond recognition of its original appearance by cutting, crushing, scrapping, melting, or burning prior to sale to the general public.

1. After an item has been demilitarized, a Demilitarization Certification will be signed by a technically qualified Forest Service representative and countersigned by a technically qualified Forest Service representative who actually witnessed the demilitarization of the material and inspected the residue.
2. Residue of the demilitarized item will be reported to GSA Sales branch on the SF 126, Report of Personal Property for Sale, as DEMIL scrap, residue of the original item, to only be sold as scrap metal.

Munitions List Items (MLI)/Commerce Control List Items (CCLI) are identified by the demilitarization code that is assigned. The code indicates the type and scope of demilitarization and/or export controls that must be accomplished (DOD 4160.21-M-1 and FSM 6413.4).

Computers and components require special handling which is outlined by the Washington Office Acquisition Management staff on this Web site at <http://fsweb.wo.fs.fed.us/irm/asset/asset-recovery/index.php>.

All hard drives must be sanitized/wiped prior to disposal in accordance with NIST Special Publication-800-88.

33 - Lost, Stolen, Damaged, or Destroyed Property

Property that has been identified as lost or stolen must be reported to the Forest Service regional/Area PMO immediately and details pertaining to the disappearance of the property item must be entered in FEPMS on the AD 112 form. The Forest Service regional/Area PMO makes the determination on liability based on facts provided.

FEPP that has been damaged or destroyed by other than normal usage must be reported to the Forest Service regional/Area PMO immediately, and details pertaining to the damage or destruction of the property must be entered in FEPMS on the AD 112 form.

Vehicles that have been involved in an accident and have been deemed totaled by the insurance company may only be disposed of as salvage. Title cannot be transferred for salvaged vehicles.

The Forest Service regional/Area PMO determines if the loss, theft, damage, or destruction was the result of simple negligence or gross negligence and if there is any financial liability.

33.1 - Liability

Liability is normally determined when the facts indicate that the user of the property did not take prudent and reasonable steps to safeguard the item. If the State accountable officer is found to be liable and if collection is warranted, refer to FSH 6509.11, chapter 20, for guidance.

The amount to be charged to the State agency is based on the inventory value, (less reasonable depreciation and funds used to place the item in working order) or 10 percent of the original acquisition value, whichever is less.

34 - Abandonment and Destruction

The Forest Service regional/Area PMO may recommend disposition of property by abandonment or destruction if it is determined the property has no commercial value after it has been offered for transfer, donation, and sale or is exempt from reporting.

To abandon or destroy excess personal property, an authorized official of the Forest Service makes a written finding that must be approved by a reviewing official who is not directly accountable for the property. This can be accomplished on the AD 112 form.

Property disposed of by abandonment or destruction must be rendered completely unserviceable by the holding agency, and all markings identifying the property as Government property must be removed.

In lieu of abandonment/destruction, such excess personal property may be donated to a public body (FMR 102-37.560) without going through the General Services Administration.

1. Public notice of intent to abandon or destroy excess personal property is required.

Public notice will be performed in one of the following manners; publishing a notice in a local newspaper or posting of signs in common use facilities available to the public for a minimum of 30 days. Also, an offer to sell an item must be included in the notice according to directions in section 36 of this chapter.

2. Public notice is not required when:

- a. The value of the property is so little or the cost of its care and handling, pending abandonment/destruction, is so great that its retention for advertising for sale, even as scrap, is clearly not economical.
- b. Abandonment or destruction is required because of health, safety, or security reasons.
- c. When the original acquisition cost of the item (estimated if unknown) is less than \$500.

No Forest Service employee or associated State cooperator may obtain for personal use any article of departmental property that has been authorized for abandonment and destruction.

If the Forest Service Asset Management staff becomes aware of an interest from an eligible non-profit organization, that is not a public body, to acquire the property, they shall contact the regional GSA personal property management office and implement donation procedures in accordance with FMR 102-36.

35 - Donation

FEPP may only be donated by the Forest Service to a public body (see definition in 41 CFR 102-36.320)

Donation must be superseded by Departmental screening, GSA utilization and donation screening, and GSA sales for all items required to be reported as excess.

If the Forest Service regional/Area PMO becomes aware of an interest from an eligible non-profit organization that is not a public body and is interested in acquiring the property, they shall contact the regional GSA Property Management Office and implement donation procedures (FMR 102-36.320 and 102-37).

36 - Sales

The Forest Service is required to request GSA to sell all Agency excess property.

After Departmental and GSA utilization and donation screening cycles have ended, property will automatically go to GSA Sales. Approximately 15 days after screening ends, the item should be listed on GSA Auctions for sale.

Sales typically last 7-days and the customer who has been awarded the item will have 5 days to pay for their purchase.

The Forest Service regional/Area PMO and property custodian shall be notified when the item has been sold, or if the item did not receive a bid.

1. GSA sales contracting officer (SCO) shall provide a copy of the purchaser's receipt to the Forest Service regional/Area PMO and custodian when funds have been collected for items sold.

When a customer defaults on a bid, the Forest Service regional/Area PMO may request the SCO to offer the item to the next highest bidder or request that the item be offered on the next available sale.

2. For items that did not receive a bid, the Forest Service regional/Area PMO will have the option to have the SCO offer the item on the next available sale, or they can have the item returned to the agency for local scrap authority.

The Forest Service regional/Area PMO must receive a letter from the SCO returning the item to the agency before the Forest Service may authorize local disposal.

For items returned to the Agency, the Forest Service regional/Area PMO may authorize destruction of the item, sale as scrap metal, recycled per FMR 102-39 and FSH 6509.19, chapter 10, section 18, or be taken to a landfill for disposal.

The receipts from scrap sales must be returned to the Forest Service. Receipts should be made payable to the U.S. Treasury General Fund Account or the Forest Service designated recycling account, if applicable. Only certified forms of payment (cashier's check, certified check, money order, and so forth) will be accepted.

Quarterly reports for items sold and sold as scrap by the Agency will be reported to the Washington Office, Fire and Aviation Management National FEPP Program Manager. Report end item sales and scrap sales separately.

36.1 - Small Lot Sales

Items that have a low dollar value will be compiled into a group with other like items.

Lots will be comprised of items in the same category classification or Federal Supply Group.

Items that do not have a Federal Property Identification number will be identified by quantity and nomenclature, and if available, provide serial number.

37 - Documentation

Property may not be removed from the State inventory without the required documentation.

Required documentation must be signed prior to the State releasing custody of the property. A purchaser's receipt is issued from GSA when sold through GSA Auctions.

1. Property transferred to another Federal Agency requires a SF 122, Transfer Order Excess Personal Property or an AD 107, Report of Transfer Document if transferred within USDA.
2. Property donated to a qualified donee requires a SF-123, Transfer Order Surplus Personal Property.
3. Property items returned to the Department of Defense require a DD 1348-1a, Issue, Release, Receipt Document.
4. Property items lost, stolen, damaged or destroyed require supporting documentation, such as, police reports, insurance reports, cooperator statements, letters, and/or emails.
5. Property that is scrap and has not been sold by GSA, requires a minimum bid of \$1 and a signed local scrap authority sale letter.
6. Property that has been given Abandonment and Destruction (A&D) authority requires an A&D witness statement with two signatures from State employees who witnessed the abandonment and destruction.
7. Property that is demilitarized requires the DEMIL statement signed by a qualified Forest Service certifying official and a qualified Forest Service verifying official.

Signed documents will be sent to the Forest Service regional/Area office for inclusion in relevant files.

Certain types of disposals require multiple disposal documents before the item will be removed from the USDA property management and accounting information systems.