

**CHAPTER 110 - AGRICULTURE PROPERTY MANAGEMENT REGULATIONS  
SUBCHAPTER B - PERSONAL PROPERTY  
PART 110-38 - SALE OF PERSONAL PROPERTY**

**SUPPLEMENTING**

**CHAPTER 102 - FEDERAL MANAGEMENT REGULATION  
SUBCHAPTER B - PERSONAL PROPERTY  
PART 102-38 - SALE OF PERSONAL PROPERTY**

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## Subpart A - General Provisions

### 102-38.5 What does this part cover?

This part prescribes the policies governing the sale of Federal personal property, including--

(a) Surplus personal property that has completed all required Federal and/or donation screening; and

(b) Personal property to be sold under the exchange/sale authority.

**Note to [102-38.5](#):** You must follow additional guidelines in 41 CFR parts 101-42 and 101-45 of the Federal Property Management Regulations (FPMR) for the sale of personal property that has special handling requirements or property containing hazardous materials. Additional requirements for the sale of aircraft and aircraft parts are provided in [Part 102-33](#) of this chapter.

### 102-38.10 What is the governing authority for this part?

The authority for the regulations in this part governing the sale of Federal personal property is 40 U.S.C. 541 through 548, 571, 573 and 574.

### 102-38.15 Who must comply with these sales provisions?

All executive agencies must comply with the provisions of this part. The legislative and judicial branches are encouraged to follow these provisions.

### 102-38.20 Must an executive agency follow the regulations of this part when selling all personal property?

Generally, yes, an executive agency must follow the regulations of this part when selling all personal property; however--

(a) Materials acquired for the national stockpile or supplemental stockpile, or materials or equipment acquired under section 303 of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2093) are excepted from this part;

(b) The Maritime Administration, Department of Transportation, has jurisdiction over the disposal of vessels of 1,500 gross tons or more and determined by the Secretary to be merchant vessels or capable of conversion to merchant use;

(c) Sales made by the Secretary of Defense pursuant to 10 U.S.C. 2576 (Sale of Surplus Military Equipment to State and Local Law Enforcement and Firefighting Agencies) are exempt from these provisions;

(d) Foreign excess personal property is exempt from these provisions; and

(e) Agency sales procedures which are mandated or authorized under laws other than Title 40 United States Code are exempt from this part.

### **102-38.25 To whom do "we", "you", and their variants refer?**

Unless otherwise indicated, use of pronouns "we", "you", and their variants throughout this part refer to the Sales Center responsible for the sale of the property.

### **102-38.30 How does an executive agency request a deviation from the provisions of this part?**

Refer to [§§102-2.60](#) through [102-2.110](#) of this chapter for information on how to obtain a deviation from this part. However, waivers which are distinct from the standard deviation process and specific to the requirements of the Federal Asset Sales (eFAS) initiative milestones (see [Subpart H](#) of this part) are addressed in [102-38.360](#).

### **110-38.30 Agency requests for deviation from this part.**

See [110-2.80](#) of Subchapter A in order to request a deviation from the requirements of this part.

## **Definitions**

### **102-38.35 What definitions apply to this part?**

The following definitions apply to this part:

“Bid” means a response to an offer to sell that, if accepted, would bind the bidder to the terms and conditions of the contract (including the bid price).

“Bidder” means any entity that is responding to or has responded to an offer to sell.

“Estimated fair market value” means the selling agency's best estimate of what the property would be sold for if offered for public sale.

“Federal Asset Sales (eFAS)” refers to the e-Government initiative to improve the way the Federal Government manages and sells its real and personal property assets. Under this initiative, only an agency designated as a Sales Center (SC) may sell Federal property, unless a waiver has been granted by the eFAS Planning Office in accordance with [102-38.360](#). The eFAS initiative is governed and given direction by the eFAS Executive Steering Committee (ESC), with GSA as the managing partner agency.

“Federal Asset Sales Planning Office (eFAS Planning Office)” refers to the office within GSA assigned responsibility for managing the eFAS initiative.

“Holding Agency” refers to the agency in possession of personal property eligible for sale under this part.

“Identical bids” means bids for the same item of property having the same total price.

“Personal property” means any property, except real property. For purposes of this part, the term excludes records of the Federal Government, and naval vessels of the following categories:

- (1) Battleships;
- (2) Cruisers;
- (3) Aircraft carriers;
- (4) Destroyers; and
- (5) Submarines.

“Sales Center (SC)” means an agency that has been nominated, designated, and approved by the eFAS ESC and the Office of Management and Budget (OMB) as an official sales solution for Federal property. The criteria for becoming an SC, the selection process, and the ongoing SC requirements for posting property for sale to the eFAS portal and reporting sales activity and performance data are established by the eFAS ESC and can be obtained from the eFAS Planning Office at GSA. The eFAS Planning Office may be contacted via e-mail at [FASPlanningOffice@gsa.gov](mailto:FASPlanningOffice@gsa.gov). SCs may utilize (and should consider) private sector entities as well as Government activities and are expected to provide exemplary asset management solutions in one or more of the following areas: on-line sales; off-line sales; and sales-related value added services. SCs will enter into agreements with holding agencies to sell property belonging to these holding agencies. A holding agency may employ the services of multiple SCs to maximize efficiencies.

“State Agency for Surplus Property (SASP)” means the agency designated under State law to receive Federal surplus personal property for distribution to eligible donees within the State as provided for in 40 U.S.C. 549.

“State or local government” means a State, territory, possession, political subdivision thereof, or tax-supported agency therein.

## **Responsibilities**

### **102-38.40 Who may sell personal property?**

An executive agency may sell personal property (including or on behalf of another agency when so requested) only if it is a designated Sales Center (SC), or if the agency has received a waiver from the eFAS Planning Office. An SC may engage contractor support to sell personal property. Only a duly authorized agency official may execute the sale award documents and bind the United States.

### **110-38.40 USDA agency sales.**

USDA agencies that have been granted a waiver under this part, hold scrap sales, or conduct sales of personal property returned from a Sales Center, must establish internal procedures for the sales. These procedures must be uniform and consistent with the requirements for conducting sales of Federal personal property contained in this part and [102-39/110-39](#).

**102-38.45 What are an executive agency's responsibilities in selling personal property?**

An executive agency's responsibilities in selling personal property are to--

- (a) Ensure the sale complies with the provisions of Title 40 of the U.S. Code, the regulations of this part, and any other applicable laws;
- (b) Issue internal guidance to promote uniformity of sales procedures;
- (c) Assure that officials designated to conduct and finalize sales are adequately trained;
- (d) Be accountable for the care and handling of the personal property prior to its removal by the buyer; and
- (e) Adjust your property and financial records to reflect the final disposition.

**102-38.50 What must we do when an executive agency suspects violations of 40 U.S.C. 559, fraud, bribery, or criminal collusion in connection with the disposal of personal property?**

If an executive agency suspects violations of 40 U.S.C. 559, fraud, bribery, or criminal collusion in connection with the disposal of personal property, the agency must--

- (a) Refer the violations to the Inspector General of your agency and/or the Attorney General, Department of Justice, Washington, DC 20530, for further investigation. You must cooperate with and provide evidence concerning the suspected violation or crime to the investigating agency assuming jurisdiction of the matter; and
- (b) Submit to the General Services Administration (GSA), Property Management Division (FBP), 1800 F Street, NW., Washington, DC, 20406, a report of any compliance investigations concerning such violations. The report must contain information concerning the noncompliance, including the corrective action taken or contemplated, and, for cases referred to the Department of Justice, a copy of the transmittal letter. A copy of each report must be submitted also to GSA, Personal Property Management Policy Division (MTP), 1800 F Street, NW., Washington, DC 20405.

**102-38.55 What must we do when selling personal property?**

When selling personal property, you must ensure that--

- (a) All sales are made after publicly advertising for bids, except as provided for negotiated sales in §§[102-38.100](#) through [102-38.125](#); and
- (b) Advertising for bids must permit full and free competition consistent with the value and nature of the property involved.

**102-38.60 Who is responsible for the costs of care and handling of the personal property before it is sold?**

The holding agency is responsible for the care and handling costs of the personal property until it is removed by the buyer, the buyer's designee, or an SC. The holding agency may request the SC to perform care and handling services in accordance with their agreement. When specified in the terms and conditions of sale, the SC may charge the buyer costs for storage when

the buyer is delinquent in removing the property. The amount so charged may only be retained by the holding agency performing the care and handling in accordance with [102-38.295](#).

**102-38.65 What if we are or the holding agency is notified of a Federal requirement for surplus personal property before the sale is complete?**

Federal agencies have first claim to excess or surplus personal property reported to the General Services Administration. When a bona fide need for the property exists and is expressed by a Federal agency, and when no like item(s) are located elsewhere, you or the holding agency must make the property available for transfer to the maximum extent practicable and prior to transfer of title to the property.

**102-38.70 May the holding agency abandon or destroy personal property either prior to or after trying to sell it?**

(a) Yes, the holding agency may abandon or destroy personal property either prior to or after trying to sell it, but only when an authorized agency official has made a written determination that--

- (1) The personal property has no commercial value; or
- (2) The estimated cost of continued care and handling would exceed the estimated sales proceeds.

(b) In addition to the provisions in paragraph (a) of this section, see the regulations at §§[102-36.305](#) through [102-36.330](#) of this subchapter B that are applicable to the abandonment or destruction of personal property in general, and excess personal property in particular.

**110-38.70 Authority to abandon or destroy**

See [110-36.305](#) and [110-36.310](#), of this chapter, which are applicable to the abandonment or destruction of personal property.

**Subpart B--Sales Process**

**Methods of Sale**

**102-38.75 How may we sell personal property?**

(a) You will sell personal property upon such terms and conditions as the head of your agency or designee deems proper to promote the fairness, openness, and timeliness necessary for the sale to be conducted in a manner most advantageous to the Government. When you are selling property on behalf of another agency, you must consult with the holding agency to determine any special or unique sales terms and conditions. You must also document the

required terms and conditions of each sale, including, but not limited to, the following terms and conditions, as applicable:

- (1) Inspection.
- (2) Condition and location of property.
- (3) Eligibility of bidders.
- (4) Consideration of bids.
- (5) Bid deposits and payments.
- (6) Submission of bids.
- (7) Bid price determination.
- (8) Title.
- (9) Delivery, loading, and removal of property.
- (10) Default, returns, or refunds.
- (11) Modifications, withdrawals, or late bids.
- (12) Requirements to comply with applicable laws and regulations. 41 CFR Part 101-42 contains useful guidance addressing many of these requirements. You should also contact your agency's Office of General Counsel or environmental office to identify applicable Federal, State, or local environmental laws and regulations.
- (13) Certificate of independent price determinations.
- (14) Covenant against contingent fees.
- (15) Limitation on Government's liability.
- (16) Award of contract.

(b) Standard government forms (e.g., Standard Form 114 series) may be used to document terms and conditions of the sale.

(c) When conducting and completing a sale through electronic media, the required terms and conditions must be included in your electronic sales documentation.

### **102-38.80 Which method of sale should we use?**

(a) You may use any method of sale provided the sale is publicly advertised and the personal property is sold with full and open competition. Exceptions to the requirement for competitive bids for negotiated sales (including fixed price sales) are contained in [§§102-38.100](#) through [102-38.125](#). You must select the method of sale that will bring maximum return at minimum cost, considering factors such as--

- (1) Type and quantity of property;
- (2) Location of property;
- (3) Potential market;
- (4) Cost to prepare and conduct the sale;
- (5) Available facilities; and
- (6) Sales experience of the selling activity.

(b) Methods of sale may include sealed bid sales, spot bid sales, auctions, or negotiated sales and may be conducted at a physical location or through any electronic media that is publicly accessible.

## **Competitive Sales**

### **102-38.85 What is a sealed bid sale?**

A sealed bid sale is a sale in which bid prices are kept confidential until bid opening. Bids are submitted either electronically or in writing according to formats specified by the selling agency, and all bids are held for public disclosure at a designated time and place.

### **102-38.90 What is a spot bid sale?**

A spot bid sale is a sale where immediately following the offering of the item or lot of property, bids are examined, and awards are made or bids rejected on the spot. Bids are either submitted electronically or in writing according to formats specified by the selling agency, and must not be disclosed prior to announcement of award.

### **102-38.95 What is an auction?**

An auction is a sale where the bid amounts of different bidders are disclosed as they are submitted, providing bidders the option to increase their bids if they choose. Bids are submitted electronically and/or by those physically present at the sale. Normally, the bidder with the highest bid at the close of each bidding process is awarded the property.

## **Negotiated Sales**

### **102-38.100 What is a negotiated sale?**

A negotiated sale is a sale where the selling price is arrived at between the seller and the buyer, subject to obtaining such competition as is feasible under the circumstances.

### **102-38.105 Under what conditions may we negotiate sales of personal property?**

You may negotiate sales of personal property when--

(a) The personal property has an estimated fair market value that does not exceed \$15,000;

(b) The disposal will be to a State, territory, possession, political subdivision thereof, or tax-supported agency therein, and the estimated fair market value of the property and other satisfactory terms of disposal are obtained by negotiation;

(c) Bid prices after advertising are not reasonable and re-advertising would serve no useful purpose;

(d) Public exigency does not permit any delay such as that caused by the time required to advertise a sale;

(e) The sale promotes public health, safety, or national security;

(f) The sale is in the public interest under a national emergency declared by the President or the Congress. This authority may be used only with specific lot(s) of property or for categories determined by the Administrator of General Services for a designated period but not in excess of three months;

(g) Selling the property competitively would have an adverse impact on the national economy, provided that the estimated fair market value of the property and other satisfactory terms of disposal can be obtained by negotiation, e.g., sale of large quantities of an agricultural product that impact domestic markets; or

(h) Otherwise authorized by Title 40 of the U.S. Code or other law.

### **102-38.110 Who approves our determinations to conduct negotiated sales?**

The head of your agency (or his/her designee) must approve all negotiated sales of personal property.

### **102-38.115 What are the specific reporting requirements for negotiated sales?**

For negotiated sales of personal property, you must--

(a) In accordance with 40 U.S.C. 545(e), and in advance of the sale, submit to the oversight committees for the General Services Administration (GSA) in the Senate and House, explanatory statements for each sale by negotiation of any personal property with an estimated fair market value in excess of \$15,000. You must maintain copies of the explanatory statements in your disposal files. No statement is needed for negotiated sales at fixed price or for any sale made without advertising when authorized by law other than 40 U.S.C. 545; and

(b) Report annually to GSA, Personal Property Management Policy Division (MTP), 1800 F Street, NW., Washington, DC, 20405, within 60 calendar days after the close of each fiscal year, a listing and description of all negotiated sales of personal property with an estimated fair market value in excess of \$5,000. You may submit the report electronically or manually (see [102-38.330](#)).

### **110-38.115 Agency reporting requirements for negotiated sales.**

A copy of the annual report on negotiated sales of personal property, required under [102-38.115](#), must be sent to the Office of Procurement and Property Management no later than November 15.

**102-38.120 When may we conduct negotiated sales of personal property at fixed prices (fixed price sale)?**

You may conduct negotiated sales of personal property at fixed prices (fixed price sale) under this section when:

(a) The items are authorized to be sold at fixed price by the Administrator of General Services, as reflected in GSA Bulletin FMR B-10 (located at [www.gsa.gov/fmrbulletin](http://www.gsa.gov/fmrbulletin)). You may also contact the GSA Office of Travel, Transportation, and Asset Management (MT) at the address listed in [102-38.115](#) to determine which items are on this list of authorized items;

(b) The head of your agency, or designee, determines in writing that such sales serve the best interest of the Government. When you are selling property on behalf of a holding agency, you must consult with the holding agency in determining whether a fixed price sale meets this criterion; and

(c) You must publicize such sales to the extent consistent with the value and nature of the property involved, and the prices established must reflect the estimated fair market value of the property. Property is sold on a first-come, first-served basis. You or the holding agency may also establish additional terms and conditions that must be met by the successful purchaser in accordance with [102-38.75](#).

**102-38.125 May we sell personal property at fixed prices to State agencies?**

Yes, before offering to the public, you may offer the property at fixed prices (through the State Agencies for Surplus Property) to any States, territories, possessions, political subdivisions thereof, or tax-supported agencies therein, which have expressed an interest in obtaining the property. For additional information, see [subpart G](#) of this part.

**Advertising**

**102-38.130 Must we publicly advertise sales of Federal personal property?**

Yes, you must provide public notice of your sale of personal property to permit full and open competition.

**102-38.135 What constitutes a public advertisement?**

Announcement of the sale using any media that reaches the public and is appropriate to the type and value of personal property to be sold is considered public advertising. You may also distribute mailings or flyers of your offer to sell to prospective purchasers on mailing lists. Public notice should be made far enough in advance of the sale to ensure adequate notice, and to target your advertising efforts toward the market that will provide the best return at the lowest cost.

**102-38.140 What must we include in the public notice on sale of personal property?**

In the public notice, you must provide information necessary for potential buyers to participate in the sale, such as--

- (a) Date, time and location of sale;
- (b) General categories of property being offered for sale;
- (c) Inspection period;
- (d) Method of sale (i.e., spot bid, sealed bid, auction);
- (e) Selling agency; and
- (f) Who to contact for additional information.

**Pre-Sale Activities**

**102-38.145 Must we allow for inspection of the personal property to be sold?**

Yes, you must allow for an electronic or physical inspection of the personal property to be sold. You must allow prospective bidders sufficient time for inspection. If inspection is restricted to electronic inspections only, due to unusual circumstances prohibiting physical inspection, you must notify your General Services Administration Regional Personal Property Office in writing, with the circumstances surrounding this restriction at least 3 days prior to the start of the screening period.

**102-38.150 How long is the inspection period?**

The length of the inspection period allowed depends upon whether the inspection is done electronically or physically. You should also consider such factors as the circumstances of sale, volume of property, type of property, location of the property, and accessibility of the sales facility. Normally, you should provide at least 7 calendar days to ensure potential buyers have the opportunity to perform needed inspections.

**Offer to Sell**

**102-38.155 What is an offer to sell?**

An offer to sell is a notice listing the terms and conditions for bidding on an upcoming sale of personal property, where prospective purchasers are advised of the requirements for a responsive bid and the contractual obligations once a bid is accepted.

**102-38.160 What must be included in the offer to sell?**

The offer to sell must include--

- (a) Sale date and time;
- (b) Method of sale;
- (c) Description of property being offered for sale;
- (d) Selling agency;
- (e) Location of property;
- (f) Time and place for receipt of bids;
- (g) Acceptable forms of bid deposits and payments; and
- (h) Terms and conditions of sale, including any specific restrictions and limitations.

**102-38.165 Are the terms and conditions in the offer to sell binding?**

Yes, the terms and conditions in the offer to sell are normally incorporated into the sales contract, and therefore binding upon both the buyer and the seller once a bid is accepted.

**Subpart C – Bids**

**Buyer Eligibility**

**102-38.170 May we sell Federal personal property to anyone?**

Generally, you may sell Federal personal property to anyone of legal age. However, certain persons or entities are debarred or suspended from purchasing Federal property. You must not enter into a contract with such a person or entity unless your agency head or designee responsible for the disposal action determines that there is a compelling reason for such an action.

**102-38.175 How do we find out if a person or entity has been suspended or debarred from doing business with the Government?**

Refer to the List of Parties Excluded from Federal Procurement and Nonprocurement Programs to ensure you do not solicit from or award contracts to these persons or entities. The list is available through subscription from the U.S. Government Printing Office, or electronically on the Internet at <http://epls.arnet.gov>. For policies, procedures, and requirements for debarring/suspending a person or entity from the purchase of Federal personal property, follow the procedures in the Federal Acquisition Regulation (FAR) subpart 9.4 (48 CFR part 9, subpart 9.4).

### **102-38.180 May we sell Federal personal property to a Federal employee?**

Yes, you may sell Federal personal property to any Federal employee whose agency does not prohibit their employees from purchasing such property. However, unless allowed by Federal or agency regulations, employees having nonpublic information regarding property offered for sale may not participate in that sale (see 5 CFR 2635.703). For purposes of this section, the term "Federal employee" also applies to an immediate member of the employee's household.

### **110-38.180 Selling Federal personal property to USDA employees.**

Personal property authorized for sale by the Department may be sold to USDA employees only when the sale of such property is based on competitive bids. No purchase may be made by an employee who was accountable for the property, used the property, or who was in any way connected with its condemnation, declaration as excess, or sale. The exceptions are:

(a) Special clothing and other articles of personal equipment purchased exclusively for the use of an individual employee may be sold to the individual at a fair and equitable price in the event of separation from service or permanent assignment to duties not requiring such clothing or equipment. This provision only applies when the property cannot be used by the Department and is surplus to the needs of the Government.

(b) Surplus perishable products may be sold to employees of the Department when they are sold in accordance with the provisions of 102-38 under the [Competitive Sales](#) option, in quantities not exceeding the needs of their immediate households.

Responsible administrative officials must guard against preference being accorded any employee or group of employees over other prospective purchasers. Adequate records of products disposed of by sale shall be maintained. When products owned by a cooperating agency are disposed of by, or under, the supervision of a Departmental employee, this provision shall apply, in addition to any procedure that may be required by the cooperative agreement of the cooperating agency.

### **102-38.185 May we sell Federal personal property to State or local governments?**

Yes, you may sell Federal personal property to State or local governments. Additional guidelines on sales to State or local governments are contained in subpart G of this part.

## **Acceptance of Bids**

### **102-38.190 What is considered a responsive bid?**

A responsive bid is a bid that complies with the terms and conditions of the sales offering, and satisfies the requirements as to the method and timeliness of the submission. Only responsive bids may be considered for award.

### **102-38.195 Must bidders use authorized bid forms?**

No, bidders do not have to use authorized bid forms; however if a bidder uses his/her own bid form to submit a bid, the bid may be considered only if--

- (a) The bidder accepts all the terms and conditions of the offer to sell; and
- (b) Award of the bid would result in a binding contract.

### **102-38.200 Who may accept bids?**

Authorized agency representatives may accept bids for your agency. These individuals should meet your agency's requirements for approval of Government contracts.

### **102-38.205 Must we accept all bids?**

No, the Government reserves the right to accept or reject any or all bids. You may reject any or all bids when such action is advantageous to the Government, or when it is in the public interest to do so.

### **102-38.210 What happens when bids have been rejected?**

You may re-offer items for which all bids have been rejected at the same sale, if possible, or another sale.

### **102-38.215 When may we disclose the bid results to the public?**

You may disclose bid results to the public after the sales award of any item or lot of property. On occasions when there is open bidding, usually at a spot bid sale or auction, all bids are disclosed as they are submitted. No information other than names may be disclosed regarding the bidder(s).

### **102-38.220 What must we do when the highest bids received have the same bid amount?**

When the highest bids received have the same bid amount, you must consider other factors of the sale (e.g., timely removal of the property, terms of payment, etc.) that would make one offer more advantageous to the Government. However, if you are unable to make a determination based on available information, and the Government has an acceptable offer, you may re-offer the property for sale, or you may utilize random tiebreakers to avoid the expense of reselling the property.

**102-38.225 What are the additional requirements in the bid process?**

All sales except fixed price sales must contain a certification of independent price determination. If there is suspicion of false certification or an indication of collusion, you must refer the matter to the Department of Justice or your agency's Office of the Inspector General.

**Bid Deposits**

**102-38.230 Is a bid deposit required to buy personal property?**

No, a bid deposit is not required to buy personal property. However, should you require a bid deposit to protect the Government's interest, a deposit of 20 percent of the total amount of the bid is generally considered reasonable.

**102-38.235 What types of payment may we accept as bid deposits?**

In addition to the acceptable types of payments in [102-38.290](#), you may also accept a deposit bond. A deposit bond may be used in lieu of cash or other acceptable form of deposit when permitted by the offer to sell, such as the Standard Form (SF) 150, Deposit Bond--Individual Invitation, Sale of Government Personal Property, SF 151, Deposit Bond--Annual, Sale of Government Personal Property, and SF 28, Affidavit of Individual Surety. For information on how to obtain these forms, see [102-2.135](#) of subchapter A.

**102-38.240 What happens to the deposit bond if the bidder defaults or wants to withdraw his/her bid?**

(a) When a bid deposit is secured by a deposit bond and the bidder defaults, you must issue a notice of default to the bidder and the surety company.

(b) When a bid deposit is secured by a deposit bond and the bidder wants to withdraw his/her bid, you should return the deposit bond to the bidder.

**Late Bids**

**102-38.245 Do we consider late bids for award?**

Consider late bids for award only when the bids were delivered timely to the address specified and your agency caused the delay in delivering the bids to the official designated to accept the bids.

**102-38.250 How do we handle late bids that are not considered?**

Late bids that are not considered must be returned to the bidder promptly. You must not disclose information contained in returned bids.

**Modification or Withdrawal of Bids**

**102-38.255 May we allow a bidder to modify or withdraw a bid?**

(a) Yes, a bidder may modify or withdraw a bid prior to the start of the sale or the time set for the opening of the bids. After the start of the sale, or the time set for opening the bids, the bidder will not be allowed to withdraw his/her bid.

(b) You may consider late modifications to an otherwise successful bid at any time, but only when it makes the terms of the bid more favorable to the Government.

**Mistakes in Bids**

**102-38.260 Who makes the administrative determinations regarding mistakes in bids?**

The administrative procedures for handling mistakes in bids are contained in FAR 14.407, Mistakes in Bids (48 CFR 14.407). Your agency head, or his/her designee, may delegate the authority to make administrative decisions regarding mistakes in bids to a central authority, or a limited number of authorities in your agency, who must not re-delegate this authority.

**102-38.265 Must we keep records on administrative determinations?**

Yes, you must--

(a) Maintain records of all administrative determinations made, to include the pertinent facts and the action taken in each case. A copy of the determination must be attached to its corresponding contract; and

(b) Provide a signed copy of any related determination with the copy of the contract you file with the Comptroller General when requested.

**102-38.270 May a bidder protest the determinations made on sales of personal property?**

Yes, protests regarding the validity or the determinations made on the sale of personal property may be submitted to the Comptroller General.

## **Subpart D--Completion of Sale**

### **Awards**

#### **102-38.275 To whom do we award the sales contract??**

You must award the sales contract to the bidder with the highest responsive bid, unless a determination is made to reject the bid under [102-38.205](#).

#### **102-38.280 What happens when there is no award?**

When there is no award made, you may sell the personal property at another sale, or you may abandon or destroy it pursuant to section [102-36.305](#) of this subchapter B.

### **Transfer of Title**

#### **102-38.285 How do we transfer title from the Government to the buyer for personal property sold?**

(a) Generally, no specific form or format is designated for transferring title from the Government to the buyer for personal property sold. For internal control and accountability, you must execute a bill of sale or another document as evidence of transfer of title or any other interest in Government personal property. You must also ensure that the buyer submits any additional certifications to comply with specific conditions and restrictions of the sale.

(b) For sales of vehicles, you must issue to the purchaser a Standard Form (SF) 97, the United States Government Certificate to Obtain Title to a Vehicle, or a SF 97A, the United States Government Certificate to Obtain a Non-Repairable or Salvage Certificate, as appropriate, as evidence of transfer of title. For information on how to obtain these forms, see [102-2.135](#) of this chapter.

### **Payments**

#### **102-38.290 What types of payment may we accept?**

You must adopt a payment policy that protects the Government against fraud. Acceptable payments include, but are not limited to, the following:

(a) U.S. currency or any form of credit instrument made payable on demand in U.S. currency, e.g., cashier's check, money order. Promissory notes and postdated credit instruments are not acceptable.

(b) Irrevocable commercial letters of credit issued by a United States bank payable to the Treasurer of the United States or to the Government agency conducting the sale.

(c) Credit or debit cards.

### **Disposition of Proceeds**

#### **102-38.295 May we retain sales proceeds?**

(a) You may retain that portion of the sales proceeds, in accordance with your agreement with the holding agency, equal to the direct costs and reasonably related indirect costs (including your share of the Governmentwide costs to support the eFAS Internet portal and Governmentwide reporting requirements) incurred in selling personal property.

(b) A holding agency may retain that portion of the sales proceeds equal to its costs of care and handling directly related to the sale of personal property by the SC (*e.g.*, shipment to the SC, storage pending sale, and inspection by prospective buyers).

(c) After accounting for amounts retained under paragraphs (a) and (b) of this section, as applicable, a holding agency may retain the balance of proceeds from the sale of its agency' personal property when—

(1) It has statutory authority to retain all proceeds from sales of personal property;

(2) The property sold was acquired with non-appropriated funds as defined in [102-36.40](#) of this subchapter B;

(3) The property sold was surplus Government property that was in the custody of a contractor or subcontractor, and the contract or subcontract provisions authorize the proceeds of sale to be credited to the price or cost of the contract or subcontract;

(4) The property was sold to obtain replacement property under the exchange/sale authority pursuant to [Part 102-39](#) of this subchapter B; or

(5) The property sold was related to waste prevention and recycling programs, under the authority of Section 607 of Public Law 107-67 (Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999, Public Law 107-67, 115 Stat. 514). Consult your General Counsel or Chief Financial Officer for guidance on use of this authority.

#### **102-38.300 What happens to sales proceeds that neither we nor the holding agency are authorized to retain, or that are unused?**

Any sales proceeds that are not retained pursuant to the authorities in section [102-38.295](#) must be deposited as miscellaneous receipts in the U. S. Treasury.

## **Disputes**

### **102-38.305 How do we handle disputes involved in the sale of Federal personal property?**

First contact your Office of General Counsel. Further guidance can be found in the Contract Disputes Act of 1978, as amended (41 U.S.C. 601-613), and the Federal Acquisition Regulation (FAR) at 48 CFR part 33.

### **102-38.310 Are we required to use the Disputes clause in the sale of personal property?**

Yes, you must ensure the Disputes clause contained in Federal Acquisition Regulation (FAR) 52.233-1 (48 CFR part 52) is included in all offers to sell and contracts for the sale of personal property.

### **102-38.315 Are we required to use Alternative Disputes Resolution for sales contracts?**

No, you are not required to use Alternative Disputes Resolution (ADR) for sales contracts. However, you are encouraged to use ADR procedures in accordance with the authority and the requirements of the Alternative Disputes Resolution Act of 1998 (28 U.S.C. 651--658).

## **Subpart E - Other Governing Statutes**

### **102-38.320 Are there other statutory requirements governing the sale of Federal personal property?**

Yes, in addition to Title 40 of the U.S. Code the sale of Federal personal property is governed by other statutory requirements, such as the Debt Collection Improvement Act of 1996 (Public Law 104-134, sec. 31001, 110 Stat. 1321-358) and antitrust requirements that are discussed in section [102-38.325](#).

## **Antitrust Requirements**

### **102-38.325 What are the requirements pertaining to antitrust laws?**

When the sale of personal property has an estimated fair market value of \$3 million or more or if the sale involves a patent, process, technique, or invention, you must notify the Attorney General of the Department of Justice (DOJ) and get DOJ's opinion as to whether the sale would give the buyer an unfair advantage in the marketplace and violate any antitrust laws. Include in the notification the description and location of the property, method of sale and proposed selling price, and information on the proposed purchaser and intended use of the

property. You must not complete the sale until you have received confirmation from the Attorney General that the proposed transaction would not violate any antitrust laws.

## **Subpart F - Reporting Requirements**

### **102-38.330 Are there any reports that we must submit to the General Services Administration?**

Yes, there are two sales reports you must submit to the General Services Administration (GSA), Personal Property Management Policy Division (MTP), 1800 F Street, NW., Washington, DC 20405--

(a) *Negotiated sales report.* Within 60 calendar days after the close of each fiscal year, you must provide GSA with a listing and description of all negotiated sales with an estimated fair market value in excess of \$5,000 (see [102-38.115](#)). For each negotiated sale that meets this criterion, provide the following:

- (1) Description of the property (including quantity and condition).
- (2) Acquisition cost and date (if not known, estimate and so indicate).
- (3) Estimated fair market value (including date of estimate and name of estimator).
- (4) Name and address of purchaser.
- (5) Date of sale.
- (6) Gross and net sales proceeds.
- (7) Justification for conducting a negotiated sale.

(b) *Exchange/sale report.* Within 90 calendar days after the close of each fiscal year, you must provide a summary report to GSA of transactions conducted under the exchange/sale authority under [Part 102-39](#) of this subchapter B (see [102-39.85](#)).

### **110-38.330 Agency reporting requirements.**

- (a) Negotiated sales report – Agencies, that have negotiated sales data to report, will submit the report to GSA (see [102-38.330\(a\)](#) for requirements) and send a copy of the report to the Office of Procurement and Property Management (OPPM) by November 15 of each year.
- (b) Exchange/sale report - See [110-39.85](#) for agency reporting requirements.

### **102-38.335 Is there any additional personal property sales information that we must submit to the General Services Administration?**

Yes, you must report to the General Services Administration's (GSA's) Asset Disposition Management System (ADMS), once that capability is established, any sales information that GSA deems necessary.

## **Subpart G - Provisions for State and Local Governments**

### **102-38.340 How may we sell personal property to State and local governments?**

You may sell Government personal property to State and local governments through--

(a) Competitive sale to the public;

(b) Negotiated sale, through the appropriate State Agency for Surplus Property (SASP);

or

(c) Negotiated sale at fixed price (fixed price sale), through the appropriate SASP. (This method of sale can be used prior to a competitive sale to the public, if desired.)

### **102-38.345 Do we have to withdraw personal property advertised for public sale if a State Agency for Surplus Property wants to buy it?**

No, you are not required to withdraw the item from public sale if the property has been advertised.

### **102-38.350 Are there special provisions for State and local governments regarding negotiated sales?**

Yes, you must waive the requirement for bid deposits and payment prior to removal of the property. However, payment must be made within 30 calendar days after purchase. If payment is not made within 30 days, you may charge simple interest at the rate established by the Secretary of the Treasury as provided in section 12 of the Contract Disputes Act of 1978 (41 U.S.C. 611), from the date of written demand for payment.

### **102-38.355 Do the regulations of this part apply to State Agencies for Surplus Property (SASPs) when conducting sales?**

Yes, State Agencies for Surplus Property (SASPs) must follow the regulations in this part when conducting sales on behalf of the General Services Administration of Government personal property in their custody.

## **Subpart H - Implementation of the Federal Asset Sales Program**

### **102-38.360 What must an executive agency do to implement the eFAS program?**

(a) An executive agency must review the effectiveness of all sales solutions, and compare them to the effectiveness (*e.g.*, cost, level of service, and value added services) of the eFAS SCs. Agencies should give full consideration to sales solutions utilizing private sector entities,

including small businesses, that are more effective than the solutions provided by any eFAS-approved SC. If the agency decides that there are more effective sales solutions than those solutions offered by the eFAS SCs, the agency must request a waiver from the milestones using the procedures and forms provided by the eFAS Planning Office. Waivers will be approved by the eFAS Planning Office upon presentation of a business case showing that complying with an eFAS milestone is either impracticable or inefficient. Waiver approval will be coordinated with GSA's Office of Travel, Transportation, and Asset Management. Contact the eFAS Planning Office at [FASPlanningOffice@gsa.gov](mailto:FASPlanningOffice@gsa.gov) to obtain these procedures and forms.

(b) An approved waiver for meeting one of the eFAS milestones does not automatically waive all milestone requirements. For example, if an agency receives a waiver to the migration milestone, the agency must still (1) post asset information on the eFAS website and (2) provide post-sales data to the eFAS Planning Office in accordance with the content and format requirements developed by the eFAS ESC, unless waivers to these milestones are also requested and approved. Waivers to the eFAS milestones will not be permanent. Upon expiration of the waiver to the migration milestone, an agency must either migrate to an approved SC, or serve as a fully functioning SC, as soon as practicable. See the definition of a "Sales Center" at [102-38.35](#) for an overview of how agency sales solutions become SCs.

(c) An agency which receives a waiver from the eFAS milestones must comply with subparts A through G of this part as if it were an SC.

(d) An executive agency must comply with all eFAS milestones approved by OMB including those regarding the completion of an agency-wide sales migration plan, the reporting of pre- and post-sales data, and the migration to approved SCs unless a waiver has been submitted by the agency and approved by the eFAS Planning Office. The eFAS milestones are available for viewing at [www.gsa.gov/govsalesmilestones](http://www.gsa.gov/govsalesmilestones).

### **102-38.365 Is a holding agency required to report property in "scrap" condition to its selected SC?**

No. Property which has no value except for its basic material content (scrap material) may be disposed of by the holding agency by sale or as otherwise provided in [102-38.70](#). However, the holding agency should consult the SC(s) selected by the holding agency as to the feasibility of selling the scrap material. Agencies selling scrap property under authority of this subpart are still required to report sales metrics in accordance with eFAS ESC-approved format and content.

### **110-38.365 Agency reporting requirements for scrap sales.**

Agencies must report scrap sale data to the Office of Procurement and Property Management (OPPM) by the end of the second week of each quarter.

**102-38.370 What does a holding agency do with property which cannot be sold by its SC?**

All reasonable efforts must be afforded the SC to sell the property. If the property remains unsold after the time frame agreed to between the SC and the holding agency, the holding agency may dispose of the property by sale or as otherwise provided in [102-38.70](#). The lack of public interest in buying the property is evidence that the sales proceeds would be minimal. Agencies selling property under authority of this subpart are still required to report sales metrics in accordance with eFAS ESC-approved format and content.

**110-38.370 Agency reporting requirements for sales under authority of 102-38.370.**

Agencies must report sales under authority of [102-38.370](#) to the Office of Procurement and Property Management (OPPM) by the end of the second week of each quarter.