



Designation: E2858 – 12

## Standard Practice for Sales of Personal Property<sup>1</sup>

This standard is issued under the fixed designation E2858; the number immediately following the designation indicates the year of original adoption or, in the case of revision, the year of last revision. A number in parentheses indicates the year of last reapproval. A superscript epsilon ( $\epsilon$ ) indicates an editorial change since the last revision or reapproval.

### 1. Scope

1.1 This practice encompasses how assets may be sold.

1.2 Sales of assets may be done when assets used by the entity are no longer required, or to sell assets acquired for the purpose of sale or re-sale. The objectives of a sale will vary by entity; for instance, the goal may be to facilitate the replacement of assets, to obtain needed funds from sales proceeds, or simply to remove assets from the entity's control and management.

1.3 This practice does not include sales requirements or restrictions specific to any regulatory body or the various levels of government in which an entity operates. However, this practice provides the entity options for flexibility to best integrate those external requirements.

1.4 This standard does not purport to address all of the safety concerns, if any, associated with its use. It is the responsibility of the user of this standard to establish appropriate safety and health practices and determine the applicability of regulatory limitations prior to use.

### 2. Referenced Documents

2.1 *ASTM Standards*:<sup>2</sup>

[E2135 Terminology for Property and Asset Management](#)

[E2675 Practice for Property Management System Outcomes](#)

### 3. Terminology

3.1 *Definitions*—For additional definitions for property and asset management, see Terminology [E2135](#).

3.1.1 *lotting, lotted, v*—to consolidate or distribute assets being sold into identifiable groupings, to be sold for one price, to provide the best number of items or the best mix of different items with the intent to increase prospective bidder interest.

3.1.2 *terms and conditions, n*—basis on which the sale, award, and transfer of the assets are to be conducted.

<sup>1</sup> This practice is under the jurisdiction of ASTM Committee [E53](#) on Asset Management and is the direct responsibility of Subcommittee [E53.04](#) on Reutilization and Disposal.

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<sup>2</sup> 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.

### 4. Summary of Practice

4.1 Entities sell assets for multiple purposes, often simply to dispose of assets no longer required by the owning entity (“surplus” assets).

4.2 Entities should implement asset management systems to optimize performance in accordance with Practice [E2675](#), such that sales decisions are supported by current and accurate information.

4.3 Sales should be conducted to maximize the benefit to the entity, while minimizing risks subsequent to the sale.

### 5. Significance and Use

5.1 This standard identifies cost-effective sales as a business process of the entity. The central objective is to ensure that assets are sold in a manner best suited to meet the goals of the entity.

5.2 This standard provides options and considerations to take into account to effectively manage the entity's assets when considering asset sales.

### 6. Decision Process

6.1 Entities may consider selling assets to:

6.1.1 Obtain funds needed to offset the cost of acquiring replacement assets better suited to meeting the entity's requirement,

6.1.2 Obtain operating funds, or

6.1.3 Eliminate operational costs associated with overall management of the asset, that is, taxes and costs of custodial oversight.

6.1.4 Facilitate the continued use of surplus assets which avoids the assets entering the waste stream or the costs of remediation.

6.2 The sales method selected should take into account the reason for the sale and should consider the expected or required proceeds and the time frame in which the sale is to be conducted.

6.3 An entity should evaluate expected sales costs and anticipated proceeds and consider other methods of disposal if the net costs of sale are greater than the net costs of other disposal methods.