

**RULES
OF
THE DEPARTMENT OF GENERAL SERVICES
DIVISION OF STATE PERSONAL PROPERTY UTILIZATION**

**CHAPTER 0690-2-1
DISPOSAL OF STATE SURPLUS PROPERTY**

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0690-2-1-.01 SCOPE.

- (1) The rules of this chapter shall govern the disposal of surplus personal property (as those terms are defined in rule .02 below) by any department, institution, board, commission or agency of the State of Tennessee; provided, however, that the policies expressed in these rules shall apply to the following institutions and branches of government of the State of Tennessee which shall have the option of following the procedures specified herein or developing their own disposal procedures to effectuate these policies:
- (a) The legislative branch of the State government.
 - (b) The judicial branch of the State government.
 - (c) The University of Tennessee.
 - (d) The State university and community college system of Tennessee.
 - (e) The State technical institutes of Tennessee.

Authority: T.C.A. §§12-235 through 12-248 and Public Acts of 1976, Chapter 821. **Administrative History:** Original rule filed April 20, 1978; effective July 14, 1978. Amendment filed April 30, 1982; effective July 29, 1982.

0690-2-1-.02 DEFINITIONS.

- (1) For the purpose of the rules of this chapter, the following terms shall have the following meanings except where the context requires otherwise:
 - (a) "Board" means the Board of Standards.
 - (b) "Commissioner" means the Commissioner of General Services.
 - (c) "Personal property" or "property" means every species of State property which is not either (1) real property, the disposal of which is subject to the provisions of TCA title 12 governing the disposal of State real property, or (2) intangible personal property as defined in TCA § 67-5-501(5) relative to the assessment of intangible personal property for tax purposes.
 - (d) "Surplus" or "surplus property" means that personal property which has been determined to be obsolete, outmoded or no longer usable by the State and declared as such by the commissioner of the referring department or head of the releasing agency, commission or board where such agency, commission or board is not under the jurisdiction of a commissioner, in accordance with the provisions of TCA §§ 12-2-401 through 12-2-417 and the rules of this chapter.
 - (e) "Eligible volunteer fire organizations" means those volunteer fire organizations that are authorized by a unit of government to conduct fire fighting activities on a nonprofit basis for a public purpose and which have submitted to the Division of State Personal Property appropriate documents showing proof of such authority.
 - (f) "Eligible volunteer police organizations" means those volunteer police organizations that are authorized by a unit of government to conduct police activities on a nonprofit basis for a public purpose and which have submitted to the Division of State Personal Property appropriate documents showing proof of such authority.
 - (g) "Eligible rescue organizations" means those rescue organizations that are chartered by the State of Tennessee as nonprofit corporations and are active members of the Tennessee Association of Rescue Squads and operated for a public purpose and which have submitted to the Division of State Personal Property appropriate documents showing proof of such incorporation and membership.
 - (h) "Eligible corporations" means those corporations organized and conducted not for profit whose chartered activities are related to health and/or education which are listed as an authorized donee under the Federal Surplus Property Program administered by the Department of General Services, as to which appropriate documents have been submitted to the Division of State Personal Property Section of the Department of General Services showing proof of such.
 - (i) "Objects within the collection of the Tennessee State Museum" means those items of personal property owned by the museum which have been given a museum registration number and were acquired for museum exhibition as opposed to museum administration.
 - (j) "Public auction" means sale of personal property conducted by means of oral exchange between an auctioneer and an audience of prospective bidders.
 - (k) "Sale under sealed bid" means sale of personal property conducted by means of written bids submitted by prospective bidders.

(Rule 0690-2-1-.02, continued)

- (l) "Internet auction" means sale of personal property conducted by means of electronic transmissions submitted by prospective bidders.

Authority: T.C.A. §§12-2-402, 12-2-414, and Public Acts of 2001, Chapter 90. **Administrative History:** Original rule filed April 20, 1978; effective July 14, 1978. Amendment filed March 29, 1979; effective June 29, 1979. Amendment filed April 30, 1982; effective July 29, 1982. Amendment filed November 26, 1982; effective February 14, 1983. Amendment filed April 30, 2002; effective August 28, 2002.

0690-2-1-.03 METHODS OF DISPOSAL.

- (1) No article of personal property may be disposed of as surplus except by one of the following methods:
 - (a) Trade-in, where such is permitted due to the nature of the property or equipment and under the terms and conditions of the contract by which the State replaces the property and subject further to the provisions of TCA §§ 12-2-401 through 12-2-419 and the rules of this chapter;
 - (b) Transfer to other State agencies which may be able to utilize the property;
 - (c) Sale to eligible political subdivisions of the State or other governmental entities, nonprofit volunteer fire, police, and rescue organizations operating for a public purpose, and eligible corporations organized and conducted not for profit whose chartered activities are related to health and/or education, in accordance with Rule 0690-2-2-.14 of this chapter and subject to the restrictions of TCA § 12-2-407;
 - (d) Public auction, publicly advertised and held;
 - (e) Sale under sealed bids, publicly advertised, opened, and recorded;
 - (f) Sale by Internet auction; or
 - (g) Negotiated contract for sale, at arms length, but only in those instances in which the availability of the property is recurring or repetitive in character, such as marketable waste products, for disposal of the property as it is generated in the most economically feasible, fiscally sound, and administratively practicable method for the State to utilize.
- (2) Firearms, ammunition, and other explosives shall be disposed of in accordance with Federal regulations governing the disposal of such property by the following methods:
 - (a) By trade-in on replacement purchases, and in accordance with rule .03 (1)(a) of this chapter.
 - (b) By sale under sealed bids to licensed dealers only as follows:
 - 1. Licensed dealers shall be notified of sale by circularization from mailing list developed pursuant to provision of rule .06 (2) of this chapter. Notices shall be delivered by mail to all prospective purchasers appearing on the mailing list, except that it is not necessary to deliver notices to more than 15 firms or individuals.
 - 2. Sealed bids shall be publicly opened and recorded twelve (12) days after notices are mailed, excluding Saturdays, Sundays, and holidays.

(Rule 0690-2-1-.03, continued)

3. Sale shall be made to the bidder offering the highest price for each specified lot as defined in the invitation to bid.
 - (c) By internet auction sale to licensed dealers in the manner prescribed in rule 0690-2-1-.06 Advertisement and Notice.
 - (d) Any provision of this rule shall be waived to the extent that it may be in conflict with applicable Federal regulations.
- (3) The Department having jurisdiction over the producing facility is designated as the agent for the disposal of waste products, forestry products, agricultural products, and livestock. Policies and procedures to be followed in the disposal of such products are set in rules .17 through .20.
- (4) Objects within the collection of the Tennessee State Museum shall be disposed of in accordance with rule .20 (2).

Authority: T.C.A. §§12-241 through 12-248, 12-2-401, 12-2-403, 12-2-403(b), 12-2-406, 12-2-409 through 12-2-417, Public Acts of 1976, Chapter 821, and Public Acts of 2001, Chapter 90.

Administrative History: Original rule filed April 20, 1978; effective July 14, 1978. Amendment filed March 29, 1979; effective June 29, 1979. Amendment filed April 30, 1982; effective July 29, 1982. Amendment filed November 26, 1982; effective February 14, 1983. Amendment filed April 1, 1987; effective July 29, 1987. Amendment filed April 30, 2002; effective August 28, 2002. Amendment filed January 25, 2008; effective April 9, 2008.

0690-2-1-.04 DECLARATION OF PROPERTY AS SURPLUS.

- (1) Each article of personal property to be disposed of as surplus property under the rules of this chapter shall be declared surplus by the commissioner of the releasing department or head of the releasing agency, commission, or board where such agency, commission, or board is not under the jurisdiction of a commissioner, in accordance with rule .21 of this chapter. The Commissioner shall approve or disapprove any such declarations, based on his determination whether such property is usable by any agency of the State government.
- (2) Detailed instructions to be followed in the declaration of property as surplus are set out in rule .21 of this chapter.

Authority: T.C.A. §§12-235 through 12-248 and Public Acts of 1976, Chapter 821. **Administrative History:** Original rule filed April 20, 1978; effective July 14, 1978.

0690-2-1-.05 CRITERIA FOR DETERMINATION OF METHOD OF DISPOSAL.

- (1) If the Commissioner approves the declaration of property as surplus, the method of disposal shall be determined by the Commissioner from the alternatives set forth in .03 (1) of this chapter. Written documentation for the selection of method of disposal shall be maintained.
- (2) Priorities for the selection of the method of disposal shall be in the order listed in rule .03 (1) of this chapter. The selection of any method other than the first priority shall be justified in writing in terms of the following criteria:
 - (a) The character, utility, and functionality of the property;
 - (b) The economics of disposal in light of all relevant circumstances attendant the proposed disposal, including the condition and climate of the potential market and present estimated market value of the property, transportation costs, and other cost factors associated with disposal; and

(Rule 0690-2-1-.05, continued)

- (c) Sound fiscal and budgetary policy and practices.

Authority: T.C.A. §12-2-405. **Administrative History:** Original rule filed April 20, 1978; effective July 14, 1978.

0690-2-1-.06 ADVERTISEMENT AND NOTICE.

- (1) Public auctions, Internet auctions, and sales under sealed bid, as provided in the rules of this chapter, shall be publicly advertised and publicly held. Notice of intended disposal by public auction or sale under sealed bid shall be entered by the commissioner in at least one (1) newspaper of general circulation in the county or counties in which the disposal is to be made. Such notice shall specify and reasonably describe the property to be disposed of, the date, time, place, manner, and condition of disposal, all as previously determined by the Commissioner in accordance with the rules of this chapter. The advertisement for public auctions and sales under sealed bid shall be entered in the public notice or equivalent section of the newspaper and shall run not less than one (1) day in the case of a daily paper nor less than once in the case of a weekly paper. Disposal shall not be made sooner than seven (7) days after the last day of publication nor later than fifteen (15) days after the last day of publication of the required notice excluding Saturdays, Sundays, and holidays. Prominent notice shall also be conspicuously posted for ten (10) days prior to the date of disposal, excluding Saturdays, Sundays, and holidays, in at least two (2) public places in the county or counties where the disposal is to be made. Furthermore, notice shall be sent to the County Court Clerk of each county of the state, and such notice shall be posted in each county courthouse, except where the fair market value of all the property to be sold is determined in writing by the Commissioner or his designee to be less than \$500.00. Notice of intended disposal by Internet auction shall be posted on the Internet, and shall reasonably describe the property to be disposed of, the date, time, place, manner, and condition of disposal, all as previously determined by the commissioner in accordance with the rules of this chapter. The Internet auction shall not run less than seven (7) days.
- (2) A mailing list shall be developed for mailing to eligible governmental entities and potential buyers of specialized surplus items.
- (3) A mailing list, to which any person, firm, or corporation may subscribe, may be developed and maintained for notifying subscribers of surplus property to be sold at public auction and sales. A reasonable annual subscription fee shall be established by the Commissioner of General Services and approved by the Commissioner of Finance and Administration. The fee shall be used to defray the cost of maintenance of the subscription list and notifications sent to subscribers. A notice containing pertinent information relative to each public auction and sale shall be mailed to all subscribers.
- (4) No person, firm, or corporation shall be notified of any public auction or sale except as provided by the rules of this chapter.

Authority: T.C.A. §§12-2-406, 12-2-414, and Public Acts of 2001, Chapter 90. **Administrative History:** Original rule filed April 20, 1978; effective July 14, 1978. Amendment filed March 6, 1991; effective June 29, 1991. Amendment filed April 30, 2002; effective August 28, 2002.

0690-2-1-.07 ACCEPTABLE PAYMENT.

- (1) Possession of property sold to the general public under any method prescribed in rule .03 of this chapter shall not pass until payment is made by cash, cashier's check, or certified check.
- (2) Possession shall pass to political subdivisions of the State and other governmental entities upon receipt by the State of purchase vouchers of such political subdivisions and other

(Rule 0690-2-1-.07, continued)

governmental entities. Titles to motor vehicles sold as surplus property to political subdivisions and other governmental entities shall be closed as to transferee when said title is passed.

- (3) Possession shall not pass to eligible corporations until receipt of a purchase order signed by an authorized representative of such corporation or until payment is made by cash, check, or certified check.

Authority: T.C.A. §§12-235 through 12-248 and Public Acts of 1976, Chapter 821. **Administrative History:** Original rule filed April 20, 1978; effective July 14, 1978. Amendment filed August 25, 1983; effective November 14, 1983.

0690-2-1-.08 PURCHASE BY STATE EMPLOYEES. It is unlawful for any State official or employee to purchase from the State except by bid at public auction any surplus property during the tenure of his office or employment, or for six (6) months thereafter. A purchaser who violates this provision is guilty of a misdemeanor and punishable by a fine of five hundred (\$500.00) dollars, or two and one-half (2½) times the value of the surplus property, whichever is greater.

Authority: T.C.A. §§12-235 through 12-248 and Public Acts of 1976, Chapter 821. **Administrative History:** Original rule filed April 20, 1978; effective July 14, 1978.

0690-2-1-.09 ACCOUNTABILITY FOR SURPLUS PERSONAL PROPERTY.

- (1) No state owned personal property within any State department or agency included under the scope of the rules of this chapter shall be disposed of, transferred, assigned, or entrusted to any other department or agency or official or employee thereof without the written approval of the Director of State Personal Property Utilization Division.
- (2) All personal property that has been declared to be surplus shall be reported immediately to the Commissioner, regardless of its value or condition, for disposal, except for products for which the producing agency is designated as the agent for disposal.
- (3) The property officer of the agency reporting surplus property is responsible for maintenance of accountability and insuring that an audit trail is available to show the disposition of all items reported.
- (4) Property in custody of an agency property officer shall be accorded adequate and appropriate storage to prevent deterioration, and shall be protected against theft, pilferage, and unauthorized withdrawals.
- (5) Property that has been reported as surplus shall not be returned to service, transferred or otherwise be removed from availability without prior approval in writing from the Director of State Personal Property Utilization Division.
- (6) As soon as possible after property is declared surplus, the Commissioner or his designate will screen reported property and take one of the following actions, based on the criteria set out in rule .05 of this chapter.
 - (a) Transfer property to another State agency and cancel accountability of surplus agency.
 - (b) Pick up and cancel agency accountability.
 - (c) Sell at agency location and cancel agency accountability.
 - (d) Instruct agency to deliver to a specified point.

(Rule 0690-2-1-.09, continued)

- (e) Authorize destruction and cancel agency accountability.
- (f) Refuse approval of declaration of the property as surplus property. All such refusals shall be reported monthly to the Board of Standards by the Commissioner of the Department of General Services. Such report shall set forth the agency, description of the property, quantity, estimated fair market value, and the reason the declaration was not approved.

Authority: T.C.A. §§12-235 through 12-248 and Public Acts of 1976, Chapter 821. **Administrative History:** Original rule filed April 20, 1978; effective July 14, 1978.

0690-2-1-.10 DISPOSITION OF PROCEEDS.

- (1) The proceeds from the disposal of property under this part shall be remitted to the department releasing such property. The Commissioner shall charge the releasing department a fee to cover the cost of disposition of the property, except where the releasing department is authorized to serve as the agency for disposal. The fees to be charged under the various methods of disposal are to be set by the Commissioner of the Department of General Services and approved by the Board of Standards.
 - (a) Rates for service fees and handling charges shall be reviewed at the beginning of each fiscal year, or at any other time during the year, and adjusted when necessary, and shall be approved by the Board of Standards. The rates shall be published by the Commissioner of General Services.
 - (b) Proceeds above the established rates shall be remitted to the agency declaring the item surplus. The distribution of proceeds shall be on an item basis, not on an item average for the total sale.
- (2) When the Department of General Services is requested by the generating agency to dispose of personal property with diminished or no economic value, the generating agency is responsible for the direct costs (in excess of realized revenues) incurred by the State Personal Property Utilization Division associated with removal and disposal of the following:
 - (a) personal property which has been determined to have no economic salvage value;
 - (b) hazardous personal property, waste products, and/or refuse; and
 - (c) personal property which has lost usefulness or has diminished in economic value as a result of improper storage.

Authority: T.C.A. §12-2-411. **Administrative History:** Original rule filed April 20, 1978; effective July 14, 1978. Amendments filed August 28, 1980; effective December 1, 1980. Amendment filed December 9, 1991; effective March 30, 1991. Amendment filed August 4, 1992; effective November 29, 1992.

0690-2-1-.11 DETERMINATION OF VALUE OF SURPLUS AND METHOD OF DISPOSAL.

- (1) When an item is declared surplus, the commissioner of the releasing department or head of the releasing agency, commission, or board where such agency, commission, or board is not under the jurisdiction of a commissioner, shall establish an estimated value and suggest a possible method of disposal.
- (2) A State property officer, after inspection at the point of origin, if practicable, shall submit to the Director of the State Personal Property Utilization Division a written recommendation as to estimated value and method of disposal.

(Rule 0690-2-1-.11, continued)

- (3) The final determination as to estimated value and method of disposal shall be made by the Commissioner in conformity with the criteria set out in rule 0690-2-1-.05(2).

Authority: T.C.A. §§12-2-401 through 12-2-414 and Public Acts of 1976, Chapter 821. **Administrative History:** Original rule filed April 20, 1978; effective July 14, 1978.

0690-2-1-.12 TRADE-IN ON REPLACEMENT.

- (1) Items that must be replaced may, upon approval, be traded in on the replacement property.
 - (a) When requesting that property be traded in, the following procedures shall be followed:
 1. Application for approval of trade-in shall be filed with State Personal Property Utilization Division along with Form SPMD-1A, Report of Surplus Property. This application may be in memorandum form. This memorandum must outline the proposed transaction giving the property inventory number, purchase price, condition of the property, the estimated current value, and the name of the representative of the disposing agency to be contacted should any additional information be required.
 2. A requisition for purchase shall be forwarded to the Division of Purchasing along with a copy of the application filed for approval of trade-in, except for agencies which are exempt by Statute from Central Purchasing or which have been delegated direct purchase authority. Procedures for these agencies are designated in subparagraph (1)(d) of this rule.
 - (b) The Division of Purchasing will perform the following functions:
 1. Issue invitations to bid asking for bids with trade-in and without trade-in.
 2. Notify the State Personal Property Utilization Division of the proposals received from the invitations to bid.
 3. When notified by the State Personal Property Utilization Division of the approval or disapproval of the request for trade-in, issue a purchase order, based on the notification, for the purchase of the replacement property.
 4. The notifications received from State Personal Property Utilization Division shall be maintained as a part of the permanent bid file for the related transaction.
 - (c) The State Personal Property Utilization Division shall perform the following procedures:
 1. Make an evaluation of the condition and fair market value of the property to be disposed of.
 2. Compare the results of the above evaluation with the proposals received from invitations to bid.
 3. Make a determination whether it is in the best interest of the State to dispose of the property by trade-in or by one of the other methods described in rule .03 of this chapter, subject to the final decision of the commissioner.
 4. Notify the Division of Purchasing of the determination made in 3 above.

(Rule 0690-2-1-.12, continued)

- (d) In such cases where agencies are exempt by Statute from Central Purchasing or have been delegated direct purchase authority, those agencies will follow the same procedures as outlined in this rule and will perform the functions that have been designated for the Division of Purchasing.

Authority: T.C.A. §§12-235 through 12-248 and Public Acts of 1976, Chapter 821. **Administrative History:** Original rule filed April 20, 1978; effective July 14, 1978. Amendment filed July 13, 1979. Notice of Disapproval hearing filed October 9, 1979. Approved by G.O.C. November 13, 1979.

0690-2-1-.13 TRANSFER TO OTHER STATE AGENCIES.

- (1) All State agencies shall make every reasonable effort to utilize surplus property that is available from the State Personal Property Utilization Division.
- (2) Items determined as having value for transfer to other State agencies shall be listed on a report included in the monthly distribution to all State agencies.
- (3) State agencies shall have priority to acquire surplus property by transfer from other State agencies.
- (4) The State Personal Property Utilization Division shall determine as soon as possible after the property is declared surplus some point for transfer and relieve the surplus agency of jurisdiction and accountability.
- (5) After a reasonable time, if no interest is developed from State agencies, the State Personal Property Utilization Division shall then proceed to dispose of the property in the manner determined to be in the best interest of the State by one of the methods set out in rule 0690-2-1-.03 of this chapter.

Authority: T.C.A. §§12-2-401 through 12-2-414 and Public Acts of 1976, Chapter 821. **Administrative History:** Original rule filed April 20, 1978; effective July 14, 1978.

0690-2-1-.14 SALE OF SURPLUS PROPERTY TO GOVERNMENTAL ENTITIES, NONPROFIT VOLUNTEER ORGANIZATIONS, AND ELIGIBLE CORPORATIONS ORGANIZED AND CONDUCTED NOT FOR PROFIT WHOSE CHARTERED ACTIVITIES ARE RELATED TO HEALTH AND/OR EDUCATION.

- (1) Political subdivisions of the State, other governmental entities {including but not limited to those described in (4) below}, eligible nonprofit volunteer fire, police and rescue organizations, and eligible corporations as defined in rule 0690-2-1-.02 may purchase State surplus personal property by purchasing from the Division of State Personal Property during normal hours at locations designated by the Commissioner at the fair market value.
 - (a) The fair market value shall be determined by the Commissioner of General Services by considering the following criteria:
 1. The character, utility, and functionality of the property,
 2. The condition and climate of the potential market,
 3. Known prevailing market prices,
 4. The use of published industry value guides,
 5. Use of estimates by persons knowledgeable of the type of property to be sold.

(Rule 0690-2-1-.14, continued)

- (2) Such organizations or entities shall retain possession of surplus property purchased from the State for at least one (1) year unless disposal is approved by the Board of Standards. Any profit realized from the resale of such property shall revert to the State. The provisions regarding the reversion of profits realized shall not apply to the resale of surplus property transferred to vocational programs operated under Title 49, Chapter 11, or state technical institutes operated by the State Board of Regents when such entity or corporation has repaired the item through its vocational program for the purpose of resale. The resale of such surplus property shall be made only after public advertisement of the sale in a newspaper of general circulation in the county or municipality at least twice in a two (2) week period preceding the sale.
- (3) Any sale of motor vehicles by the State of Tennessee to such an organization or entity shall become null and void, and such property shall revert to the State in the event that such political subdivision or governmental entity does not transfer the registration of title to such motor vehicle to its name within seven (7) days after the sale.
- (4) (a) Examples of eligible agencies are as follows:
 1. Counties
 2. Cities/Towns
 3. Utility Districts
 4. Special Districts
 5. Human Resources Agencies
- (b) The following authorities, boards, commissions, or agencies are eligible agencies if subject to the legislative authority of a city, town, or county government.

City and/or County:

1. Airport Authority
2. Park Commissions/Recreation Commissions
3. Public Libraries
4. Transit Authorities
5. Park and Harbor Commissions
6. Housing Authority
7. Fire Departments
8. Ambulance Service
9. Hospitals
10. Nursing Homes
11. Auditoriums/Coliseums
12. Academies of Art

(Rule 0690-2-1-.14, continued)

13. Sanitary Landfills
14. Civil Defense Units
15. Rescue Units
16. Museums
17. Industrial Park Boards
18. Electric/Gas & Water/Sewer Utilities*

*These utilities are those which are municipal corporations and are not private enterprises, cooperatives, or nonprofit corporations. An example of the non-eligible enterprise is the R.E.A. Cooperatives.

- (5) In order to qualify to purchase surplus property, eligible corporations must first be listed as an authorized donee under the Federal Surplus Property Program administered by the Department of General Services.
- (6) In order to qualify to purchase surplus property, all eligible governmental entities, non-profit volunteer organizations, and eligible corporations must submit a form GS-0426-REQUEST TO QUALIFY. Based on the information submitted, the commissioner shall determine eligibility. A copy of this form is included as Appendix 6 under rule 0690-2-1-.27.

Authority: T.C.A. §12-2-407 and Public Acts of 1991, Chapter 364. **Administrative History:** Original rule filed April 20, 1978; effective July 14, 1978. Amendment filed March 29, 1979; effective June 29, 1979. Amendment filed December 16, 1981; effective April 1, 1982. Amendment filed April 30, 1982; effective July 29, 1982. Amendment filed December 9, 1991; effective March 30, 1992.

0690-2-1-.15 ITEMS TO BE HELD FOR LOCAL SALE.

- (1) In instances when it is not economically feasible and fiscally sound to transport surplus property determined to have a salvage value to another location for sale, a local sale shall be held.
 - (a) The method of disposal to be utilized in local sales shall be determined as follows:
 1. If enough surplus property is available to justify an "on-site" public auction, it shall be disposed of by such method.
 2. If not enough surplus property is available to justify an "on-site" public auction, such property shall be sold under sealed bids, publicly advertised, opened, and recorded.
 - (b) Local sales by public auction and under sealed bids shall be advertised, and public notices shall be posted in accordance with provisions of rule 0690-2-1-.06 of this chapter.

Authority: T.C.A. §§12-235 through 12-248 and Public Acts of 1976, Chapter 821. **Administrative History:** Original rule filed April 20, 1978, effective July 14, 1978.

0690-2-1-.16 DESTRUCTION OF ITEMS WITH NO ECONOMICAL SALVAGE VALUE.

- (1) When an item is determined by the Director of State Personal Property Utilization Division to have no economical salvage value, a destruction report shall be prepared to authorize destruction of the item.
- (2) This report shall include the signature of the authorized representative of the owner agency and the inspector representing the Director of State Personal Property Utilization Division.
- (3) If destruction is authorized, a certification shall be executed by the individual destroying or causing the item to be destroyed and by an individual witnessing the destruction of the item.
- (4) Where appropriate, the Purchasing Division field inspectors may be authorized to act on behalf of the Director of State Personal Property Utilization Division.
- (5) The actual destruction of property with no economical salvage value, after approval by the Director of State Personal Property Utilization Division, shall be the responsibility of the reporting agency.

Authority: T.C.A. §§12-235 through 12-248 and Public Acts of 1976, Chapter 821. **Administrative History:** Original rule filed April 20, 1978; effective July 14, 1978.

0690-2-1-.17 DISPOSAL OF WASTE PRODUCTS.

- (1) Waste products, such as scrap metals, used tires, and used batteries which are subject to storage and are normally accumulated until such quantities are available to make a sale economically feasible shall be sold under sealed bids by the generating agency as follows:
 - (a) Invitations to bid shall be mailed to known buyers of the particular item.
 - (b) Every effort shall be made to secure a minimum of three firm bids.
 - (c) Sealed bids shall be publicly opened and recorded twelve (12) days, excluding Saturdays, Sundays, and holidays, after the invitations to bid are mailed. The bids shall be opened and witnessed by responsible officials of the generating agency. The form on which the bids are recorded shall be signed by the official opening the bids and the official(s) witnessing the opening.
 - (d) The highest bidder shall be awarded the contract, and shall be notified of the date for removal of the property and the method of payment which will be acceptable.
 - (e) Controls shall be put into effect to insure that in the receipt and opening of sealed bids, all bidders receive equitable treatment.
 - (f) A file shall be maintained for each disposal for the purpose of documenting the sale and should include but not be limited to the following:
 1. Copies of invitations to bid which were mailed,
 2. A copy of each bid received,
 3. A signed copy of the form on which bids were recorded,
 4. A copy of notice to successful bidder,

(Rule 0690-2-1-.17, continued)

5. A certificate of receipt of property showing the number of units purchased, the purchase price, and the date removed from state property. This certificate shall be signed by the purchaser and the state representative releasing the property.
6. Any other documents or information pertinent to the disposal.
- (g) Copies of the documents listed in (f) above shall be forwarded to the accounting division of the disposing department or agency to substantiate the accounting necessary to record the sale, and to the State Personal Property Utilization Division for review.
- (2) Waste products which are not subject to storage or for which storage is not economically available and must be removed from State property on a current basis as generated shall be disposed of under contract, negotiated at arms length, on a competitive basis where possible (including the solicitation of written proposals), by the Department of General Services or by the generating agency subject to final approval by the Commissioner of General Services.
- (3) The following documentation shall be provided for contracts negotiated for the sale of waste products of the type described in rule .17 (2) above:
 - (a) A memorandum describing the circumstances which prevents the waste products from being disposed of by the method set out in rule .17 (1).
 - (b) A list of prospective purchasers contacted, including any correspondence with them, and copies of proposals submitted.
 - (c) A copy of the contract as negotiated.
 - (d) A certificate of receipt of property showing the number of units purchased, the contract price, and the date removed from State property. This certificate shall be signed by the purchaser and the State representative releasing the property.
 - (e) Any other documents or information pertinent to the disposal.
 - (f) Copies of the documents described in (3) (a), (b), and (c) shall be forwarded to the State Personal Property Utilization Division at the time the contract is negotiated for final approval by the Commissioner. Copies of documents described in (3) (d) and (e) above shall be mailed to State Personal Property Utilization Division for review after each sale is finalized. Copies of all the documents described in (3) shall be forwarded to the accounting division of the disposing agency to substantiate the accounting necessary to record the sale of the waste product(s).

Authority: T.C.A. §§12-2-403, 12-2-405, and Public Acts of 1976, Chapter 821. **Administrative History:** Original rule filed April 20, 1978; effective July 14, 1978. Amendment filed December 9, 1991; effective March 30, 1992.

0690-2-1-.18 DISPOSAL OF FORESTRY PRODUCTS.

- (1) The department having jurisdiction over the producing facility is designated as the agency for disposal of forestry products. Procedures to be followed in the disposal of forestry products are outlined below.
 - (a) Commercially feasible sales that are conducted to meet established objectives of timber and wildlife management shall be conducted as follows:

(Rule 0690-2-1-.18, continued)

1. Such sales shall be under sealed bids, publicly advertised, opened, and recorded.
 2. Notice of each sale shall be entered in at least one (1) newspaper of general circulation in the county or counties in which the sale is to be made. Invitations to bid shall specify the terms and conditions of the sale and the date the bids will be publicly opened and recorded, which shall be not less than twenty (20) days after the date of mailing, excluding Saturdays, Sundays, and holidays.
 3. The bid of the highest responsible bidder who accepts the terms and conditions contained in the invitations to bid shall be selected.
 4. The successful bidder shall be required to sign a timber sale contract at which time he will pay the full purchase price and post a performance bond equaling seven (7) percent of the sale price of the timber.
 5. Payment of both of the above amounts shall be by certified or cashier's checks, payable to the disposing agency.
 6. Official records of the sale will be maintained in the Nashville office of the department having jurisdiction over the producing agency. Copies of the documents described in (a)1 through (a)5 above shall be forwarded to State Personal Property Utilization Division for review.
- (b) The following procedures shall be followed when commercially feasible sales are conducted as a result of natural or man made catastrophes, such as ice storms, wind storms, wildfire, or insect and disease attacks occur:
1. The department having jurisdiction over the producing facility will notify prospective buyers when catastrophes occur that require emergency sales. Also, a notice of the sale will be entered in at least one (1) newspaper of general circulation in the county or counties in which the catastrophe occurred.
 2. A set price will be established for each forestry product in the sale which all contractors will be required to pay. The price of each product will be periodically reviewed and will be revised if deemed necessary. Adequate documentation shall be provided concerning the establishment of prices, and shall be dated and signed by the official or officials establishing the prices. This documentation shall be made a part of the official records of the sale.
 3. All contractors will be required to sign a timber sale contract specifying the amount, time limit, the amount of performance bond, and other details of the sale.
 4. Payments shall be made by certified or cashier's checks payable to the producing agency.
 5. Official records shall be maintained in the Nashville office of the department having jurisdiction over the producing facility. Copies of the documents described in (b)1 through (b)4 above shall be forwarded to State Personal Property Utilization Division for review.
- (c) The following procedures will be followed when sales are conducted which are not commercially feasible because they do not contain sufficient volume, or the timber is too scattered.

(Rule 0690-2-1-.18, continued)

1. All timber involved in this type of sale will be harvested by the producing facility personnel and sold at the highest price obtainable.
2. If possible, the department designated as agent shall obtain three written bids. If not possible, documentation shall be provided setting out reasons why bids could not be obtained. This documentation shall be made a part of the official records of the sale.
3. All sales shall be approved in writing by the commissioner or head of the department or agency having jurisdiction over the producing facility, and made a part of the official records of the sale.
4. The successful bidder will not be required to sign a timber sale contract or post a performance bond.
5. All checks shall be made payable to the producing facility.
6. Official records shall be maintained in the office of the producing facility in the Nashville office of the department having jurisdiction over the producing facility. Copies of the documents described in (c)2 through (c)5 above shall be forwarded to State Personal Property Utilization Division for review.

Authority: T.C.A. §§12-235 through 12-238 and Public Acts of 1976, Chapter 821. **Administrative History:** Original rule filed April 20, 1978; effective July 14, 1978.

0690-2-1-.19 DISPOSAL OF AGRICULTURAL PRODUCTS.

- (1) The department having jurisdiction over the producing facility is designated as the agency for disposal of agricultural products and livestock. Each product must be sold according to its individual marketing characteristics in accordance with the following procedures:
 - (a) Cotton, soybeans, and small grains shall be sold by competitive bidding as follows:
 1. Invitations to bid shall be mailed to known responsible dealers.
 2. Sealed bids shall be publicly opened and recorded not less than twenty (20) days after the invitations to bid are mailed, excluding Saturdays, Sundays, and holidays.
 3. The bid shall be awarded to the highest responsible bidder.
 4. The successful bidder shall be required to sign a contract specifying the price, time of delivery, and the method of payment which will be acceptable.
 5. A separate file shall be maintained for each contract which shall include copies of invitations to bid, copies of bids received, a copy of the contract, delivery dates, units delivered, signed delivery receipts where applicable, and market quotations for the dates of delivery.
 6. Copies of the documents listed in (a)5 above will be forwarded to the accounting division of the department having jurisdiction over the producing facility to substantiate the accounting entries necessary to record the sale, and to State Personal Property Utilization Division for review.
 - (b) Contract for the sale of eggs shall be obtained and documented following the procedures outlined in (a)1 through (a)6 above.

(Rule 0690-2-1-.19, continued)

- (c) Milk shall be sold under contract negotiated on a competitive basis as follows:
1. Invitations to submit bids shall be mailed to known milk processors and marketing agencies.
 2. Contracts shall be awarded to the processors or marketing agencies submitting the highest bids net of hauling charges.
 3. A file shall be maintained for documenting milk sales and should include but not be limited to the following:
 - (i) Copies of invitations to bid which were mailed.
 - (ii) Copies of bids received.
 - (iii) Copies of contracts.
 - (iv) Copies of monthly price and grade publications issued by U.S.D.A.
 - (v) Copies of remittance advices issued by the purchaser with payments to producer.
 - (vi) Copies of the documents listed in 3 (i) through 3 (v) above shall be forwarded to the accounting division of the department having jurisdiction over the producing facility to substantiate the necessary accounting to record milk sales and to State Personal Property Utilization Division for review.
- (d) Spent-out hens will be sold to processors based on competitive bids. The following documentation shall be maintained:
1. Copies of bids.
 2. Number of units sold and date sold.
 3. Copy of payment voucher.
 4. Copies of above documents shall be forwarded to the accounting division of the department having jurisdiction over the producing facility to substantiate the accounting necessary to record the sale, and to State Personal Property Utilization Division for review.
- (e) Cattle and swine generally shall be sold at livestock auction markets by competitive bidding. However, where livestock auction markets are not available, cattle and swine shall be sold by soliciting bids from known responsible buyers. The following documentation shall be maintained for cattle and swine sales:
1. Confirmation of bids obtained where applicable.
 2. Number of units sold and date of sale.
 3. Copy of payment voucher.
 4. Copy of livestock market quotations for date of sale.

(Rule 0690-2-1-.19, continued)

5. Copies of the above documents shall be forwarded to the accounting division of the department having jurisdiction over the producing facility to substantiate the accounting necessary to record the sale, and to State Surplus Personal Property Utilization Division for review.

Authority: §§12-235 through 12-248 and Public Acts of 1976, Chapter 821. **Administrative History:** Original rule filed April 20, 1978; effective July 14, 1978.

0690-2-1-.20 ALTERNATIVE PROCEDURES FOR THE DISPOSAL OF SPECIFIC ITEMS OF SURPLUS PERSONAL PROPERTY.

- (1) The following procedures shall be followed when rules .17, .18, or .19 are considered by officials of the department having jurisdiction over the producing facility not to be applicable or practicable for the disposal of a specific product or commodity:
 - (a) The head of the department having jurisdiction over the producing facility shall submit in writing to the Commissioner of the Department of General Services a statement setting forth the reason or reasons why rules .17, .18, or .19 are not considered to be applicable or practicable for the disposal of the specific item of surplus personal property, and request that alternative procedures be approved.
 - (b) If the request is approved, the department head submitting the request shall submit to the Commissioner of the Department of General Services proposed procedures for the disposal of the specific item of personal property.
 - (c) The Commissioner of General Services shall review the proposed procedures, modify such procedures as he deems necessary, or propose additional alternative procedures for the disposal of the specific item. The proposed procedures shall then be submitted to the Board of Standards for approval.
 - (d) The alternative procedures, when approved by the Board of Standards, shall be maintained on file in the Department of General Services for use by other state agencies for disposal of the same or similar items of state surplus personal property.
 - (e) The alternative procedures shall be procedures authorized by Title 12, Chapter 2, Tennessee Code Annotated.
- (2) The following procedures shall be followed for the disposal of objects in the collection of the Tennessee State Museum, which shall be exempt from other rules of this chapter except .08.
 - (a) The Chief Curator of the Museum shall recommend to the Director of the Museum objects suitable for deaccessioning and disposal. The Registrar of the Museum shall complete a Deaccession Certification form (GS-0674) for each object or lot of like objects which is to be deaccessioned. This form will include an estimate of the value of each object or lot of like objects, and the source of the evaluation.
 - (b) The Director of the Museum shall recommend the objects to the Board of Standards for review and determination of the following:
 1. Whether or not it is desirable to dispose of the recommended objects;
 2. What means of disposal shall be used;
 3. What minimum valuation, if any, shall be set as the price for which each object or lot of like objects shall be disposed, or whether the other possible terms of disposal not involving price are satisfactory.

(Rule 0690-2-1-.20, continued)

- (c) The Board of Standards shall be required to approve or disapprove the Deaccession Certification and shall note the terms under which approval is given.
- (d) No object may be disposed of except by one of the following methods:
 - 1. Gift to educational institutions and museums which are not for profit, and to governmental units; to donors of the objects, or their heirs or assigns.
 - 2. Exchange with individuals, publicly funded or eleemosynary institutions, and/or governmental units.
 - 3. Negotiated sale with publicly funded or eleemosynary institutions and/or governmental units.
 - 4. Public auction, publicly advertised and held, or consignment for sale at an auction house.
 - 5. Sale under sealed bids, publicly advertised, opened, and recorded.
 - 6. Sale in the Tennessee State Museum's gift shop.
- (e) Notice of intended disposal by public auction or sale under sealed bid shall be entered by the Director of the Museum in at least one (1) newspaper of general circulation within the county in which the objects are to be sold. Such notice(s) shall specify and reasonably describe the property to be disposed of, the date, time, place, manner, and condition of disposal, all as previously determined by the Board of Standards. The advertisement(s) shall be entered in the public notice or equivalent section of the newspaper(s) and shall run not less than three (3) times. Other advertisements and/or notices may be published or circulated if requested on the Deaccession Certification and approved by the Board of Standards or if required by the Board of Standards.
- (f) Copies of all documents shall be forwarded to the State Surplus Property Section of the Department of General Services. These shall include but not be limited to the following:
 - 1. Copies of invitation to bid which were mailed.
 - 2. A copy of each bid received.
 - 3. A signed copy of the form on which bids were recorded.
 - 4. A copy of notice to successful bidder.
 - 5. A certificate of receipt of property showing the number of objects purchased, donated or exchanged, the purchase price or other consideration, and the date removed from State property. This certificate shall be signed by the purchaser and the State representative releasing the property.
 - 6. Copy of any negotiated contracts.
 - 7. Copy of gift shop receipts.
 - 8. Any other documents or information pertinent to the disposal.

(Rule 0690-2-1-.20, continued)

Authority: T.C.A. §§12-235 through 12-248 and Public Acts of 1976, Chapter 821. **Administrative History:** Original rule filed April 20, 1978; effective July 14, 1978. Amendment filed November 26, 1982; effective February 14, 1983.

0690-2-1-.21 INSTRUCTIONS FOR PREPARATION OF SURPLUS REPORTS.

- (1) The following instructions should be read carefully before the preparation of a Surplus Report is attempted.
 - (a) All state surplus personal property will be reported to the State Personal Property Utilization Division on one of the following forms;
 1. All items except motor vehicles will be reported on Reports of Surplus Personal Property Addition, Correction and Deletion Report, Form SPMD-1A (Appendix 3).
 2. Multiple Transaction Document, Form SPMD-6 (Appendix 4). This form will be used as a supplement to Form SPMD-1A.
 3. Motor vehicles will be reported on Report of Surplus Vehicles, Form SPMD-15 (Appendix 5).
 4. Forms are available from:

The Department of General Services
State Personal Property Utilization Division
6500 Centennial Boulevard
Nashville, Tennessee 37243-0543
 - (b) Separate reports are required for each item being reported to State Personal Property Utilization Division for destruction, sale or transfer, with the following exceptions:
 1. Items that are identical in nature may be reported on one SPMD-1A, with accompanying SPMD-6 (Multiple Transaction Document). Be sure to enter the total number of like items and all tag numbers on the SPMD-6. **ITEMS WITHOUT TAG NUMBERS SHOULD NOT BE INCLUDED IN THIS GROUP.**
 2. Items that have no tag number and are of identical kind and condition may be grouped on one SPMD-1A. Example (25 ea. chairs, wood w/arms).
 - (c) FORM SPMD-1A-REPORT OF SURPLUS
 1. The following fields are mandatory and must be completed. Incomplete forms will be returned to sender. Returned documents will cause a delay in the movement of your surplus property.
 - (i) Block 1: Agency Number (Insert Allotment Number)
 - (ii) Block 2: Date of this Report
 - (iii) Block 3: Property Officer Code
 - (iv) Block 4: Transaction Code (Insert "5")
 - (v) Block 5: If property has a state tag number (any tag that begins with an alpha character) enter here. If property has no tag at all, write NO TAG.

(Rule 0690-2-1-.21, continued)

- (vi) Block 6: If property has an old property tag number (any tag that begins with a numeric character) enter here.
 - (vii) Block 7: Date received by state (give the date that the item was purchased; if unknown, make a realistic estimate).
 - (viii) Block 8: N/A
 - (ix) Block 9: N/A
 - (x) Block 10: Property description (prime description, listing noun first).
 - (xi) Block 11: Additional description (serial number, model number, manufacturer).
 - (xii) Block 12: Additional description (to better identify item for potential user).
 - (xiii) Block 13: Additional description
 - (xiv) Block 14: Status Code (Enter "S")
 - (xv) Block 15: Condition Code (use codes in rule .22)
 - (xvi) Block 16: Physical Inventory - Enter "Y"
 - (xvii) Block 17: County Code (use codes in rule .23)
 - (xviii) Block 18: Installation Number
 - (xix) Block 19: Building Number
 - (xx) Block 20: Room Number
2. If this item is assigned to an individual, complete Block 21 & 22; otherwise leave blank.
- (i) Block 21: Social Security Number (individual to which property is assigned).
 - (ii) Block 22: Name (individual to which property is assigned)
 - (iii) Block 23: N/A
 - (iv) Block 24: N/A
 - (v) Block 25: N/A
 - (vi) Block 26: N/A
 - (vii) Block 27: N/A
 - (viii) Block 28: N/A
 - (ix) Block 29: N/A

(Rule 0690-2-1-.21, continued)

- (x) Block 30: N/A
- (xi) Block 31: N/A
- (xii) Block 32: N/A
- (xiii) Block 33: N/A
- (xiv) Block 34: N/A
- (xv) Block 35: N/A
- (xvi) Block 36: N/A
- (xvii) Block 37: N/A
- (xviii) Block 38: N/A
- (xix) Block 39: N/A
- (xx) Block 40: N/A
- (xxi) Block 41: N/A
- (xxii) Block 42: Disposal Price: Enter the amount your agency is requesting. To encourage utilization of surplus, it is recommended that this amount be kept to a reasonable minimum. In all cases, the Commissioner of General Services, by law, will determine the fair market value.
- (xxiii) Block 43: N/A
- (xxiv) Block 44: Administrator signature
- (xxv) Block 45: N/A
- (xxvi) Block 46: N/A
- (xxvii) Block 47: Batch Number
- (xxviii) Block 48: Property Officer signature
- (xxix) Block 49: Page number of this report

3. FORM SPMD-1 - REPORT OF SURPLUS VEHICLES

- (i) When notified by Motor Vehicle Management that replacement vehicle is available, a Form SPMD-15 should be completed on the vehicle being replaced. Deliver replaced Vehicle, Title, and Form SPMD-15 to State Personal Property Utilization Division, 6500 Centennial Boulevard, Nashville, Tennessee. Do not remove license tags before delivery. Upon delivery of the above (Vehicle, Title, Form SPMD-15), to State Personal Property Utilization, your form SPMD-15 will be signed by a representative of State Personal Property Utilization authorizing you to receive your new vehicle from Motor Vehicle Management.

(Rule 0690-2-1-.21, continued)

- (ii) All reports of surplus shall be typed to facilitate reproduction and distribution. The following information is to be included on the report.
 - (I) Block 1: Requisition No. - Agency should assign its own number for control and, in addition, if this is a replacement vehicle, the requisition number from the form P-1 shall also be inserted. Example: 17 (P-1 No. 163).
 - (II) Block 2: Allotment Code
 - (III) Block 3: Page No. - Self-explanatory
 - (IV) Block 4: Date the report was transmitted to the State Personal Property Utilization Division
 - (V) Block 5: Complete name and address of reporting agency
 - (VI) Block 6: Prime Contact - The individual designated for any queries concerning listed surplus vehicle(s).
 - (VII) Block 7: Approval - Agency approvals, including final approval by the responsible property officer.
 - (VIII) Block 8: Received by: To be signed by receiving person in State Personal Property Utilization Division of the Department of General Services.
 - (IX) Block 9: Line item number - Self-explanatory
 - (X) Block 10: TSC Number - Self-explanatory
 - (XI) Block 11: License number of each vehicle
 - (XII) Block 12: Current Mileage - For each vehicle
 - (XIII) Block 13: Operable - Yes or No
 - (XIV) Block 14: Description of Vehicle(s) - Include as a minimum the items listed
 - (XV) Block 15: Condition Code - Each vehicle should be coded as nearly as possible to describe the condition of the vehicle. You should use the list of condition codes found in Appendix 1. Be as realistic as possible.
 - (XVI) Block 16: Source - New or Surplus
 - (XVII) Block 17: Acquisition Cost - If unknown, a realistic estimate should be made.
 - (XVIII) Block 18: Amount Requested - Enter the estimated fair market value. The final determination of the fair market value will be made by the Commissioner of the Department of General Services.

(Rule 0690-2-1-.21, continued)

Authority: T.C.A. §§12-235 through 12-248 and Public Acts of 1976, Chapter 821. **Administrative**

History: Original rule filed April 20, 1978; effective July 15, 1978.

0690-2-1-.22 APPENDIX 1 - CONDITION CODES.

- (1) N-1 New or unused property in excellent condition. Ready for use and identical or interchangeable with new items delivered by a manufacturer or normal source of supply.
- (2) N-2 New or unused property in good condition. Does not quite qualify for N-1 (because slightly shopworn, soiled or similar), but condition does not impair utility.
- (3) N-3 New or unused property in fair condition. Soiled, shopworn, rusted, deteriorated, or damaged to the extent that utility is slightly impaired.
- (4) N-4 New or unused property so badly broken, soiled, rusted, mildewed, deteriorated, damaged, or broken that its condition is poor and its utility seriously impaired.
- (5) E-1 Used property but repaired or renovated and in excellent condition.
- (6) E-2 Used property which has been repaired or renovated, and while still in good usable condition, has become worn from further use and can't qualify for excellent condition.
- (7) E-3 Used property which has been repaired or renovated but has deteriorated since reconditioning and is only in fair condition. Further repairs or renovation required or expected to be needed in the near future.
- (8) E-4 Used property which has been repaired or renovated and is in poor condition from serious deterioration, such as from major wear and tear, corrosion, exposure to weather, or mildew.
- (9) O-1 Property which has been slightly or moderately used, no repairs required, and still in excellent condition.
- (10) O-2 Used property, more worn than O-1, but still in good condition with considerable use left before any important repairs would be required.
- (11) O-3 Used property which is still in fair condition and usable without repairs; however, somewhat deteriorated with some part (or portion) worn and should be replaced.
- (12) O-4 Used property which is still usable without repairs but in poor condition and undependable or uneconomical in use. Parts badly worn and deteriorated.
- (13) R-1 Used property, still in excellent condition, but minor repairs required.
- (14) R-2 Used property in good condition but considerable repairs required. Estimated cost of repairs would be from 11% to 25% of acquisition cost.
- (15) R-3 Used property in fair condition but extensive repairs required. Estimated repair cost would be from 26% to 40% of acquisition cost.
- (16) R-4 Used property in poor condition and requiring major repairs. Badly worn, and would still be in doubtful condition of dependability and uneconomical in use if repaired. Estimated repair costs between 41% and 65% of acquisition cost.

(Rule 0690-2-1-.22, continued)

(17) X Salvage. Personal property that has some value in excess of its basic material content but which is in such condition that it has no reasonable prospect of use for any purpose as a unit and its repair or rehabilitation for use as a unit is clearly impractical (in excess of 65% of acquisition cost)

(18) XX **Scrap.** Material that has no value except for its basic material content.

Authority: T.C.A. §§12-235 through 12-248 and Public Acts of 1976, Chapter 821. **Administrative History:** Original Rule filed April 20, 1978; effective July 15, 1978.

0690-2-1-.23 APPENDIX 2 - STATE OF TENNESSEE - COUNTY CODES.

01 Anderson	25 Fentress	49 Lauderdale	73 Roane
02 Bedford	26 Franklin	50 Lawrence	74 Robertson
03 Benton	27 Gibson	51 Lewis	75 Rutherford
04 Bledsoe	28 Giles	52 Lincoln	76 Scott
05 Blount	29 Grainger	53 Loudon	77 Sequatchie
06 Bradley	30 Greene	54 McMinn	78 Sevier
07 Campbell	31 Grundy	55 McNairy	79 Shelby
08 Cannon	32 Hamblen	56 Macon	80 Smith
09 Carroll	33 Hamilton	57 Madison	81 Stewart
10 Carter	34 Hancock	58 Marion	82 Sullivan
11 Cheatham	35 Hardeman	59 Marshall	83 Sumner
12 Chester	36 Hardin	60 Maury	84 Tipton
13 Claiborne	37 Hawkins	61 Meigs	85 Trousdale
14 Clay	38 Haywood	62 Monroe	86 Unicoi
15 Cocke	39 Henderson	63 Montgomery	87 Union
16 Coffee	40 Henry	64 Moore	88 Van Buren
17 Crockett	41 Hickman	65 Morgan	89 Warren
18 Cumberland	42 Houston	66 Obion	90 Washington
19 Davidson	43 Humphreys	67 Overton	91 Wayne
20 Decatur	44 Jackson	68 Perry	92 Weakley
21 DeKalb	45 Jefferson	69 Pickett	93 White
22 Dickson	46 Johnson	70 Polk	94 Williamson

(Rule 0690-2-1-.23, continued)

23 Dyer	47 Knox	71 Putnam	95 Wilson
24 Fayette	48 Lake	72 Rhea	

0690-2-1-24 APPENDIX 3 FORM - SPMD-1A - ADDITION, CORRECTION, & DELETION REPORT.

REPORT OF SURPLUS PROPERTY

(A)

(1) _____ Agency Number	(2) ____/____/____ Date of Report	(3) _____ Property Officer Code	(4) _____ Transaction Code
(5) _____ (.) _____ State Tag No.	(6) _____ Old Property Tag No.		

DESCRIPTIVE INFORMATION

(B)

(7) ____/____/____ Date Received by State	(8) ____/____/____ Date Received by Agency	(9) _____ TSC Number
(10) _____ Prime Description	(11) _____ Manufacturer, Model & Serial Number	
(12) _____ Additional Description	(13) _____ Additional Description	

INVENTORY & CONTROL INFORMATION

(C)

(14) _____ Status Code	(15) _____ Condition Code	(16) _____ Physical Inventory	
(17) _____ County	(18) _____ Installation	(19) _____ Building	(20) _____ Room
(21) ____ -- ____ -- ____ Social Security No.	& (22) _____ Name		

COST & FINANCIAL INFORMATION

(D)

(23) _____ State Cost	(24) _____ Doc. Ref. No.	(25) _____ Doc. Type	(26) _____ Fund	(27) _____ Allot. Code
(28) _____ Agency Cost	(29) _____ Object Code	(30) _____ Cost Center	(31) _____ Years	(32) _____ %Residual Value
(33) _____ Owner Code	(34) _____ % County	(35) _____ % Federal	(36) _____ Federal Grant No.	

(Rule 0690-2-1-.24, continued)

On Leased Equipment:	(37) _____ Vendor	(38) ____/____/____ & Lease Expiration Date	(39) _____ Fin. Off. Signature
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DISPOSAL INFORMATION

(E)	(40) _____ Disposal Code	(41) _____ Document Ref No.	(42) _____ Disposal Price	(43) _____ Agency Transferred To
(44) _____ Administrator's Signature	(45) _____ Date	(46) ____/____/____ Actual Date Removed from Agency		

(f)	(47) _____ Batch No.	(48) _____ Property Officer Signature
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(49) Page ____ of ____

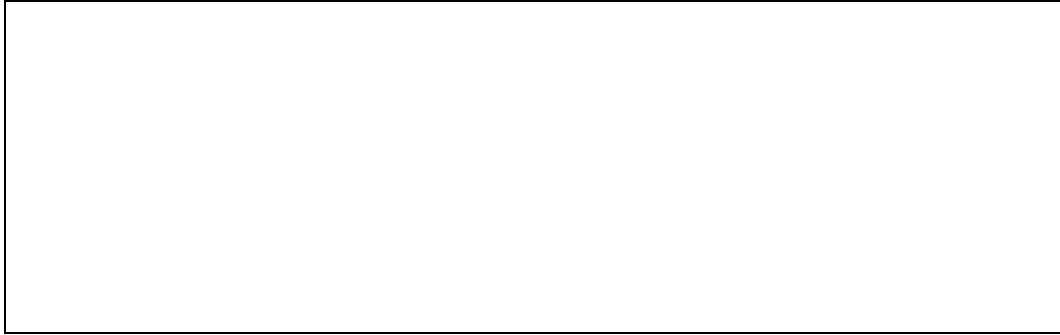
(FORM SPMD - 1A)

Authority: T.C.A. §§12-235 through 12-248 and Public Acts of 1976, Chapter 82. **Administrative History:** Original rule filed April 20, 1978; effective July 14, 1978.

0690-2-1-.25 APPENDIX 4 FORM - SPMD-6- MULTIPLE TRANSACTION DOCUMENT.

MULTIPLE TRANSACTION DOCUMENT

This Document records receipt of _____ items wherein information is constant excepting the State Tag Number. Please duplicate entry for State Tags as listed Below.



FORM SPMD-6

Authority: T.C.A. §§12-235 through 12-248 and Public Acts of 1976, Chapter 82. **Administrative History:** Original rule filed April 20, 1978; effective July 14, 1978.

0690-2-1-.26 APPENDIX 5 - FORM SPMD-15 - REPORT OF SURPLUS VEHICLES.

REPORT OF SURPLUS VEHICLES

1. REQUISITION NO.		2. ALLOTMENT CODE:		3. PAGE 1 OF ____		4. DATE			
5. FROM:		6. PRIME CONTACT: NAME, ADDRESS, PHONE, TITLE		7. APPROVED:					
8. RECEIVED BY:				1. _____					
1. _____				2. _____					
2. _____				3. _____		Agency Property Officer			
9. ITEM	10. TSC No.	11. License No.	12. Mileage	13. Operable Yes/No	14. DESCRIPTION OF VEHICLE TO INCLUDE Model, Make, Year, Color, Vin, Type, GVW Rating or Capacity, Repairs/Mechanical Condition	15. Code	16. Source New/Surplus	17. Acq. Cost	18. Amt. Requested

FORM SPMD-15

Authority: T.C.A. §§12-235 through 12-248 and Public Acts of 1976, Chapter 821. **Administrative History:** Original rule filed April 20, 1978; effective July, 14, 1978.

0690-2-1-.27 APPENDIX 6 - FORM GS-0426 - REQUEST TO QUALIFY.

DEPARTMENT OF GENERAL SERVICES
STATE PERSONAL PROPERTY SECTION 901
6500 CENTENNIAL
NASHVILLE, TENNESSEE 37243-0543
(615) 350-3373

THIS SALE SUBJECT TO PROVISIONS OF TCA 12-241

- 1. ANY DISPOSAL BEFORE END OF ONE (1) YEAR MUST BE APPROVED BY THE BOARD OF STANDARDS.
2. ANY PROFIT REALIZED FROM ANY DISPOSAL MUST REVERT TO THE STATE

FOR DEPARTMENT OF GENERAL SERVICES USE ONLY

DATE RECEIVED: _____

APPROVED _____

DISSAPPROVED _____

COMMENTS: _____

REQUEST TO QUALIFY

ORGANIZATION OR ENTITY: _____

OFFICIAL: _____ ADDRESS _____

TITLE: _____

TELEPHONE: _____

AUTHORIZED PURCHASERS (Print or Type)

SIGNATURES

I HEREBY REQUEST THAT OUR ENTITY BE PLACED ON THE LIST OF ELIGIBLE PURCHASERS OF STATE SURPLUS PROPERTY AND AGREE THAT ALL PURCHASES MADE WILL BE FOR THE USE OF AN ELIGIBLE ENTITY AND FOR NO OTHER. I CERTIFY THAT OUR ENTITY IS FINANCIALLY OBLIGATED FOR ALL PURCHASES MADE BY THOSE AUTHORIZED ABOVE TO DO SO AND WILL BE PAID FOR PROMPTLY.

I UNDERSTAND THAT ALL AUTHORITY TO PURCHASE PROPERTY BY THOSE LISTED ABOVE CEASES AT THE EXPIRATION OF MY TERM LISTED BELOW AND MUST BE RENEWED BY THE INCOMING OFFICIAL.

Signature of Organization Official

Title of Official

Term of office expires: _____

Authorities, Boards, Commissions or Agencies under the authority of a city, town or county government must also complete the following and be signed by the chief executive:

I HEREBY CERTIFY THAT THE _____ (NAME OF ENTITY)

HAS BEEN AUTHORIZED BY _____ (NAME OR CITY OR COUNTY)

TO CONDUCT ITS ACTIVITIES ON A NON-PROFIT BASIS FOR A PUBLIC PURPOSE. I UNDERSTAND THAT ALL AUTHORITY TO PURCHASE PROPERTY BY THOSE LISTED ABOVE CEASE AT THE EXPIRATION OF MY TERM LISTED BELOW AND MUST BE RENEWED BY THE INCOMING OFFICIAL.

Signature of City County Chief Executive

Term of office expires: _____

ALL APPLICATIONS MUST BE NOTARIZED

STATE OF TENNESSEE
COUNTY OF _____

SWORN TO AND SUBSCRIBED BEFORE ME THE UNDERSIGNED, THIS THE _____ DAY OF _____, 19____

_____, NOTARY

MY COMMISSION EXPIRES: _____

RESCUE ORGANIZATION MUST ATTACH COPIES OF THEIR CHARTER AND CERTIFICATE OF MEMBERSHIP IN THE TENNESSEE ASSOCIATION OF RESCUE SQUADS.

GS-0426 (Rev 8/81)

Authority: T.C.A. §12-2-409. **Administrative History:** Original rule filed November 26, 1982; effective February 14, 1983.

DEACCESSION CERTIFICATION

Object

Registration Number

Description

Deaccession and Disposal of this object is recommended because:

Chief Curator: _____

Concur ()

Disapprove ()

The Board of Standards

Director _____

Date _____

This object is valued at:

\$ _____

Source of Valuation _____

Approves of the disposal of this object in the manner indicated below:

- Gift
- Negotiated Sale
- Public Auction
- Consignment Auction
- Sale by Sealed Bid
- Sale in TSM Gift Shop

Disapproves of the disposal of this object ().

Disapproves the valuation ()

For the Board:

Registrar _____

Date _____

Approves the Museum's valuation of this object ().

Proposed method of disposition: _____

_____ Date

Actual sum realized from this object \$

Actual date of disposition:

To Whom:

GS-0674