

FAP 220-20-00

SURPLUS STATE-OWNED PERSONAL PROPERTY: ELIGIBILITY AND RECEIPT

1. A unit of local government in the Commonwealth or a nonprofit organization described in FAP 220-19-00 section 3(d) may request surplus state personal property upon submitting evidence of its status as a unit of local government or tax-exempt nonprofit organization. Proof of eligibility may include a Donee Authorization Card issued by the Division of Surplus Property, an IRS letter granting or recognizing tax-exempt status, a local unit of government purchase order, or a request on official local government letterhead.
2. Personal property may be transferred to an entity described in section 1 above upon receipt of a signed acknowledgment including the items to be received by description, inventory number, serial number, quantity, and transfer charge, and containing a statement that the recipient agency:
 - a. Is a unit of local government or a nonprofit organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, or a nonprofit organization eligible to receive federal surplus property pursuant to 41 C.F.R. 101-44.207(c).
 - b. Shall use the property for public purposes or to further its nonprofit mission, and that the property is not being acquired for other purposes, for sale, or for permanent use outside the Commonwealth.
 - c. Shall use all property received for at least one (1) year from date of receipt unless prior approval is granted for an alternate minimum use requirement by the Division of Surplus Property, Finance and Administration Cabinet.
 - d. Shall pay to the Commonwealth the proceeds of disposal, or the fair market value or fair rental value of the property, if the property is put into personal or other ineligible use, or is sold, traded, leased, or otherwise disposed of, within twelve (12) months of receipt, without approval of the Commonwealth. The amount of payment shall be determined as of the time of disposal or ineligible use, and shall be at the option of and as determined by the state agency. Payment shall not preclude any other legal action that the Commonwealth may pursue if criminal violation is suspected.
 - e. Shall, if requested during the twelve (12) months after receipt, report to the state agency the condition, use, and location of, answer other questions about, and allow inspection of the property.
 - f. Accepts the property "as is" and "where is" without warranty of any kind.
 - g. Holds the Commonwealth of Kentucky harmless from any and all losses, claims, expenditures, actions, causes of action, costs, damages, and obligations arising from this transaction and from the use of the property and the acts of the donee recipient, its agents, employees, and licensees that may result in injury to persons, damage to property, or loss of any sort, and to indemnify the Commonwealth of Kentucky from any and all liability, loss, or damage that it may suffer resulting therefrom or any other claims or judgments resulting therefrom.
3. Payment for transferred property shall be by local government or nonprofit agency check only. Personal checks shall not be accepted.
4. Title to any transferred property shall be in the name of the recipient agency.