

United States Department of Agriculture
Research, Education, and Economics

ARS □ ERS □ NASS □ NIFA

Bulletin

Title: ARS - Exchange/Sale Authority for Qualified Personal Property

Number: 12-221

Date: August 20, 2012

Originating Office: Financial Management Division
Acquisition and Property Division

Distribution: Business Service Centers-Directors and Deputy Directors
Business Service Centers-Budget, Fiscal, and Agreements Branch Chiefs
Business Service Centers-Property Management Officers

This bulletin establishes ARS policy to implement the exchange/sale authority for animals, animal products, plants, and plant products authorized under the 2008 Farm Bill. (Modifications include changing references to FFIS to FMMI).

1. Purpose

To assist in carrying out the research functions of USDA, the 2008 Farm Bill amended Title III of the Federal Crop Insurance and Department of Agriculture Reorganization Act of 1994 by adding Section 307 which authorizes USDA to exchange, sell, or dispose of “**qualified**” items of personal property and to retain and apply the sale proceeds to acquire any “**qualified**” item of personal property or to offset costs related to maintenance, care, or feeding of any qualified personal property item.

The amendment defines a “**qualified**” item of personal property as:

- animals,
- animal products,
- plants, or
- plant products.

2. Policy

ARS may exchange or sell animals, animal products, plants, and plant products and retain/apply the proceeds to acquire another animal, animal product, plant, or plant product or apply the proceeds to offset costs related to maintaining, caring, or feeding the animal, animal product, plant, or plant product. These proceeds have no fiscal year limitations. **This authority only applies to personal property that meets the above definition of “qualified item.”**

3. Accounting Process

Proceeds from the sale of “qualified items” of personal property are classified as “no-year” and are available until fully expended. These funds will be allocated under the X89 Fund Code. It is recommended that a separate account be set up for each different commodity. In order to standardize the collection process in Financial Management Modernization Initiative (FMMI) and Agricultural Research Information System (ARIS), the following guidance is provided:

A. Administrative Officer/Technician (AO/T)

- ARIS - Enter Incoming Agreements Form, Authorization To Apply For and Use Funds From Outside Sources. Standard information is listed below and shown in Exhibit 1.

Source of Funds: 0199-Sale of Animals or Personal Property

Type of Agreement: Trust 3

Purpose of Funds: Services Only

Type of Service: Sale of Assets

Start/End Dates: Since these are no year funds, this should be set for the maximum term of 5 years.

Remarks: State purpose for collection (e.g. sale of hay).

Indirect Program Support Cost (IPSC): is not assessed for sale of assets collections.

- CRIS Allocation Tracking system (CATS) - Establish records and perform funds control for each account. As stated earlier, it is recommended that a separate account be set up for each commodity.

B. BSC Budget & Fiscal Officers (BFO)

- FMFI - Establish the Shorthand Code and WBS using the following format:
Shorthand Code Format: X89-XXXX-XXX
WBS Format: AR.SC.XXXX.01.0XXX
- Deposit of Collected User Fees - Upon receipt of check or money order, prepare a Lockbox Deposit Slip. The Budget Object Class for collections is 0250.
- ARIS – After the funds are deposited, enter the receipt of funds on the Budget Page of the Incoming Agreements Form.
- Once the deposit has been posted in FMFI; Budget Authority will be available.

C. Budget & Program Management Staff (BPMS)

- Estimate fiscal year fee collections in preparation for the Agency's Apportionment and Reapportionment Schedules (SF-132) for the Execution of Funds report provided to the Office of Management and Budget (OMB).

Treasury Symbol = 12X1400, No-Year authority. Funds available until fully expended.
- The USDA Departmental Administration's Office of Budget and Program Analysis (OBPA) prepares an Advice of Allotment (AA) and submits to BPMS, along with a copy of the OMB approved SF-132. Upon receipt of the AA, enter Appropriation (APPR) and Apportionment (APOR) documents into FMFI.
- Upon notification by receipt of the Authorization to Apply for and Use Funds From Outside Sources (Form ARS-425) from the Agricultural Research Information System (ARIS), create an allocation (Form AD-705) to officially authorize the use of funds.

D. Fund Holder

Designated fund holders may use sales proceeds to offset costs related to maintaining, caring, or feeding the animal, animal product, plant, or plant product.

4. Personal Property Reporting Requirements

Federal Management Regulations 102.38 requires agencies to submit an annual report of sales proceeds obtained when a source other than the General Services Administration (GSA) conducts the sale. The reporting requirements are:

- Sales Proceeds, (gross and net)
- Commodity Type, (animal or plant)
- Cycle Time (number of days it took to conduct the sale).

BSC Property Management Officers/Technicians (BSC-PMOs) will submit a consolidated Area/BSC report to the Acquisition and Property Division/Property and Support Services Branch upon request.

5. Questions

Address questions concerning this bulletin to Kim Parks, 301-504-1300 (Financial Management Division), or Cheryl Brumback, 202-720-2359 (Acquisition and Property Division).

FINANCIAL MANAGEMENT DIVISION
ACQUISITION AND PROPERTY DIVISION

EXHIBIT 1

08/07/08

**Agricultural Research Service
Agricultural Research Information System
Authorization to Apply for and Use Funds From Outside Sources
Incoming Agreements**

Modecode/Log Number: 6201-00-00 0037191

Status: Pending

Location/Management Unit Name:
OFFICE OF THE DIRECTOR

Contact: UPCHURCH DAN R

Type: Principal Investigator

Series: General Biological Science

Telephone: 979-260-9343

Type of Agreement: Trust

ARS Primary Agreement Holder: Yes Award Date:

Agreement Number: ---

Primary Agreement Proposed Total Funds: \$30,000.00

Purpose of Funds: Service Only

Type of Service: Sale of Assets

Remarks: Sale of hay.

Original Source of Funds:

Type:

Direct Source of Funds:

0199 SALE OF ANIMALS OR PERSONAL PROPERTY, DEPARTMENT OF
AGRICULTURE

Type: Non-Federal

IPSC: Always Waived

Requesting IPSC Waiver:

Waiver approved by BPMS:

Why are you requesting IPSC?

Start Date: 10/01/2007

End Date: 09/30/2012

Duration: 60 (months)

How are funds to be used?

Prior Proposed: \$0.00

Proposed Amount: \$30,000.00

Category 1 Salaries: 0.00 ARS FTE: 0.00

Total Proposed: \$30,000.00

Other Federal Salaries: 0.00 Supplies: 30,000.00

Equipment: 0.00

Other Costs: 0.00 Travel: 0.00

RSA: 0.00

Do you or any full-time resident of your household have any activity or financial interest (dealings) with the Cooperating Organization? No

Area Ethics Advisor ONLY:

Confirmation and determination of 'dealings' question responded by SY.

AREA DIRECTOR ONLY:

Does the SY/MU have the needed expertise/facilities/time to conduct proposed research?

Is proposed funding level and duration adequate to provide the deliverables described?

Recommended			Approved / Concurred		
Signature	A/D	Date	Signature	A/D	Date
RL:			NPL1:		
CD/LD/DAD:			NPL2:		
LAO:			NPL3:		
ABFO:			BPMS:		
AD:			DA:		
ADO:					

**** Unofficial ****