

ISSUANCE TRANSMITTAL  
SHEET

N A S A  
National Aeronautics and  
Space Administration

George C. Marshall Space Flight Center  
Marshall Space Flight Center, Alabama 35812

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Issuance Number: MMI 4350.2C, Change 1      Date: August 15, 1985

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Material Transmitted:

1. Management Instruction, MMI 4350.2C, Change 1, subject: "Exchange or Sale of Personal Property for Replacement Purposes".
2. Make the following pen and ink changes to the subject procedure:
  - a. Change Originating Organization block to read "CN01."
  - b. Change "Administration and Program Support (AS01)" to read "Administrative Operations Office (CN01)" in paragraph 6.a.
  - c. Change "(AS01)" to read "(CN01)" in Attachment A, paragraphs 1, 2, and 4.e.
  - d. Change "(AS41)" to read "(CN41)" in Attachment A, paragraphs 2.c, 2.e, 3.c, and 4.i.
  - e. Change "(AS44)" to read "(CN44)" in Attachment A, paragraphs 2.b and 3.b.
  - f. Change "paragraph 1007 of the MSFC Supply Manual" to read "paragraph 707 of the MSFC Property Management Manual" in Attachment A, paragraph 3.c.

(Original signed by)

J. A. Bethay  
Acting Director  
Administrative Operations Office

Distribution:  
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Filing Instructions:

Make pen and ink changes as indicated above and file this Transmittal Sheet in front of MMI 4350.2C.

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N A S A  
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Issuance Number: MMI 4350.2C

Date: April 22, 1982

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Material Transmitted:

1. Management Instruction, MMI 4350.2C, subject: Exchange or Sale of Personal Property for Replacement Purposes
2. This Instruction has been revised to:
  - a. Update it organizationally.
  - b. Make editorial changes.
  - c. Add list of ineligible items.

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Filing Instructions:

Remove MMI 4350.2B and insert the attached MMI 4350.2C in its place.

George C. Marshall Space Flight Center  
Marshall Space Flight Center, Alabama 35812

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Originating Organization: CN01      Effective Date: April 22, 1982      MMI: MMI 4350.2C  
Management Operations Office

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Subject: EXCHANGE OR SALE OF PERSONAL PROPERTY FOR REPLACEMENT PURPOSES

1.    PURPOSE

To establish policies and procedures governing the exchange or sale of personal property for replacement purposes.

2.    SCOPE

This Instruction is applicable to all exchange or sales of personal property for replacement purposes, made by MSFC, Huntsville, Alabama.

3.    AUTHORITY (Only applicable parts of most recent edition apply.)

- a.    NHB 4300.1, NASA Personal Property Disposal Manual.
- b.    FMM 9250.39, subject: NASA Financial Management Manual.

4.    REFERENCES

- a.    GSA Regulations, Federal Property Management Regulations (FPMR), Subchapter H, Parts 101-45 and 101-46.
- b.    GAO manual for Guidance of Federal Agencies, Title 7, Chapter 3.
- c.    Treasury Department Circular 945.
- d.    MM 9000.1, Financial Management Manual.
- e.    MM 4000.1, Supply Manual.



## 5. POLICY

- a. It is MSFC policy to fully utilize its authority to sell or exchange personal property, for which a replacement is deemed necessary, and to apply the proceeds of sale or exchange allowance on the acquisition of replacement property.
- b. In assuring maximum utilization of the sale and exchange authority, Resources Management personnel of the respective organizations will be responsible for budgeting, replacement planning, and procurement of various categories of items.
- c. Sales proceeds and exchange allowances of property turned in for replacement will be available for use on a Center-wide basis without regard to the MSFC organization making the turn in.

## 6. BASIC RESPONSIBILITIES

- a. Management Operations Office, Administrative Operations Office (CN01):
  - (1) Has been designated the responsible office for monitoring the exchange or sale of MSFC personal property for replacement purposes. As such, Management Operations will be responsible for coordinating the subject exchange or sale program between MSFC and GSA.
  - (2) Has been designated Center Manager to perform the necessary replacement planning, budgeting, and initiating procurement for office machines, automotive equipment, and materials handling equipment.
  - (3) Will coordinate with the Resources Management personnel of the applicable laboratory/office the exchange/sale of all categories of property other than those stated above.
- b. Financial Management Office, Center Comptroller (BF01) is responsible for the accountability of funds received through the exchange/sale program.



7. GENERAL PROVISIONS

- a. The sales proceeds obtained from the sale of personal property will be available for the acquisition of similar replacement items of personal property during the fiscal year in which the sale is made and for one fiscal year thereafter.
- b. Deposit of Sales Proceeds. All sales proceeds derived from the sale of items under the preview of this Instruction will be initially deposited to Deposit Fund Account 80F3875, Budget Clearing Account (Suspense), instead of as a direct reimbursement credit to the appropriation charged or chargeable even though the obligation for replacement has been incurred or the replacement has been acquired at the time of the sale.
- c. Time Sequence for the Disposition and Acquisition of Property. The replacement property may be acquired in advance of, at the same time, or after the disposition of the property to be replaced.

8. PROCEDURES AND RESPONSIBILITIES

Procedures and responsibilities are contained in Attachment A.

9. REQUIREMENTS AND LIMITATIONS

Requirements and limitations are contained in Attachment B.

10. PROHIBITED ACTIONS AND CONDITIONS

Prohibited actions and conditions are contained in Attachment C.

11. RECISION

This Instruction supersedes MMI 4350.2B.

Original signed by)

W. R. Lucas  
Director

Attachments:

- A. Procedures and Responsibilities
- B. Requirements and Limitations
- C. Prohibited Actions and Conditions

Distribution:

MDDL 1



PROCEDURES AND RESPONSIBILITIES

1. Management Operations Office (CN01) will:
  - a. Organize, execute, and monitor a program within MSFC for the exchange or sale of personal property for replacement purposes in accordance with established procedures.
  - b. Annually estimate the amount of sales proceeds expected to be derived from the replacement of property under this Instruction during the ensuing fiscal year. This estimate will be made during August of the preceding fiscal year and will be updated quarterly as necessary and this information is furnished to the Fiscal Control Division of the Financial Management Office, BF20.
  - c. Assure that there has been at the time of exchange or sale (or at the time of acquisition if it precedes the sale) a written administrative determination to apply the exchange allowance or sales proceeds in acquiring replacement property.
  - d. Process the disposition of property to be replaced and the acquisition of the replacement property to determine that the transaction is in accordance with existing regulations.
  - e. Cross reference GSA number and dollar value on MSFC Form 55 (Request for Issue, Procurement, Transfer, or Turn-in).
    1. Disposal through exchange. Process the exchange according to applicable procedures. When an item of property is exchanged for or traded in for another time of property, the cost of the new item of property will be the exchange allowance, or trade-in amount allowed by the seller, plus the amount of cash paid. (Reference GAO Manual, Title 2, Chapter 2.)
    2. Disposal through sale. Complete Standard Form 126 (Report of Personal Property for Sale) to show that the sales proceeds are for deposit to Deposit Fund Account Symbol 80F3875, Agency Station Symbol 80-00-4901, George C. Marshall Space Flight Center, Marshall Space Flight Center, Alabama, 35812, and that the Certificate of Deposit (Standard Form 219) will be addressed and forwarded to:

George C. Marshall Space Flight Center  
General Accounting Division, BF40  
Marshall Space Flight Center, AL 35812

- f. Following each sale of personal property, forward to the Cost and Personal Services Division (BF60) a copy of the related GSA Form 27 (Notice of Award) annotated to show the Exchange/Sale Category (Attachment B) of each item of personal property listed thereon, and the basic organizational element effecting the turn-in or a copy of MSFC Form 55 will be included. In the absence of GSA Form 27, a schedule appropriately completed to show the sale date, description of property sold, exchange/sale category, basic organizational element making turn-in and any other relevant information may be submitted in lieu thereof. A statement will be placed on GSA Form 27 (or schedule submitted in lieu thereof) that, "The above sales of personal property were made in accordance with GSA Regulations, FPMR, Subchapter H, Subpart 101-46."
  
- g. Forward on a timely basis to the Cost and Personal Services Division (BF60) a schedule showing the acquisitions of replacement property made under this regulation, cross-referenced to the related sales of replaced property. The schedule will set for the information depicted below:

Exchange Sale Category	Procurement Sale Document Number	<u>GSA Form 27</u> Line Item Number	<u>MSFC Form 55</u> Turn-In Document Number
		Number	Number
		Sold	Number

When replacement property is acquired in advance of the sale of the property to be replaced, the acquisition of the replacement property will not be shown on the schedule until the sale of the property to be replaced has been effected in order that the acquisition can be cross-referenced to the sale. A statement will be affixed to the schedule stating that, "The above acquisitions of personal property were made in accordance with GSA Regulations and meet all requirements thereof." In the absence of any reportable acquisitions during the reporting period, negative schedule need not be submitted.

- h. Assure that record copies of pertinent documents are available and properly annotated to readily provide:
  - (1) Cross-reference or cross identification between the property replaced and the replacement property acquired.
  - (2) Tracing of the sale of replaced property from GSA Form 27 to Standard Form 126 and then to the MSFC Form 55 which effected the turn-in of the property.
  - (3) Tracing of replacement property acquired from the statement furnished to the General Accounting Division (BF40).

Sufficient evidence must be available to establish that the transactions were in accordance with the provisions of GSA Regulations (FPMR< Subchapter H, Part 101-46) including those specific requirements set forth in paragraph 7 of the basic Instruction.

- i. At least once each quarter and once near the end of each fiscal year, contact Cost and Personal Services Division (BF60), to determine the balance of sales proceeds in Deposit Fund Account 80F3875. Positive action will be taken to assure that no sales proceeds are unused through failure to acquire needed replacement property within the period of availability for obligation.

2. Management Operations Office (CN01) or Applicable Laboratory/Office will:

- a. Develop time-phased equipment replacement programs for their assigned federal groups (paragraphs 6a(2), (3) of basic Instruction) considering all factors involved to include age, condition, usage, maintenance costs, job requirements.
- b. Fully utilize data available from the Institutional Property Management Branch (CN44) in lieu of establishing separate equipment evaluation programs for assigned categories.
- c. Prepare long-range replacement schedules covering the current fiscal year and four subsequent years showing the number of items to be replaced by type and by year, with one copy to Property Management Division (CN41). The plan should be updated at least annually, or earlier if program changes so dictate.

- d. Include in their annual budget submissions the funds required for procurement of replacement equipment.
- e. Advise the Chief, Property Management Division (CN41) of the estimated amount of sales proceeds expected to be received from the replacement of property under this regulation during the ensuing fiscal year.

3. Using Organizations will:

- a. Coordinate with Management Operations Office the replacement of property in any of the categories listed in paragraphs 6a(2), (3) of basic Instruction.
- b. For categories not under centralized management, determine which items should be replaced to foster the economical and efficient accomplishment of approved programs. Full utilization will be made of equipment evaluation data developed by the Institutional Property Management Branch (CN44) in determining which items require replacement.
- c. Complete MSFC Form 55 in accordance with paragraph 707 of the MSFC Property Management Manual, MM 4000.1, to turn in property for exchange or sale or to request replacement items, and forward to Property Management Division (CN41).

4. Cost and Personal Services Division, Financial Management Office (BF60) will:

- a. Receive from GSA the notice of sale, and the Certificate of Deposit (Standard Form 219) for inclusion in MSFC's records and accountability reports.
- b. Receive from Management Operations Office GSA Form 27 (or substitute schedule) showing the sale of personal property and the schedule showing the acquisition of personal property.
- c. Account for the sales proceeds deposited in Deposit Fund Account 80F3875.
- d. Apply the sales proceeds against the acquisition costs of the replacement property by transferring amounts from the Deposit Fund Account 80F3875 to the appropriation charged. This transfer will be accomplished within category as indicated in the schedule furnished Cost and Personal Services Division (BF60) by Management Operations Office.

- e. Furnish to Management Operations Office (CN01) the exact dollar amount of proceeds applied to each procurement document as listed on the schedule set forth in the above paragraph.
  - f. At least once each quarter and prior to the close of each fiscal year, analyze the sales proceeds deposited in Account 80F3875 for the purpose of clearing therefrom amounts which should be applied as reimbursement credits to the appropriation charged with the acquisition of replacement property or transferred to Miscellaneous Receipts:
    - (1) Amounts representing sales proceeds for which obligations have been incurred will be credited to the proper appropriation in accordance with the regulations referred to in paragraphs 3 and 4 of basic Instruction.
    - (2) Sales proceeds on which the period of availability has elapsed will be transferred to Miscellaneous Receipts.
  - g. Not transfer any sales proceeds to Miscellaneous Receipts before expiration of the period of availability.
  - h. Maintain the GSA Form 257 and the documentation received from Management Operations Office and the voucher transferring the sales proceeds from the Deposit Fund Account 80F3875 to the appropriation charged with the acquisition of the replacement property, or to Miscellaneous Receipts. The procurement document files will be available for review (as required by prevailing statutes) but need not be specifically cross-referenced under the provisions of this Instruction.
  - i. Through coordination with CN41, follow-up on obtaining cash receipts from sales.
5. Fiscal Control Division, Financial Management Office (BF20) will:
- Fulfill the responsibility assigned the Fiscal Control Division (BF20) in Chapter 11 of MM 9000.1.



## REQUIREMENTS AND LIMITATIONS

The application of exchange allowances or proceeds of sale, in whole or in part payment, for personal property acquired is authorized only when all of the following conditions are met:

1. The items exchanged or sold are similar to the items acquired. The item of personal property to be exchanged or sold and the item to be acquired will be deemed similar when:
  - a. Both fall within any one of the categories listed in this Attachment.
  - b. In the case of personal property not falling within the categories listed, the item to be acquired is designed and constructed for the same specific purpose as the item to be replaced.
  - c. Both constitute containers for items which are similar within the meaning of paragraph 1a.
  - d. Both constitute parts for items which are similar within the meaning of paragraphs 1a and 1b.
2. The items exchanged or sold are not excess and the items acquired are needed in the conduct of approved programs.
3. One item is to be acquired to replace one similar item.  
The only exceptions to the one-for-one rule will be:
  - a. In the event that a lesser or greater number of items must be acquired to perform all or substantially all of the tasks in which the old items would otherwise be used.
  - b. In the case of parts or containers.
4. Detailed cross reference between old and new items will not be required. However, in the absence of such cross reference, sufficient data will be made a matter of record to establish that the items acquired were similar to the items exchanged or sold; any exchange allowances or proceeds of sale applied in whole or part payment for property acquired were in fact available for such application; and the transaction was otherwise in accordance with the provisions of this Instruction.

5. There has been at the time of exchange or sale (or at time of acquisition if it precedes that sale) a written administrative determination prepared by the Resources Management personnel of the requesting organization to apply the exchange allowance or proceeds of sale in acquiring property in accordance with this Instruction.
6. The transaction will foster the economical and efficient accomplishment of an approved program or project.

In the acquisition, exchange, or sale of property in the categories below, both the item to be acquired and the item to be replaced must fall within a single number category.

1. Agriculture projects, processed foods and forage
2. Ammunition and ammunition components
3. Animals and animal products
4. Automatic data processing equipment
5. Batteries, storage
6. Cards, tabulating
7. Ditching machines
8. Dozer blades
9. Drill presses
10. Drugs, Biologicals, and Official Reagents
11. Earth Augers
12. Graders, self-powered and towed
13. Latches
14. Machines, adding and calculating
15. Machines, addressing and mailing
16. Machines, dictating and transcribing
17. Machines, duplicating
18. Machines, punched card, bookkeeping, tabulating and accounting
19. Milling machines
20. Mixers, concrete, portable or truck mounted
21. Pile drivers
22. Plows, snow, motorized
23. Road rollers, wheeled and sheepsfoot
24. Saws, circular or band
25. Scrapers, earth moving, self powered
26. Scrapers, earth moving, towed
27. Sedans, station wagons, coupes, limousines
28. Shovels, powered
29. Spreaders, aggregate and lime
30. Tractors, warehouse
31. Tractors, wheeled or crawler, with or without special attachments, 65 h.p. and up
32. Trailers, general purpose, multiple axle
33. Trailers, general purpose, single axle



34. Trailers, tank mounted
35. Trucks, forklift
36. Trucks, general purpose, cargo and construction, 12,500 GVW through 28,000 GVW (including truck tractors, dump, multiple drive, etc.)
37. Trucks, general purpose and utility, up to 12,500 GVW (including suburbans, carryalls, and sedan delivery)
38. Trucks, straddle
39. Trucks, tank (special purpose trailer of which the tank is an integral part of the construction)
40. Trucks, warehouse, platform, electric and gasoline powered
41. Typewriters, manual and electric



PROHIBITED ACTIONS AND CONDITIONS

1. Items listed in Attachment C are not eligible for handling under the provisions of this Instruction.
2. This Instruction does not authorize the:
  - a. Acquisition of personal property when such acquisition is not otherwise authorized by law.
  - b. Acquisition of personal property in contravention of any restriction upon the procurement of a commodity or commodities, or any applicable replacement policy or standard.
  - c. Purchase or acquisition of personal property other than under a consolidated purchasing or stores program or Federal Supply Schedule contract when procurement under such program or contract is required by regulation or other directives prescribed by the Administrator of General Services. NASA Installations acquiring items in accordance with such program or contract may apply the exchange allowance for or proceeds from the sale of similar items in whole or part payment for the items being acquired, however.
  - d. Sale, transfer, or exchange of excess or surplus property (other than automatic data processing equipment to be exchanged by GSA) in connection with the purchase or acquisition of personal property, provided that MSFC sells or exchanges items originally acquired as excess or surplus from another agency and applies the exchange allowance or proceeds of sale in accordance with this Instruction, provided we have had possession for one year.
  - e. Sale, transfer, or exchange of strategic and critical materials unless such materials at any one location are in lots of less than the minimum quantities specified in FPMR 101-14, and the NASA Installation determines that there is no reasonable prospect of accumulating quantities specified in that part of the FPMR within the time specified.
  - f. Sale, transfer, or exchange of Nuclear Regulatory Commission-controlled materials as defined in FPMR 101-43 except in accordance with the applicable regulations of the Nuclear Regulatory Commission (see 10 CFR Parts 30, 40, and 70).

- g. Sale or exchange of controlled substances except in accordance with FPMR 101-45.
- h. Sale of personal property in new or unused condition in connection with the purchase or acquisition of personal property.
- i. Sale, transfer, or exchange of scrap materials in connection with the purchase or acquisition of personal property except in the case of scrap gold for fine gold.

### 3. BOOKS AND PERIODICALS

MSFC may exchange, without monetary appraisal or detailed listing or reporting, books and periodicals in their libraries not required for permanent use for other books and periodicals.

### 4. DANGEROUS PROPERTY

Property which is dangerous to public health or safety will not be exchanged or sold pursuant to this Instruction without first rendering such property innocuous or providing adequate safeguards.

### 5. INELIGIBLES

Items in any of the Federal Supply Classification (FSC) Groups listed below are not eligible for handling under the provision of this Instruction.

- 10 Weapons
- 11 Nuclear ordnance
- 12 Fire control equipment
- 14 Guided missiles
- 15 Aircraft and airframe structural components
- 16 Aircraft components and accessories
- 17 Aircraft launching, landing, and ground handling equipment
- 20 Ship and marine equipment
- 22 Railway equipment
- 31 Bearings
- 32 Woodworking machinery and equipment except lathes, milling machines, and saws, circular or band
- 34 Metalworking machinery, except drill presses, lathes, milling machines, and saws, circular or band
- 40 Rope, cable, chain, and fittings
- 41 Refrigeration and air conditioning equipment
- 42 Fire fighting, rescue, and safety equipment

- 44 Furnace, steam plant, and drying equipment; and nuclear reactors
- 45 Plumbing, heating and sanitation equipment
- 46 Water purification and sewage treatment equipment
- 47 Pipe, tubing, hose, and fittings
- 48 Valves
- 51 Hand tools
- 53 Hardware and abrasives
- 54 Prefabricated structures and scaffolding
- 55 Lumber, millwork, plywood, and veneer
- 56 Construction and building materials
- 68 Chemicals and Chemical products, except medicinal chemicals
- 71 Furniture
- 75 Office supplies and devices, except cards, tabulating
- 83 Textiles, leather, and furs
- 84 Clothing and individual equipment

