



TEXAS FACILITIES COMMISSION - STATE SURPLUS PROPERTY PROGRAM
How to Dispose of State Agency Surplus & Salvage Property

INTRODUCTION & FAQs

Q:	What is the purpose of the Texas Facilities Commission’s State Surplus Property Program?
A:	Per Texas Government Code Chapter 2175 , TFC is responsible for overseeing the advertisement and disposal of <u>ALL</u> state agency surplus and salvage property.
Q:	I use SPA (and possibly CAPPS) to track my agency’s assets. Those systems are both managed by the Comptroller’s Office. Now TFC is mentioning their system called “AssetWorks.” Why are two agencies and multiple systems involved?
A:	TFC and Comptroller’s SPA team work very closely to fulfill our respective roles as required by law. Records are sent back and forth from the Comptroller’s SPA system and TFC’s AssetWorks system daily. TFC does not have direct access to SPA or CAPPs, therefore if you have issues with those systems, you will need to contact their respective Help Desk.
Q:	TFC processed the disposal in AssetWorks. Why hasn’t it updated in SPA?
A:	There is a “lag time” between the disposal being processed by TFC, and the asset record updating in SPA. It is a minimum of 2 days (longer on weekends). For example, TFC processes disposal on Monday -> SPA record updates on Wednesday morning. TFC processes disposal on Friday -> SPA record updates Tuesday morning.
Q:	Is my agency exempt from this process?
A:	Unless an agency or item has a specific exemption in statute, then you MUST follow the standard advertisement and disposal process outlined below and in TGC Chapter 2175.
Q:	Does this process apply to both capitalized and non-capitalized assets?
A:	YES! TGC Chapter 2175 applies to capitalized, controlled, <u>and</u> non-capitalized assets. If an agency thinks an item may not have significant value, then it does <u>not</u> exempt it from TGC Chapter 2175’s requirement to go through TFC. There are a few exceptions outlined in TGC Chapter 2175 (examples include universities, trade-ins, chairs for certain officials, TFC-delegated disposals). TFC monitors state property disposal records and may report violations to the LBB.
Q:	I have an asset that is worthless. Do I still have to go through the TFC Surplus Process?
A:	YES! TFC is responsible for overseeing the advertisement and disposal of all state agency surplus <u>AND</u> salvage personal property (regardless of initial or current value), including <ul style="list-style-type: none"> • Scrap metal, recycling (<i>except paper</i>) • Vehicles, including wrecked/salvage • Modular furniture (cubicles) • Office furniture & equipment • Computer peripherals & other electronics • Computers (<i>*TDCJ handles final disposal</i>)
Q:	How long does this process take? I need these assets removed ASAP!
A:	This process usually takes a <u>minimum</u> of 2.5 weeks to complete. If you request a pickup by TFC or that the assets be auctioned in place, it could take <u>several months</u> from start to finish. TFC does not have the storage space or staff available to assist with “emergency” removals of assets. Poor planning on your agency’s part does NOT exempt your agency from following the law.
Q:	What is the best way to stay informed of updates regarding State Surplus Property?
A:	Please contact TFC at surplus.disposal@tfc.texas.gov to be added to our email list to receive notifications regarding assets moving through the disposal process and important program updates.

HOW TO DISPOSE OF STATE SURPLUS AND SALVAGE PROPERTY

NOTE: You are responsible for following your agency's internal processes and policies regarding surplus and salvage property that are meant to complement (not replace) this process. The number of days listed below are provided as estimates to assist with planning.

<p>Day 1:</p> <p>Designate as surplus or salvage</p> <p>DM 05</p>	<p>Asset is identified as surplus or salvage.</p> <p>In SPA, initiate the Surplus Property Process (DM 05). For assets that do not currently exist in SPA, there is a method for entering assets into SPA for the surplus process “often referred to as the “ZZ” method). See SPA Process User Guide: https://fmx.cpa.texas.gov/fmx/pubs/spaproc/index.php</p> <p>SPA sends electronic file with asset’s information to TFC overnight.</p>																
<p>Day 2-16:</p> <p>Advertisement Period</p> <p>DM 06</p>	<p>TFC advertises the asset on our website for 10-business days which typically ends up being at least 15 calendar days, possibly up to 17+ calendar days if the advertisement process begins or ends on a Friday or holiday. During this period, the assets will be “locked” in SPA (DM 06). Your agency must contact TFC to unlock the asset.</p> <p>During the advertisement period, other state agencies, political subdivisions, and TFC-approved assistance organizations may request the items for transfer.</p> <ul style="list-style-type: none"> • Requests from other state agencies always receive priority and may be completed before the end of the advertisement period. • TFC must approve price for transfers to political subdivisions and assistance organization. Submit pricing requests to state.surplus@tfc.texas.gov. • TFC will report back the appropriate disposal code after receipt of the request and required documentation. <p>Agencies are responsible for verifying an assistance organization’s eligibility by obtaining a copy of the organization’s TFC-issued approval letter which includes a list of assets that the organization has been approved to request.</p>																
<p>Day 17:</p> <p>TDCJ Computer Recovery Program</p> <p>DM 15</p>	<p>Final disposal of computer equipment (CPUs, servers, laptops, fax machines – typically anything with memory or hard drive) must be performed through TDCJ’s Computer Recovery Program. TDCJ will NOT accept cellular phones or hotspots. At the completion of the Advertisement Period, TFC will automatically send back the disposal code (DM 5C) to SPA to “unlock” the asset so your agency may complete the disposal in SPA (DM 15). The automatic report-back applies only to assets in the following Class Codes:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 25%;">Class Code</th> <th style="width: 50%;">Description</th> <th style="width: 25%;">Class Code</th> <th style="width: 25%;">Description</th> </tr> </thead> <tbody> <tr> <td>121</td> <td>FAX/FACSIMILE MACHINE</td> <td>204</td> <td>COMPUTER, DESKTOP</td> </tr> <tr> <td>202</td> <td>MAINFRAME & SUPERCOMPUTERS</td> <td>241</td> <td>IMAGE SCANNER</td> </tr> <tr> <td>203</td> <td>SERVERS</td> <td>284</td> <td>LAPTOP COMPUTERS</td> </tr> </tbody> </table> <p>Peripherals (monitors, mice, keyboards, printers) must be sent to TFC.</p>	Class Code	Description	Class Code	Description	121	FAX/FACSIMILE MACHINE	204	COMPUTER, DESKTOP	202	MAINFRAME & SUPERCOMPUTERS	241	IMAGE SCANNER	203	SERVERS	284	LAPTOP COMPUTERS
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<p>Day 17 - ?</p> <p>Select a Final Disposal Method</p>	<p>NOTE: Length of time varies according to method. To expedite the process, schedule a time to drop off the items at TFC Surplus Store in Austin (see Option #2 below). The wait list for pickups is usually long. An “emergency” on your end will NOT bump your agency to the top of the list. If you need property out urgently, then your agency must arrange for drop off at TFC.</p> <p>Drop off must be pre-approved by TFC and is dependent upon availability of space.</p>																

Option 1: Donation to Political Subdivision or Assistance Organization (DM 08 / 09) or Transfer to State Agency (DM 02)

If an item is requested during the advertisement period and transferred to another state agency, political subdivisions, or assistance organization, TFC will process the disposal and “unlock” the asset in SPA so that your agency may complete the disposal in SPA. Please note that for these disposal methods all proceeds will be paid directly to the owning agency.

For transfers to political subdivisions and assistance organizations, the requestor’s eligibility must be verified and TFC must approve the price. Then a TFC Certificate of Acquisition form must be completed, signed, and forwarded to TFC. TFC will report back disposal code to SPA (DM 5C) which then must be converted to a DM 08 (political subdivision) or DM 09 (assistance organization) in SPA by the owning agency.

For transfers to state agencies, formal documentation or TFC approval is not required, however, TFC must be informed so the disposal may be processed, and asset “unlocked” in SPA. TFC can assist with setting a price if desired. TFC will then report back disposal code (DM 02) and recipient agency code to SPA. Transfer must be completed by recipient agency.

Option 2: Schedule Drop Off at TFC Surplus Store in Austin (DM 33)

Complete a [Bill of Lading](#) electronically, save, and email to storefront.surplus@tfc.texas.gov. Include your desired date(s)/time for drop off, and we will email you back to confirm the appointment. No unscheduled drop-offs will be accepted.

Clearly label capitalized assets on the Bill of Lading! Assets marked as non-capitalized, will be coded as a TFC sale, released, and reported back to the disposing agency via SPA (DM 33), by TFC, with \$0 proceeds once they have been inventoried and received. Properties marked as capitalized assets will not be reported back to SPA (DM 33) until they have sold. Sales proceeds are shared with the owning agency for capitalized assets.

If your agency does not have the trucks needed to transport property, then you may request pickup by TFC, however TFC cannot guarantee to do so in your requested timeframe. Requesting pickup will significantly slow down the process as wait times can be as long as 2-3+ months. TFC staff resources are extremely limited, and therefore agencies are asked not to abuse this courtesy being extended by TFC.

Option 3: Auction in Place (DM 33)

Property located outside of the Austin area will be auctioned from its location. Complete an [Auction Request Form](#) electronically, save, and email to auctions@tfc.texas.gov. Please reference sheet 3 within the Auction Request Form for instructions on how to submit photos.

Auctions must run a minimum of 10 days. This does not include the time to place it on the schedule, prepare the auction, and allow time for customer payment and pickup. For planning purposes, TFC recommends assuming the auction process will take at least 1 month. All properties submitted for auction will not be coded in AssetWorks, released, and reported back to SPA as DM 33 until they are sold and invoiced.

Option 4: Request TFC Authorization to Donate in Lieu of Abandonment (DM 35)

To be used only when Options #1-3 are not viable. Email surplus.disposal@tfc.texas.gov with pictures and detailed justification as to why it is in the best interest of the State. Usually reserved for donations that would benefit the State more than proceeds from sale, or small quantities of property, of low value, in remote locations. TFC will email the documentation that must be completed. Upon receipt of documentation, TFC will report the asset’s disposal method as DM 5R so that the owning agency may update to DM 35 in SPA.

Option 5: Request TFC Authorization from TFC to Destroy or Discard (DM 03)

To be used only when Options #1-3 are not viable. Email surplus.disposal@tfc.texas.gov with pictures and detailed justification as to why it is in the best interest of the State. Usually reserved for assets that have no demonstrated resale value or are dangerous or costly to sell. Upon receipt of documentation, TFC will report the asset’s disposal method as DM 5R so that the owning agency may update to DM 03 in SPA.

For more information, please visit our website: www.SurplusTexas.gov/state

Questions? Contact us at (512) 463-1990 or surplus.disposal@tfc.texas.gov