

**National Association of State Agencies for Surplus Property
National Committee Meeting, Montpelier, VT
August 18-20, 2003**

MINUTES

Monday, August 18, 2003

Executive Session

President Scott Pepperman (PA) called the NASASP National Committee meeting to order at 8:30 a.m.

Mr. Pepperman gave the invocation. The Pledge of Allegiance was said by all present.

Everyone present introduced himself or herself.

Mr. Pepperman reviewed the week's agenda.

Roll Call: Marilyn Trachsel, Secretary/Treasurer (MO) called roll. The following SASPs were present, and according to the NASASP Constitution and By-Laws, a quorum was present and business could be conducted.

Area I: John Supry and Kathy Newton (NH), Scott Pepperman (PA), Bill Beard (VT)

Area II: Shane Bailey (AL), Rosalyn Bruce (FL), Dick Graves (IN), Gary Ellerkamp (KY), Jeff Nance (NC), Ron Cathey (SC), Brenda Grant (TN)

Area III: Jim Smith (AR), Eddie Guiddry (LA), Marilyn Trachsel (MO)

Area IV: Ken Browning (AK), Daryl Haeder (SD).

Others in attendance were: Bill LeGro (NASASP Executive Director), Randy Main (Overseas Facilitor), Butch Campbell (ARSASP), Nina Lanham (ARSASP).

President's Address was given by Mr. Pepperman. Mr. Pepperman discussed the history of the organization. A summary of the organization's history was included in the packet. He stated that NASASP must be proactive, not reactive.

He discussed some of the things that officers have been working on in the last six months including:

- FAS (Federal Asset System)
 - GSA Legislation
 - DRMS cutbacks
 - Cooperative agreements
 - Letters on various issued that have been sent out were included in the packets
 - An insurance policy to protect the NASASP association and it's officers
 - Attending a variety of meetings nationwide.
- Associate Membership committee established and run by Bill Legro
GSA issue transfers to be counted as + on 3040
XcessXpress trigger
Single Audit Act changes
Visits to the hill to Senator Collins, Lieberman, Lincoln, Pryor, Congressman Davis letter

Minutes from the March 2003 National Committee Meeting were distributed.

Motion: Moved by Mr. Haeder (SD) and seconded by Mr. Beard (VT) to accept the minutes as presented. **Motion passed unanimously.**

Treasurer's Report given by Ms. Trachsel from September 1, 2002 through August 15, 2003 was distributed. Fund balance was \$11,781.91.

Motion: Moved by Mr. Beard (VT) and second by Mr. Haeder (SD) to accept the treasurer's report. **Motion passed unanimously.**

Executive Director's Report was given by Mr. LeGro. Since starting November 1, 2002, Mr. LeGro has worked on the following:

- Attended FAS meetings
- Worked with SBA (Small Business Administration) to develop a memorandum of agreement (copy in packet). Discussion ensued about the agreement and how some SASPs believe it is currently working fine for them. How it currently works seems to depend more on the SBA field offices. Mr. Pepperman noted that SBA originally tried to get property ahead of us, and we need to come up with a way to work with them. He also noted they will be at the meeting on Tuesday and the discussion could continue then.
- Attended the USA-FEPP conference. They want us to hold a joint meeting with them next year in Orlando, FL, August 2-5, 2004.
- Visits on the hill and some follow-up visits
- Firefighter legislation was discussed and it was noted that health agencies in the legislation are now saying that they should be administered by the State Agencies for Surplus Property however, the legislation does not say "notwithstanding other legislation". A problem with the prior attempts to administer this legislation.
- Associate membership advisory council – will be discussed later
- 15 SASP managers also manage the LESO program. He also had a handout showing the numbers on the LESO program by state.

Moving to the Committee Reports on the agenda, Mr. Pepperman pointed out the committee assignment sheet and said we need volunteers to serve on more committees. Let an officer know if you are willing to serve on a committee.

Overseas Committee Report was given by Mr. Haeder, Chairman, and covered the following topics:

- Current facilitator contract expires April 14, 2004.
- Middle East – We were unable to get any property out of Saudi Arabia. Next opportunity will probably be Oman.
- Facilitator is currently requesting quotes for shipments from 8 different shipping companies. Some of them only work out of certain ports, while others ship from most ports.
- We're still working with DRMS to try and get them to ship our property with theirs.
- Status of the IFT lawsuit was discussed briefly.

Technology Committee Report was given by Mr. Pepperman since there is no Committee Chairman. The following topics were covered:

- The 3040 report will be done online effective 10/1/03. Transfers between SASPs are a separate issue. Will have to manually input into FEDS
- Enhancements are being made to FEDS

- Mr. Ellerkamp said there is a practice screen on FEDS. He stated it looks more like GSA auction site with a place for pictures. He noted that donees would be able to get on without a password. General discussion about the need for SASPs to control access
- NASASP website – we're exploring a bulletin board that could be used for a variety of things like property that a SASP would like to offer to other SASPs, partial load that a SASP would like to either share transportation costs, etc.

Marketing Committee Report was given by Mr. Pepperman in the chair's absence. Associate membership was discussed. Creation of TAMAC (The Associate Membership Advisory Council) was discussed. The NASASP National Committee would choose TAMAC members from Associate Members recommended by each SASP. TAMAC would make recommendations on increasing the number of Associate Members, provide input to NASASP from a donee perspective, and help recruit Associate Members. There was discussion about whether TAMAC will work, the need for the Associate Membership program, what happens with the money, and how various SASPs recruit Associate Members. There was also discussion about the newsletter not being published.

Motion: Moved by Jim Smith (AR) and second by Ron Cathey (SC) to go ahead with the TAMAC concept. **Motion passed with one vote against.**

Future meetings were discussed. The annual meeting has been held in Washington, DC the last two years. Mr. Smith surveyed the SASPs and the results were discussed. Mr. Pepperman also reviewed the history of how much meetings over the last three years have cost. USA-FEPP has indicated they want to have a joint meeting with us. Their 2004 meeting is in Orlando, FL, at the Grosvenor Hotel in early August. We were not able to have an annual meeting in 2003 because there was no quorum. There was discussion about ways to get a quorum for the annual meeting next year.

Motion: Moved by Dick Graves (IN) and second by Ken Browning (AK) that the National Committee call an extraordinary meeting which will be the annual meeting in August 2004 in Orlando, FL, with the National Committee meeting to be held in Washington, DC, in March. **Motion passed unanimously.**

The Marketing Committee will strive to get the newsletter published twice a year. They will also work on gathering statistics from all SASPs. The statistics are very helpful when working on issues dealing with specific groups of donees.

Legislative Committee Report was given by Mr. Smith and discussed the following:

- GSA Legislation is moving through the House but has not been changed.
- Letters have been sent out about a variety of topics.
- Congressman Weldon is trying to get health agencies defined but also says they will be served by SASPs. There was discussion about how that would work since the health agencies would be at the excess level. Some see it as a way to get our foot in the door for excess level.
- Visits to the hill and meetings attended were listed.
- MOAs have been developed with USA-FEPP, Congressional Fire Services, and NPMA. These are being used as a way to get more correspondence about issues that affect both groups.
- FAS – a representative from NASASP has been at almost all their meetings.

- SBA has been developing the MOA for SASPs to sign. There was again discussion about the SBAs and compliance issues.

The meeting recessed at 4:00 p.m.

Daryl Haeder, Committee Chairman, called Overseas Participants Meeting to order at 4:00 p.m. Participants were updated on the IFT lawsuit. The issue with a recent problem with Customs was discussed. Vermont is looking to take some action from their end and encouraged NASASP to address the issue from their end.

Ms. Trachsel, Overseas Fund Administrator, presented the financial report.

Randy Main, Overseas Facilitator, presented his report showing the numbers for the year-to-date. It was noted that 13 SASPs haven't taken property this year that did last year, and that two SASPs have taken property this year that did not last year. He listed the areas where he has screeners. He discussed the problems with Customs and said that the information he received was very vague. He said the problem with the property in Saudi Arabia is there is no motivation to let us take the property. Problems with trail screening were discussed.

Mr. Haeder notified Mr. Main that because of the extra work he has had to do because of the IFT lawsuit, the work he did in trying to get property out of the Middle East, the way he worked with the customs issues in the United States, the Committee had decided to give him a one time bonus of \$1500.

Meeting recessed.

Tuesday, August 19, 2003

Reconvened 8:30 a.m. in the Vermont State House Senate Chambers

Mr. Pepperman welcomed everyone and thanked Vermont for the wonderful accommodations. He asked everyone to think of Henry Molina, the director of the Texas SASP, who is battling a brain tumor. He said Mr. Molina has checked in during the meeting and is keeping up-to-date with NASASP issues.

Mr. Haeder gave the invocation. All said the Pledge of Allegiance.

Bill Beard, Vermont SASP Director, introduced the Vermont Commissioner Thomas Torti, Secretary of the Vermont Department of Administrations, who welcomed everyone to Vermont and expressed his appreciation for what we do. He stressed the savings they've experienced by using the program. He noted that at one point Vermont was on the verge of doing away with the program but then realized how important it was. He gave a brief history of the State House.

Everyone introduced himself or herself.

Mr. Pepperman gave a brief summary of Area reports.

GSA, Office of Government-wide Policy

Bob Holcombe and Jim Begis updated NASASP on the following:

- Legislation: H.R. 2548 is the same language as the GSA legislation previously proposed, however, GSA did not propose the same language and would prefer that personal

property and real property be separated. The GSA legislative personnel and the office of Congressman Sessions who introduced the Bill kept the same language. The Bill did pass by the Government Reform Committee but is still going through the Transportation and Infrastructure Committee.

- Public Law 107-317, the Federal Property Act will now be referred to as Title 40.
- FMR 102-38, covering seized and forfeited property was approved and will come out in the Federal Register soon. This brought up discussion about TSA (Transportation Security Administration) property. Several out-of-date bulletins have been cancelled.
- Department of Justice issue – DOJ may reinstitute donations of surplus weapons and other related items.
- Computers for Learning are now allowing private sector businesses to donate also because the demand exceeds the supply. It was noted that operating systems could be transferred with the computers.
- Exchange sale reports were received from 30 out of 74 agencies. They are following up with the agencies that did not turn them in. NASASP will be provided the information when it is received. In response to a question, Mr. Holcombe said that property obtained as excess can be used in exchange sale after one year of use.

ACTION ITEM: To request a change to that regulation, NASASP should send a letter explaining why it should be changed. He said if there are specific incidents, they should be reported.

- Diedre Huber noted that TVA is under investigation. She noted that the Office of Inspector General is the place to report specific incidents of not following regulations.
- They are accepting nominations for the Miles Romney Award. The Miles Romney Award will now be presented at the NPMA Annual Meeting in conjunction with OGP, usually in July or August.
- PMEC (Property Management Executive Council) – looking at hazardous materials policies
- ICPM (Inter-agency Council on Property Management) – meet quarterly in Washington, DC. NASASP has been represented at many of the meetings.
- IT Recycling has a high level of interest
- FAS – Utilization and donation (U & D) study is occurring. Many SASPs are being interviewed as part of the study.
- Identifying property management best practices – After 2005, all property will have unique bar codes.

ACTION ITEM: NASASP should come up with suggestions on what should be done about exchange sale.

GSA, FSS

Diedre Huber stated that Victor Arnold-Bik is heading up the U&D study of FAS. GSA has been setting goals and inquired whether the SASPs have goals. Any SASP interested in sharing those goals are asked to send them to Central Office. Results of the U/D study must be submitted in draft by October 2003 and the final report by December 2003.

ACTION ITEM: NASASP will send a list of items along with comments on the U/D study to FSS. All SASPs should contribute as desired.

Dave Robbins stated there is now a FEDS help desk 866-333-7472 that is available from 8 a.m. to 7:00 p.m. EST. The help desk should be used for everything regarding FEDS including new user codes. E-mail for the help desk is gsaccesshelp@gsa.gov Changes to FEDS are being made. APOs can now grant access to FEDS to Federal agency employees that are working in the field.

It was noted that public airports do not have priority over SASPs.

E-mail notification

Overseas property – going to ask DOD to report. Will have way to see the property.

The 3040 report will be available for assess on FEDS as of 10/01/03. This new electronic 3040 report is part of the government paperwork elimination act. He showed the new 3040 electronic form and stated it will not be a requirement at this time. It was noted that there is no place to enter transfers to SEA, SBA, or homeless. Mr. Robbins noted that it still needs some modifications. FSS will look at systemizing the Homeless Report as well in the future.

New FEDS was shown. There is now a FEDS Practice Log to see what will be new on FEDS. Search by State option will be available. They will no longer use HX condition codes – they will be either repairable or serviceable. It allows anyone to screen property. There was discussion about problems that will develop when no pass code is required. It was suggested that if we want a pass code for donees, it should be suggested to the U&D study group. If fewer than 50 items in listing – then FEDS will bring up by State. Picture indicator and better descriptions are also upgrades in the system. “Screening ends” as opposed to SRD. “Freezing” becomes selecting. Not available for donation when exchange sale item. Vehicles – missing several fields, such as fuel type, transmission type, and two wheel or all wheel drive. Will have electronic signatures. Trigger can’t happen because of DRMS.

ACTION ITEM: Need to send a letter to the U/D study group about the concern from NASASP over allowing full access to FEDS by the public at large.

DRMS

Mr. Wayne Woosley addressed the group and opened by saying, hazardous materials need to be reused, because there is a no landfill policy in effect. If hazardous materials obtained through DOD are leaking, a DRMO can be called and they’ll take care of it.

In response to a question about MAP property, he said it was given to other countries and those countries will turn it back in to DRMO to sell it. It is generally older property and it never becomes excess property that is available for donation.

Eventually will only have one command worldwide and it will be located in Battlecreek. DRMS is looking at shipping property. When requesting additional information on property and can’t get it, let local management know and if they don’t assist, let him know. Customer Service is the new focus for DRMS. This new focus includes increased service to both the military customers and the R/T/D customers. There is also a change in the business service of DOD to delivery on time of goods and material, and not stocking warehouses full of items.

Property available in Kuwait is being staged now. NASASP needs to contact Carol Fix for information and interest.

DRMS figures for Fiscal Year 02 show \$279 million in donations from DOD. No figures were available yet for the amount of property handled through Exchange Sale. In 1990, DRMS had 212 DRMOs worldwide, with five (5) different commands and 4500 FTE's. In 2002, DRMS has 92 DRMOs worldwide, with two (2) commands and 1700 FTE's. In the future, DRMS will have only one (1) command worldwide and approximately 1300 FTE's. The number of DRMOs will be determined at that point.

There will be a DRMS workshop on September 2003, and NASASP is invited to participate. The workshop will be for worldwide DRMO managers and include a number of DRMS customers as well. NASASP will send the Executive Director.

DRMS is asking our assistance. They would like to know what information we need to see for descriptions on property. They would also like our input as to what we need to see and what we don't in terms of categories of property. Is it possible that some categories could be moved directly to sales? NASASP will provide input. Possible conference calls may be set up with DRMS in the near future.

ACTION ITEM: NASASP needs to provide DRMS with a list of categories of property that we are not interested in screening.

SBA

Ken Dodds and Jim Parker discussed the MOA drafted by SBA and NASASP. Problems with the MOA were discussed. There was also discussion about why SBA is not consistent across the country. There was interaction between SBA and GSA on the compliance and reporting issues, as well as, the apparent conflict between the Personal Property Act and laws governing SBA.

ACTION ITEM: Mr. Pepperman will send the draft MOA to Ms. Huber to get their input. GSA, SBA, and NASASP will then discuss details.

NPMA:

Mike Hay mentioned the MOA signed between NASASP and NPMA. Their association grew 8% in the last year and they are opening chapters in Europe and Asia. They have programs to certify property managers at various levels and are currently developing an Associate of Arts degree in property management that will be web-based. Watch their website for updated information – www.npma.org

USA-FEPP

Carl Marsh mentioned the MOA developed between USA-FEPP and NASASP. The two organizations have many mutual concerns including: DRMS, communications with GSA & DRMS, and exchange sale.

Their meeting is August 2-4, 2004 at the Grosvenor Resort in Orlando, FL. Room rate is \$82 per night. Mr. Pepperman informed him that NASASP voted to have its annual meeting in conjunction with them in Orlando.

Eligibility & Compliance Training

Joe Hvorecky noted the following:

- When sending eligibility packets to GSA for review and recommendations, the SASP should send a cover letter saying what their findings are and GSA will either concur or make other recommendations.
- Museums – the regulation requiring a 40-hour per week curator type staff person has changed to include “or the equivalent of.”
- Eligibility files must be updated at least every three years.
- Arkansas is setting up a full Eligibility/Compliance Training session in November.

Meeting recessed.

Wednesday, August 20, 2003

Reconvened 8:30 a.m.

The Honorable James H. Douglas, Governor of Vermont, gave a brief welcome NASASP. Mr. Pepperman presented Bill Beard and the VTSASP with a plaque thanking them for hosting the meeting.

Mr. Pepperman explained that there is a clean copy of NASASP Constitution & By-Laws in the packet. Since the meeting in March will be a National Committee meeting, recommended changes will be discussed at that time.

Awards Committee:

Ms. Trachsel presented certificates to active overseas program participants and to NASASP members in good standing.

Mr. Smith presented plaques to the SASPs with the most associate members, retired directors, and those who have moved on to other jobs. The President’s award for 2003 was in honor of Nolan Kitchens who was a director of the Alabama SASP. Mr. Haeder said a few words about Mr. Kitchens. The President’s award was presented to Bill Wilson (WI). Mr. Pepperman said a few words about Mr. Wilson.

USDA

Mr. Smith updated the group on the dry milk issue. He is continuously following-up with USDA to try and get the milk issued through the SASPs.

New Director Training

A variety of topics were covered and considerable discussion was held about the following topics:

- GSA reviews, copy of current evaluation instrument handed out
- Handling of acquisition value when it is obviously under value. This is handled differently in each Region.
- Use of e-mail to promote the program
- Tracking money/number of donees and invoices.
- Overseas program
- Hazardous materials can potentially cost millions of dollars in clean-up cost so use caution in dealing with them.

- Broadening operations into other areas. ALSASP is building a 300,000 sq. ft. warehouse half of which they will rent to other State agencies.
- Fixed price vehicle program
- GSA weapons program

Action item: NASASP will send a letter to Central Office about the market value listed on SF-123s requesting they establish a standard procedure for handling it.

There has been a suggestion of allowing State surplus operations to join NASASP. General feeling is that the focus must be kept on the Federal program, but there are many related issues and having a session that deals with State surplus issues would be acceptable for future meetings.

Mr. Graves, Area II President, presented his area report.

Mr. Graves asked the status of imaging the historical records of NASASP. Mr. Pepperman stated that they are looking at the cost now and will report back.

Ms. Pepperman asked for clarification on meeting dates. It was suggested that the National Committee meeting be start on Sunday and end on Tuesday with committee meetings on Saturday. The Annual Meeting will start on Sunday and end on Thursday, with committee meetings on Saturday.

Everyone was asked to contact another SASP and try to get them to attend the annual meeting next August. Every attempt will be made to keep the registration fee below \$225.

There is a DRMS website for exchange sale property. It is also on www.gsaauctions.gov

Motion: Move by Ms. Trachsel that the meeting be adjourned, second by Mr. Haeder. **Motion passed unanimously at 3:10 p.m.**

Respectfully submitted,

Marilyn Trachsel
NASASP Secretary-Treasurer