

APPENDIX 505a

**ADMINISTRATION AND MANAGEMENT OF
JOB CORPS
CONTRACTOR-HELD GOVERNMENT-FURNISHED
PROPERTY**

Disposition of Excess Government-Furnished Property - Job Corps Contractors

1. Introduction

- a. Contractor-held excess property is Government-Furnished Property (GFP) that is considered no longer of use to the contract. This can be surplus property, property that is old or obsolete, property that is damaged, property that is unsafe, or property that is otherwise serving no effective useful purpose on the contract. There are strict rules around how to handle excess GFP, and laws and regulations pertaining to handling of certain items during disposal (for example, electronics). Authorized actions for excess property must be approved in advance by the federal Project Manager/COTR. Such actions include transfers (internal and external), donations, cannibalization (in rare instances), and disposal. Except for sale of scrap materiel to bona fide recycling companies, as outlined in this policy, there is no sale of property program in Job Corps and no sale of property is authorized outside of sales by the Government through GSA. Each of the authorized pathways for disposition of property is described below. This guidance cannot contain all available information pertaining to authorized disposition of property.
- b. Job Corps CPMs must become familiar with the procedures that support the disposition of excess GFP; it is a substantial part of the job and requires attention to detail. The CPM always should consult with the federal Project Manager or RPO when in doubt or when clarity is needed.

2. Requirements

- a. Contractors will follow the steps given under Section 3, below (Process) for disposition of GFP. Circumstances not addressed in this policy will be brought to the attention of the Regional or National Property Officer.
- b. Contractors will submit a written report as part of the annual CPMP, which reflects the number of property items that were authorized for disposition for the prior Fiscal Year (October 1 through September 30), with a breakdown of disposition type (i.e., Transfer/Redistribution [contractor-to-contractor within the Job Corps system]; Transfer/GSA [external transfer]; Donation, Recycling [including any monies received by Recycling companies and directed to Student Government Association environmental initiatives], and Disposal).
- c. Acquisition of GFP by private individuals is expressly prohibited, regardless of the disposition status of the property. Evidence of such activity will establish a basis for legal action/investigation. Contractor managers will ensure that this restriction is included in training for all employees.

3. Process

- a. Property considered no longer of use to the contract must first be deemed *excess* by the CPM, as appropriate. Property custodians will inform the CPM of property that he/she feels should be categorized as Excess, using a Report to CPM of Excess Property (Appendix 505b). The CPM will review the information and condition of the item and confirm (or reassign) a condition code, and initial the form. Where equipment is re-assigned internally (for re-use within the contract), an Internal Transfer of Property/Hand Receipt will be completed. Where equipment is not re-assigned internally, the CPM will note on the report that the item(s) has moved into disposition, initial and date the form, and affix an adhesive label to the item in a conspicuous location that contains the Disposition Condition Code. This establishes the entry of that item into disposition status. Items moved into disposition status will be reported on an SF-120 and forwarded to the Region with the quarterly property submission, for Regional review and approval.
- b. Condition Code Designations and Descriptions
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| 1 | Excellent Condition | Property in new or used condition, which can be used immediately without modifications or repairs. |
| 4 | Usable Condition | Property that shows some wear, but can be used without significant repair. |
| 7 | Repairable Condition | Property that is unusable in its current condition, but can be economically repaired. |
| X | Salvage Condition | Property that has value in excess of its basic Material content, but repair or rehabilitation is impractical or uneconomical. |
| S | Scrap Condition | Property that has no value above its basic Materiel content. |
- c. All property that has been deemed as excess by the contractor, regardless of condition, must be approved by both the CPM and the Center Director. All SF-120 Reports of Excess Property must contain the signature of both the CPM and the Center Director prior to being forwarded to federal officials for final approval.
- d. Contractors should note that as a general rule, computers that are taken offline or replaced should not be reused on center. Doing so often creates system glitches and technical problems on the Job Corps network. Guidance for how to handle old computers (or computers that have been replaced) appears at the end of this section.

e. “Sighting” of Property Generally Rescinded

In the past, contractor-held GFP that was requested to be moved into Excess status in Job Corps was required to be “sighted” by a federal representative (or authorized designee). This standard requirement, although it helped to control unauthorized disposition of some property, brought unintended consequences. First, it caused long-term build up of surplus and excess property on Job Corps centers. Second, it did not, in itself, provide the internal controls that would effectively assist contractors in ensuring that only federally authorized actions took place with regard to those items.

With the issuance of this updated policy, the requirement for federal representatives to conduct an in-person visual inspection (or “sighting”) of the proposed excess property is generally rescinded¹. However, the federal Project Manager/COTR, RPO, or the NPO retains the authority to require that the property submitted for excess by the contractor be held for visual inspection (by a Federal representative) prior to approving the property as excess. All approvals shall be made on a case-by-case basis at the federal Regional or National level. In most cases, the contractor will request property to become excessed by using the SF-120, Report of Excess Property, and this form will be reviewed by the federal Project Manager and the RPO. The region may request photographs and additional supporting information as part of its review, and may disallow some or all of the items requested for excess or disposition on a single SF-120.

f. SF-120’s – Report of Excess Property

All items reported by the contractor as excess property must be submitted on an SF-120 for review and clearance by the federal official (regional Project Manager or RPO). This includes all non-expendable items, not just items that are reported in the EPMS. For example, a set of chairs that are not reported in the EPMS must still be reported on an SF-120 when the contractor is requesting that they be excessed and moved into disposition. Items contained in the EPMS inventory will be reported on a separate SF-120 from those that are not.

g. SF-122 and SF-123 – Transfer Order/Excess/Surplus Property

Transfers of items from one contract to another, or outside of the contract (to GSA or State Agencies for Surplus Property), are requested and approved by using the SF-122 or the SF-123 form. The requested transfer actions must be approved by the assigned federal Project Manager or the RPO, for both the sending contract and the receiving contract, as appropriate. The SF-122 form is used for intra-agency transfers (for Job Corps contract-to-contract property); the SF-123 is used to list property with GSA for transfer or sale. If the item is transferred to GSA, GSA may generate an automated transfer form, which will be printed by the CPM; a copy of which will be sent by the contractor to the Region as part of its quarterly property report. Otherwise, all completed SF-122s and SF-123s (original forms) will be forwarded to the RPO as part of the quarterly report.

¹ This update represents a variance over the ETA 359 Property management Handbook (August 2003)

Copies of the completed forms will be maintained with the contractor's on-site property records and remain available for inspection by Government officials.

h. Disposition Pathways (Non-Computerized Equipment)

Disposition Pathways vary according to property type and condition code. Computerized equipment should follow the guidance provided below (Section i). For all other property/equipment:

- (1) **Condition Code 1 – Excellent.** This property is in new or unused condition and can be used immediately without modifications or repairs. Once federal approval has been obtained via the SF-120 process, this equipment should be moved by the contractor within the EPMS listing into “Redistribution” status, for listing on the EPMS Marketplace for 21 days, to make it available for other contractors. (Computers generally are not eligible for Redistribution in Job Corps; see below guidance for Computerized Equipment [Section i.]).
 - (a) If the property is wanted by another contractor, the SF-122, Transfer Order Excess Personal Property, will be completed by the holding contractor (CPM), and forwarded to the federal Project Manager for approval/signature, who will forward to the receiving Project Manager for approval/signature.
 - (b) Following a period of 21 calendar days under Redistribution status, if no interest has been expressed by another contractor, the property must be listed with GSA via GSAXcess for a period of 21 days or with the local SASP (www.gsa.gov/SASP). If no activity has been generated as a result of the above actions, the property is then eligible for donation.
 - (c) Donations: Donations may be made to state and local governments; public libraries; public schools; non-profit organizations whose primary mission is training or education (e.g., Head Start programs); and, where none of the above entities are able to receive the equipment, to other bona fide non-profit organizations. (Note that religious organizations are not eligible.) Donations will be documented with the following information: print-out of the EPMS list that shows the property, line by line, to be donated (where applicable); the approved SF-120 Report of Excess Property; and a completed Certificate of Abandonment or Destruction (the “Donate to Public Body” option will be marked). At time of donation, recipients

must initial and date each inventory item shown on the EPMS listing (to document receipt of each item); and note "RECEIVED," date, **taxpayer identification number of the organization**, and name and signature of the individual who is receiving the item(s) for the organization. The CPM will make a notation to the SF-120 "DONATED," date, name of organization to which the equipment was donated, and provide his/her name and signature. The CPM and Center Director will witness the donation and provide attestation on the lower half of the Certificate of Abandonment or Destruction form. The contractor will maintain original documentation in the on-site property records; copies will be forwarded to the federal Project Manager as part of the quarterly property report. The federal Project Manager will review the documentation and approve inventory adjustments by the Region, as appropriate.

- (2) **Condition Code 4 – Usable.** This property shows some wear, but can be used without significant repair. This property will follow the same procedures as those shown for Condition Code 1.
- (3) **Condition Code 7 – Repairable.** This property is unusable in its current condition but can be economically repaired. Such equipment should follow the same procedures for Condition Code 1, however, may also follow the procedures for Salvage or Scrap if the property is not transferred internally via the EPMS Marketplace (Redistribution), or via GSA or the local SASP, or if no suitable donation entity (as outlined above) can receive the equipment after reasonable attempts have been made and documented.
- (4) **Condition Code X – Salvage.** This property has value in excess of its basic materiel content, but repair or rehabilitation is impractical or uneconomical. This property may not be listed for internal redistribution. It should be listed with GSA via GSAXcess or the local SASP may be contacted (www.gsa.gov/SASP) to pick up the item(s). If, after documenting those efforts and after a reasonable period the property has not been transferred or picked up, it should be recycled wherever possible, or as a last resort, disposed of.
 - (a) **Recycling.** Property to be recycled must be obtained by a bona fide, licensed recycler/scrap dealer. Pick up of items for recycling will be documented with the following: print-out of the EPMS or other inventory listing that shows the property (line by line) to be recycled or scrapped, where applicable; the approved SF-120 Report of Excess

Property; and a completed Certificate of Abandonment or Destruction. The “Scrap Dealer” option will be marked. At time of pick up, dealers must initial and date each inventory item shown on the inventory listing (to document receipt of each item); and note “RECEIVED,” date, **taxpayer identification number of the organization**, and name and signature of the individual who is receiving the item(s) for the organization. The CPM will make a notation to the SF-120 as either “RECYCLED,” or “SCRAPPED,” date, name of company receiving the property, the dollar amount of monies received from the company as a price paid to the contractor for materiel, if any, and CPM’s name and signature. The CPM and Center Director will witness the dealer pick up and provide attestation on the lower half of the Certificate of Abandonment or Destruction form. The contractor will maintain original documentation in the on-site property records; copies will be forwarded to the federal Project Manager as part of the quarterly property report. The federal Project Manager will review the documentation and approve inventory adjustments by the Region, as appropriate. Any monies received as a result of sale of scrap will be directed to the Student Government Association’s environmental initiatives fund. (See Section i[ii] for additional guidance.)

- (5) **Condition Code S – Scrap.** Items in this category may go directly into a pathway for Recycling, as noted above, wherever possible. **The disposal of GFP will occur only as a last resort**, after all other potential pathways for disposition have been exhausted. Disposal will follow the same procedures as those for recycling, except that the Certificate of Abandonment or Destruction will be marked “Abandoned in Place,” and in the explanation section, method of disposal should be noted (e.g., for pick up by waste management company; taken to landfill; etc.) In this instance, there will be no signature of a receiving organization or business; however, the Certificate of Abandonment or Destruction must still be witnessed by both the CPM and the Center Director.
- (a) Acquisition of GFP in any disposition status, including Salvage or Scrap, by private individuals is expressly prohibited, and evidence of such activity will establish a basis for legal investigation.
- (b) Electronic Equipment. The disposal of electronic equipment **must** follow federal, state, and local laws and regulations, and its handling must be documented. Only waste management companies licensed to handle electronic equipment may receive and dispose of such equipment. For

additional assistance in disposal of electronic equipment, contact local city or county Public Works offices. You also may visit <http://www.epa.gov/wastes/conserve/materials/ecycling/donate.htm> for additional resources.

i. Disposition Pathways (Computerized Equipment)

(1) Computers should be organized separately as working or non-working, physically identified as such, and stored and protected in a designated area away from operating computers. An SF-120 (Report of Excess Property) will be completed, with federal authorization signature (usually the federal Project Manager), for all excess computer equipment. A single SF-120 may be completed for all computer equipment excessed at a single point in time and will include all standard identifying information (e.g., description of item, serial number [as available], etc.).

(2) Excess computers (whether working or not) are not eligible for redeployment on-center or redistribution via EPMS Redistribution/Marketplace, and should not be listed for internal transfer within Job Corps.

(3) Working computer equipment that is identified for donation must be physically identified as “Pending Donation.”

(4) Prior to donation or disposition, hard drives of computerized equipment will first be sanitized and all student records and/or personally identifiable information (PII) will be removed in accordance with Job Corps policy. A DL-155 form must be completed at the time of sanitization and maintained with the contractor’s property records.

(5) Actions for donations of working computers to an authorized donation site are initiated. Contractors should first attempt to identify an authorized Computer for Learning (CFL) donation site wherever practicable (<http://computersforlearning.gov>). Once an authorized donation organization is identified, a Certificate of Abandonment & Destruction will be completed. Donation recipients must initial the SF-120 for each item received, and provide a notation on the Certificate of Abandonment & Destruction indicating “RECEIVED,” Organization Name, Signature, and Date.

(6) A copy of the approved SF-120, along with the DL-155, EPMS listing that identifies the items donated, and a completed Certificate of Abandonment & Destruction will be forwarded to the RPO for review and subsequent removal of donated items from the EPMS listing.

(7) Where CFL donation is not available, usable equipment should be listed with GSA (via GSAccess) for external transfer or sale, or the local State Agency for Surplus Property (SASP) should be contacted (www.gsa.gov/SASP/)

(8) Where GSA is unable to transfer or sell property or where the local SASP has been unable to pick up the property within a reasonable period of time, other donation organizations may be considered. These include local/State governments, libraries, and nonprofit organizations with an educational mission such as Head Start. Such donations shall only be made to legal nonprofit organizations with tax ID numbers. Note that donations to religious organizations are prohibited. All procedures described above for donation of property must be followed in every instance.

(9) Where equipment is not donated, or transferred via GSA or the local SASP, CPMs may Contact their local city or county Public Works offices for assistance, and may also visit UNICOR (see item K below), or visit <http://www.epa.gov/wastes/conserva/materials/ecycling/donate.htm> for additional resources. Computer equipment and electronics must follow specific environmental regulations for recycling or disposal. Contractors will ensure that any waste disposal companies used for disposing of computers and electronic equipment can demonstrate that they are licensed to handle electronics waste recycling or disposal and are in compliance with existing federal, state, and local environmental regulations. The same procedures apply for recycling of computers and electronics as those outlined above for donation, except that the “Scrap Dealer” box will be checked on the Certificate of Abandonment or Destruction.

(10) UNICOR is a federally supported organization with a major focus on the recycling of computers, electronics, and other materials. In certain U.S. areas, UNICOR will pick up recyclables, including computers and other equipment, where there is a sufficient amount of material (usually 15 or more computers; however, other equipment may be added to increase the size of the UNICOR pickup). UNICOR operates major donation warehouses where items may be dropped off in Atlanta, GA; Miami, FL; Inglewood, CO; Sheridan, OR; and Landover, MD. The same procedures for donation will apply, as specified above, for all UNICOR donations. UNICOR offers information and customer assistance by phone and online. Visit <http://www.unicor.gov/recycling> for more information.

(11) Funds received as a result of scrap sales will be directed to the Student Government Account (SGA) and recorded as a credit to the SGA Environmental Initiatives fund. The date of the credit to the SGA account will be within three business days of the date of sale and pick-up of items. The SGA will use the funds in this account to support environmental projects and initiatives on center, and will conduct such activities in accordance with established SGA procedures.

(12) Failure by the contractor to obtain, maintain, and produce records that support required procedures at the request of the Government could result in findings of liability assessed against the contractor.