



State of South Carolina

Office of the Governor

MARK SANFORD
GOVERNOR

OFFICE OF EXECUTIVE
POLICY AND PROGRAMS

FISCAL/TECHNICAL

ASSISTANCE MEMORANDUM F09- 01 REVISED

TO: See Distribution

FROM: Arlene D. Williams, Senior Manager of Fiscal Services

SUBJECT: Procedures for Surplus Property and Equipment Disposal

DATE: June 19, 2008

The Office of Economic Opportunity (OEO), as administering agent, is authorized to utilize the State of South Carolina's Office of General Services for disposal of surplus property. The following are procedures for reporting the disposal of unwanted property:

Surplus Property

1. The Subgrantee's Executive Director will send a letter requesting the disposal of surplus property to the OEO Senior Manager of Fiscal Services with the following details: location of property, description of property with serial number, year purchased, VIN number and mileage, as well as book value and market value when desiring transfer property.
2. OEO will require all agencies, utilizing the State's Surplus Property method of disposal, to complete the appropriate form for proceeds to be returned to the agency. If the agency decides to use surplus property, it must obtain an account number. OEO will submit a Turn-In Document (TID) Surplus Property and submit the form to the Office of General Services, Surplus Property Office. The OEO will retain a copy of this document for tracking purposes. Questions regarding a request to surplus property should be directed to the OEO Senior Manager for Fiscal Services.
3. The Surplus Property Office will review the Turn-In Document and send a Screener out to determine if the property is of any value. They will arrange for pick-up of the property and determine if the property will be sold at public auction or by competitive sealed bid. **Please note, agencies are allowed to stipulate a minimum amount required before a bid is accepted.**

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4. The Office of General Services will deposit the proceeds from the sale less the expense of the sale in the fund designated on the Turn-In Document.

When liquidation occurs for any property purchased with Federal funds (for example: an insurance check for a totaled vehicle), proceeds must be returned to the source of funds from which the property was originally purchased to offset the purchase of replacement property. Where Surplus Property determines that OEO program inventory is of no resale value, the agency must then assume responsibility for timely and proper disposal.

Once the agency is notified of the final determination by Surplus Property, within ten (10) working days, the agency Executive Director must notify the appropriate OEO Senior Manager for Fiscal Services in writing of the final disposal.

Equipment Disposal

OMB Circular A:110: Subpart C: Property Standards states, “when acquiring replacement equipment, the recipient may use the equipment to be replaced as trade-in or sell the equipment and use the proceeds to offset the costs of the replacement equipment subject to the approval of the Federal awarding agency” (OEO). Therefore, when the decision has been made by the agency to utilize inventory items (purchased with OEO funds) for trade or sale, a written request is to be submitted to OEO prior to the transaction. If replacement is not the intent, it should be so stated in the letter of disposal along with the other required information. When it is anticipated that cash will be received, the agency must notify OEO in writing of how the funds will be used. Once approved, OEO will notify the agency in writing.

If you have any questions, please call me at (803) 734-9828.

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