



STATE OF MICHIGAN
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET
 LANSING



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 ACTING DIRECTOR

December 27, 2010

TO: Federal Surplus Donees
FROM: Kevin Lancto, Manager, State & Federal Surplus Programs
SUBJECT: Assessment of Service Charges

Effective January 1, 2011 Michigan's Federal Surplus Property Program will assess a standard service charge on all direct transfers. This standard service charge will ensure consistency of operations and allow all program participants to effectively plan for their property transfers. The service charge will be assessed as a percentage of the original Government Acquisition Cost (GAC) as follows:

Government Acquisition Cost (GAC)	New/Usable/Repairable	Salvage/Scrap
\$500,000 to \$1.9M	0.250%	0.010%
\$300,000 to \$499,999	3%-5%	.05%-2%
\$100,000 to \$299,999	7%-10%	3%-5%
\$ 20,000 to \$ 99,999	10%	5%
\$ 1,000 to \$ 19,999	15%	7.5%
\$ 0 to \$ 999	15%	10%

Note: The maximum service charge for a direct transfer will be 15% of the GAC. The minimum total service charge per invoice will be \$100. This action is in accordance with Michigan's approved State Plan of Operation.

Please feel free to contact me at 517-334-8265 or lanctok@michigan.gov with any questions.