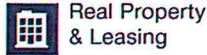




smart stewardship



Real Property & Leasing



Capitol Facilities Management



Surplus Property & Recycling



State Print & Mail

MONTANA DEPARTMENT OF ADMINISTRATION, GENERAL SERVICES DIVISION | GOVERNOR STEVE BULLOCK

To: Agencies Disposing of Surplus Property and Surplus Auction Participants

From: Steve Baiamonte, Administrator

Date: 28 May 2019

Re: Surplus Property & Recycling Fee Increase

The Surplus Property & Recycling (SPR) program is statutorily authorized under MCA §18-4-221(1) and (2)(b). As an enterprise fund, SPR establishes rates based on a cost recovery model as outlined in the MOM Surplus Property Management policy (February 2017). The purpose of the program is to effectively and efficiently dispose of, or re-purpose, State personal property. This includes high value property such as vehicles and heavy equipment, and less valuable property such as desks, chairs, and file cabinets. SPR sells property to local, county, and tribal governments, school districts, fire districts, non-profits utilizing public funds, and eventually the general public. Non-State government agencies make up a large share of SPR's customer base.

Additionally, SPR serves as the State's federally recognized State Agency for Surplus Property (SASP). As such, SPR is the only agency in Montana that can procure surplus Federal property for these agencies and NGOs.

In order to meet operating costs and remain a sustainable program SPR will be raising its minimum fee effective 1 July 2019, from \$500 to \$750. The 5% fee will remain the same.

The new fee will be as follows:

Items sold for \$750 or less:	100%
Items sold for more than \$750:	\$750 plus 5%

This will apply to all items disposed of through SPR. Auction items will be reimbursed minus SPR fees and auctioneer fees.

SPR strives to return the largest margin possible to agencies while meeting our customers' needs. On average SPR returns 72% of its gross back to State agencies.

Thank you