

## 0340.05 Disposition of State Agency Personal Property

Issued: January 6, 1997  
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### PURPOSE

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To provide for the declaration and transfer, donation, recycling or disposition of surplus, salvage, or worthless personal property.

### APPLICATION

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Executive, Judicial and Legislative Branches of state government. Disposal of surplus personal property, through sale, is also extendable to qualified local units of government, school districts, colleges and universities.

### CONTACT AGENCY

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Department of Technology, Management and Budget (DTMB)  
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State Surplus Property Program  
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### SUMMARY

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The State Surplus Property Program is responsible for establishing policies for disposition of State surplus personal property.

### APPLICABLE FORMS

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DTMB-0222 Disposal Request for Surplus and Scrap Property

### PROCEDURES

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#### **DTMB State Surplus Property Program**

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- Manages the disposition of surplus, salvage and worthless personal property.
- Has the authority to charge back any costs incurred in processing surplus, salvage or worthless materials to the disposing Agency. Provides warehouse space in Lansing for the receipt and transfer of Agency surplus.
- Provides for the sale of surplus in accordance with applicable laws through auction, sealed bid, authorization of local bid or by means determined to be in the best interest of the state of Michigan.

- Authorizes the transfer of surplus from one state Agency to another.
- May transfer personal property confiscated by or disposed of by a law enforcement agency directly to the state of Michigan, Federal Surplus Property Program for sale to specified participants of the program.
- May donate surplus personal property to 501(c)(3) nonprofit organizations, including public K-12 school districts.

### **Agency Reimbursement for the Sale of Personal Property**

- The return of funds less cost of resale to an agency for the sale or recycling of surplus personal property may be approved upon mutual agreement of the State Surplus Program and the Agency who owns the property if one of the following criteria are met:
  - An Agency purchased items with full or partial Federal funding.
  - An Agency purchased items with restricted funding.
  - There is an existing legislative directive to return funds to the Agency for the sale of a specific item.
- The Agency may be required to provide documentation which substantiates the original purchase from a fund from which a return is to be made.
- Proceeds collected from a sale must be returned to the original account from which the purchase was made.
- State Surplus also does not reimburse Agencies for the sale of any confiscated property unless otherwise agreed upon by the State Surplus Manager or Director.
- Any exceptions to the reimbursement criteria stated above will require a memorandum of understanding to be signed by both State Surplus and the Agency requesting reimbursement.

### **Agency Requirements**

- Examines inventories of surplus, salvage and worthless personal property.
- Identifies items appropriate for donation to a nonprofit organization.
- Maintains detailed records of all items donated, discarded and recycled.
- Prepares and submits a DTMB-0222 to State Surplus for all items that are coming to Surplus for the purposes of disposal, recycle or the transfer of property to other State Agencies, not including office supplies or office furnishings.
- The Agency is responsible for recording any assets on the DTMB-0222 with an original purchase price of \$5,000 or more including an asset tag number.
- The Agency is responsible for transportation costs to the State Surplus Warehouse.

- Only office supplies and office furnishings (excluding modular furniture) may be donated, discarded, recycled, exchanged or otherwise disposed of without written authorization from the State Surplus Property Program. All other personal property must be approved on a Disposal Request for Surplus and Scrap Property (DTMB-0222) from the State Surplus Property Program.

### **Transfer of State Surplus Personal Property for Re-utilization**

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- Reimbursement by the disposing Agency may be required for property transferred to another state Agency. Reimbursement shall be arranged by the department transferring the property independent of the State Surplus Property Program.
- Pickup and delivery of materials will be arranged by the Agencies involved without shipment to the State Surplus Warehouse.
- For transfers within a department, a DTMB-0222 form is no longer required if the item(s) original purchase price is less than \$5,000.00.

### **Sale of State Surplus Personal Property via Offsite Auction**

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- All off site auction requests must be approved on the DTMB-0222 before items can be sold.
- Agency must identify items for sale via offsite Internet or live auction. Agency must provide State Surplus with sufficient information regarding the items being sold, including photos, description of items, location and contact information.

### **Donation of State Surplus Personal Property to Non-Profit Organizations**

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- Agencies may donate office supplies and office furnishings to non-profit organizations. Specific guidelines are available on the DTMB Intranet site or from State Surplus.

### **Recycle of State Surplus Personal Property**

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- Agencies may recycle office supplies and office furnishings in State-managed buildings using DTMB Building Operations Division.
- Agencies in non-State-managed buildings may recycle office supplies and office furnishings using local recyclers. If proceeds are collected from recycling, a DTMB-0222 must be approved before items are sent to local recyclers. The Agency is responsible for transportation costs incurred.

### **Disposal of Worthless Personal Property**

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- If state surplus personal property cannot be transferred to another department, donated to a non-profit organization, or recycled, Agencies may declare the property worthless and dispose of it locally.
- Contaminated and/or toxic surplus must be clearly noted on a DTMB-0222. Under no circumstances will an Agency ship or deliver such surplus to the State Surplus Warehouse without obtaining prior approval from the State Surplus Property Program. When it is determined that a contaminated or toxic

substance requires disposal, all expenses (if any) incurred for storage, handling, and disposal will be the responsibility of the disposing Agency.

- Examples of toxic or contaminated items include, but are not limited to, the following:
  - Transformers.
  - Solvents, oils and paints.
  - Asbestos.
  - Chemicals and laboratory equipment.

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