

**VOLUME 11A, CHAPTER 5: “DISPOSITION OF PROCEEDS FROM  
DEPARTMENT OF DEFENSE SALES OF SURPLUS PERSONAL PROPERTY”**

**SUMMARY OF MAJOR CHANGES**

Changes are identified in this table and also denoted by [blue font](#).

Substantive revisions are denoted by an asterisk (\*) symbol preceding the section, paragraph, table, or figure that includes the revision.

Unless otherwise noted, chapters referenced are contained in this volume.

Hyperlinks are denoted by [bold, italic, blue, and underlined font](#).

The previous version dated [February 2012](#) is archived.

<b>PARAGRAPH</b>	<b>EXPLANATION OF CHANGE/REVISION</b>	<b>PURPOSE</b>
All	Revised the chapter format and structure in accordance with the Department of Defense Financial Management Regulation Revision Standard Operating Procedures.	Revision
1.0 (0501)	Renamed the first section to “General” and incorporated the required “Purpose” and “Authoritative Guidance” paragraphs to comply with standard operating procedures.	Revision
2.1 (050201)	Clarified general rules for deposit and use of proceeds in accordance with United States Code, Titles 10 and 40.	Revision
2.2.4. (050202.D)	Added additional guidance to the Sales of Recyclable Material on Military Installations per Department of Defense Instruction 4715.23.	Addition
	Revised the name of receiving agency from Defense Reutilization and Marketing Service to Defense Logistics Agency Disposition Services.	Revision
3.2.3.2. (050302.C.2)	Revised the definition of Card Acquiring Service (CAS) in accordance with the Treasury Bureau of the Fiscal Service program guidance.	Revision
Policy Memo	The Deputy Chief Financial Officer policy memorandum, “Treasury Account Symbols for Licensing of Intellectual Property and Recycling Activities (FPM19-11),” dated August 30, 2019, was incorporated into the chapter and cancelled.	Deletion

Table of Contents

VOLUME 11A, CHAPTER 5: “DISPOSITION OF PROCEEDS FROM DEPARTMENT OF DEFENSE SALES OF SURPLUS PERSONAL PROPERTY” ..... 1

- \*1.0 GENERAL (0501)..... 3
  - 1.1 Purpose (050101) ..... 3
  - 1.2 Authoritative Guidance (050102)..... 3
- 2.0 POLICY (0502) ..... 4
  - \*2.1 General Rules for Deposit and Use of Proceeds (050201)..... 4
  - 2.2 Legal Exceptions to the General Rules (050202)..... 4
- 3.0 COLLECTION AND DISPOSITION OF BID DEPOSITS (0503) ..... 7
  - 3.1 Types of Bid Deposits (050301) ..... 7
  - 3.2 Forms of Payment (050302)..... 8
  - 3.3 Disposition of Bid Deposits (050303)..... 9
  - 3.4 Disposition of Proceeds Received from Successful Bidders (050304)..... 9
- Table 5-1. Costs Associated with Disposal and Sale of Surplus Personal Property ..... 10
- Table 5-2. Disposition of Net Proceeds from the Sale of Surplus Personal Property ..... 11

## CHAPTER 5

**DISPOSITION OF PROCEEDS FROM DEPARTMENT OF DEFENSE SALES OF  
SURPLUS PERSONAL PROPERTY****\*1.0 GENERAL (0501)****1.1 Purpose (050101)**

This chapter provides the policy for the collection and disposition of cash and cash equivalents received by Department of Defense (DoD) Components for the DoD sale of surplus personal property.

**1.2 Authoritative Guidance (050102)**

The financial management policy and related requirements prescribed in this chapter are in accordance with the applicable provisions of the following sources, and apply to all proceeds resulting from sales of surplus personal property:

1.2.1. Title 10, United States Code, section 2210 (10 U.S.C. § 2210), “Proceeds of Sales of Supplies: Credit to Appropriations”;

1.2.2. 10 U.S.C. § 2605, “Acceptance of gifts for defense dependent’s school”;

1.2.3. 10 U.S.C. § 2608, “Acceptance of contributions for defense programs, projects, and activities; Defense Cooperation Account”;

1.2.4. 10 U.S.C. § 2575, “Disposition of unclaimed property”;

1.2.5. 10 U.S.C. § 2577, “Disposal of Recyclable Materials”;

1.2.6. 22 U.S.C. § 2355(d), “Retention and use of certain items and funds”;

1.2.7. 22 U.S.C. § 2761, “Sales from stock”;

1.2.8. 22 U.S.C. § 2795, “Fund”;

1.2.9. 40 U.S.C. § 571, “General rules for deposit and use of proceeds”;

1.2.10. 40 U.S.C. § 574, “Other rules regarding proceeds”;

1.2.11. Public Law No. 116-92, “National Defense Authorization Act for Fiscal Year 2020”;

1.2.12. Title 32, Code of Federal Regulations, section 273 (32 CFR § 273), “Defense Material Disposition”;

1.2.13. 41 C.F.R § 102, “Sale of Personal Property”;

1.2.14. Federal Account Symbols and Titles (FAST Book), Agency Identifier Codes, a supplement of the Treasury Financial Manual;

1.2.15. Treasury Financial Manual (TFM Volume 1, Part 2, Chapter 1500), “Description of Accounts Relating to Financial Operations”;

1.2.16. Defense Federal Acquisition Regulation Supplement, (DFARS subpart 245.604), “Disposal of Surplus Property”;

1.2.17. DFARS subpart 245.70, “Plant Clearance Forms”;

1.2.18. DoD Instruction (DoDI 4715.23), “Integrated Recycling and Solid Waste Management”; and

1.2.19. DoD Manual (DoDM 4160.21), “Defense Materiel Disposition: Disposal Guidance and Procedures.”

## 2.0 POLICY (0502)

### \*2.1 General Rules for Deposit and Use of Proceeds (050201)

2.1.1. In accordance with 40 U.S.C. § 571, net proceeds from sales of surplus property must be deposited in the U.S. Department of the Treasury (Treasury) as miscellaneous receipts unless deposit into an alternate appropriation is authorized by law. The law also requires that the expenses of the sale of old material, condemned stores, supplies and other public property are paid from the proceeds of the sale, so that only the net proceeds are deposited in the Treasury or other applicable appropriation authorized by law.

2.1.2. 10 U.S.C. § 2210 states that proceeds of disposals of property that are necessary to recover the expenses incurred in disposing of that property may be retained by a working capital fund responsible for the disposal. Accordingly, the Defense Logistics Agency (DLA) Disposition Services will retain amounts sufficient to offset all expenses incurred in the disposition of excess/surplus personal property, out of the proceeds of sales of such property (see Table 5-1). Legal exceptions to this policy affecting the Department are contained at paragraphs **050202**.

### 2.2 Legal Exceptions to the General Rules (050202)

The following authorizations permit the crediting of the proceeds of the sale to appropriations and/or funds of the Department. Additional guidance on specific types of exceptions is located in Table 5-2.

2.2.1. Supplies, Material, Equipment, and Other Personal Property Not Financed by Stock Funds. In accordance with 10 U.S.C. § 2210, the net proceeds from the sale or disposal of surplus property in excess of amounts necessary to recover expenses may be credited to current applicable appropriations of DoD. Thus, any proceeds that remain after disposal expenses are recovered are to be credited to the current applicable appropriations of the Department (i.e., the appropriation currently available for the purchase of such property).

2.2.2. Revolving Fund and Non-Appropriated Fund Property. In accordance with 40 U.S.C. § 574, when property is acquired with amounts either (a) not appropriated from the general fund of the Treasury; or (b) appropriated from the general fund of the Treasury but by law reimbursable from assessment, tax, or other revenue or receipts, the net proceeds of such a disposition or transfer of the property must be:

2.2.2.1. Credited to the applicable reimbursable fund or appropriation; or

2.2.2.2. Paid to the federal agency that determined the property to be excess.

2.2.3. Contractor Sales of Surplus Government Property in the Possession of Contractors. The DFARS subpart 245.604, implements 40 U.S.C. § 574(c) and provides overall direction for crediting proceeds from contractor conducted sales of surplus government property in the possession of contractors.

2.2.3.1. The contractor making the sale may follow normal company policy on bid deposits and form of payment. However, any loss associated with a dishonored payment is the contractor's responsibility.

2.2.3.2. The plant clearance officer appointed by the contracting administration office, consistent with DFARS subpart 245.70, is responsible for notifying the appropriate accounting office of the amounts collected by the contractor. The plant clearance officer also must notify the accounting office of the disposition of such collections. Specifically, collections may:

2.2.3.2.1. Represent an increase in the dollar value of the applicable contract(s).

2.2.3.2.2. Be applied in place of disbursements on the applicable contract(s).

2.2.3.2.3. Be returned to the applicable Component's Working Capital Fund (097X4930, where 097 is the agency identifier code for DoD and X represents a no-year fund) in the case of inventory purchased with Working Capital Funds, or deposited in the miscellaneous receipt account, "Sale of Scrap and Salvage Materials, Defense," (097\_2651).

2.2.3.3. The accounting office for the contract is identified in the accounting citation. That office must prepare the source documents necessary to account properly for the transaction.

\* 2.2.4. Sales of Recyclable Material on Military Installations. Distribution of proceeds, by DoD installations or DLA Disposition Services, from direct sales of installation qualified recycling programs (QRP) is covered by 10 U.S.C. § 2577 and DoDI 4715.23.

2.2.4.1. The Director, DLA and DLA Disposition Services (under the Under Secretary of Defense for Acquisition and Sustainment) must establish procedures and controls to ensure that when recyclable materials are consigned for disposal to DLA Disposition Services on behalf of a qualified recycling program, 100 percent of any proceeds, less the costs of sales and handling, are returned to installations in accordance with established accounting procedures.

2.2.4.2. An accounting and control system must be established for recycling programs that provides detailed management and audit information, tracks material quantity handled, calculates sales and handling costs for recycled material, and tracks expenditures made for appropriate projects and Morale, Welfare and Recreation (MWR) programs. Integrity of the audit trail must be a priority concern.

2.2.4.3. If after such funds are credited and a balance remains available to a military installation and such installation has a QRP (as determined by the Secretary of the Military Department concerned or the Secretary of Defense), not more than 50 percent of that balance may be used at the installation for projects for pollution abatement, pollution prevention, energy conservation, alternative-fueled vehicle infrastructure support, and occupational safety and health activities. In accordance with 10 U.S.C. § 2577, a project may not be carried out under the preceding sentence for an amount greater than 50 percent of the amount established by law as the maximum amount for a minor construction project.

2.2.4.4. All recycling proceeds received by DoD Components must be promptly deposited and recorded in the United States Standard General Ledger account 426600, which provides direct budgetary authority on line 1800 of the Standard Form (SF) 132, Apportionment and Reapportionment Schedule, and SF 133, Report on Budget Execution and Budgetary Resources. DoD Components must obligate and disburse from the designated Treasury Account Symbol only for the purposes specifically authorized in 10 U.S.C. § 2577. The use of suspense accounts is prohibited and any remaining balances must be transferred to the designated Treasury account.

2.2.4.5. The remaining balance available to a military installation may be transferred to the non-appropriated morale and welfare account of the installation to be used for any morale or welfare activity. If the balance available to a military installation at the end of any fiscal year is in excess of \$10 million, the amount of that excess must be deposited into the Treasury as miscellaneous receipts, 020R3210, or other as appropriate.

2.2.5. Lost, Abandoned and Unclaimed Privately-Owned Personal Property. DoD may dispose of lost, abandoned, or unclaimed personal property after diligent effort has been made to find the owner (or the heirs, next of kin, or legal representative of the owner) as prescribed by 10 U.S.C. § 2575.

2.2.5.1. Military Installations. In the case of lost, abandoned, or unclaimed personal property found on a military installation, the net proceeds from the sale of the property **must** be credited to the operation and maintenance account of that installation and used:

2.2.5.1.1. To reimburse the installation for any costs incurred by the installation to collect, transport, store, protect, or sell the property; and

2.2.5.1.2. **To the extent that the amount of the proceeds exceeds the amount necessary for reimbursing all such costs, to support morale, welfare, and recreation activities under the jurisdiction of the armed forces at such installation.**

2.2.5.2. The net proceeds from the sale of all other lost, abandoned and unclaimed privately-owned personal property **must** be deposited into the Proceeds of Sales of Lost, Abandoned or Unclaimed Personal Property (\_X6001). After **five** years, any unclaimed net proceeds **must** be transferred from \_X6001 to Forfeitures of Unclaimed Money and Property (\_1060).

2.2.5.3. The owner(s) of personal property disposed of as described in this section may file a claim with the Secretary of Defense for the amount equal to the proceeds less the costs incurred by the installation to collect, transport, store, protect, or sell the property. The claim must be filed within **five** years of the date of disposal of the property.

2.2.5.3.1. For property found on military installations, **in which the proceeds were deposited into the installations MWR account, the amounts to pay claims must be drawn from the installations MWR account.**

2.2.5.3.2. For all other property, amounts to pay the claim **must** be from the Proceeds of Sales of Lost, Abandoned or Unclaimed Personal Property account (\_X6001).

2.2.5.4. See Tables 5-1 and 5-2 to identify, by type of surplus property, the collection and disposition of proceeds from the sale of surplus property.

### 3.0 COLLECTION AND DISPOSITION OF BID DEPOSITS (0503)

#### 3.1 Types of Bid Deposits (050301)

When a DoD sale of surplus personal property conducted by a DoD Component provides for a bid deposit with subsequent removal of the surplus personal property, the following **definitions must be applied:**

3.1.1. Term Bid. This type of bid deposit is applicable when the sale involves the purchase of scrap or disposable material that will be generated over time with periodic removal by the successful bidder. The normal amount of the bid deposit required to accompany such bids is the average estimated quantity of such material to be generated during a **three**-month period multiplied by 20 percent of the bid price.

3.1.2. Other Than Term Bid. With the exception of term bids, payment in the normal amount of 20 percent of the bid **must** accompany the bid.

3.1.3. Immediate Pickup Terms. When a sale conducted by a DoD Component provides for immediate pickup, the entire amount of the sales price **must** be collected from the buyer at the conclusion of the sale. If the sale provides for a bid deposit, the balance of the bid price **must** be paid before removal of the property.

## 3.2 Forms of Payment (050302)

3.2.1. Cash and Cash Equivalents. Cash or cash equivalents in the prescribed amounts **must** accompany the bid, if required by the sales solicitation. For one-time contracts, cash or cash equivalents for the balance due **must** be received by the DoD Components or, in authorized cases, by contractors before the transfer of physical possession to the successful bidder. Cash equivalents are guaranteed negotiable instruments, such as cashiers' checks, certified checks, traveler's checks, or postal money orders.

3.2.2. Personal Checks. Personal checks may be accepted by a DoD Component only when a bank guarantee, bid bond or a bank letter of credit is on hand that will cover the amount due. If the check is dishonored, amounts due **must** be collected from the issuer of the guarantee, bond, or letter of credit.

3.2.2.1. If a bidder intends to use a bond or letter of credit without an accompanying personal check (permitted for bid deposits only), the claim against the performance bond or letter of credit **must** be made for any amounts due.

3.2.2.2. If personal checks are used, the bond or letter of credit **must** be returned intact after the applicable personal checks are honored, unless other instructions have been received from the bidder.

3.2.3. Credit Cards/Debit Cards. As specified herein, credit or debit cards may be accepted by a DoD Component for payment.

3.2.3.1. Policies governing acceptance under the Card Acquiring Service (CAS) by DoD Components are established in Volume 5, Chapter 11, "Electronic Commerce and Deposit of Public Funds." Transaction limits do apply in these instances, for further guidance see Volume 5, Chapter 11.

\* 3.2.3.2. CAS is a Treasury, Bureau of the Fiscal Service program that provides federal agencies payment card acceptance capabilities. Federal agencies can collect most remittance obligations through debit and credit cards. CAS is also a card neutral program that accepts cards from all the major network brands. Changes or additions to approved credit or debit cards are announced in Office of the Under Secretary of Defense (Comptroller) memoranda, or in changes to the TFM. Except for equipment and communication costs, Treasury pays any fees normally charged to sellers.



3.2.3.3. If a credit or debit card is used for the bid deposit, and authorization is declined, the bid may be rejected as nonresponsive and other bidders considered.

### 3.3 Disposition of Bid Deposits (050303)

3.3.1. If the sale provides for a bid deposit, cash collected from bidders initially **must** be deposited by a DoD Component to account 097X6501, “Small Escrow Amounts,” until such time as a successful bidder has been determined and a contract has been awarded.

#### 3.3.2. Unsuccessful Bidders

3.3.2.1. A check **must** be drawn on account 097X6501, “Small Escrow Amounts,” to reimburse unsuccessful bidders for their cash bid deposits.

3.3.2.2. Normally, noncash bid deposits **must** be returned to unsuccessful bidders by DoD Components through the mail. There are some exceptions such as:

3.3.2.2.1. When a bidder appears in person, normally the noncash instrument may be released to the bidder or an agent designated for this purpose.

3.3.2.2.2. When a bidder has requested expedited return and has provided the name of a carrier and a charge account number, the designated carrier **must** be called to pick up the deposit with the explicit condition that applicable carrier costs will be charged to the bidder’s account.

#### 3.3.3. Successful Bidder

3.3.3.1. A bid deposit of the successful bidder **must** be transferred promptly from the account 097X6501, “Small Escrow Amounts,” to the account(s) prescribed in accordance with this chapter.

3.3.3.2. The [DLA Disposition Services](#) either **must** retain the bid deposit or charge a specific penalty for buyer defaults on sales contracts.

### 3.4 Disposition of Proceeds Received from Successful Bidders (050304)

If the account, ultimately to be credited with the proceeds of a sale reasonably can be determined at the time funds are collected from the successful bidder and by law can receive reimbursement, the amounts collected **must** be deposited immediately to that account. The use of suspense accounts **is prohibited**.

Table 5-1. Costs Associated with Disposal and Sale of Surplus Personal Property

TYPE OF SURPLUS PROPERTY	DISPOSITION OF PROCEEDS
1. All property types turned over to DLA <a href="#">Disposition Services</a> for disposal.  Authority: 10 U.S.C. § 2210	Proceeds of disposals of property that are necessary to recover the expenses incurred in disposing of that property may be retained by <a href="#">DLA Disposition Services</a> to recover the expenses incurred in disposing of that property and must be deposited into the <a href="#">DLA Disposition Services</a> working capital fund (097X4930.005) to offset costs.

Table 5-2. Disposition of Net Proceeds from the Sale of Surplus Personal Property

TYPE OF SURPLUS PROPERTY	DISPOSITION OF PROCEEDS
<p>1. Scrap and usable personal property purchased with working capital funds and turned in by working capital fund activities to the <a href="#">DLA Disposition Services</a>. (For more details, see paragraphs <a href="#">050201</a> and <a href="#">050202</a>)</p> <p>Authority: 10 U.S.C. § 2577</p>	<p>The net proceeds are to be credited to the applicable working capital fund.</p>
<p>2. Working capital fund supply management excess inventory items turned in to the <a href="#">DLA Disposition Services</a>. (For more details, see subparagraph <a href="#">050202.C.2.c.</a>).</p> <p>Authority: 40 U.S.C. § 574</p>	<p>The net proceeds are to be credited to the applicable working capital fund.</p>
<p>3. Property (equipment) purchased with funds from the Surcharge Collections, Sales of Commissary Stores (<a href="#">097X8164</a>) trust fund account to include property downgraded to scrap at turn-in, such as shopping carts, shelving units, and similar material. Scrap material, such as cardboard, is not reimbursable under this rule. (For more details, see subparagraph <a href="#">050202.C.2.c.</a>)</p> <p>Authority: 40 U.S.C. § 574</p>	<p>The net proceeds <b>must</b> be deposited into <a href="#">097X8164</a>, “Surcharge Collections, Sales of Commissary Stores, Defense Commissary Agency.”</p>
<p>4. Bones, fats, and meat trimmings generated by a commissary store.</p> <p>Authority: 40 U.S.C. § 574</p>	<p>The net proceeds <b>must</b> be deposited into the commissary store working capital fund (<a href="#">097X4930.004</a>).</p>
<p>5. Property owned by non-appropriated fund instrumentalities, excluding garbage suitable for animal consumption that is disposed of under a multiple-pickup contract.</p> <p>Authority: 40 U.S.C. § 574</p>	<p>The net proceeds <b>must</b> be provided to the applicable non-appropriated fund instrumentality.</p>

Table 5-2. Disposition of Net Proceeds from the Sale of Surplus Personal Property (Continued)

TYPE OF SURPLUS PROPERTY	DISPOSITION OF PROCEEDS
<p>6. Lost, abandoned or unclaimed privately- owned personal property turned in to the <a href="#">DLA Disposition Services</a>. (For more details, see subparagraph <a href="#">050203.E</a>).</p> <p>Authority: 10 U.S.C. § 2575</p>	<p>On military installations, the net proceeds <b>must</b> be credited to the operation and maintenance account of that installation to reimburse for: 1) any costs to collect, transport, store, protect, or sell the property, and 2) the amount necessary for reimbursing all such costs, to support morale, welfare, and recreation activities under the jurisdiction of the armed forces at such installation. Any remaining proceeds may be transferred to the non-appropriated MWR account.</p> <p>For all other, the net proceeds <b>must</b> be deposited into the “Proceeds of Sales of Lost, Abandoned or Unclaimed Personal Property” account (_X6001). After five years, any unclaimed net proceeds <b>must</b> be transferred from _X6001 to the “Forfeitures of Unclaimed Money and Property” account ( 1060).</p>
<p>7. Property owned by a country (other than the United States) or international organization. (For more details, see Volume 15, Chapter 2, “Finance.”)</p>	<p>The net proceeds <b>must</b> be provided to the applicable foreign country or international organization.</p>
<p>8. Security Assistance Property</p> <p>a. Military Assistance Program and Foreign Military Financing (FMF) property returned to the U.S. Government by a recipient country or international organization as no longer needed for the purpose for which furnished .(For more details, see Volume 15, Chapter 1” General Information” &amp; Chapter 4 “Cash Management.”)</p> <p>Authority: 22 U.S.C. § 2355(d)</p>	<p>The net proceeds <b>must</b> be deposited into the “FMF Program, Funds Appropriated to the President” account (011_1082).</p>
<p>b. Special Defense Acquisition Fund (SDAF) property.</p> <p>Authority: 22 U.S.C. § 2795</p>	<p>The net proceeds <b>must</b> be deposited into the “Special Defense Acquisition Fund (SDAF), Funds Appropriated to the President” account (011X4116).</p>
<p>c. Security Assistance Office property purchased with Foreign Military Sales (FMS) Trust Fund funds.</p> <p>Authority: 22 U.S.C. § 2761</p>	<p>The net proceeds <b>must</b> be deposited into the “Advances, Foreign Military Sales (FMS), Funds Appropriated to the President” account (011X8242).</p>

Table 5-2. Disposition of Net Proceeds from the Sale of Surplus Personal Property (Continued)

TYPE OF SURPLUS PROPERTY	DISPOSITION OF PROCEEDS
<p>d. Property purchased with FMS Contract Administration Services (CAS) funds.</p> <p>Authority: 22 U.S.C. § 2761</p>	<p>The net proceeds <b>must</b> be deposited into the FMS Trust Fund CAS account (011X8242).</p>
<p>9. Recyclable material.</p> <p>Authority: 10 U.S.C. § 2577</p>	<p>The net proceeds <b>must</b> be credited to funds available for operations and maintenance at that installation in amounts sufficient to cover the cost of operations, maintenance, and overhead for processing recyclable materials at the installation (including the cost of any equipment purchased for recycling purposes).</p>
<p>10. U.S. Government property in the possession of contractors sold by contractors or DoD selling activities. (For more details, see subparagraph 050202.C.)</p> <p>Authority: 40 U.S.C. § 574(c)</p>	<p>The net proceeds may be credited to the price or cost of the contract or otherwise credited or applied pursuant to the terms of the contract. Otherwise, net proceeds <b>must</b> be deposited into the applicable Component's working capital fund (097X4930) (in the case of inventory purchased with working capital funds) or deposited into the "Sale of Scrap and Salvage Materials, Defense" account (097_2651) (in the case of items not purchased with working capital funds).</p>

Table 5-2. Disposition of Net Proceeds from the Sale of Surplus Personal Property (Continued)

TYPE OF SURPLUS PROPERTY	DISPOSITION OF PROCEEDS
<p>11. U.S. Army Corps of Engineers property under the physical control of the U.S. Army Corps of Engineers at the time of sale. (For more details, see Volume 4, Chapter 11 “Component Debt.”)</p> <p>Authority: OMB Circular A-11, section 20.11(e) and TFM Volume 1, Part 2, Chapter 1500</p>	<p>The net proceeds must be deposited into the Treasury fund designated for DoD or the Military Department, and transferred to the U.S. Army Corps of Engineers using the Intra-Governmental Payment and Collection (IPAC) System.</p>
<p>12. Automatic data processing equipment owned by the General Services Administration (GSA) and leased to a DoD Component.</p> <p>Authority: OMB Circular A-11, section 20.11(e) and TFM Volume 1, Part 2, Chapter 1500</p>	<p>The net proceeds must be deposited into the Treasury fund designated for DoD or the Military Department, and transferred to GSA using the IPAC System.</p>
<p>13. U.S. Coast Guard property under the physical control of the U.S. Coast Guard at the time of sale.</p> <p>Authority: OMB Circular A-11, section 20.11(e) and TFM Volume 1, Part 2, Chapter 1500</p>	<p>The net proceeds must be deposited into the Treasury fund designated for DoD or the Military Department, and transferred to the U.S. Coast Guard using the IPAC System.</p>
<p>14. General Gifts – Gifts and bequests of property made on the condition that it be used for the benefit of, or in connection with the establishment, operation, or maintenance of a school, hospital, library, museum, cemetery, or other institution, or organization under the jurisdiction of the Secretary. (For more details, see Volume 12, Chapter 30 “Operation and Use of General Gift Funds.”)</p> <p>Authority: 10 U.S.C. § 2601</p>	<p>The net proceeds must be deposited into the Treasury fund designated for DoD or the Military Department as applicable:</p> <p>021X8927- Department of the Army General Gift Fund,  017X8716 - Department of the Navy General Gift Fund,  057X8928 - Department of the Air Force General Gift Fund, or 097X8163 - Department of Defense General Gift Fund.</p>

Table 5-2. Disposition of Net Proceeds from the Sale of Surplus Personal Property (Continued)

TYPE OF SURPLUS PROPERTY	DISPOSITION OF PROCEEDS
<p>15. Gifts for wounded warriors – Gifts and bequests of property made on the condition that it be used for the benefit of (A) members of the armed forces, including members performing full-time National Guard duty, who incur a wound, injury, or illness while in the line of duty; (B) civilian employees of DoD who incur a wound, injury, or illness while in the line of duty; (C) dependents of such members or employees; and (D) survivors of such members or employees who are killed. (For more details, see Volume 12, Chapter 30 “Operation and Use of General Gift Funds.”)</p> <p>Authority: 10 U.S.C. § 2601</p>	<p>The net proceeds <b>must</b> be deposited into the Treasury fund designated for DoD or the Military Department as applicable:</p> <p>021X8927 - Department of the Army General Gift Fund,  017X8716 - Department of the Navy General Gift Fund,  057X8928 - Department of the Air Force General Gift Fund, or  097X8163 - Department of Defense General Gift Fund</p>
<p>16. Gifts for Defense Dependents Education System - Any gift (including any gift of an interest in real property) that is to be used in connection with the operation and/or administration of the DoD dependent’s education system. (For more details, see Volume 12, Chapter 30 “Operation and Use of General Gift Funds.”)</p> <p>Authority: 10 U.S.C. § 2605</p>	<p>The net proceeds <b>must</b> be deposited into the DoD Dependent’s Education Gift Fund Account (097X8096).</p>
<p>17. Any contribution of money, real property, or personal property made by any person, business, foreign government, or international organization for use by the DoD. (For more details, see Volume 12, <u>Chapter 3</u> “Contributions for Defense Programs, Projects, and Activities.”)</p> <p>Authority: 10 U.S.C. § 2608</p>	<p>The net proceeds <b>must</b> be deposited into the Defense Cooperation Account, <b>Defense</b> (097X5187).</p>

Table 5-2. Disposition of Net Proceeds from the Sale of Surplus Personal Property (Continued)

TYPE OF SURPLUS PROPERTY	DISPOSITION OF PROCEEDS
<p>18. Supplies, material, equipment, and other personal property personal (to include demilitarized/scrapped end items) turned in by DoD Components. (For more details, see Volume 12, Chapter 14 “Transferring, Disposing, and Leasing of Real Property and Personal Property.”)</p> <p>Authority: 10 U.S.C. § 2210</p>	<p>The net proceeds <b>must</b> be deposited into the current applicable DoD appropriation (i.e., the appropriation currently available for the purchase of such items).</p>
<p>19. All other personal property, to include demilitarized/scrapped end items, turned in by DoD and other federal government activities where the disposition of the proceeds is not otherwise provided by law. (For more details, see Volume 12, Chapter 14 “Transferring, Disposing, and Leasing of Real Property and Personal Property.”)</p> <p>Authority: 40 U.S.C. § 571</p>	<p>The net proceeds <b>must</b> be deposited into Miscellaneous Receipts account (097_2651).</p>