

## Federal Management Regulation

## § 102-38.105

(b) Standard government forms (e.g., Standard Form 114 series) may be used to document terms and conditions of the sale.

(c) When conducting and completing a sale through electronic media, the required terms and conditions must be included in your electronic sales documentation.

[68 FR 51421, Aug. 26, 2003, as amended at 73 FR 20803, Apr. 17, 2008]

### **§ 102-38.80 Which method of sale should we use?**

(a) You may use any method of sale provided the sale is publicly advertised and the personal property is sold with full and open competition. Exceptions to the requirement for competitive bids for negotiated sales (including fixed price sales) are contained in §§ 102-38.100 through 102-38.125. You must select the method of sale that will bring maximum return at minimum cost, considering factors such as—

- (1) Type and quantity of property;
  - (2) Location of property;
  - (3) Potential market;
  - (4) Cost to prepare and conduct the sale;
  - (5) Available facilities; and
  - (6) Sales experience of the selling activity.
- (b) Methods of sale may include sealed bid sales, spot bid sales, auctions, or negotiated sales and may be conducted at a physical location or through any electronic media that is publicly accessible.

#### COMPETITIVE SALES

### **§ 102-38.85 What is a sealed bid sale?**

A sealed bid sale is a sale in which bid prices are kept confidential until bid opening. Bids are submitted either electronically or in writing according to formats specified by the selling agency, and all bids are held for public disclosure at a designated time and place.

### **§ 102-38.90 What is a spot bid sale?**

A spot bid sale is a sale where immediately following the offering of the item or lot of property, bids are examined, and awards are made or bids rejected on the spot. Bids are either sub-

mitted electronically or in writing according to formats specified by the selling agency, and must not be disclosed prior to announcement of award.

### **§ 102-38.95 What is an auction?**

An auction is a sale where the bid amounts of different bidders are disclosed as they are submitted, providing bidders the option to increase their bids if they choose. Bids are submitted electronically and/or by those physically present at the sale. Normally, the bidder with the highest bid at the close of each bidding process is awarded the property.

#### NEGOTIATED SALES

### **§ 102-38.100 What is a negotiated sale?**

A negotiated sale is a sale where the selling price is arrived at between the seller and the buyer, subject to obtaining such competition as is feasible under the circumstances.

### **§ 102-38.105 Under what conditions may we negotiate sales of personal property?**

You may negotiate sales of personal property when—

- (a) The personal property has an estimated fair market value that does not exceed \$15,000;
- (b) The disposal will be to a State, territory, possession, political subdivision thereof, or tax-supported agency therein, and the estimated fair market value of the property and other satisfactory terms of disposal are obtained by negotiation;
- (c) Bid prices after advertising are not reasonable and re-advertising would serve no useful purpose;
- (d) Public exigency does not permit any delay such as that caused by the time required to advertise a sale;
- (e) The sale promotes public health, safety, or national security;
- (f) The sale is in the public interest under a national emergency declared by the President or the Congress. This authority may be used only with specific lot(s) of property or for categories determined by the Administrator of General Services for a designated period but not in excess of three months;
- (g) Selling the property competitively would have an adverse impact on