



Standard Practice for Disposal of Personal Property¹

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1. Scope

1.1 This practice encompasses the disposal of surplus personal property and how surplus property is donated, sold, recycled, abandoned, or destroyed.

1.2 Disposal is the final step in the final phase of the Personal Property Management Cycle. Until the disposal action occurs and is properly documented, the property remains on an entity's property and financial records and therefore subject to costly cyclic inventories.

1.3 This standard does not include specific requirements for the classification of or the disposal of scrap items or materials.

1.4 This standard does not include specific governmental disposal requirements, or environmental, or security regulations. However, this standard enables an entity to align or integrate those requirements into its own procedures.

2. Referenced Documents

2.1 *ASTM Standards*:²

E2135 Terminology for Property and Asset Management

E2279 Practice for Establishing the Guiding Principles of Property Management

3. Terminology

3.1 *Definitions*:

3.1.1 *abandonment*—to give up all and any future claim to rights or interest in surplus property.

3.1.2 *disposal*—the processes involved in determining the appropriate disposition for surplus property, including removal of personal property from the property accounting system.

3.1.3 *destruction*—the process of ruining the structure, organic existence, or condition of items after consideration for utilization, donation, recycling, sale, or abandonment.

3.1.4 *donations*—direct transfer of title of surplus property to eligible donees and other specifically designated recipients.

3.1.5 *reutilization*—finding another use for property already owned.

3.1.6 *sale*—transfer of the ownership and title to property from one entity to another for an agreed upon consideration.

3.1.7 *scrap*—property that has no value except for its basic material content.

3.1.8 *screening period*—the period in which excess and surplus personal property are made available for transfer or donation.

3.1.9 *surplus*—personal property that is no longer required by the owning entity; and for property belonging to the United States Government, it is determined by the General Services Administration.

4. Summary of Practice

4.1 Organizational entities will implement property management systems in accordance with Practice E2279 and use terminology cited in Terminology E2135.

5. Significance and Use

5.1 Continuing emphasis by interested stakeholders demands that an entity dispose of surplus assets in the most economical and efficient manner possible.

5.2 An efficient personal property reutilization and disposal program should be done in a manner consistent with the entity's goals and objectives.

6. Management and Utilization of Property

6.1 Entities shall establish policies and implement accountability systems to manage the reutilization and disposal of personal property.

6.2 Property management systems should be capable of surveying its property needs and determine what property is no longer required by the entity.

6.3 The disposal process for surplus personal property should involve the following processes: reutilization, donation, recycling, sale, and abandonment or destruction, or any other appropriate method.

7. Assessing Personal Property

7.1 Property should be screened throughout the entire entity for potential reutilization in lieu of a new acquisition.

8. Disposal of Surplus Personal Property

8.1 Property not reutilized within an entity should be disposed of in a manner that provides the most benefit to the entity.

¹ This practice is under the jurisdiction of ASTM Committee E53 on Property Management Systems and is the direct responsibility of Subcommittee E53.04 on Reutilization and Disposal.

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² For referenced ASTM standards, visit the ASTM website, www.astm.org, or contact ASTM Customer Service at service@astm.org. For *Annual Book of ASTM Standards* volume information, refer to the standard's Document Summary page on the ASTM website.

8.2 Property disposal may consist of the following: donation, recycling, sales, scrap, or any other means that benefits the entity

9. Abandonment or Destruction of Personal Property

9.1 Personal property that has not been reutilized, donated, recycled, or sold should be considered for abandonment or destruction.

9.2 Abandonment or destruction of personal property shall be fully documented and provide a visible audit trail.

9.3 In establishing justifications for abandonment and destruction actions, entities should conclude that property meets one of the following conditions: (1) either has no commercial value, (2) the cost of handling and preparation of the property for sale would be greater than the expected sale proceeds, (3) a law or contractual arrangement requires abandonment or destruction action, or (4) written instructions by a duly authorized official (health, safety, law enforcement, etc.) directing abandonment or destruction action.

9.4 Abandonment or destruction shall be performed in a manner that minimizes environmental impact. The abandonment or destruction of contaminated or hazardous materials must be compliant with applicable governmental laws or regulations.

10. Summary

10.1 Although disposal activities may consume as much of an entity's resources as other activities, rarely have they been afforded as much attention. This standard promotes the importance of cost-effective disposition of materials.

10.2 The central objectives of this standard are to ensure (1) that property is fully utilized within an entity, and (2) that the flow of property within the disposal system takes place in a timely and efficient manner.

11. Keywords

11.1 abandonment; destruction; disposal; donation; reutilization; sale; surplus

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