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Standard Practice for Utilization and Disposal of Personal Property¹

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1. Scope

1.1 This standard encompasses how excess and surplus personal property is utilized, donated, sold, abandoned or destroyed.

1.2 Disposal is the final step in the final phase of the Personal Property Management Life Cycle. Disposal is a cost effective means to transfer property from accountability records of an organization. Until disposal action occurs and is properly documented, the property remains on organizational property and financial records and therefore subject to costly cyclic inventories.

1.3 This standard does not include disposal requirements specific to state or federal environmental or security regulations. However, this standard enables an organization to align or integrate state, federal, or its own requirements.

2. Referenced Documents

2.1 *ASTM Standards*:²

E2135 [Terminology for Property and Asset Management](#)
E2279 [Practice for Establishing the Guiding Principles of Property Management](#)

2.2 *Other References*:

The NPMA Federal Property Manual
Federal Property and Administrative Services Act of 1949
Federal Property Management Regulations
Federal Management Regulations

3. Terminology

3.1 *Definitions*:

3.1.1 *abandonment and destruction*—occurs when the surplus personal property has reached the end of its useful life and no other disposal options are available.

3.1.2 *disposal*—the processes involved in the removal of personal property from the property accounting system after assignment for utilization, donation, sale, abandonment, or destruction.

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

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

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

3.1.4 *excess*—personal property that is no longer required by a program of an owning organization.

3.1.5 *sale*—a method of disposing of surplus personal property, by the organization or under the direction of another authorized source, where interest or ownership in the property is exchanged for monetary reimbursement that is retained by the owning organization.

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

3.1.7 *surplus*—personal property no longer required by the owning organization.

3.1.8 *utilization*—finding another use for property already owned.

4. Summary of Practice

4.1 Organizations will implement property management systems in accordance with ASTM Standard E2221-01.

4.2 The systems requirements for personal property disposition should enable managers to make disposition decisions through electronic means thereby assuring optimum returns from funds invested in property.

5. Significance and Use

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

5.2 An efficient personal property utilization and disposal program will result in economies of operation that are essential in today's budget environment.

5.3 Each of the property life cycle phases are interdependent of each other and when properly managed can minimize property accountability problems for an organization. However, many organizations only recognize the property process as being important as long as the property is useful. When property reaches the disposal stage, organizations often fail to control excess and surplus property.

6. Management and Utilization of Property

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