

# TFC Surplus-SPA Disposal Method Guide

## Part 1: Introduction

GETTING STARTED	
The purpose is to provide a guide to understanding the interaction between the owning agency, TFC and Comptroller's SPA system during the disposal of surplus and salvage property.	
It is NOT intended to be replace the Comptroller's SPA User Manual. For instructions on how to use SPA, please visit: <a href="https://fmx.cpa.texas.gov/fmx/spa/">https://fmx.cpa.texas.gov/fmx/spa/</a>	

KEY	
SPA Disposal Method Types	
There are four types of disposal methods:	
<b>SG</b>	System Generated by the Comptroller's SPA system
<b>SG-TFC</b>	System Generated by the Texas Facilities Commission (TFC) Surplus Process
<b>SD</b>	Soft Disposal - This property is not yet inactivated and is included in an agency's balance until the soft disposal method is changed to a hard disposal method.
<b>HD</b>	Hard Disposal – This property has been inactivated and excluded from the fiscal year-end balances used for the annual financial report.
<a href="https://fmx.cpa.texas.gov/fmx/pubs/spaproc/appendices/appc/index.php">https://fmx.cpa.texas.gov/fmx/pubs/spaproc/appendices/appc/index.php</a>	
COMMONLY USED ACRONYMS	
<b>DM</b>	Disposal Method. SPA code that indicates the status and/or final disposal method of an asset in the surplus process. DM codes are sent to/from Comptroller's SPA system and TFC's AssetWorks system.
<b>COA</b>	Certificate of Acquisition form. Used for documenting transfers to political subdivisions and TFC-approved assistance organizations.
<b>TDCJ</b>	Refers to the Texas Department of Criminal Justice's (TDCJ) Computer Recovery Program. Data-processing equipment (i.e. computers, laptops) must be sent to TDCJ Computer Recovery Program per Texas Government Code Sec. 2175.905.
<b>BOL</b>	Bill of Lading form. Used to submit property that has completed the surplus advertisement process and is not ready to be sold by TFC.

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### Part 2: Disposal Method (DM) Codes

SPA Disposal Method	SPA Disposal Type	SPA Description	DM Code that is sent from TFC to SPA	Owning Agency Action needed <u>after</u> TFC reports DM code back to SPA?
02	SG/SD	<p><b>Pending Transfer</b> – A property transfer (between two state agencies) initiated by the sending agency that has not yet been accepted by the receiving agency.</p>	DM 5R	Yes - owning agency must complete transfer in SPA. If payment was agreed upon all proceeds will be paid to the owning agency.
03	HD	<p><b>Dismantled for Parts, Salvage with No Value (trash), or Items Damaged Beyond Repair</b> - Property that has been dismantled for parts or is so damaged that it has absolutely no value and cannot be recycled or sold for scrap. This property is usually discarded as trash.</p> <p>This does <b>NOT</b> include recyclables (including electronics), modular furniture, or scrap metal.</p>	DM 5R	Yes - in SPA the owning agency must access the Disposal of Property Screen and space through the 5R, press enter and then update to DM 03.
04	HD	<p><b>Surplus/Exempt Entities</b> – Property of a state entity that exceeds the state agency’s needs, is not required for the foreseeable future, has additional useful life and has been designated by the agency as surplus.</p> <p><b>CPA Note:</b> This disposal method is used by state entities exempt by law from the TFC surplus process</p>	N/A	N/A
05	SG/SD	<p><b>TFC Surplus Property Process Initiated</b> – Property of a state entity that exceeds the state agency’s needs, is not required for the foreseeable future and has been designated by the agency as surplus. Surplus property may be new, used or salvage (including recyclables). State agencies are required by law to use the TFC surplus process unless exempt by law.</p> <p><b>CPA Note:</b> This disposal method is system generated when an agency enters an asset on the Surplus Property Process Screen in SPA. Agencies can only remove an asset from the surplus process while it is in DM 05. Once the disposal method is converted to DM 06 that evening, the asset is locked and can only be updated or removed from the process by TFC.</p>	DM 06 - is sent from SPA to TFC.	Yes - with the exception of assets having a Class Code on the TDCJ Computer Recovery Program list (see DM 15), agency must contact TFC after advertisement is complete to finish disposal of asset, typically by submitting a TFC Bill of Lading (for items to be sent to TFC Austin Storefront) or TFC Auction Request (for items to be auctioned from current location).

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5C	SG-TFC/SD	<p><b>Surplus/Pending Agency Disposal</b> – Property has completed the TFC advertisement and is now ready for final agency disposal with one of the following methods:</p> <p><b>DM 08</b> – Surplus property donated or sold to a political subdivision  <b>DM 09</b> – Surplus property donated or sold to an assistance organization  <b>DM 15</b> – Surplus data processing equipment that must be sent to the TDCJ Computer Recovery Program.</p> <p><b>TFC Note:</b> DM 5C can only be sent to SPA by TFC for assets which are to be disposed of using DM 08, DM 09 or DM15.</p> <p>The owning agency cannot update an asset in DM 5C directly to DM 33. Only TFC can initiate a DM 33. Additionally, the owning agency cannot put an asset back in the surplus process directly from DM 5C (but they can re-activate it).</p> <p>If an asset ends up in DM 5C incorrectly, the agency will have to coordinate with TFC and a SPA analyst to correct it since DM 5C is locked and can only be disposed of using a DM 08, DM 09 or DM 15 in SPA. However, the owning agency can re-activate the asset from DM 5C, which would subsequently allow them to re-start the surplus process, or perform an interagency transfer. To re-activate the asset in SPA, access the disposal of property screen and then space through the 5C and that will remove it from the process. Then re-enter the asset on the TFC Surplus Screen and it will send it over to TFC as an 06 tonight.</p>	DM 5C	Yes - update asset in SPA to DM 08, 09 or 15. For DM 08 and 09, enter proceeds (if any) and name of recipient organization

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5R	SG-TFC/SD	<p><b>Surplus/Rejected by TFC</b> – Property has been rejected by TFC for advertisement on the Advertise Surplus Property website. Reasons for rejection include, but are not limited to, incorrect VIN or incomplete asset information.</p> <p>DM 5R is also used for the following scenarios:</p> <ul style="list-style-type: none"> <li>- For assets that have been submitted to the TFC Surplus process in error,</li> <li>- For assets that will be processed as interagency transfers, or</li> <li>- For assets that must be removed from surplus and disposed with a DM 03 or other appropriate disposal method.</li> </ul>	DM 5R	<p>Yes - Owning agency must remove the property from 5r following the procedures below. This will place the asset back in the agency inventory. The agency can then correct the errors and re-enter the property in the surplus process, use other appropriate disposal method or initiate a transfer.</p> <p>Procedure</p> <ol style="list-style-type: none"> <li>1. Access the Disposal of Property (PADLET) screen on the Main Menu.</li> <li>2. Enter the property and component number.</li> <li>3. Press Enter.</li> </ol>
06	SG/SD	<p><b>Property in TFC Surplus Process</b> – Surplus property sent to the TFC surplus process by an agency. Property is locked in DM06 while the property is advertised by TFC and until TFC updates SPA with one of the following disposal method codes:</p> <p><b>DM 5R or 5C</b> – Need Agency Action.  <b>DM 33 or 34</b> – Final Hard Disposal. TFC has taken physical possession of the property and it was sold, donated, or placed in TFC storefront inventory.</p> <p><b>CPA Note:</b> Property in this disposal method can only be updated by TFC, not the agency or a SPA analyst. If the asset was entered as surplus property in error or needs to be updated, contact TFC to request the property be released with a DM 5R. Contact TFC for any questions related to assets in DM06.</p>	N/A - DM 06 is generated in SPA only. From DM 06, TFC can return a DM 5R, 5C, 33 or 34.	<p>Yes - with the exception of assets having a Class Code on the TDCJ Computer Recovery Program list (see DM 15), agency must contact TFC after advertisement is complete to finish disposal of asset, typically by submitting a TFC Bill of Lading (for items to be sent to TFC Austin Storefront) or TFC Auction Request (for items to be auctioned from current location).</p>
08	SG-TFC/HD	<p><b>Surplus Property Donated or Sold to a Political Subdivision</b> — Surplus property donated or sold to a political subdivision during the TFC Surplus process (i.e., a city, county, school district or volunteer fire department).</p> <p><b>CPA Note:</b> Must have completed the TFC 10 business day advertisement. Must be in a DM 5C before being disposed with the DM 08.</p>	DM 5C	<p>Yes - once receiving DM 5C from TFC, must update asset in SPA to DM 08. Enter proceeds (if any) and name of recipient organization. (All proceeds will be paid directly to the owning agency.)</p>

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### Part 2: Disposal Method (DM) Codes

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09	SG-TFC/HD	<p><b>Surplus Property Donated or Sold to a TFC Approved Assistance Organization</b> — Surplus property donated or sold to an assistance organization during the TFC Advertise surplus process.</p> <p><b>CPA Note:</b> Must have completed the TFC 10 business day advertisement. Must be in a DM 5C before being disposed with the DM 09.</p>	DM 5C	Yes - once receiving DM 5C from TFC, must update asset in SPA to DM 09. Enter proceeds (if any) and name of recipient organization
14	HD	<p><b>Assets Sold that are Exempt by Law from the Surplus Process</b> — Property sold directly by the agency as allowed by law.</p> <p>For example, but not limited to: Chairs used by elected or appointed state officer or an executive head of a state agency, Firearms, Agriculture/Livestock</p> <p><b>CPA Note:</b> This disposal method is limited by class code/asset type.</p>	N/A	N/A
15	HD	<p><b>TDCJ Computer Recovery Program</b> — Surplus Data Processing Equipment sent to the TDCJ Computer Recovery Program.</p> <p><b>CPA Note:</b> This disposal method can only be used after the property has completed the TFC Surplus Process. Must be in a DM 5C before being disposed with the DM 15.</p>	DM 5C	Yes - once receiving DM 5C from TFC, must update asset in SPA to DM 15. The agency will need to submit the required TDCJ documents and have the property physically picked up by TDCJ prior to disposing the asset from SPA with DM 15.
33	SG-TFC/SD	<p><b>TFC Surplus Process Sale</b> – Property that was sold or auctioned to the public through the TFC Surplus Process.</p> <p><b>TFC Note:</b> Only TFC can initiate a DM 33 while an asset is in DM 06. Owning agencies cannot update an asset directly to DM 33. If an owning agency has an asset in DM 5R that should be updated to DM 33, then the owning agency must remove the asset from DM 5R in SPA and re-enter it on the Surplus Property Screen in SPA. See DM 5R for instructions.</p>	DM 33	Yes - verify proceeds reported correctly by TFC to SPA

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34	SG – TFC/H	<p><b>TFC Donation</b> – Property that is donated by TFC during the TFC surplus process.</p> <p><b>TFC Note:</b> Assets can only be updated to a DM 34 by TFC while in a DM 06. Assets in DM 5C cannot be updated to DM 34.</p>	DM 34	No
35	HD	<p><b>TFC Authorized Sale or Donation</b> – property that is sold or donated with authorization from TFC.</p> <p><b>CPA Note:</b> Agencies must contact TFC for authorization before using this disposal method.</p> <p><b>TFC Note:</b> Also, may be referred to as "Donation in Lieu of Abandonment" or "Delegated Sale." This DM is used when TFC has granted the owning agency the authority to donate or sell an asset. Typically, TFC will require that the asset complete the surplus (10-day advertisement process) before being considered for DM 35, however, with TFC's approval, the owning agency may use DM 35 without completing the surplus process.</p>	DM 5R (only if Disposal is processed in AssetWorks)	Yes - If asset completed the TFC surplus process, then owning agency must update asset from DM 5R to DM 35 in SPA.

## TFC Surplus-SPA Disposal Method Guide

### Part 3: Common Problems Solutions

Description	What should agency do? <i>TIP: Owning agency should look in SPA first before contacting TFC.</i>
I advertised an asset as surplus in error.	<p>If asset is in DM 05, the owning agency can stop the advertisement process in SPA.</p> <p>If asset is in DM 06, owning agency should contact TFC.</p>
I sent an asset to TDCJ Computer Recovery.	<p>If asset is in DM 5C, then owning agency can update to DM 15 in SPA.</p> <p>If asset is in DM 06, owning agency should contact TFC.</p>
I sent an asset to TFC Surplus a long time ago, but failed to advertise it so it is showing as "Active" in SPA. I need to remove the asset from my agency's inventory.	<p>Only TFC can initiate a DM 33 while an asset is in DM 06. Owning agencies cannot update an asset directly to DM 33.</p> <p>Owning agency should initiate the Advertise Surplus process in SPA to send the asset to TFC. Owning agency should send an email to TFC with the property number and details on the history of the asset, including which DM code the owning agency is requesting to use.</p> <p>If an owning agency has an asset in DM 5R that should be updated to DM 33, then the owning agency must remove the asset from DM 5R in SPA and re-enter it on the Surplus Property Screen in SPA. See DM 5R for instructions.</p>
An asset is in DM 5C, but TFC actually sold it. How can I get it updated to DM 33?	<p>To put the asset back in TFC's control, first, re-activate the asset in SPA by accessing the disposal of property screen and then space through the 5C and that will remove it from the process. Then re-enter the asset on the TFC Surplus Screen and it will send it over to TFC as an 06 tonight. From there, TFC can receive/sell the asset and send back DM 33 with or without proceeds</p>

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### Part 3: Common Problems Solutions

Description	What should agency do? <i>TIP: Owning agency should look in SPA first before contacting TFC.</i>
I sent a computer hardware item (i.e. server rack) to TFC to sell, but the property number listed on the Bill of Lading has already been auto-reported back as DM 5C to it can be	<p>If hardware is grouped with a data processing item and given a single property number (i.e. server with server racks), and the data processing item (server) has been sent to TDCJ, and the hardware (server rack) has been sent to TFC to sell, then no action is needed by the owning agency. Update the asset to DM 15 in SPA. TFC will sell the hardware, and proceeds will not be reported back to your agency.</p> <p>If it is a <u>capitalized</u> asset (or non-capitalized asset being sold by agency via auction) ...please notify TFC of the situation when submitting the Bill of Lading. Ensure it is labelled as capitalized (if appropriate) and the property number is correct. Asset will show as DM 5C in SPA because of the auto-report function for Class Codes assigned to TDCJ Computer Recovery. To put the asset back in TFC's control, first, re-activate the asset in SPA by accessing the disposal of property screen and then space through the 5C and that will remove it from the process. Then re-enter the asset on the TFC Surplus Screen and it will send it over to TFC as an 06 tonight. From there, TFC can sale and send back DM 33 with proceeds</p>
My asset is "locked" in DM 06, but I know that I sent it to TFC a while ago.	Owning agency must prepare an email to TFC. Include a screenshot of what the asset is currently showing in SPA. Also send any supporting documentation available (i.e. Bill of Lading, evidence of sale) that would indicate when it was sent to TFC or sold at auction. This will help expedite the request. If the owning agency recently received the automated email from AssetWorks saying it was reported back , then give it one more day and wait for SPA to update overnight (if over a weekend or holiday, then it will take longer).
I need to re-advertise as asset as surplus.	Owning agency must notify TFC <u>BEFORE</u> submitting for surplus advertisement in SPA. It will cause problems on TFC's end, so some manual adjustments will need to be made for the asset to report back to SPA properly when it is finished advertising.
Asset is in advertisement, but I would like to transfer it to another agency.	Owning agency should send an email to TFC with property number(s) and name of agency which will be receiving the transfer. If desired TFC can assist with setting a price. TFC will then process the transfer in AssetWorks, and it will report back to SPA in a few days. If a price was set all proceeds will need to be paid to the owning agency.



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### Part 3: Common Problems Solutions

Description	What should agency do? <i>TIP: Owning agency should look in SPA first before contacting TFC.</i>
My agency wants to donate items to a political subdivision or assistance organization.	Owning agency must start the surplus advertisement process in SPA. Email a justification to TFC. Include asset's original value, pictures, and reason why state would benefit from donation.
TFC processed the disposal using the wrong DM code. How can I fix it?	Owning agency must contact TFC. Send an email with the property number(s), what DM code currently showing in SPA, and the correct DM code. Depending on the error, TFC may have to enlist the help of the CPA's SPA team.
I received an automated email from TFC/AssetWorks that my "SPA Property Reported Back" however, the asset is still stuck in DM 06 in SPA. What is wrong?	How long has it been since your agency received the notice? There is a one-day lag time between the automated email and when it updates in SPA. For example, if you received the notice on Tuesday, it should update in SPA on Wednesday morning. Weekends and holidays may also cause extra delays. For example, if you received the notice on Friday, it should update in SPA on the following Tuesday. If the asset is still "stuck" in DM 06 after these wait periods, then contact TFC.
Any problems related to CAPPs and SPA not "talking" to each other, or the data not matching up.	Owning agency must follow your agency's procedures for addressing issues with CAPPs. May also involve contacting the CPA. TFC's system only communicates with SPA. We do not have any visibility or expertise on CAPPs.
The asset information in SPA does not match the asset information in TFC's AssetWorks system.	The owning agency should send an email to TFC with the property number, description of the problem with screen shots from SPA, and the requested changes. Be sure to indicate whether edits were made to the asset before or after the surplus advertisement process was initiated.

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<b>Description</b>	<b>What should agency do?</b> <i>TIP: Owning agency should look in SPA first before contacting TFC.</i>
An asset sold at auction, but buyer did not pick it up and was not issued a refund. It has been invoiced, and proceeds have been reported back to owning agency in SPA. However, TFC would like to now re-list item for auction.	If the item in question is being sold from the owning agency's location, then then you must update the proceeds in SPA after the 2nd sale to include proceeds from both sales. Ask TFC for notification when the second invoice is issued.