

**FEDERAL
SURPLUS
PROPERTY PROGRAM**

Texas Facilities Commission

Introduction

- **Learning Objectives**

- How to search for and request surplus government property available at **low costs**.
- How to determine if your **organization is eligible** for these programs.
- Discover how these programs can **benefit your organization** by looking at past examples of transfers.

- **Why Should I Use TFC's Surplus Programs?**

- Save **money** compared to buying brand new (our fees are as low as 90-95% off of the item's original value)
- Save **time** during the procurement process
- Reuse is a form of **recycling**

Introduction

- **Who are we?**
 - The Texas Facilities Commission (TFC) is the state agency that is responsible for administering the Federal Surplus Property Program in Texas.
- **What do we do?**
 - We obtain surplus personal property (i.e. equipment and vehicles) from U.S. government agencies (i.e. Department of Defense, IRS, USDA) and transfer it to eligible organizations in Texas.
- **What are the goals of the program?**
 - To save the Texas taxpayers money by offering transfers of property to your local governments, schools, first responders, nonprofits and select small businesses at drastically reduced fees
 - To help your community's organizations obtain the equipment they need, but may not otherwise be able to afford, in order to provide critical life-saving, educational, or health services
 - To maximize the useful life of property purchased by the federal government, keep it out of landfills and benefit the taxpayer instead

Important Statutes & Regulations

Texas Facilities Commission (TFC) authority to operate Federal Surplus Program

- Texas Government Code Chapter 2175
- Title 40 of the U.S. Code, Section 549
- Federal Management Regulations Subchapter B, Part 102-37

Exemption for Purchasing Surplus for Public Agencies

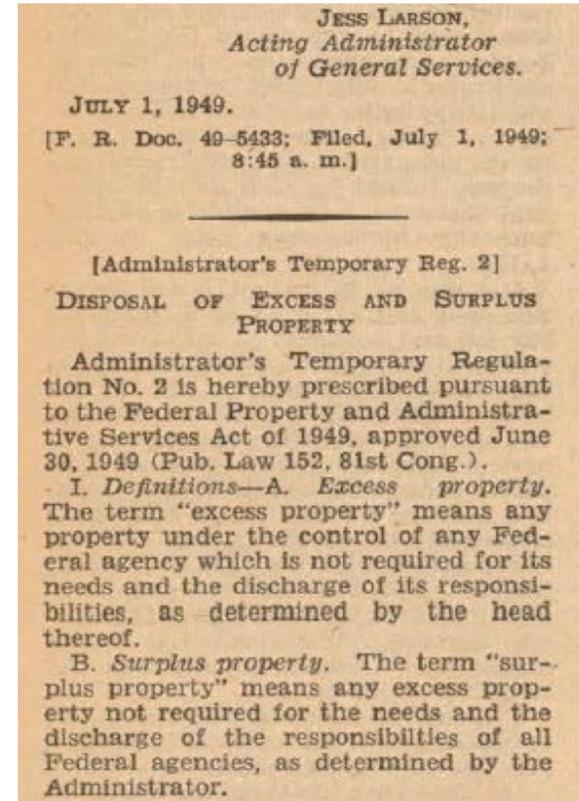
- Sole source or “proprietary” purchase
- Intergovernmental agreement
- Schools Districts receiving some Federal grants
- State agencies: TX Gov’t Code Sec. 771.003 - Interagency Agreements

FEDERAL SURPLUS PROPERTY PROGRAM



- Surplus property comes from U.S. Federal Government agencies (i.e. Dept of Defense, USDA, IRS)
- Origin = Federal Property & Administrative Services Act of 1949 (*created the GSA*)
- TFC = “State Agency for Surplus Property” or SASP

- Our customers are referred to as “Donees”
- Property NOT available for sale to general public
- Program does not receive any funding from federal or state gov’t.
- **Program is entirely supported by service fees paid by our donees.**



What types of property are available?

- Tools/shop equipment
- Office equipment & supplies
- Electronics
- Furniture
- Heavy Equipment
- Vehicles
- Trucks
- Utility vehicles
- Generators
- Storage & fuel tanks
- Musical instruments
- Exercise & gym equipment
- Recreational equipment
- Commercial kitchen equipment
- Boats & rafts
- Mobile homes & travel trailers
- Large storage containers
- Airplanes & helicopters
- Medical supplies
- Emergency management equipment

All available property is posted on our website (with pictures!!)

<http://tfc.texas.gov/fsp>

How to Search for Available Property

- Visit our Fort Worth or San Antonio Warehouses
- Search TFC's inventory on our website - <http://tfc.texas.gov/fsp>

Image	Description	Asset Number	Warehouse/Location ▲	Sub-category	Manufacturer	Model	Model Year	Service Charge
	ARTIFICIAL TREE	48-015-8365-48-003	FORT WORTH - BULK	OFFICE FURNITURE (7110)	-	-	1999	\$5.00
	AVERY ROUND CODED LABELS	48-015-8403-48-001	FORT WORTH - BULK	OFFICE FURNITURE (7110)	-	2020YG	-	\$0.10
	BENCH WORK	48-013-2420-20-001	FORT WORTH - BULK	OFFICE FURNITURE (7110)	-	-	-	\$20.00
	BLOCK ERASERS	48-015-8403-48-005	FORT WORTH - BULK	OFFICE FURNITURE (7110)	-	NONE	-	\$0.05
	BOOKCASE	48-014-2038-48-001	FORT WORTH - BULK	OFFICE FURNITURE (7110)	-	BOOKCASE	-	\$50.00
	BOOKCASE METAL	48-014-8000-48-001	FORT WORTH - BULK	OFFICE FURNITURE (7110)	-	BOOKCASE	-	\$15.00
	BOOKCASE UPPER DESK	48-015-8176-20-001	FORT WORTH - BULK	OFFICE FURNITURE (7110)	-	-	-	\$100.00

Viewing Available Federal Property

Item Info

Asset Number	48-017-9054-05-002
NSN Group Code	2340 - MOTORCYCLES, MOTOR SCOOTERS, AND BICYCLES (2340)
Description	TRUCK MICRO VANTAGE
Manufacturer	VANTAGE
Model	TRUCKALL
Model Year	
Quantity	1
UoM	each
Service Charge	\$1,500.00
Surplus Location	FORT WORTH - YARD
Notes 1	ENGINE TURNS OVER. NEEDS FRESH BATTERY
Notes 2	

San Antonio (210) 661-2381
Fort Worth (817) 831-6767
Austin (512) 475-3705



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Examples of Service Charges

- Vehicles
 - ATVs, utility carts & mini-trucks for \$250-900
 - Cargo & utility trucks \$2500-\$7500
 - Passenger buses \$2500-\$4500
- Trailers - Small cargo \$300-400 / flatbeds \$1500+
- Riding Mowers - \$150-500
- Forklift 10k capacity - \$3,800
- Generators 100 KW - \$3,000/ea.
- Air conditioning units - \$200-\$1,500/ea.
- Refrigerators & Freezers - as low as \$20/ea.
- Hand tools - \$1/ea.
- Furniture - Chairs starting at \$5/ea.
- Printers, shredders & scanners - starting at \$10/ea.
- Office supplies - \$25 per pallet

*Our average
service fee = 5-10%
of the original
purchase price*

Who is Eligible?

Public Agencies

- State Agencies
- Cities & Municipalities
- Counties
- School Districts
- Utilities & Special Purpose Districts

Fire Departments & Emergency Service Districts

Public Airports

Active SBA 8(a) Certified Companies

Service Educational Activities of Special Interest to Armed Services

- Eligible to receive DOD property only
- Examples: Red Cross, Big Brothers/Big Sisters, Boys & Girls Clubs of America, Boy & Girl Scouts, Camp Fire, Inc., Little League Baseball, Inc.

Veterans Service Organizations (as determined by Dept. of Veterans Affairs)

Nonprofit & Public Programs for the Elderly

- Adult day care
- Nutrition, transportation, legal or social services

Who is Eligible?

- Nonprofit Educational & Public Health Activities, including Programs for the Homeless & Impoverished
 - Medical institutions, hospitals & clinics
 - Drug abuse treatment centers
 - Historic light stations
 - Charter schools & Private schools, colleges, and universities
 - Schools for persons with mental or physical disabilities
 - Child care centers
 - Museums & free libraries
 - Food banks, soup kitchens & shelters serving homeless and/or impoverished individuals
- List of eligible organizations, available at <http://www.gsa.gov/>
- **Questions?** Contact federal.surplus@tfc.texas.gov or (512) 962-4167.

It is the Law: In accordance with Federal Law and this state agency's regulations and polices, TFC and its donees are prohibited from discriminating on the basis of race, color, national origin, sex, age, and disability.

How does my organization apply?

Download & complete an “Application for Eligibility” from our website

- www.tfc.texas.gov/fsp - then look for “Forms” link
- Only designated “Authorized Representatives” may sign for property.
- All organizations must renew their account at least every 3 years

TEXAS FACILITIES COMMISSION
FEDERAL SURPLUS PROPERTY PROGRAM
P.O. Box 13047, Austin, Texas 78711 * TEL: (512) 982-4187 * FAX: (512) 238-8173
* federal.surplus@tfc.texas.gov * www.tfc.texas.gov/fsp

APPLICATION FOR ELIGIBILITY

**INSTRUCTIONS FOR COMPLETING THE APPLICATION FOR ELIGIBILITY FORM
TO RECEIVE FEDERAL SURPLUS PROPERTY (41 CFR 101-44.207)**

See pages 8-11 for list of required supporting documentation that must be submitted with application.

All donees* must reapply every three (3) years. To reapply, a donee must submit a completed Application for Eligibility along with required supporting documentation. Once we have it on file, some documentation (i.e. IRS letter, SBA letter, Articles of Incorporation, or proof of public agency status) do not have to be re-submitted unless your status or legal name has changed. (*donee = the applicant organization)

Instructions for completing page 2:

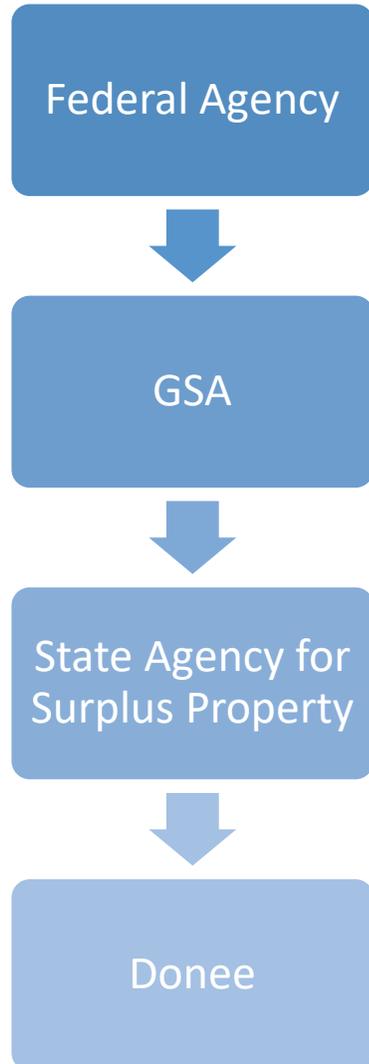
SECTION I: Provide the full legal name of your organization and Federal Employer ID#. Provide the complete mailing address of your organization as recognized by the U.S. Postal Service, including the nine-digit Zip Code. If the street address is different from the mailing address, provide that address or directions if located on a rural or remote area. Provide a phone number, fax number (if available) and an email address (required). E-mail addresses provided will receive notices about program updates, account status, compliance actions, and available property.

SECTION II: Check the appropriate box that describes your organization. Organizations that do not fall under at least one of

Veterans Small Business Enhancement Act

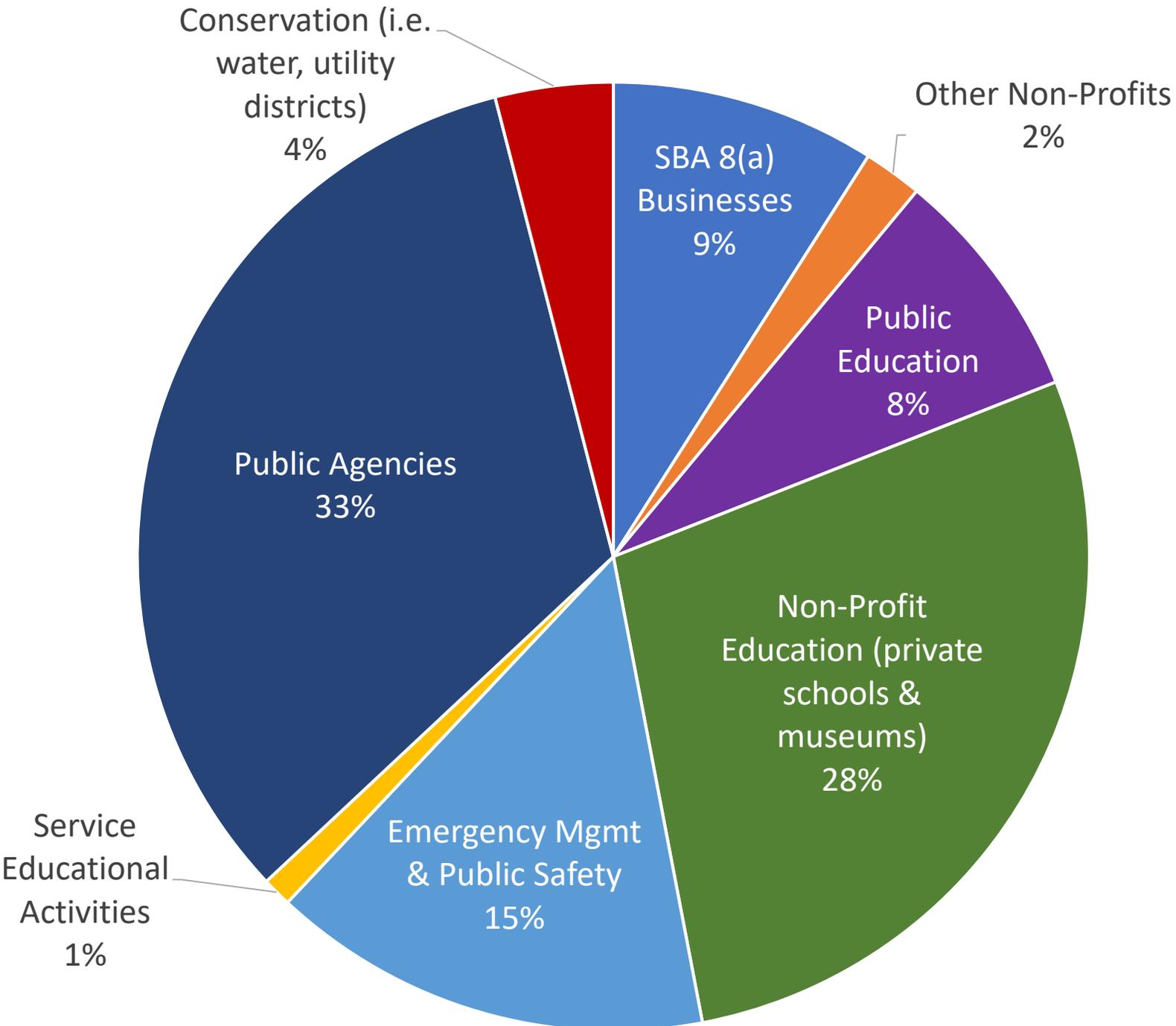
- Law passed January 2019
- Adds Veteran-owned small businesses to the list of organizations eligible to receive Federal Surplus Property
- HOWEVER, TFC is unable to start donations to VSBs until procedures are established by Federal government and an agreement between the GSA, SBA and TFC is signed
- SBA's current estimate for completion = 4th quarter of 2020
- Interested in updates?
 - Contact federal.surplus@tfc.texas.gov to be added to our email list

Overview of the Donation Process



- Federal agencies contact GSA.
- Some property offered to states, including Texas.
- TFC “screener” requests property from GSA.
- GSA allocates (donates) property to state of their choice.
- Donees search for available property online using TFC’s website OR by visiting one of our warehouses.
- Donee contacts TFC staff to request property.
- Donee account status verified by TFC staff.
- Donee picks up property & submits payment to TFC.
- After the donation: Donee submits compliance paperwork as requested. Also may be subject to site visits.

Property Donated FY2011-2019 by Donee Type



From Sept 2010-Aug 2019, FSP transferred almost \$405 million worth of property to our donees for about \$19.8 million in service fees.

Average Service Charge = 4.9% of item's original value

After the Donation: Compliance Period

- Property may only be used for organizational purposes. May not be used for personal or unrelated reasons.
- One year to put property into use.
- Must continue to use the property for “Compliance Period” before ownership transferred to donee.
 - Original value < \$5,000 = 12 month compliance period
 - Original value \$5,000 or more = 18 month compliance period
 - Except for SBA 8(a) companies...compliance period ends on year past your SBA 8a graduation date.
- Special compliance considerations
 - Aircraft = minimum 5-year compliance period

After the Donation: Compliance Visits & Audits

- All donees subject to compliance checks, including on-site visits by TFC or the GSA
- Single Audit
 - Donees receiving \$750,000 or more in all forms of federal financial assistance during last fiscal year are liable for a single audit by an independent firm.
 - Fair Market Value =
 - 23.34% of federal govt's original acquisition cost (donations on or after 10/1/19)
 - 22.47 % of federal govt's original acquisition cost (donations 9/30/19 or before)
 - TFC will send letter to you at end of fiscal year with FMV of property received

Special Considerations for SBA 8(a) Businesses

- Eligible for Federal Surplus Program only while active in the SBA's 8(a) program
- SBA also involved in compliance monitoring
- Compliance period for property ends one year after your 8(a) graduation date
- All property requests must be approved by your SBA Business Opportunity Specialist
- For items with an original value of \$5,000 or more, must receive with at least 6 months remaining in the 8(a) program

Grant “Matching”

- The value of property acquired from FSP may be used toward your organization’s “match” for grant monies that originate from the federal government
 - Example: City obtains a fire truck from us that originally cost \$50,000 brand new. The City paid us a service charge of \$5,000. The City may be able to apply as much as \$50,000 toward their “match” for a grant application
- Contact the granting authority to confirm if Federal Surplus equipment may count toward your match
- TFC staff is here to assist with questions, and can provide reports regarding the original acquisition cost of the item, as well as its fair market value

Emergency Management

- While all eligible organizations can benefit greatly from the Federal Surplus Program, one area in which the property is especially useful is Emergency Management
- Assists in all stages of the Emergency Management Process
 - Preparedness – obtain trucks, generators, boats, aircraft, and storage containers so your organization can be ready when a disaster hits. The low fees charged by our program means your organization may better able to afford these “just in case” items.
 - Response – during a federally declared disaster, we are ready, willing and able to assist (see next slide for more info)
 - Recovery – obtain vehicles, trailers and heavy equipment needed for the clean-up
 - Mitigation – obtain bulldozers to mitigate fire risk, or heavy equipment for flood mitigation projects
- TFC = state agency => procurement process is simple and easy.

Federally-Declared Disasters

- When there is a federally-declared disaster, such as Hurricane Harvey, the impacted state(s) receive special assistance from the U.S. government to obtain trucks, equipment, generators, etc. rapidly.
- Add Federal Surplus to your organization's list of emergency management resources. Spread the word to appropriate staff.
- Keep your account active and up-to-date so you will be ready and able to obtain property quickly.
- During and immediately following Hurricane Harvey, Texas received dozens of shipments of property from agencies such as the DOD, CDC, and VA. Property available included high water vehicles, boats, trailers, blankets/sheets/towels, cots, wheelchairs, and mobile laundry units.

Federal Surplus Property in Action – Hurricane Harvey 2017



Johnson City VFD

volunteers traveled to Houston area to perform hundreds of high-water rescues using FSP trucks able to reach areas that helicopters, other trucks and even boats could not navigate.



Jefferson County Drainage District No. 6

Area had 45+ inches of rain in 5-day period. Not a typical "first responder" Using equipment acquired from FSP:

- Transported sandbags using trailers & trucks to help save the City of Beaumont's water treatment plant.
- Used trailers & 140-ton Manitowoc crane to haul & set water pumps at the City of Beaumont's water district.
- Retrofit a 6-inch water pump to provide only source of water to fill fire trucks for the entire City of Beaumont.
- Used 5-ton & 2.5-ton trucks during and after the storm for recovery and observation of the District's assets and projects.
- Used a 15-ton crane to remove 6,000-lb electric motors submerged by floodwaters to help to get the water flowing again in Beaumont.



Metropolitan Transit Authority of Houston -

Two of their many vehicles acquired from FSP. In a joint venture between MTA & Houston PD, used to perform rescues, shuttle cases of blood & medical supplies to helicopters, and transport police around the city.



Examples of Property Donated: Emergency Management & Law Enforcement

City of Pharr

Police Department deployed this observation tower in commercial parking lots across the city to deter vehicle burglaries, auto theft, and other larceny type offenses.



Victoria County Sheriff's Office

Command/Communications Trailer
Original Acquisition Cost = \$70,000
Service Charge paid by County = \$5,500

Examples of Property Donated: Emergency Management & Law Enforcement



TEXSAR

Original Acquisition Cost = \$218,378

Service charge = \$8,500



Needham Fire Rescue (Montgomery Co. ESD #4)

Since 2015, performed 425 water rescues & assisted with 16 other rescues.

Original Acquisition Cost = \$67,139

Service charge = \$4,000

Examples of Property Donated: Emergency Management & Law Enforcement

Morgan's Point Resort Fire Department

- Boat performed 60 rescues within 4 months of putting it into use.
- Service Charge paid by FD = \$10,000
- Orig. Acquisition Cost = \$228,283

Savings of over \$218,000 compared to buying brand new!



Brownsville Navigation District

Port of Brownsville

25' Sea Ark Boat

Examples of Property Donated: Emergency Management & Law Enforcement



City of Magnolia

Refrigerated truck converted into mobile command center for Police Dept.

Crowell VFD (Foard County)

Caterpillar D7 Dozer

Original Acquisition Cost = \$70,002

Service Charge paid by VFD = \$28,000



Examples of Property Donated: Emergency Management & Law Enforcement

Oak Island – Double Bayou VFD

- 5 Ton Truck
 - TFC Service Charge = \$6,500
 - Orig. Acquisition Cost = \$72,040
- 2.5 Ton Truck
 - TFC Service Charge = \$7,500
 - Orig. Acquisition Cost = \$176,428



Savings of over \$230,000 compared to buying brand new!

Examples of Property Donated: Emergency Management & Law Enforcement

Johnson City VFD

- 5 Ton Truck
 - TFC Service Charge = \$6,500
 - Orig. Acquisition Cost = \$67,139
- Humvee
 - TFC Service Charge = \$4,000
 - Orig. Acquisition Cost = \$41,061



Savings of over \$97,000 compared to buying brand new!

Examples of Property Donated: Counties

Henderson County

Bucket truck converted into tanker truck



Fort Bend County

Forklift

Examples of Property Donated: Counties

Lee County

- Caterpillar D7H Dozer
- TFC Service Charge = \$25,000
- Orig. Acquisition Cost = \$175,085

Savings of over \$150,000
compared to buying brand new!



Examples of Property Donated: Cities

City of Mission

- Chevrolet SUV
 - TFC Service Charge = \$3,000
 - Orig. Acquisition Cost = \$21,500
- Refrigerated Shipping Container
 - TFC Service Charge = \$4,200
 - Orig. Acquisition Cost = \$27,164



Savings of over
\$40,000 compared to
buying brand new!



Examples of Property Donated: Cities

City of Marion

Church pews previously used at Randolph AFB now used in City Council Chambers



City of Magnolia

Utility Vehicle & Generator used at city events, including the Magnolia Summer Fest



City of Dalworthington Gardens

5-ton Dump Truck

Original Acquisition Cost = \$84,554

Service Charge paid by City = \$5,500

Examples of Property Donated: State Agencies

Texas Dept. of Criminal Justice

- Low Bed Semitrailers
- Original Acquisition Cost = \$12,174 - \$18,000
- Service Charge paid by TDCJ = \$1,200 - \$5,200



Texas Animal Health Commission

- Gooseneck Trailer
- Original Acquisition Cost = \$43,200
- Service Charge paid by TAHC = \$5,500



HHSC Mexia State Supported Living Center

- Trailer
- Original Acquisition Cost = \$17,169
- Service Charge paid by HHSC = \$2,000



Examples of Property Donated: State Agencies

Texas Department of Transportation (TXDOT)

- One example of 37 tanker semitrailers obtained from 2015-2019 to use as to water distributors.
- Average OAC approx. \$71,000/ea.
- Average service charge paid by TXDOT approx. \$4500/ea.
- **Total savings of over \$2.4 million compared to buying new**



Examples of Property Donated: Schools

Vega ISD

Vega ISD Senior Ag Mechanics team won Grand Champion at the 2019 San Antonio Rodeo & Stock Show with their Drag Scraper. The wheels and tires used for the scraper, as well as equipment used to build the scraper, were from FSP.



Examples of Property Donated: Schools

Hutto ISD

- Extendable forklift
 - \$5,000 service charge + \$3,000 repairs = \$8,000 total investment
- Industrial disintegrator shredder
 - \$900 service charge
 - District able to cancel \$10,000 PO for smaller new unit



Examples of Property Donated: Schools

Edinburg CISD

- F350 Truck
 - Original acquisition cost = \$54,310.43
 - Service charge paid by ISD = \$10,000



Examples of Property Donated: Schools

- **Fort Worth ISD**

- Received 30 musical instruments
- Original value = \$131,750 / Service charge = \$10,100

- **Randolph Field ISD**

- Since 2013, received 106 items, including musical instruments, technology equipment, lighting, kitchen appliances, medical supplies, tools, and tents.
- Original value = \$161,455 / Service charge = \$16,565

- **Boles ISD**

- Received 125 items, including musical instruments, tools, welding equipment, generators, art supplies, office supplies, furniture, and shipping containers.
- Original value = \$426,456 / Service charge = \$26,572

- **Alvarado ISD**

- Received 47 items, including 31 musical instruments, school supplies, furniture, meal kits, & forklift.
- Original value = \$129,183 / Service charge = \$18,754



Example of Property Donated: Schools & Museums

U.S.S. Lexington Museum

Tactical Storage Unit (expandable shelter)

Original Acquisition Cost = \$129,474

Service Charge paid by museum = \$4,000



North East ISD

In San Antonio, TX. Travel trailer now used for JROTC Tactical Operations Center

Thomsen Foundation

600-acre nature preserve located in rural Montague County.

Three containers used to “build” this facility w/ office, restroom & storage area.



Examples of Property Donated: SBA 8(a) Businesses

Bering Sea Environmental LLC

Vacuum truck, steam cleaner & forklift



Creer Advertising



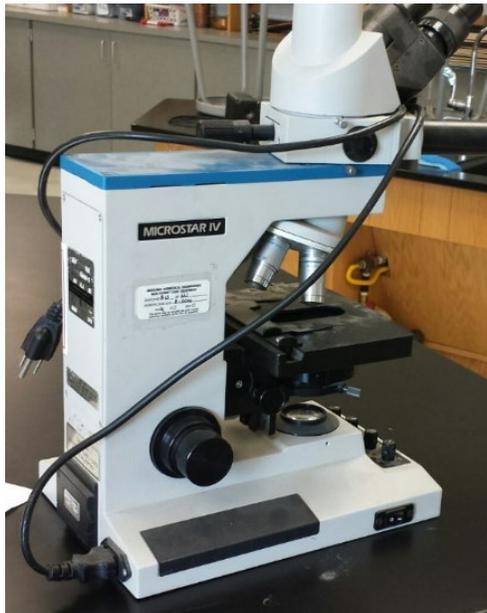
Examples of Property Donated: Medical & Scientific Equipment

Medina ISD

Microscope

Original acquisition cost =
\$5,476.55

Service charge paid by ISD =
\$150



Seymour Hospital

June 2018, received four Stryker
hospital beds

Original acquisition cost of
\$5,000/ea.

Service charge of only \$200/ea.



Nueces County ESD #4

Zoll Auto Pulse (Automatic CPR
Device)

Original acquisition cost =
\$10,256.25

Service charge paid by ESD = \$150



Examples of Property Donated: Food

- **FEMA Meal Kits**

- Nov. 2017 = GSA announced availability of excess FEMA meal kits
- Over 70 organizations submitted requests
- Received over 1.4 million meals
- Total of 59 truckloads of meals shipped to Texas



Examples of Property Donated: Recreational

Boy Scouts of America – Troop 54

Sailboats

- Service charge paid by Troop = \$250/ea.
- Original acquisition cost - \$18,000/ea.



City of McAllen

Several items used in 2017 Holiday Parade including tug and flatbed carts to create Caterpillar float.



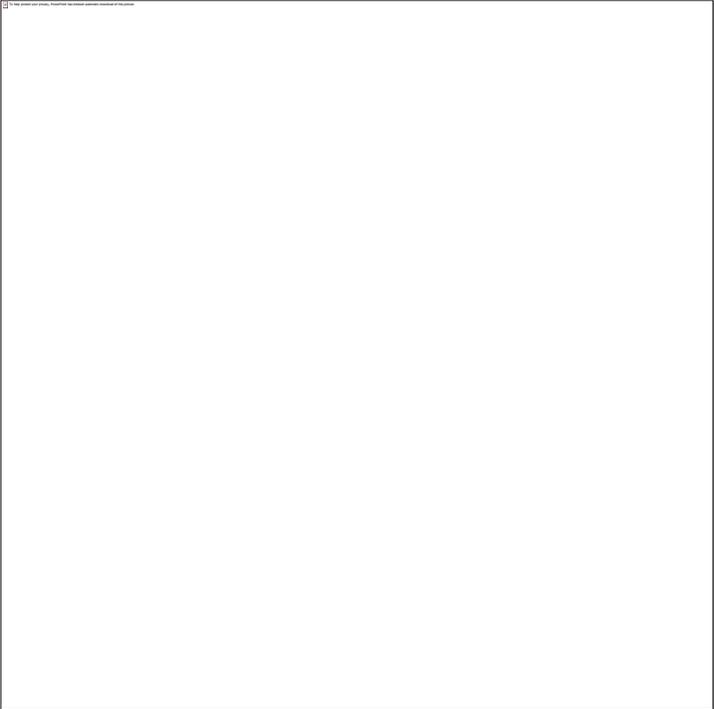
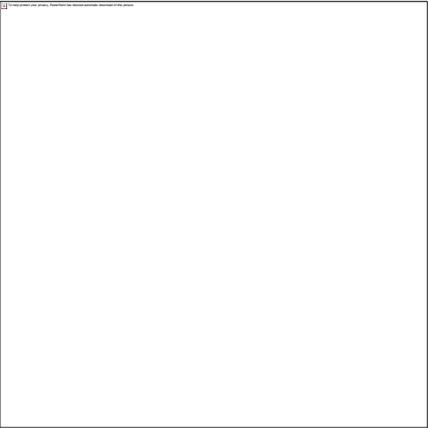
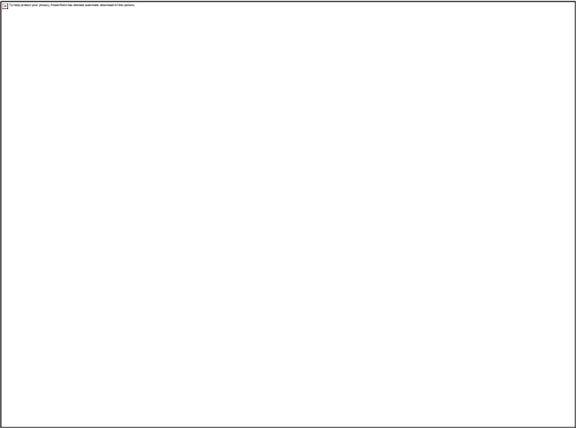
Granger ISD

- Playground equipment
- Original acquisition cost = over \$10k
- Direct pick-up -> ISD paid \$175 service charge.

Examples of Property Donated: Aircraft

City of Mineral Wells

T-38 Talon Airplane



Tips for Using the Federal Surplus Property Program

- Keep **contact information** up-to-date
- **Spread the word within your organization** to other departments who may need the program (or who may already be using the program!)
- Check our website regularly for **new property** – <http://tfc.texas.gov/FSP>
- Items can be **used for parts** as well (with prior approval)
- **Submit requests** to the warehouse closest to you



STATE SURPLUS PROPERTY PROGRAM

- Property comes from State agencies, some municipalities & airports in Texas
- Open to the **general public** & carries **no restrictions** on the use of property
- Two methods of sale: **Austin Storefront & Online Auctions**
- Operates as a **cost recovery** program

- *Special Note about Computers: TDCJ Computer Recovery Program <http://www.tci.tdcj.state.tx.us/services/computer.aspx>*



State Surplus Storefront in Austin

Examples of Items Available

- Vehicles (cars, trucks, SUVs)
- **Office Furniture**
 - Chairs, Desks & Tables
 - File cabinets
 - Shelves
- **Office Supplies & Equipment**
- Jewelry, Watches & Sunglasses
- Knives & Multi-tools
- Power & Hand tools
- Umbrellas, Hats & Gloves
- Sporting Goods, Toys & Souvenirs

www.tfc.texas.gov/SSP



State Surplus Online Auctions

- Conducted regularly. Property location varies
- Visit <http://tfc.texas.gov/SSP>
- Wide variety of items available for sale including:
 - Vehicles, buses, boats & trailers
 - Heavy equipment, including dump trucks, forklifts, tractors, dozers
 - Office equipment & modular furniture (cubicles)
 - Generators & tools
 - Landscaping/grounds maintenance equipment
 - Commercial kitchen equipment
 - And much, much more!



Contact Information

Ft. Worth Warehouse - 2826 N. Beach St., Fort Worth, Texas, 78611

- Open Monday-Friday, 8:00AM – 5:00 PM (*closed 12-1PM for lunch*)
- (817) 831-6767 / FortWorth.Surplus@tfc.texas.gov
- Federal Surplus Property. Not open to general public.

San Antonio Warehouse - 2103 Ackerman Rd., San Antonio, TX, 78219

- Open Monday-Friday, 8:00AM – 5:00 PM (*closed 12-1PM for lunch*)
- (210) 661-2381 / SanAntonio.Surplus@tfc.texas.gov
- Federal Surplus Property. Not open to general public.

Austin Administration - 6506 Bolm Road, Austin, Texas 78721

- FSP Administrative Offices. Also sells State Surplus & Airport Property to the public.
- Open Monday-Friday, 8:00AM – 4:30 PM
- Federal Program Info: (512) 962-4167 / federal.surplus@tfc.texas.gov
- Public sales: (512) 463-1990 / State.surplus@tfc.texas.gov



The Texas Facilities Commission is in compliance with the Americans with Disabilities Amendments Act (ADA). Please contact us if you need a reasonable accommodation while visiting our warehouse.

Thank you for your interest in the Federal Surplus Property Program!



<http://www.tfc.texas.gov/FSP>