MTAS

technical bulletin

Municipal Technical Advisory Service
Institute for Public Service, The University of Tennessee
In cooperation with the Tennessee Municipal League

April 2, 1979

FEDERAL SURPLUS PROPERTY: HOW TO GET IT

Last year Alabama A & M University purchased a $3 million computer for $12.50. In the student union of a Midwestern university is a slightly worn Persian rug which once graced the White House.

While your city may not have need for a $3 million computer or a Persian rug, you probably can use some items included in the approximately $3 billion worth of property declared as surplus by the federal government each year. And upwards of $400 million of this surplus finds its way to local governments, with the only restrictions being that the item be used within a year and for no less than a year (or, in the case of items costing $3,000, 18 months). While there is a lot of "junk" in this surplus property, there are, also, many usable, valuable items. But making a good "find" is not easy. Obtaining surplus property takes time, effort, and patience; however, if a city can get a fire truck or a road grader in good, usable condition at a fraction of original cost, it becomes worthwhile. There are two points of distribution in the state:

1) Department of General Services
Federal Property Utilization Board
6500 Centennial Boulevard
Nashville, Tennessee 37209
Phone: (615) 741-1711
Contacts: Ronnie Townes or Bill Reasonover

2) Department of General Services
Route 2
McKellar Field
Jackson, Tennessee 38301
Phone: (901) 423-3411

City officials may place "special orders" for items, or you may go to either of the distribution points and investigate what is on hand. Each item has been assigned a condition code which can be useful in determining just what is being offered. For your information, that code is reproduced here.

(Over)

CONDITION	DEFINITION	EXPANDED DEFINITION
N-1	New -- Excellent	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.
N-2	New -- Good	New or unused property in good condition. Does not quite qualify for N-1 (slightly shopworn, soiled, etc.), but condition does not impair utility.
N-3	New -- Fair	New or unused property in fair condition. Soiled, shopworn, rusted, deteriorated, or damaged to the extent that utility is slightly impaired.
N-4	New--Poor	New or unused property, soiled, rusted, mildewed, deteriorated, or damaged; condition is poor, still having some utility, but cannot be classed as salvage.
E-1	Used -- Reconditioned - Excellent	Used property, but repaired or renovated and in excellent condition.
E-2	Used -- Reconditioned - Good	Used property which has been repaired or renovated and, while still in good usable condition, has become worn from further use and cannot qualify for excellent rating.
E-3	Used -- Reconditioned - Fair	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 near future.
E-4	Used -- Reconditioned - Poor	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.
O-1	Used-Usable Without Repairs- Excellent	Property which has been slightly or moderately used, no repairs required, and still in excellent condition.
O-2	Used-Usable Without Repairs- Good	Used property, more worn than O-1, but still in good condition with considerable use left before any important repairs would be required.

CONDITION	DEFINITION	EXPANDED DEFINITION
0-3	Used-Usable Without Repairs-Fair	Used property which is still in fair condition and usable without repairs; however, somewhat deteriorated, with some parts (or portion) worn and should be replaced.
0-4	Used-Usable Without Repairs-Poor	Used property which is still usable without repairs but in poor condition and undependable or uneconomical in use. Parts badly worn and deteriorated.

Conclusion

As noted before, obtaining surplus property is not easy and some city officials have reported discouraging experiences. However, the payoff can make it worth the time and effort essential to making the surplus property system work to your advantage. Many officials also have reported good findings and are using the system. For example, last year in Tennessee, $11 million in surplus property was distributed to state and local government agencies.

(Adapted from a County Technical Assistance Service technical bulletin.)

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