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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Department of Administrative Services, Division of Purchasing and General Services:

We have performed the procedures enumerated below, which were agreed to by you, solely to assist you with respect to performing compliance procedures of compliance requirements pertaining to the objectives outlined in the State Plan of Operation of the Utah State Agency for Surplus Property, Federal Property Assistance Program ("USASP") for the period of December 1, 2013 through December 31, 2015 and in evaluating the findings and deficiencies outlined by the General Service Administration ("GSA") State Agency for Surplus Property Review of Operations report, for the period of December 1, 2013 through December 31, 2015. USASP's management is responsible for the USASP Program. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the Department of Administrative Services Division of Purchasing and General Services. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

Procedure 1

Obtained the USASP program document and performed compliance testing procedures on the objectives outlined in the table of contents (as seen in Supplemental Schedule A, below) within the USASP program.

Exception 1: Per the State Plan of Operation, "originals of all Distribution Documents (hard copy) are archived by month and year only. Such files shall be maintained for a minimum of three years." Upon our inspection, we noted that the distribution documents are not filed individually, by month and year. Rather, they are filed in their respective SF 123 folder.

Exception 2: Per the State Plan of Operation, "the applicant shall provide a statement on the types and kinds of property needed for use in the applicant's programs. A statement describing the applicant's financial, physical and manpower resources shall also be submitted." The application and eligibility file do not contain this statement. However, the donee's are at any point in time, able to fill out a "want list," which outlines items they are interested in.

Procedure 2

We obtained the State Review of Operations of the USASP performed by the GSA. We evaluated the deficiencies noted by the GSA, and performed procedures on the corrective actions taken by the USASP.

We found no exceptions as a result of the procedures.

We were not engaged to, and did not, conduct an audit or examination, the objective of which would be the expression of an opinion on the State Plan of Operation of the Utah State Agency for Surplus Property Federal Property Assistance Program as of December

31, 2015. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Department of Administrative Services, Division of Purchasing and General Services, and is not intended to be and should not be used by anyone other than this specified party.

Haynie & Co.

Haynie & Company

Salt Lake City, Utah

April 19, 2016

Supplemental Schedule A

State Plan of Operation
of the
Utah State Agency for Surplus Property
Federal Property Assistance Program

June 2012

STATE OF UTAH
DEPARTMENT OF ADMINISTRATIVE SERVICES
DIVISION OF PURCHASING & GENERAL SERVICES

STATE PLAN OF OPERATION
OF THE
UTAH STATE AGENCY FOR SURPLUS PROPERTY
FEDERAL PROPERTY ASSISTANCE PROGRAM

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STATE OF UTAH
DEPARTMENT OF ADMINISTRATIVE SERVICES
DIVISION OF PURCHASING & GENERAL SERVICES

STATE PLAN OF OPERATION
OF THE
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INTRODUCTION

This State Plan of Operation sets forth the operation procedures of the Utah State Agency for Surplus Property (USASP). The plan ensures fair and equitable distribution of Federal Surplus Personal Property to public agencies, institutions and organizations which are determined eligible to receive such property under Section 203 (j) of the Federal Property and Administrative Services Act of 1949, as amended.

The procedures described herein are in accordance with the regulations set forth in the Federal Property Management regulations to the provisions of Public Law 94-519.

A. AUTHORITY

1. The Utah State Agency for Surplus Property (USASP) is authorized to acquire warehouse and distribute surplus federal property to eligible Donees in the state under Title 63A, Chapter 2, Section 404 of the Utah Code. The USASP is authorized thereby to enter into cooperative agreements pursuant to the provisions of the Federal Management Regulations, 102-37.325.
2. See Appendix 5 for copies of current state statutes relative to the operational authority of the USASP.
3. Prior to submission of this plan to the Administrator of General Services (GSA), general public notice of the proposed plan was published for a period of 60 calendar days and interested parties were given a period of 30 calendar days in which to submit comments. These comments, as well as the relative needs and resources of all public agencies and other eligible Donees were considered in developing the plan of operation.

B. DESIGNATION OF THE UTAH STATE AGENCY FOR SURPLUS PROPERTY

1. The plan shall be administrated by the USASP, an agency under the Division of Purchasing & General Services, within the Department of Administrative Services.
2. Standards for Merit System of Personnel Administration:
 - a. Methods of personnel administration have been established and will be maintained in the USASP in conformity with the Standards for a Merit system of Personnel Administration, 45 CFR Part 70.
 - b. Citation: Title 67, Chapter 19, UCA 1953: Utah State Personnel Management Act, as amended 1979 and current Personnel Management Rules and Regulations.
 - c. No position in the USASP shall be exempted from this section of the plan.

C. INVENTORY CONTROL AND ACCOUNTING SYSTEMS

1. The USASP shall utilize such systems for inventory control and financial accounting as are described below. Such systems shall be subject to change as may be recommended by the State Auditor and/or approved by the Executive Director of the Department of Administrative Services.
2. The inventory control system shall include all property allocated to the USASP on appropriate applications (Standard Form 123) and all property received from holding agencies which has been categorized as unaccountable property. All Property shall be included in the system.
3. Records of all donated items with a unit federal acquisition cost of \$5,000 or more, passenger motor vehicles, all aircraft and vessels over 50 feet in length shall be maintained in a log so designated. The log shall record the property description, the Donee and the number of compliance reports that have been executed.
4. Property shall be checked into the USASP distribution center no later than five days after receipt. The receiving clerk shall use shipping documents and the Standard Form 123 with applicable attachments, to check and identify property. Overage and shortage reports and the Standard Form 123 shall be prepared in accordance with the requirements of the Federal Management Regulation (FMR) 102-37.75 and shall be mailed to the GSA Regional Office. Property shall be identified by marking and tagging or other permanent means showing, at minimum, the following:
 - a. Allocation number.
 - b. Nomenclature including serial number, if any,
 - c. Service charge.
5. All property items shall be shown in inventory, on the Automated Surplus Property Control System. All pertinent data relating to each item will be reflected in this system. Records generated from the control system shall be retained on file for not less than three years after property has been issued.
6. Items with a unit acquisition of \$5,000 or more, passenger motor vehicles, and items on which special GSA restrictions have been placed and items on which special USASP restrictions have been placed shall be recorded on a separate record for ease and identification.

7. Verification of property on hand shall be accomplished by taking inventory of all items with an original acquisition cost of \$1,000 or more. For items with an acquisition cost of less than \$1,000 a random sampling will be accomplished based on daily sales of items with an after posting quantity of zero or less than zero. In addition, 33% of this property will be inventoried on an annual basis. Property verifications shall be recorded on the control system inventory file, and all discrepancies reported to the Agency Manager.
8. A listing of overages and shortages and a report of actions taken to reconcile and correct inventory differences will be forwarded to GSA Regional Office within 15 calendar days following the completion of the inventory.
9. Property shall be issued to authorized representative of Donees (clients) on USASP Distribution Documents. Clients shall present acceptable identification to show that they are duly authorized before being issued Distribution Documents.
10. In order to maintain an audit trail from receipt to issue, each shipping document and Standard Form 123 shall be assigned an inventory number which will be referenced on all documents and reports generated in the Automated Surplus Property Control System. Distribution Documents shall be pre-numbered and material shall be listed thereon using the inventory number. The Automated Surplus Property Control System shall maintain a set of files, by Donee. Originals of all Distribution Documents (hard copy) are archived by month and year only. Such files shall be maintained for a minimum of three years.
11. The accounting system maintained by the USASP shall consist of a double entry system. The system shall include a chart of accounts, a general ledger with accounts for all assets, liabilities, income and expenses, and journals for the original record of transactions. Separate accounts for funds accumulated from service charges shall be maintained and shall be available for inspection by authorized representatives of the Administrator of General Services, representatives of the Division of Finance or other responsible officials of the United States Government and/or the State of Utah.

D. RETURN OF DONATED PROPERTY

1. When a determination has been made that property has not been put to use by a Donee within one year from the date of receipt of the property, or when the Donee has not used the property for the required length of time under the terms and conditions of the Application Certificate and Agreement Form as a condition of eligibility, the Donee, if property is still usable as determined by the USASP, must:
 - a. Return the property at its own expense to the USASP Distribution Center.
 - b. Transfer the property to another eligible Donee, another state agency for surplus property, or Federal Agency s directed by the USASP.
 - c. Make such other disposal of the property as the USASP may direct.
2. The USASP shall periodically emphasize this requirement when corresponding and meeting with Donee and when surveying the utilization of property at Donee facilities. Property returned by a Donee shall be received into inventory stock control for reissue to other Donees.

E. FINANCING AND SERVICE CHARGES

1. The USASP, under the direction of the Division of Purchasing & General Services, is authorized under Utah Code to enter into contracts and make expenditures for and in the name of the state (see Appendix 5). Recovery of payments and expenses shall be through the collection of services charges.
2. Service charges shall be based on the expenses incurred by the USASP and shall be assessed at a rate designed to cover all costs involved in acquiring and distributing property. Unless there are unusual factors as described below, the range of service charge shall be set by the state legislature, and is currently established at 0-20% of federal acquisition cost.

3. Service charges shall be fair and equitable in relation to the services performed. Emphasis shall be placed on keeping them to a minimum but at the same time providing the necessary services to operate the USASP on a sound financial basis. Other factors to be considered when determining service charges shall include present value of the property, screening costs, quantity, condition, desirability of property, transportation costs, repair and rehabilitation, utilization and compliance, and delivery to Donees when required.

4. As a general guide to the determination of service charges and minimum service charges (see 6 below), the USASP shall prepare an annual operating budget to cover anticipated costs of providing the required services to Donees. Revenue to cover these costs will be generated from service charges. Consideration will be given to the percentage of activity that is to be covered by the federal portion of the agencies combined Federal and State Surplus Property Program. Special extraordinary costs may be added to the service charge as follows:
 - a. Direct costs for rehabilitating property shall be added.

 - b. Additional direct costs for returning property from overseas or out of state may be added.

 - c. Charges for major items or items with unusual costs, such as dismantling, packing, crating, shipping, delivery and other extraordinary handling charges, may be added. Any such costs, when anticipated, shall be discussed with the Donee prior to shipment.

 - d. Extraordinary costs of inspecting property may be added.

5. The USASP may maintain a working capital reserve not to exceed one year of operating expenses. In the event the accumulates funds in excess of the allowable working capital reserve, rebates shall be made to participating Donees on a prorated basis on the service charges paid during the previous fiscal year. The only exception may be in the cases where the USASP is accumulating excess funds in anticipation of the purchase of new facilities or capital items. Prior to the accumulation of excess funds, the written approval of the Executive Director of the Department of Administrative Services shall be obtained.

6. Minimum service charges shall be assessed in cases where the USASP provides minimum services and no other direct costs are involved. The minimum service charge shall reflect the basic cost of document processing and the administrative and overhead costs of the USASP. In no case shall the charge be less than \$25.00. Property made available to nonprofit providers of assistance to homeless individuals shall be distributed at a nominal cost for care and handling of the property. The service charge shall be discounted for locating and screening the material and for direct pickup by a Donee. The service charge discount shall be determined on a case-by-case basis. The amount of the discount will be based on the estimated savings resulting from direct screening and/or pickup. The USASP Manager may alter the method of determining minimum service charges when it is in the best interests of the USASP to do so. However, any such method shall be made a matter of public record and all eligible Donees shall be notified.
7. Any funds derived from sources such as sales or compliance proceeds shall be retained for use by the USASP and shall be for the benefit of participating Donees. Deposits and/or investments shall be in accordance with the State Money Management Act of 1974, Chapter 27, USC 1974. The account will be reviewed on a quarterly basis and funds deposited when cash flow and retained earnings balance warrant. Statement of deposits and interest earned to be provided to GSA regional office on an annual basis.
8. Service charge funds remitted by Donees, shall be used for the operation of the USASP and the benefit of the participating Donees and for no other use or purpose. All service charge funds shall be used only to cover the direct and indirect costs of the USASP operations and, subject to State Law, to improve or acquire office and warehousing facilities. Service charge funds may be used to purchase necessary equipment and supplies, to repair and rehabilitate equipment and to purchase replacement parts.

F. TERMS AND CONDITIONS ON DONABLE PROPERTY

1. All transferred property shall be subject to such terms, conditions, reservations and restrictions, and such certifications and agreements, as are cited on the Distribution Document (Appendix 4), the Combat Type Aircraft Conditional Transfer document, the Non-Combat Type Aircraft Conditional Transfer document, and the Vessel Conditional

Transfer document (Appendix 4). Such terms, conditions, reservation and restrictions, and such certifications and agreements, shall be certified to in writing by an authorized representative of the Donee at the time of eligibility determination or renewal and acceptance of the property.

2. The following periods of restriction are established by the USASP:
 - a. All passenger motor vehicles: 18 months from the date the property is placed in use.
 - b. Items with a unit federal acquisition cost of \$5,000 or more: 18 months from the date the property is placed in use, except such items of major equipment on which the USASP designates a further period of restriction.
 - c. Aircraft, non-combat type, and vessels 50 feet or more in length with a unit federal acquisition cost of \$5,000 or more: 60 months from the date the property is placed in use.
 - d. Aircraft, combat type: Restriction is perpetual.
3. The USASP may request, from GSA, a reduction in the restriction period for non-combat type aircraft and vessels at the time of transfer. The request shall be for no less than a period of 18 months from the date the property is placed into use, based on good and sufficient reasons such as the condition of the property or the proposed use (secondary use, non-flight use, static display, etc.).
4. The USASP, at its discretion and when considered appropriate, may impose such terms, conditions, reservations and restriction as it deems reasonable on the use of property other than items with a unit federal acquisition cost of \$5,000 or more, passenger motor vehicles and items with special restrictions imposed by GSA.
5. The USASP may amend, modify or grant release of any term, condition, reservation or restriction it has imposed on items of personal property, in accordance with the enclosed standards (Part "J"), provided that the conditions pertinent to each situation have been affirmatively demonstrated to the prior satisfaction of the State Agency and made a matter of public record.

6. The USASP shall impose on any item of surplus property, regardless of unit federal acquisition cost, such conditions involving special handling or use limitations as GSA may determine necessary because of the characteristics of the property.
7. The USASP shall impose on all Donees the statutory requirement that all items transferred must be placed into use within one year of receipt and be used for one year after being placed in use or otherwise returned to the USASP, while the property is still usable, or otherwise handled in accordance with the provisions of Part "D" of this plan.

G. NONUTILIZED DONABLE PROPERTY

1. Property in the possession of the USASP which cannot be utilized by the Donees shall be disposed of by one of the following methods:
 - a. Subject to the approval of the GSA regional office within 30 days of notice to it, the property shall be made available for transfer to another state agency for surplus property for distribution.
 - b. If the property is found to be non-donable and has no commercial value, or the estimated costs of its continued care and handling would exceed the estimated proceeds from its sale, disposal may be accomplished through abandonment or destruction, subject to the approval of the GSA regional office within 30 days after notice to it.
 - c. Property not addressed in 1 or 2 above shall be disposed of under such terms and conditions and in such a manner as may be prescribed by GSA pursuant to the provisions of FMR 102-37.320.

H. FAIR AND EQUITABLE DISTRIBUTION

1. The USASP is responsible for the fair and equitable distribution of federal surplus personal property to all eligible Donees in the state and shall base such distribution on the relative needs and resources of public agencies and other eligible institutions and organizations and their abilities to utilize the property. The USASP shall use the following methods to insure fair and equitable distribution to Donees:
 - a. Vehicles and other major items of machinery and equipment shall be distributed on an equitable basis. Either at the time of

establishing eligibility or at any time thereafter, the Donees may file requests with the USASP for specific items. Where special needs exist, a letter of justification may accompany requests. Requests and justifications shall be reviewed and determination made as to the recipients of items.

- b. Requests for property that is not donated to fill a critical need or emergency requirement will be placed on the agencies want list. When a requested item is located, the Donee with the earliest request will be given priority to obtain same. The want list will be reviewed weekly by agency personnel to insure that Donees are notified when requested property is available.
 - c. Information concerning available property shall be disseminated to all Donees by the most appropriate means. Such items shall be offered on a first-come-first-served basis; but the USASP shall monitor the distribution of such property and shall take such action as in its discretion, shall result in fair and equitable distribution based on the above criterion.
 - d. The USASP shall maintain a file listing the distribution of property during the previous three years. This will insure broader distribution of the more desirable items.
2. The right of Donees to inspect property that is still in the custody of the United States Government is not guaranteed in this plan. The USASP shall encourage Donees to visit holding agencies to inspect property and shall assist with services which may be required. In cases where the USASP performs minimal services, a minimum service charge shall be assessed (see Part "E").
3. All USASP representatives and Donees wishing to visit federal holding agencies for the purpose of inspecting and selecting surplus property for transfer must be authorized and certified by GSA.
- a. The USASP Manager shall submit a certification to GSA that USASP representatives (Property Utilization Officers) are qualified to perform the duties of screeners.
 - b. Donee representatives shall submit an application to the USASP stating the applicant's qualification to screen property and a list of installations that they request permission to visit. The list of

installations shall be limited to those within the State of Utah, except clients may make special requests to visit installations outside of the state on a case-by-case basis. The USASP shall, upon approval of such an application, forward it to the GSA regional office for action.

4. Such forms and procedures necessary for the orderly management of Donee inspection visits to holding agencies shall be at the discretion of the USASP.

I. ELIGIBILITY

1. The USASP shall be responsible for the determination of eligibility of public agencies and nonprofit education and/or nonprofit health institutions, providers of assistance to homeless individuals, the impoverished and the Service Educational Activities (SEA's) and any other categories not previously listed in accordance with GSA's regulations, FMR 102-37.380.
2. The USASP shall maintain a complete record for each public agencies and nonprofit education and/or nonprofit health institutions, providers of assistance to homeless individuals, the impoverished and the Service Educational Activities (SEA's) and any other categories not previously listed in accordance with GSA's regulations, FMR 102-37.380. To insure that such records are current, they shall be updated every two years. The records shall include the following:
 - a. Application Form containing:
 - i. Legal name and address of applicant.
 - ii. Status of the applicant as a public agency, with evidence that the applicant is a public agency included.
 - iii. Details concerning the applicant's public program activities.
 - iv. Evidence that the applicant's program or programs are approved, accredited or licensed if such is a requirement of one or more of the programs.

- v. Written certification of compliance with terms and conditions by all authorized Donees shall be included upon application or renewal. When an additional Donee is added to the signature list, written certification of compliance with terms and condition shall also be provided.
- b. Authorization or resolution. A written authorization signed by the chief administrative officer or executive head of the Donee activity, or a resolution of the governing board or body, designating one representative to act for the applicant in acquiring property from the USASP, to obligate any necessary funds of the applicant for this purpose, and to execute the Distribution Document. The designated representative shall have the authority to appoint other authorized representatives unless otherwise provided for in the resolution or authorization.
- c. Assurances. Acceptable evidence, in the form of assurance required by GSA and signed by the authorized representative of the applicant, that the applicant will comply with Federal nondiscrimination regulations issued pursuant to the provisions of Title VI of the Civil Rights Act of 1964 and Title VI, Section 606 of the Federal Property and Administrative Services Act of 1949, as amended, Section 504 of the Rehabilitation Act of 1973, as amended, Title IX of the Education Amendments of 1972, as amended, and Section 303 of the Age Discrimination Act of 1975.
- d. Needs and resources. The applicant shall provide a statement on the types and kinds of property needed for use in the applicant's programs. A statement describing the applicant's financial, physical and manpower resources shall also be submitted. This information shall be used by the USASP in evaluating the relative needs and resources of Donees and their abilities to utilize the property when making fair and equitable distribution of property.

J. COMPLIANCE AND UTILIZATION

- 1. Separate Distribution Documents shall be prepared for each item with a unit federal acquisition cost of \$5,000 or more and passenger motor vehicles. An additional statement, pointing out utilization standards, shall be included on the Distribution

Document advising the Donee that the item must be placed into use within one year and must be used for the specified period of time (See Part “F”).

2. All passenger motor vehicles, and other items requiring licensing under the laws of the State of Utah, shall be licensed with the USASP shown as lien holder. When the vehicle has been used in accordance with the laws and regulations, and the period of restriction has expired, the USASP shall release the certificate to obtain title, SF 97 Form, to the Donee. Items with approved adjustments to restriction shall be exempt from this section.
3. The USASP shall insure that donated property is placed in use for the purpose for which it was acquired through one or a combination of the following methods:
 - a. Personal visits by personnel assigned to the USASP.
 - b. Personal visits by a designated representative of the USASP.
 - c. Written verification by the authorized Donee agent.
4. Each item with a unit Federal acquisition cost of \$5,000 or more, passenger vehicles, items on which special GSA restrictions have been placed pursuant to FMR 102-37.480, and items with special USASP restrictions shall be reviewed at least once during the restriction period. In addition, Donees shall submit such written reports as the USASP may require. The USASP shall make written reports on all utilization reviews. The goal of the USASP is to conduct visits with a 25% minimum of the eligible Donees each fiscal year.
5. Items with a unit Federal acquisition cost of under \$5,000, except passenger motor vehicles and items on which either GSA or the USASP has placed special use restrictions, shall be inspected as the USASP may deem appropriate.
6. The USASP shall take appropriate action when there is evidence of:

- a. Fraud or the indication of fraud.
- b. Acquisition or use of property by an ineligible recipient.
- c. Unauthorized disposal or destruction of property.
- d. Loss or theft (while property is either in the possession of the USASP or the Donee during the period of restriction).
- e. Failure to utilize property within the prescribed period of time.
- f. Ineligible use to include loan, rental, etc.
- g. Nonuse of property.
- h. Misuse of property.
- i. Transfer to a Donee which later becomes ineligible.
- j. Transfer to a recipient later found to be ineligible.
- k. Cases under investigation by the FBI or other law enforcement agency.
- l. Unauthorized cannibalization, secondary utilization or other adjustments to restrictions.

- m. Nonconformance with the State Plan of Operation.

7. Administrative compliance remedies in cases of nonuse, misuse or unauthorized disposal of property shall be undertaken as follows:

- a. Whenever possible and practicable, the property shall be placed into eligible use by the present Donee or by transfer to another eligible Donee.
- b. When property cannot be immediately placed into eligible use, it shall be returned to the USASP, unless extenuating circumstances make this impracticable.
- c. When property has been used ineligibly and is being returned to eligible use or to the USASP, demand shall be made of the Donee to pay to the USASP the fair rental value for the time the property was in such ineligible use. Donee eligibility shall lapse until restitution has been made in such cases.
- d. In cases where recipients have been erroneously determined eligible and later were found to be ineligible, title to property is not considered to have passed to the recipient since it was never eligible to receive such property. There must be a complete accounting to the USASP for such property. In the event corrective actions are not accomplished, the USASP may demand from the recipient the estimated fair value of the property or the gross proceeds of sale, whichever is greater.
- e. When it is impossible or impractical to have property placed into eligible use or returned to the USASP, the USASP shall demand the entire proceeds realized for the unauthorized disposal

or the fair market value of the property, whichever is greater, at the time of the disposal or at the time it was placed into ineligible use. The Donee is not entitled to any reimbursement for costs incurred in acquiring or rehabilitating property that was disposed of without authority.

f. GSA shall be notified immediately, in writing, of allegations of misuse, nonuse, fraud, etc.

8. Where fraud, indication of fraud, or theft is indicated, a report with all known information shall be immediately made by the USASP to GSA. The USASP shall take necessary actions to prosecute cases of fraud or misuse and shall assist GSA and other Federal and State agencies in investigating such cases.

9. The USASP shall retain the right to amend, modify, or release those terms, conditions, reservations or restriction as it may impose. The USASP may not amend, modify or release those terms, conditions, reservations or restrictions imposed by Federal law or by GSA.

10. In those instances when it is desirable that items with State imposed restrictions would be of more value to the program if cannibalized, used for secondary use, traded in, destroyed, or abandoned, request shall be made to the USASP in writing. None of these actions shall be performed without the prior writer approval of the USASP and any permission so granted is void unless the Donee submits a certification that the approved action is completed.

11. In considering any request for adjustment to restrictions, the USASP shall insure that such action will not result in unnecessary additional expenses to the Donee nor abuse of the Federal property transferred.

12. Priority of transfer shall be in accordance when property shall be used by Donees without adjustments to restrictions.

K. CONSULTATION WITH ADVISORY BOARD AND PUBLIC AND PRIVATE GROUPS

1. The USASP is authorized under Utah State Code Section 63 A-2-404 (3) to appoint advisory boards (see Appendix 5). The governor or authorized individual may appoint an advisory board which shall be representative of the eligible Donees, both public and private nonprofit. All appointments shall be for a term of four years or until employment with the respective Donee terminates, whichever occurs first. Advisory committee members shall receive no compensation but may be reimbursed for actual and necessary expenses incurred in the performance of their duties under this plan. The advisory board shall have the following responsibilities and duties:
 - a. To select from among its own membership a chairman and a vice chairman and to adopt such bylaws as may be necessary to facilitate the work of the board
 - b. To meet whenever requested to do so by the Agency Manager
 - c. To keep itself informed concerning the activities and operations of the USASP.
 - d. To act in a general advisory capacity to the USASP Manager and, whenever requested by them, to make recommendations concerning the operation of the USASP.
 - e. To act in an advisory capacity to the USASP Manager relative to the needs and resources of Donees and particular property requirements of Donees.
 - f. To foster public awareness and understanding of the objectives and functions of the State Agency.
 - g. To stimulate participation and interest in the objectives and functions of the USASP.
2. The USASP may solicit expressions of need and interest from the advisory board and public and private groups in order to advise GSA of such requirements, including requirements for specific items of property.
3. The USASP may actively seek out opportunities to contact and to speak at meetings of public and private groups representing Donee activities to explain the program, encourage participation and to obtain expressions of need and interest for surplus Federal property.

L. AUDIT

1. An annual internal audit of the USASP shall be conducted by the Department Internal Auditor. Such audit shall include a review of the conformance of the USASP with the provisions of this plan and with the requirements of 41 CFR 101-44.
2. A financial audit by the State Auditor's office, an independent certified public accountant or an independent licensed public accountant, shall be conducted biannually in accordance with normal audit procedures for public agencies.
3. GSA representatives may review the USASP operations periodically. GSA, may for appropriate reasons, conduct its own audit of the USASP following due notice to the Governor of the reasons for such audit.
4. Financial records and all other books and records of the USASP shall be made available to all authorized Federal and State activities. A copy of each audit report shall be furnished to the GSA regional office.
5. The USASP shall advise the GSA regional office of all corrective actions taken with respect to any exceptions or violations indicated by an audit.

M. COOPERATIVE AGREEMENTS

1. The USASP is authorized to enter into cooperative agreements (see Appendix 5). The USASP shall enter into a cooperative agreement with GSA as contemplated in Section 203(n) of the Federal Property & Administrative Services Act of 1949, as amended.
2. The USASP shall enter into a cooperative agreement with GSA providing for the retention by USASP of items of surplus personal property transferred to it for distribution that are needed by the USASP in performing its functions.
3. The USASP shall submit a monthly listing of needed property to the GSA regional office. Unless GSA disapproves the retention of the items within

30 days of receipt of the listing, title to the property shall vest in the USASP

4. The USASP shall maintain a current accountability record of all property being retained for its use. Property which is no longer needed or useful in the operation of the USASP will be disposed of as follows
 - a. Returned to the regular donable property inventory when it is still under restriction using the same guidelines established for Donees.
 - b. Sold, traded in or abandoned under the provisions of Utah State Law covering the disposition of state property when it is no longer under restriction.
 - c. At the discretion of the Executive Director of the Department of Administrative Services, the USASP may enter into such other cooperative agreements as may be necessary to facilitate its objectives and functions.

N. LIQUIDATION

1. If a determination is made to liquidate the USASP, advance notice shall be given to GSA in accordance with the requirements of FMR 102-37.365. Such notice shall include:
 - a. Reasons for liquidation.
 - b. A schedule and estimated termination date.
 - c. A method of disposing of surplus property on hand consistent with the provisions of FMR 102-37-310.
 - d. The method of disposing of the USASP physical and financial assets.
 - e. Provisions for the retention of all books and records for a period of two years after the liquidation date.

- f. Designation of another governmental entity to serve as the agency's successor in function until continuing obligations of property donated prior to the closing of the agency are fulfilled.

O. FORMS

1. Appendices 4 and 5 provide samples of forms utilized by the USASP in distributing surplus personal property. Such forms may be altered, replaced, or discontinued at the discretion of the USASP Manager with the concurrence of the Executive Director of the Department of Administrative Services by providing copies of the change to all holders of the current plan, including GSA, together with samples, as appropriate.

P. RECORDS

1. All records pertaining to the operation of the USASP, including but not limited to fiscal records, applications for property, inventory control documents and distribution documents, shall be retained for a minimum of three years, except for records on vessels over 50 feet in length and non-combat type aircraft which shall be retained for one year after expiration of the restriction period. Records on combat type aircraft shall be retained for one year after authorized disposal of the aircraft is accomplished.
2. In cases where property is in compliance status at the end of the period of restriction, the USASP shall retain records for at least one additional year.

UTAH STATE AGENCY FOR SURPLUS PROPERTY

DESCRIPTION OF THE PHYSICAL FACILITY

Surplus Property is located at:
447 West 13800 South, Draper UT, 84020

This property site is approximately 230,000 square feet. The warehouse is approximately 17,032 square feet, with 2,624 square feet of office/support area.

The warehouse supports State Surplus inventory. The facility is secured by protective fence and is controlled access. The yard has a limited amount of covered space along the buildings east side. Removable barriers are used to identify stay-out-areas. The facility perimeter is enclosed with a security fence. An on site staff of seven personnel manage the day to day surplus operations. The Federal Property Program is an internet accessibility screening. Donees arrange shipping and delivery to their own location.

USASP FEDERAL PROPERTY TERMS AND CONDITION

(A) THE DONEE CERTIFIES THAT:

- (1) It is a public agency; or a nonprofit educational or public health instruction or organization, exempt from taxation under Section 501 of the Internal Revenue Code of 1954; within the meaning of Section 203(j) of The Federal Property and Administrative Services Act of 1949 as amended, and the regulations of the Administrator of General Services.
- (2) If a public agency, the property is needed and will be used by the recipient for carrying out or promoting for the residents of a given political area one or more public purposes, or , if a nonprofit tax-exempt institution or organization, the property is needed for and will be used by the recipient for educational or public health purposes, and including research for such purpose. The property is not being acquired for any other use or purpose, or for sale or other distribution or for permanent use outside the state, except with prior approval of the state agency.
- (3) Funds are available to pay all costs and charges incident to donation.
- (4) This transaction shall be subject to the nondiscrimination regulations governing the donation of surplus personal property issued under Title VI of the Civil Rights Act of 1964 Title VI Section 606, of the Federal Property and Administrative Services Act of 1949, as amended and Section 504 of the rehabilitation Act of 1973, as amended, Title IX of the Education Amendments of 1972, as amended, and Section 303 of the Age Discrimination Act of 1975.

(B) THE DONEE AGREES TO THE FOLLOWING FEDERAL CONDITIONS:

- (1) All terms of property shall be placed in use for the purpose(s) for which acquired within one year of receipt and shall be continued in use for such purpose(s) for one year from the date the property was placed in use, In the event the property is not so placed in use, or continued in use, the donee shall immediately notify the state agency and, at the donee's expense, return such property to The state agency, or otherwise make the property available for transfer or other disposal by the state agency, provided the property is still usable as determined by the state agency.
- (2) Such special handling or use limitations as are imposed by General Services Administration (GSA) on any item(s) of property listed hereon.
- (3) In the event the property is not so used or handled as required by (B)(1) and (2), title and right to the possession of such property shall at the option of GSA revert to the United States of America and upon demand the Donee shall release such property to such a person as GSA or its designee shall direct.

(C) THE DONEE AGREES TO THE FOLLOWING CONDITIONS IMPOSED BY THE STATE AGENCY, APPLICABLE TO ITEMS WITH A UNIT ACQUISITION COST OF \$5,000 OR MORE AND PASSENGER MOTOR VEHICLES, REGARDLESS OF ACQUISITION COST, EXCEPT VESSELS 50 FEET OR MORE IN LENGTH AND AIRCRAFT:

- (1) The property shall be used only for the purpose(s) for which acquired and for no other purpose(s).
- (2) There shall be a period of restriction which will expire after such property has been used for the purpose(s) for which acquired for a period of 18 months from the date of property is placed in use except of such items of major equipment, listed hereon, on which the state agency designates a further period of restriction.
- (3) In the event the property is not so used as required by (c)(1) and (2) and federal restrictions (B)(1) and (2) have expired then title and right to the possession of such property shall at the option of the state agency revert to the State of Utah and the Donee shall release such property to such person as the state agency shall direct.

(D) THE DONEE AGREES TO THE FOLLOWING TERMS, RESERVATIONS AND RESTRICTIONS:

- (1) From the date it receives the property listed hereon and through the period(s) of time the conditions imposed by (B) and (C) above remain in effect, the Donee shall not sell, trade, lease, lend, bail, cannibalize, encumber or otherwise dispose of such property, or remove it permanently, for use outside the state, without the prior approval of GSA under (B) or the state agency under (C). The proceeds from any sale, trade, lease, loan, bailment, encumbrance or other disposal of the property, when such action is authorized by GSA or by the state agency, shall be remitted promptly by the Donee to GSA or the state agency, as the case may be.
- (2) In the event any of the property listed hereon is sold, traded, leased, loaned, bailed, cannibalized, encumbered or otherwise disposed of by the Donee from the date it receives the property through the period(s) of time the conditions imposed by (B) and (C) remain in effect, without the prior approval of GSA or the state agency, the Donee, at the option of GSA or the state agency, shall pay to GSA or the state agency, as the case may be, the proceeds of the disposal or the fair market value or the fair rental value of the property at the time of such disposal, as determined by GSA or the state agency.
- (3) If at any time, from the date it receives the property through the period(s) of time the conditions imposed by (B) and (C) remain in effect any of the property listed hereon is no longer suitable, usable or further needed by the Donee for the purpose(s) for which acquired, the Donee shall promptly notify the state agency and shall, as directed by the state agency, return the property to the state agency, release the property to another Donee or another state agency or a department or agency of the United States, sell or otherwise dispose of the property. The proceeds from any sale shall be remitted promptly by the Donee to the state agency.
- (4) The Donee shall make reports to the state agency on the use, condition and location of the property listed hereon, and on other pertinent matters as may be required from time to time by the state agency.
- (5) At the option of the state agency, the Donee may abrogate the conditions set forth in (C) and the terms, reservations and restrictions pertinent thereto in (D) by payment of an amount as determined by the state agency.

(E) THE DONEE AGREES TO THE FOLLOWING CONDITIONS APPLICABLE TO ALL ITEMS OF PROPERTY LISTED HEREON:

- (1) The property acquired by the Donee is on an "as is," "where is" basis, without warranty of any kind.
- (2) Where a Donee carries insurance against damages to or loss of property due to fire or other hazards and where loss of or damage to donated property with unexpired terms, conditions, reservations or restrictions occurs, the state agency will be entitled to reimbursement from the Donee out of the insurance proceeds, of an amount equal to the unamortized portion of the fair value of the damaged or destroyed donated items.

(F) TERMS AND CONDITIONS APPLICABLE TO THE DONATION OF AIRCRAFT AND VESSELS (50 FEET OR MORE IN LENGTH) HAVING AN ACQUISITION COST OF \$500.00 OR MORE, REGARDLESS OF THE PURPOSE FOR WHICH ACQUIRED:

The donation shall be subject to the terms, conditions reservations and restrictions set forth in the Conditional Transfer Document executed by the authorized Donee representative.

(G) THE PROSPECTIVE LOWER TIER PARTICIPANT CERTIFIES, BY SUBMISSION OF THIS PROPOSAL, THAT NEITHER IT NOR ITS PRINCIPAL IS PRESENTLY DEBARRED, SUSPENDED, PROPOSED FOR DEBARMENT, DECLARED INELIGIBLE, OR VOLUNTARILY EXCLUDED FROM PARTICIPATION IN THIS TRANSACTION BY ANY FEDERAL DEPARTMENT OR AGENCY.

(H) WHERE THE PROSPECTIVE LOWER TIER PARTICIPANT IS UNABLE TO CERTIFY TO ANY OF THE STATEMENTS IN THIS CERTIFICATION, SUCH PROSPECTIVE PARTICIPANT SHALL ATTACH AN EXPLANATION TO THIS PROPOSAL.

Signature Date:

NOTE: By signing this I agree to with the terms and conditions as stated above.

NON-COMBAT-TYPE AIRCRAFT CONDITIONAL TRANSFER DOCUMENT

KNOW ALL MEN BY THESE PRESENTS: That the United States of America acting by and through the State of UTAH, State Agency for Surplus Property (hereinafter called the Donor) pursuant to the powers and authority contained in the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended, for and in consideration of and in reliance upon the representations of _____ whose address is (Hereinafter called the Donee) that the Property hereinafter described is required in the furtherance of the Donee's program and that such property will be used solely in connection with such programs and more specifically for all the following purpose:

Maintenance Training Program

in accordance with the purposed program and plan as set forth in the Donee's "Letter of Intent" dated _____ as amended _____, which Expression of Interest is hereby incorporated herein and made a part thereof, and for no other purpose, does hereby deliver, sell, assign and transfer all of its right, title and interest in and to the following described noncombat-type aircraft, aircraft engines and propellers,

together with all engines, appurtenances and accessories attached thereto or installed therein (all of which are hereinafter referred to as the property), which has been determined to have a fair value of _____, unto the Donee to have and to hold the Property, all singular forever, this donation being made on an "as is, where is" basis without warranty of any kind, and delivery made at present location of the property regardless of where the same may be situated or the condition thereof; Subject, however, to the following conditions:

1. The Donee agrees to apply to the Federal Aviation Administration for registration of the Property which is intended for flight purposes within 30 days of the receipt of a fully executed copy of this instrument. The Donee's application for registration shall include a fully executed copy of this instrument.
2. The Property shall be placed in use for the purpose stated above no later than 12 months after acquisition thereof, and used for a 60 month period thereafter.
3. In the event the Donee does not apply to the Federal Aviation Administration for the registration of the Property which is intended for flight operations (or other uses unless registration is waived by the Donor) or in the event the aircraft Property is not placed in use within 12 months of receipt, and used for a 60 month period thereafter, the Donee, within 30 days after the Property has ceased to be used, provide notice thereof, in writing to the Donor, and at the Donee's expense, return such Property to the Donor or otherwise make the Property available for transfer, provided the property is still usable as determined by the Donor, or otherwise dispose of the Property as the Donor may direct.
4. In the event the Property is not so used or handled as required by (1), (2), and (3), above, title and right to the possession of the Property shall at the option of the Donor revert to the United States of America. Upon demand the Donee shall, as directed by the Donor, or its designee, release the Property to such person or agency as may be designated, sell the Property, or otherwise dispose of the Property. Any sale shall be for the benefit and account of the United States of America.
5. There shall be a further period of restriction beginning on the date the Property has been used for the period prescribed in (2), above. This period will expire after the Property has been used for the purpose stated for a period of 60 months.
6. During the period of restriction prescribed in (5), above, the Property shall be used only for the purpose stated.
7. During the periods of restriction prescribed in (2) and (5), above, the Donee shall make reports to the Donor on the use, condition and location of the Property and on other pertinent matters as may be required from time to time by such Donor.
8. At the expiration of the period of restriction prescribed in (5), above, a release document shall be executed by the Donor and be forwarded to the Donee.
9. During the period of restriction prescribed in (2) and (5), above, the Donee shall not sell, trade, lease, lend, bail, cannibalize, encumber or otherwise dispose of the Property, or remove it permanently for use outside the State, without the prior written approval of the Donor under (2) or (5), above. The proceeds from any sale, trade, lease, loan, bailment, encumbrance or other disposal of the Property during the period of restriction set forth in (2), above, when such action is authorized by the Donor shall be for the benefit and account of the United States of America, or for the benefit and account of the State of Utah during the period of restriction set forth in (5), above.
10. In the event, during the periods of restriction prescribed in (2) and (5), above, the Property is sold, traded, leased, loaned, bailed, encumbered, or otherwise disposed of without prior written approval, the Donee, at the option of the Donor, shall be liable for the proceeds of the disposal, the fair market value, or the fair rental value of the Property at the time of such unauthorized transaction or use, as determined by the Donor.
11. If at any time, from the date the Donee receives the Property through the periods of restriction prescribed in (2) and (5), above, the Property is no longer suitable, usable, or

further needed by the Donee for the purpose for which acquired, the Donee shall promptly notify the Donor and shall as directed by the Donor:

- a) Release the Property to another donee of State Agency;
- b) Release the Property to a department or agency of the United States;
- c) Release the Property to such other institution or agency as may be determined to have need therefore;
- d) Sell the Property with the proceeds remitted promptly from the Donee to the Donor;
- e) Render the Property completely unfit and useless for any purpose except for the recovery of its basic material content, the same to be performed in a manner satisfactory to the Donor and the material content to be disposed of in accordance with instructions of the Donor, or
- f) Otherwise dispose of the Property.

12. At the option of the Donor, the Donee may obtain abrogation of the terms and conditions set forth in (5) through (11), above, by payment of an amount determined by the Donor.

13. The Donor may waive any or may terminate all of the terms and conditions set forth in (5) through (11), above, and give unrestricted title to the Property in favor of the Donee whenever such action is determined to be appropriate.

IN WITNESS WHEREOF, the Donor has duly executed this instrument
This _____.

United States of America Acting by
and through the Utah
State Agency for Surplus Property

DONEE: _____
Institution or Organization

By: _____

By: _____

Title: _____

Title: _____

CITY of Salt Lake
COUNTY of Salt Lake
STATE of Utah

On this _____, before me appeared _____, to me personally known, who, being by me duly sworn, says that he is the person who executed the foregoing instrument and that such instrument was executed under duly delegated authority on behalf of the Utah State Agency for Surplus Property, and acknowledge the foregoing instrument to be the free act and deed of the State of Utah.

Given under my hand and official seal the day and year above written.

Notary Public in and for the
City of Salt Lake
County of Salt Lake
State of Utah

My Commission Expires: _____

CITY of _____
STATE of _____
COUNTY of _____

On this _____ day of _____, 20____, before me appeared _____, to me personally known, who, being by me duly sworn, says that he is the person who executed the foregoing instrument on behalf of said _____, and acknowledges to me that he was duly authorized to execute the foregoing instrument and that he executed the same as a free act and deed of said _____.

Given under my hand and official seal the day and year above written.

Notary Public in and for the
City of _____
County of _____
State of _____
My Commission Expires: _____

COMBAT-TYPE AIRCRAFT CONDITIONAL TRANSFER DOCUMENT

KNOW ALL MEN BY THESE PRESENTS: That the United States of America acting by and through the State of _____, State Agency for Surplus Property (hereinafter called the Donor) pursuant to the powers and authority contained in the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended, for and in consideration of and in reliance upon the representations of _____ whose address is _____ (Hereinafter called the Donee) that the Property hereinafter described is required in the furtherance of the Donee's program and that such property will be used solely in connection with such programs and more specifically for all the following purpose:

Maintenance Training Program

in accordance with the purposed program and plan as set forth in the Donee's "Letter of Intent" dated _____, as amended _____, which Expression of Interest is hereby incorporated herein and made a part thereof, and for no other purpose, does hereby deliver, sell, assign and transfer all of its right, title and interest in and to the following described noncombat-type aircraft, aircraft engines and propellers,

together with all engines, appurtenances and accessories attached thereto or installed therein (all of which are hereinafter referred to as the property), which has been determined to have a fair value of _____, unto the Donee to have and to hold the Property, all singular forever, this donation being made on an "as is, where is" basis without warranty of any kind, and delivery made at present location of the property regardless of where the same may be situated or the condition thereof; Subject, however, to the following conditions:

1. The Donee agrees that the aircraft shall not be used for flight purposes..
2. The Property shall be placed in use by the Donee for the purpose stated above no later than 12 months after acquisition thereof, and shall be used thereafter for such purpose in perpetuity.
3. In the event the aircraft is not placed in use by the Donee within 12 months of receipt and used thereafter in perpetuity, within 30 days after the property has ceased to be used, the Donee shall provide notice thereof in writing to the SASP, and at the Donee's expense, return such property to the SASP or otherwise make the property available for transfer, provided the property is still usable as determined by the SASP or otherwise dispose of the property through the SASP, as may be directed by GSA..
4. In the event the Property is not so used or handled as required by (1), (2), and (3), above, title and right to the possession of the Property shall at the option of the GSA revert to the United States Government. Upon demand the Donee shall, as directed by GSA through the SASP, release the Property to such person or agency as may be designated, sell the Property with the proceeds remitted promptly by the Donee to GSA, or otherwise dispose of the property. Any sale shall be for the benefit and account of the United States Government.
5. During the period of restriction prescribed in (2) and (3) above, the Donee shall make reports to the SASP on the use, condition, and location of the property and on other pertinent matters as may be required from time to time by the SASP or GSA.
6. During the period of restriction prescribed in (2) and (3) above, the Donee shall not sell, trade, lease, lend, bail, cannibalize, encumber, or otherwise dispose of the property, or remove it permanently for use outside the State, without the prior written approval of GSA. The proceeds from any sale, trade, lease, loan, bailment, encumbrance, cannibalization, or other disposal of the property during the periods of restriction set forth in (2) and (3) above, when such action is authorized by GSA, shall be for the benefit and account of the United States Government.
7. If at any time, from the date the Donee receives the property through the periods of restriction prescribed in (2) and (3) above, the property is no longer suitable, usable, or further needed by the Donee for the purpose for which acquired, the Donee shall promptly notify the SASP and shall as directed by GSA through the SASP:
 - (a) Release the property to another donee or State agency.
 - (b) Release the property to a department or agency of the United States.
 - (c) Release the property to such other institution or agency as may be determined to have need therefore.
 - (d) Sell the property for the benefit and account of the United States of America with the proceeds remitted promptly from the Donee to GSA.
 - (e) Render the property completely unfit and useless for any purpose except for the recovery of its basic material content, the same to be performed in a manner satisfactory to GSA and the material content to be disposed of in accordance with instructions of GSA.
 - (f) Otherwise dispose of the property as directed by GSA.
8. In the event, during the periods of restriction prescribed in (2) and (3) above, the property is sold, traded, leased, loaned, bailed, encumbered, or otherwise disposed of without prior written approval of GSA, the Donee, at the option of GSA, shall be liable for

the proceeds of the disposal, the fair market value, or the fair rental value of the property at the same time of the unauthorized transaction or use, as determined by GSA.

9. In the event of a breach by the Donee, or its successor in function, of any of the above conditions, whether caused by the legal inability of the Donee or its successor in function, interest in and to the property shall, at the option of GSA, forthwith revert to and become the property of the United States Government, and the Donee, or its successors or assigns, shall forfeit all of its or their rights, title, and interest in and to the property.

10. The SASP shall no grant waivers, amendments, releases, or terminate any of the terms and conditions enumerated in (1) through (9) above, concerning the use or disposal of the property, or issue disposal instructions to the Donee for the property without the prior written concurrence of GSA or its successor in function.

11. The Donee agrees to hold harmless and indemnify the Government for any and all costs, judgment, action, debt, liability costs and attorney’s fees or any other request for monies of any type of relief arising from or incident to the transfer, donation, use processing, disposition, or any subsequent operation performed upon, exposure to or contact with any component, part, constituent or ingredient of the item, material or substance, whether intentional or accidental.

IN WITNESS WHEREOF, the Donor has duly executed this instrument
this _____.

United States of America Acting by
and through the Utah
State Agency for Surplus Property

DONEE: _____
Institution or Organization

By: _____

By: _____

Title: _____

Title: _____

CITY of Salt Lake
COUNTY of Salt Lake
STATE of Utah

On this _____, before me appeared _____, to me personally known, who, being by me duly sworn, says that he is the person who executed the foregoing instrument and that such instrument was executed under duly delegated authority on behalf of the Utah State Agency for Surplus Property, and acknowledge the foregoing instrument to be the free act and deed of the State of Utah.

Given under my hand and official seal the day and year above written.

Notary Public in and for the
City of Salt Lake
County of Salt lake
State of Utah

My Commission Expires: _____

FIREARM CONDITIONAL TRANSFER DOCUMENT

The United States of America (hereinafter called the General Services Administration (GSA) acting by and through the State of Utah, State Agency for Surplus Property (hereinafter called the SASP), pursuant to the powers and authority contained in the Federal Property and Administrative Services Act of 1949, as amended, transfers to _____ whose address is _____ Hereinafter called the Donee) the firearm hereinafter described. The Donee represents that the firearm is/are required in the furtherance of the Donee's program and will be used solely for law enforcement activities and for no other purpose. The firearm is/are delivered for Donee's exclusive use under the conditions and restrictions listed below. The firearm or list of firearms is/are described below or made as an attachment to this document.

See attached 123 document

While the firearm being donated are limited to those firearms assigned disposal condition code of 4 or better, this donations is being made on an "as is, where is" basis without warranty of any kind, and delivery is made at the present location of the firearms regardless of where the firearm may be situated:

SUBJECT, HOWEVER, to the following conditions and restrictions:

1. The Donee agrees that the firearm shall be used, as stated in the letter of intent, which is hereby incorporated by reference, solely for law enforcement activities by the Donee's compensated law enforcement officers whose primary functions include the power to apprehend and to arrest while enforcing applicable federal, state and local laws.
2. The Donee shall begin using the firearm within 12 months after all required signatures have been affixed to this document. The Donee's compensated officers must use the firearm only for the purposes stated above in perpetuity. **No other use is authorized at any time.**
3. If the firearms is/are not placed in use for the purpose stated above by the Donee within 12 months of donation, as evidenced by the date of the last signature of this document, and used thereafter in perpetuity, then within 30 days after: (1) the initial 12 months period has expired without authorized use of the firearm or (2) the date the firearm have ceased to be used for the purpose authorized above, the Donee shall provide notice thereof in writing to the SASP. The Donee shall, as directed by GSA through the SASP, either release the firearm to another Donee or destroy the firearm in a manner such that each complete firearm is rendered completely inoperable and incapable of being made operable for any purpose except for the recovery of its basic material content.

4. The Donee shall comply with all applicable federal, state and local firearms registration and use requirements.
5. The Donee shall immediately report lost, stolen or unaccounted for firearms received pursuant to this conditional transfer document.
6. The Donee shall conduct annual inventories of all donated firearms and report the results to the SASP. The Donee and the SASP shall maintain the inventory results for three years for review by the SASP and/or GSA as appropriate.
7. The Donee shall report to the SASP on the use, condition and location of the firearm and on other pertinent matters, as required from time-to-time, by the SASP and/or GSA.
8. The Donee shall **not ever sell, trade, lease, lend, bail, cannibalize, encumber, or otherwise dispose of the firearms or remove the firearms permanently for use outside the state.**
9. In the event the firearms is/are ever sold, traded, leased, loaned, bailed, encumbered, or otherwise disposed of in violation of the terms of this agreement, the Donee, at the option of GSA, shall be liable to the United States Government for the proceeds of the disposal or the fair market value of the firearms at the time of the unauthorized transaction, as determined by GSA.
10. For donated firearms that are destroyed, the Donee and a representative of the SASP shall state in writing that the firearms were destroyed in accordance with (3) above. The original signed statement must be maintained by the Donee and the SASP for a period of five years.
11. In the event of a breach by the Donee or its successor in function of any of the above conditions and restrictions, interest in and to the firearms shall, at the option of GSA, revert to and become the property of the United States Government, and the Donee or its successor or assigns, shall forfeit all of its or their rights, titles and interests in and to the firearms and may be subject to other penalties, both civil and criminal.
12. The Donee agrees that it has the ability to safely maintain, operate, finance, properly store, and guarantee the security of the firearms being requested.
13. The SASP shall not grant waivers, amendments, releases, or terminate any of the terms and conditions enumerated in this document concurring the use or disposal of the firearms, or issue disposal instructions to the Donee for the firearms without the prior written concurrence of GSA or its successor in function, except that GSA does not need to concur in writing for firearms to be destroyed in accordance with (3) above.

14. The Donee agrees to hold harmless and indemnify the Government for any and all costs, judgments, actions, debts, liability costs and attorney's fees, any other request for monies or any other type of relief arising from or incident to the transfer, donation, use, disposition, or any subsequent operation performed upon, exposure to or contact with any component, part, constituent or ingredient of the firearms, whether intentional or accidental.
15. The Donee agrees that this Firearm Conditional Transfer Document was read and that the conditions and restrictions contained herein are fully understood. The Donee also agrees that the Firearms Donations Transfer Guidelines, a copy of which is attached, are made a part of this document, was read and that the restrictions and the eligibility, transfer, documentation, and disposal requirements are fully understood.

IN WITNESS WHEREOF, the Donor and Donee have duly executed this instrument this ___ day of _____:

United States of America acting by and through the Utah State Agency for Surplus Property

BY: _____

TITLE: _____

DONEE:

BY: _____

TITLE: _____

INSTITUTION OR ORGANIZATION:

City of Salt Lake
County of Salt Lake
State of Utah

On this ___ day of _____ before me appeared _____ to me personally known, who, being by me duly sworn, says that she/he is the person who executed the foregoing instrument and that such instrument was executed under duly delegated authority on behalf of the Utah State Agency for Surplus Property, and acknowledge the foregoing instrument to be the free act and deed of the State of Utah. Given under my hand and official seal the day and year above written.

Notary Public in and for the
City of _____
County of _____
State of _____

My commission expires: _____

City of _____
County of _____
State of _____

On this _____ day of _____, _____, before me appeared

To me personally known, who being by me duly sworn that she/he is the person who
executed the foregoing instrument on behalf of said _____ and
acknowledge to me that she/he was duly authorized to execute the foregoing instrument
and that she/he executed the same as a free act and deed of said
_____.

Given under my hand and official seal the day and year above written.

Notary Public in and for the
City of _____
County of _____
State of _____

My commission expires _____

VESSEL CONDITIONAL TRANSFER DOCUMENT

KNOW ALL MEN BY THESE PRESENTS: That the United States of America (hereinafter called the General Services Administration (GSA)) acting by and through the State of _____, State Agency for Surplus Property (hereinafter called the SASP), pursuant to the powers and authority contained in the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended, for and in consideration of and in reliance upon the representations of _____, whose address is

_____ (hereafter called the Donee) that the Property hereinafter described is required in the furtherance of the Donee's program and that such Property will be used solely in connection with such programs and more specifically for all the following purpose(s):

in accordance with the proposed program and plan as set forth in the Donee's "Letter of Intent" dated _____, as amended _____, which Expression of Interest is hereby incorporated herein and made a part thereof, and for no other purpose, does hereby deliver, sell, assign, and transfer all rights, title, and interest in and to the following described vessel:

together with all engines, appurtenances, and accessories attached thereto or installed therein (all of which are hereinafter referred to as the Property), which has been determined by GSA to have a fair market value of \$ _____, unto the Donee to have and to hold the said Property, all and singular forever, this donation being made on an "as is, where is" basis without warranty of any kind and delivery is made at the present location of the Property regardless of where the same may be situated or the condition thereof:

SUBJECT, HOWEVER, to the following conditions and restrictions:

1. The Donee agrees to obtain documentation of the vessel under the applicable laws of the United States and regulations promulgated thereunder and the applicable laws of the several States governing the documentation of said Property and at all times to maintain such documentation. Upon written request and sufficient evidence to justify such action, GSA may waive the requirement for documentation in the case of donated vessels which are to be permanently moored on land and never to be used again on the waterways.
2. The Donee agrees to record this Vessel Conditional Transfer Document with the Coast Guard Documentation Officer at the port of documentation of the Property within 30 days after the receipt of the fully executed Vessel Conditional Transfer Document. If documentation is waived under (1), above, the requirement for registration may also be waived.
3. The Property shall be placed in use for the purpose stated above no later than 12

months after acquisition thereof and used for that same purpose for a 12-month period thereafter.

4. There shall be a further period of restriction beginning on the date the Property has been used for the period prescribed in (3), above. This period will expire after the Property has been used for the purpose stated above for an additional period of 48 months. During this additional period of restriction, the Property shall be used only for the purpose(s) stated above.

5. In the event the Donee does not record this Vessel Conditional Transfer Document with the Coast Guard Documentation Officer at the port of documentation of the Property within 30 days after the date of receipt of the fully executed Vessel Conditional Transfer Document, or in the event the Property is not placed in use within 12 months of receipt and used for a 12-month period thereafter, the Donee shall within 30 days after the date on which the instrument should have been recorded, or within 30 days after the Property has ceased to be used, provide notice thereof in writing to the SASP, and at the Donee's expense, return such Property to the SASP or otherwise make the Property available for transfer, provided the Property is still usable as determined by the SASP, or otherwise dispose of the Property, through the SASP, as may be directed by GSA.

6. In the event the Property is not so used or handled as required by (1), (2), (3), (4), and (5), above, title and right to the possession of the Property shall, at the option of GSA, revert to the United States Government. Upon demand the Donee shall, as directed by GSA through the SASP, release the Property to such person or agency as may be designated, sell the Property, or otherwise dispose of the Property. Any sale shall be for the benefit and account of the United States Government.

7. During the periods of restrictions prescribed in (3) and (4), above, the Donee shall make reports to the SASP on the use, condition, and location of the Property and on other pertinent matters as may be required from time to time by the SASP or GSA.

8. During the periods of restriction prescribed in (3) and (4), above, the Donee shall not sell, trade, lease, lend, bail, cannibalize, encumber, or otherwise dispose of the Property, or remove it permanently for use outside the State, without the prior written approval of GSA. The proceeds from any sale, trade, lease, loan, bailment, encumbrance, or other disposal of the Property during the period of restriction set forth in (3) and (4), above, when such action is authorized in writing by GSA, shall be for the account of the United States Government.

9. In the event, during the periods of restriction prescribed in (3) and (4), above, the Property is sold, traded, leased, loaned, bailed, cannibalized, encumbered, or otherwise disposed of without prior written approval of GSA, or is used for a purpose other than the purpose(s) stated, the Donee, at the option of GSA, shall be liable for the proceeds of the disposal, the fair market value, or the fair rental value of the Property at the time of such unauthorized transaction or use, as determined by GSA.

10. If at any time, from the date the Donee receives the Property through the periods of restriction prescribed in (3) and (4), above, the Property is no longer suitable, usable, or required by the Donee for the purpose for which required, the Donee shall promptly notify the SASP, and shall, as directed by GSA through the SASP, return the Property to the SASP, transfer the Property to another Donee or another State agency or to a department or agency of the United States, sell the Property for the account and benefit of the United States with the proceeds remitted promptly to GSA from the Donee, or otherwise dispose of the Property as directed by GSA.

11. At the option of GSA, the Donee may obtain abrogation of the terms and conditions set forth in (4) and (6) through (10), above, by payment of an amount determined by and with the written concurrence of GSA.

12. GSA may waive any or may terminate all of the terms and conditions set forth in (4) and (6) through (10), above, and give unrestricted title to the Property in favor of the Donee whenever such action is determined in writing by GSA to be appropriate.

13. The Donee agrees to hold harmless and indemnify the Government for any and all costs, judgment, action, debt, liability costs and attorney's fees or any other request for monies of any type of relief arising from or incident to the transfer, donation, use processing, disposition, or any subsequent operation performed upon, exposure to or contact with any component, part, constituent or ingredient of the item, material or substance, whether intentional or accidental.

IN WITNESS WHEREOF, the Donor and Donee have duly executed this instrument this _____ day of _____, 20____.

United States of America, Acting
by and through the _____
State Agency for Surplus Property

By _____
Title _____

DONEE:

By _____
Title _____
Institution or Organization

CITY of _____
COUNTY of _____
STATE of _____

On the _____ day of _____, 20____, before me

appeared _____, to me personally known, who, being by me duly sworn, says that she/he is the person who executed the foregoing instrument and that such instrument was executed under duly delegated authority on behalf of the State Agency for Surplus Property, and acknowledged the foregoing instrument to be the free act and deed of the State of _____.

Given under my hand and official seal the day and year above written.

Notary Public in and for the
CITY of _____
COUNTY of _____
STATE of _____

(SEAL)

My Commission Expires: _____

CITY of _____)
STATE of _____)
COUNTY of _____)

On this _____ day of _____, 20____, before me appeared _____, to me personally known, who, being by me duly sworn, says that she/he is the person who executed the forgoing instrument on behalf of the _____ and acknowledged to me that she/he was duly authorized to execute the foregoing instrument and that she/he executed the same as a free act and deed of said _____.

Given under my hand and official seal the day and year above written.

Notary Public in and for the
CITY of _____
COUNTY of _____
STATE of _____

(SEAL)

My Commission Expires: _____

UTAH STATE AGENCY FOR SURPLUS PROPERTY

APPLICABLE SECTIONS OF THE UTAH CODE

63A-2-401. State surplus property program -- Definitions -- Administration.

(1) As used in this part, "agency" means:

(a) the Utah Departments of Administrative Services, Agriculture and Food, Alcoholic Beverage Control, Commerce, Community and Culture, Corrections, Workforce Services, Health, Human Resource Management, Human Services, Insurance, Natural Resources, Public Safety, Technology Services, and Transportation and the Labor Commission;

(b) the Utah Offices of the Auditor, Attorney General, Court Administrator, Utah Office for Victims of Crime, Rehabilitation, and Treasurer;

(c) the Public Service Commission and State Tax Commission;

(d) the State Boards of Education, Pardons and Parole, and Regents;

(e) the Career Service Review Office;

(f) other state agencies designated by the governor;

(g) the legislative branch, the judicial branch, and the State Board of Regents; and

(h) an institution of higher education, its president, and its board of trustees for purposes of Section [63A-2-402](#).

(2) (a) The division shall make rules establishing a state surplus property program that meets the requirements of this chapter by following the procedures and requirements of Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

(b) The rules shall include:

(i) a requirement prohibiting the transfer of surplus property from one agency to another agency without written approval from the division;

(ii) procedures and requirements governing division administration requirements that an agency must follow;

(iii) requirements governing purchase priorities;

(iv) requirements governing accounting, reimbursement, and payment procedures;

(v) procedures for collecting bad debts;

(vi) requirements and procedures for disposing of firearms;

(vii) the elements of the rates or other charges assessed by the division for services and handling;

(viii) procedures governing the timing and location of public sales of inventory property; and

(ix) procedures governing the transfer of information technology equipment by state agencies directly to public schools.

(c) The division shall report all transfers of information technology equipment by state agencies to public schools to the Legislative Interim Education Committee at the end of each fiscal year.

(3) In creating and administering the program, the division shall:

(a) when conditions, inventory, and demand permit:

(i) establish facilities to store inventory property at geographically dispersed locations throughout the state; and

(ii) hold public sales of property at geographically dispersed locations throughout the

state;

- (b) establish, after consultation with the agency requesting the sale of surplus property, the price at which the surplus property shall be sold; and
- (c) transfer proceeds arising from the sale of state surplus property to the agency

requesting the sale in accordance with Title 63J, Chapter 1, Budgetary Procedures Act, less a fee approved in accordance with Sections [63A-1-114](#) and [63J-1-410](#), to pay the costs of administering the surplus property program.

(4) Unless specifically exempted from this part by explicit reference to this part, each state agency shall dispose of and acquire surplus property only by participating in the division's program.

Amended by Chapter 131, 2011 General Session

Renumbered and Amended by Chapter 207, 2011 General Session

Amended by Chapter 270, 2011 General Session

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63A-2-402. State surplus property program -- Participation by institutions of higher education.

The Board of Regents shall:

- (1) implement a policy requiring each institution of higher education to submit to the division a listing of surplus property available for sale outside the institution, at least 15 days prior to the intended sale date;
- (2) supervise and assist compliance by the institutions of higher education with the requirement of this part; and
- (3) encourage institutions of higher education to acquire federal surplus property from the division to reduce expenditures.

Renumbered and Amended by Chapter 207, 2011 General Session

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63A-2-403. Methods of disposition of surplus authorized.

The division may dispose of state surplus property by public auction, sealed bids, or by other means established by rule in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

Renumbered and Amended by Chapter 207, 2011 General Session

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63A-2-404. Acquisition of federal surplus property -- Powers and duties -- Advisory boards and committees -- Expenditures and contracts -- Clearinghouse of

information -- Reports.

- (1) The division may:
 - (a) acquire from the United States under and in conformance with the property act any property under the control of any department or agency of the United States that is usable and necessary for any purposes authorized by federal law;
 - (b) warehouse that property if it is not real property; and
 - (c) distribute that property within this state to:
 - (i) tax-supported medical institutions, hospitals, clinics, and health centers;
 - (ii) school systems, schools, colleges, and universities;
 - (iii) other nonprofit medical institutions, hospitals, clinics, health centers, schools, colleges, and universities that are exempt from taxation under Section 501(c)(3) of the United States Internal Revenue Code of 1954;
 - (iv) civil defense organizations;
 - (v) political subdivisions; and
 - (vi) any other types of institutions or activities that are eligible to acquire the property under federal law.
- (2) The division may:
 - (a) receive applications from eligible health and educational institutions for the acquisition of federal surplus real property;
 - (b) investigate the applications;
 - (c) obtain opinions about those applications from the appropriate health or educational authorities of this state;
 - (d) make recommendations about the need of the applicant for the property, the merits of the applicant's proposed use of the property, and the suitability of the property for those purposes; and
 - (e) otherwise assist in the processing of those applications for acquisition of real and related personal property of the United States under the property act.
- (3) The division may appoint advisory boards or committees.
- (4) If required by law or regulation of the United States in connection with the disposal of surplus real property and the receipt, warehousing, and distribution of surplus personal property received by the division from the United States, the division may:
 - (a) make certifications, take action, and make expenditures;
 - (b) enter into contracts, agreements, and undertakings for and in the name of the state including cooperative agreements with the federal agencies providing for use by and exchange between them of the property, facilities, personnel, and services of each by the other;
 - (c) require reports; and
 - (d) make investigations.
- (5) The division shall act as the clearinghouse of information for public and private nonprofit institutions, organizations, and agencies eligible to acquire federal surplus real property to:
 - (a) locate both real and personal property available for acquisition from the United States;
 - (b) ascertain the terms and conditions under which that property may be obtained;
 - (c) receive requests from those institutions, organizations, and agencies and transmit to them all

available information in reference to that property; and

(d) aid and assist those institutions, organizations, and agencies in every way possible in those acquisitions or transactions.

(6) The division shall:

(a) cooperate with the departments or agencies of the United States;

(b) file a state plan of operation;

(c) operate according to that plan;

(d) take the actions necessary to meet the minimum standards prescribed by the property act;

(e) make any reports required by the United States or any of its departments or agencies; and

(f) comply with the laws of the United States and the regulations of any of the departments or agencies of the United States governing the allocation of, transfer of, use of, or accounting for any property donated to the state.

Renumbered and Amended by Chapter 207, 2011 General Session

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63A-2-405. Charges and fees assessed for surplus property.

If approved in accordance with Sections [63A-1-114](#) and [63J-1-410](#), the division:

(1) may assess charges and fees for the acquisition, warehousing, distribution, or transfer of any property of the United States for educational, public health, or civil defense purposes, including research, only if those charges and fees are reasonably related to the division's care and handling costs of acquiring, receipting, warehousing, distributing, or transferring the property;

(2) may reduce or eliminate charges on property that is found not to be usable for the purpose for which it was procured; and

(3) shall limit the charges and fees assessed against real property to the reasonable administrative costs that the division incurred in effecting transfer.

Renumbered and Amended by Chapter 207, 2011 General Session

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63A-2-406. Rulemaking on giving priority to state and local agencies in purchasing surplus property -- Rulemaking on the sale or use of a personal handheld electronic device.

In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the division shall make rules:

(1) giving state and local agencies priority to purchase surplus property for a 30-day period except for personal handheld electronic devices under Subsection (2); and

- (2) allowing the sale of a personal handheld electronic device to a user who:
 - (a) is provided the device as part of the user's employment; and
 - (b) subsequently makes a change in employment status including, departure, retirement, or transfer to another agency within state government.

Renumbered and Amended by Chapter 207, 2011 General Session
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63A-2-407. Transfer of information technology equipment for persons with a disability.

(1) The division may transfer information technology equipment, or authorize the transfer of technology equipment by an agency, to a nonprofit entity for distribution to and use by a person with a disability.

(2) Interagency transfers and sales of surplus property to state and local agencies within the 30-day period under Section [63A-2-406](#) shall have priority over transfers under Subsection (1).

(3) The division shall annually report to the Division of Services for People With Disabilities the:

- (a) names of the nonprofit entities receiving transfers under Subsection (1); and
- (b) types and amounts of equipment received.

Renumbered and Amended by Chapter 207, 2011 General Session
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63A-2-408. Authority of state or local subdivision to receive property -- Revocation of authority of officer.

(1) Notwithstanding any other provision of law, the governing board or the executive director of any state department, instrumentality, or agency or the legislative body of any city, county, school district, or other political subdivision may by order or resolution give any officer or employee the authority to:

(a) secure the transfer to it of surplus property through the division under the the property act; and

(b) obligate the state or political subdivision and its funds to the extent necessary to comply with the terms and conditions of those transfers.

(2) The authority conferred upon any officer or employee by an order or resolution remains in effect until:

- (a) the order or resolution is revoked; and
- (b) the division has received written notice of the revocation.

Renumbered and Amended by Chapter 207, 2011 General Session
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