ADMINISTRATIVE MEMORANDUM No. 123

SUBJECT: AMENDMENT OF SECTION XIV, OF THE BUDGETARY AND FINANCIAL RULES: FIXED ASSETS

CONSIDERING,

That by Administrative Memorandum No. 103, the Secretariat for Administration and Finance issued the Budgetary and Financial Rules which incorporate sound business and accounting practices, controls, and procedures, which more faithfully reflect practices and procedures implemented in the course of the General Secretariat’s conversion to the Oracle management information system since 1999; and

That to assure that fixed assets recorded in the financial system by the Department of General Services ("DGS") are capitalized and tracked, it is necessary to amend those Rules to require DGS to utilize a revised minimum threshold for capitalization and tracking purposes, and to update the line of responsibility of the management of the fixed assets.

THE DECISION:

1. To replace Chapter XIV of the Budgetary and Financial Rules with new Chapter XIV as set forth in Attachment A.

2. To revoke as of the date of this Administrative Memorandum any and all provisions contained in prior administrative issuances of the General Secretariat that are inconsistent with the Budgetary and Financial Rules attached.

[Signature]

Gerald Anderson
Secretary for Administration and Finance

Original: English
November 15, 2013
XIV.1  FIXED ASSETS CONTROL AND RECORDS UPDATE

a. Pursuant to Executive Order No. 08-01 Rev. 5 dated April 20, 2012, Annex F., Section VIII., the Department of General Services (DGS)/Inventory Section is responsible for the maintenance and control of the Fixed Assets of the GS/OAS.

b. In that capacity, DGS administers the receipt of acquired equipment and furniture and their delivery to users; records their receipt in the Fixed Assets database in OASES for inventory, monitors and updates inventory records pertaining to the condition, status and physical location of the assets (i.e. names of organizational units and users to whom assets are assigned). Additionally, DGS processes, records and document deletions of assets that are disposed of.

XIV.2  DEFINITION OF FIXED ASSETS FOR THIS CHAPTER

a. Fixed Assets are real property and tangible personal property owned by GS/OAS or held by GS/OAS for the OAS. They do not include stock in trade and items provided to institutional clients in the ordinary course of GS/OAS business.

b. Real property assets are land and anything upon it that cannot be removed without injuring the land, like a building.\(^{27}\)

c. Tangible personal property assets are assets that are not real property assets and that can be weighed, measured, felt, or touched, or are in any way perceptible to the senses.\(^{28}\) Tangible personal property includes, for example, furniture, computers, fixtures, and other office equipment.

XIV.3  FIXED ASSET ACCOUNTS

a. GS/OAS shall account for its Fixed Assets in Fixed Asset Accounts.

b. The purpose of Fixed Assets Accounts is to provide a reliable and systematic record of GS/OAS’ acquisition and deposition of interests in real and tangible personal property.

XIV.4  ACQUISITION

\(^{27}\) Blacks Law Dictionary, 7th ED (St Paul 1999)

\(^{28}\) Id.
a. The procurement of tangible personal property shall proceed through the Department of Procurement in accordance with the Rules for Procurement Contracts set out in Executive Order 00-1 Corr. 1.

b. Unless otherwise determined by the Secretary for Administration and Finance (“SAF”), the acquisition of real property shall proceed through DGS.

c. All Fixed Assets that are received at Headquarters, whether they are purchased, leased or donated, are recorded in the Fixed Assets module in the OASES financial system (OFA), as long as they have a cost, as defined below in XIV.4 a., equal to or higher than US$500.00.

d. The Offices, Missions, Programs and/or Projects of the GS/OAS away from Headquarters must report to DGS all Fixed Assets that are received, whether they are purchased, donated, or sent from Headquarters, where the cost of such Asset is equal to or higher than $500.00.

e. When a new vehicle is leased, purchased or acquired (through gift, endowment or donation), it must be immediately reported to DGS for the purpose of inventory and a copy of the information should be sent to the Department of Procurement – Insurance Section, following instructions in Administrative Memorandum 105 Rev. 1, OAS vehicles shall not be used until they are fully insured.

f. Art work purchased or acquired through gift, endowment or donation shall be received by the Museum of the Americas’ curator. Artwork must be immediately reported to DGS for the purpose of inventory and insurance. The Museum is in charge of arranging for the artwork appraisal by a competent authority, in order to insure the asset at the determined fair market value. Artworks are non-depreciable assets.

XIV.5 ACCOUNTING FOR FIXED ASSETS

a. The Cost of Fixed Assets

i. The cost of a Fixed Asset shall be recorded at the amount paid to acquire it, including transportation, installation, and related costs of obtaining and placing it in the form and position required for use.

ii. The cost of property acquired by gift or donation shall be recorded at the property’s fair market value or appraised value at the date of acquisition. Such valuation shall be appropriately documented.

b. Capitalization and Depreciation of Fixed Assets

i. Fixed Assets shall be capitalized by DGS when a specific piece of property possesses the three following attributes: (a) Tangible nature; (b) Useful life longer than a fiscal period; (c) Value of $5,000.00 or more.29

ii. Fixed Assets shall be depreciated on the straight-line basis over their

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29 Memorandum MAN/AS/071/95 of April 2, 1995 changed the minimum value of Fixed Assets from $50.00 to $500.00 according to the recommendations of the Board of External Auditors.

estimated useful life as per the following standardized depreciation table shown below. DFAMS is responsible for the depreciation task:

**Fixed Assets Depreciation Category and Useful Life Table**

<table>
<thead>
<tr>
<th>Fixed Asset Category</th>
<th>Useful Life</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collections^31</td>
<td>Not depreciated</td>
</tr>
<tr>
<td>Works of Art</td>
<td>Not depreciated</td>
</tr>
<tr>
<td>Land</td>
<td>Not depreciated</td>
</tr>
<tr>
<td>Buildings</td>
<td>50 years</td>
</tr>
<tr>
<td>Furniture and Fixtures^32</td>
<td>10 years</td>
</tr>
<tr>
<td>General Equipment^33</td>
<td>10 years</td>
</tr>
<tr>
<td>Computer Equipment</td>
<td>5 years</td>
</tr>
<tr>
<td>Technical Equipment^34</td>
<td>5 years</td>
</tr>
<tr>
<td>Vehicles</td>
<td>5 years</td>
</tr>
</tbody>
</table>

iii. Finance lease assets shall be depreciated over the shorter of its useful life or lease term.

c. **Recording Acquisition Costs**

i. Capitalization of Fixed Assets acquisitions shall be recorded by DGS under the Fixed Asset subfund of the Regular Fund.

ii. Property acquired for indebtedness, or indebtedness plus cash, shall be purchased by the operating subfund on behalf of the Fixed Assets Account. The total cash outlay plus the total liability exclusive of interest shall be established as the asset value in the Fixed Assets Account. The related liability shall be reflected in the acquiring Fund.

iii. Property acquired by trade-in shall be purchased by the acquiring Fund on behalf of the Fixed Assets Account. The cost of the property recorded in the Fixed Assets Account shall be measured by the cash paid or payable plus the amount allowed by the seller on the trade-in property.

iv. Property acquired by donation shall be recorded by DGS in the Fixed Assets Account at appraised value at the date of acquisition as determined by an accredited independent appraiser.

v. Property acquired through finance leasing shall be recorded in the Fixed Assets Account at the present value of the minimum payments of the lease agreement as of the date of the lease agreement, including direct leasing costs.

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^31 Example: Stamp collections.
^32 This Category was formerly part of the discontinued “Furniture and Equipment” Category. This category in OFA is only denominated “Furniture”.
^33 This Category was formerly part of the discontinued “Furniture and Equipment” Category.
^34 This Category was formerly the “Technical Machinery and Equipment” Category. Items in the Category had a 10 year depreciation period.
d. **Accounting and Labeling Subsequent to Acquisition**
   
i. Once Fixed Assets have been acquired and properly recorded on the books of account, subsidiary records on each recorded asset shall be maintained to control and account for all property, where the cost is in excess of $500 or the item has been determined to be desirable and vulnerable to loss, as determined by the DGS, such as CPU’s, monitors, laptops, printers, scanners, faxes, projectors, cameras, tv’s, GPS, smart phones, and tablets.

ii. Upon receipt of Fixed Assets that meet the provisions of this rule, pre-numbered labels should be affixed to them to identify them as OAS property.

e. **Accounting for Increases in the Value of Fixed Assets Due to Improvements and for Repairs**
   
i. For purposes of this Chapter, “improvements” shall mean changes in property due to additions, alterations, betterments, rehabilitation, renovation, or replacement.

ii. In accounting for changes in the value of Fixed Assets due to improvements, DGS shall capitalize the costs of the improvements when they significantly extend the useful life of property or its capacity to render service, and to remove from the property accounts the costs of features superseded or destroyed in the process.

iii. Repair and maintenance costs incurred to keep property in satisfactory operating condition shall be accounted for as current operating costs within the applicable general or operating subfund.

f. **Semi-Annual Accountings**
   
i. As of June 30 and December 31 of each year, the SAF, with the support of DFAMS shall prepare an accounting of the Fixed Assets Accounts.

ii. The semi-annual accountings shall include: (a) A statement of assets and investments in Fixed Assets (Fund balances); and (b) A statement of changes in investment in Fixed Assets, which will reflect acquisition and disposition of property during the year.

iii. Separate semi-annual Investments in Fixed Assets accounts (Fund balance accounts) shall be prepared and maintained for the Regular Fund by DFAMS.

XIV.6 **INVENTORY OF FIXED ASSETS HEADQUARTERS**

a. DGS shall be responsible for, periodically conducting, and maintaining the inventory of Fixed Assets.

b. The purpose of the inventory is to verify, monitor, and contribute to the effectiveness of the accounting procedures to provide adequate and accurate information on all significant changes in the investment in fixed assets.

c. Inventories shall be conducted on a cyclical basis. The frequency between cycles will depend on several factors, including: the nature and value of the class of property to be inventoried; physical security and control procedures relating to receipt, issuance and custody; turnover; and results of previous inventories.

d. Regardless of the periodicity of formal inventories, DGS shall inspect all property in the Fixed Asset inventory every two years.
e. DGS shall investigate differences between quantities determined by physical inspection and those shown in the accounting records to determine the causes of differences and to identify necessary improvements in procedures to prevent errors, losses, or irregularities.

f. DFAMS shall update the accounting records to conform with the results of physical inventories based on the information provided by DGS.

g. No individual person has a personal right to a Fixed Asset owned by the GS/OAS. All assets belong to the GS/OAS and are assigned and inventoried by offices within organizational units. The total number of assets assigned to a given organizational unit is made up of the sum of the assets assigned to each office, or cubicle, of the staff assigned to that unit, plus the ones located in common areas such as conference rooms, dining areas, storage and other common usage areas. All assets that are being used by a CPR, Volunteer, or non-staff member are assigned to the Director of that area.

h. When a staff member is transferred to another organizational unit, and physically moved to another building or office, he/she must not move any of the GS/OAS Fixed Assets of the office or cubicle he/she occupied. However, if the staff member is transferred but, as an exception, it is decided that he/she will physically remain in the office or cubicle, the Fixed Assets will be added to the organizational unit to which he/she is being transferred. The officer in charge of the area from which the employee is being transferred, and the director of DGS, must approve exceptions to this policy.

i. All moves of furniture and equipment within or between buildings must be approved upon request to DGS by submitting an electronic Service Request form, available on the OAS Intranet / On-line Tools. Moves by personnel other than DGS personnel are strictly prohibited. Only DGS staff is authorized to perform physical moves.

j. All equipment taken to the 5th floor laboratory or any other DOITS laboratory shall be recorded under the name of the information systems staff indicated by the Director of that Office.

k. All equipment taken to storage shall be recorded under the name of the Director in charge of those areas or as indicated by the Director of the DGS.

XIV.7 AUTHORIZATION FOR REMOVAL OF OAS AND/OR PERSONAL PROPERTY (FORM FA-78)

a. Removal of GS/OAS property from any building must be supported by a Form FA-78 duly signed by an authorized officer of DGS. Removals made without this form are strictly prohibited. Removals by persons other than those authorized in Form FA-78 are also prohibited.

b. Each Form FA-78 must include: item description, brand, barcode number, serial number, current location, reason for removal, property category (GS/OAS or personal), and must be signed by the Director in charge of the area from which the item is being removed.

c. Personnel authorized to remove any GS/OAS property from its buildings must present, at the time of removal, a copy of the corresponding Form FA-78 to the security officers located at the entrance of the corresponding building from which the items are being removed. Otherwise, the items being removed shall not be allowed to leave the premises of the GS/OAS by the security officers. The Chief of Security responsible for security services must keep a copy
of Form FA-78 for his/her records.

d. Upon returning an asset to Headquarters, the staff member must inform the DGS Fixed Asset Unit directly, either in person or by e-mail.

XIV. 8 INSTALLATION OF COMPUTER EQUIPMENT

a. A constant flow of installation reports is essential for the updating and accurate maintenance of inventory records. All involved areas shall provide daily information as to the new equipment being installed, the equipment being reassigned to other users and the equipment needed to be transferred to storage.

b. Three areas of the GS/OAS are responsible for supplying daily information to DGS Fixed Asset Section regarding the equipment that they handle. These are areas that handle equipment that is frequently relocated or technically upgraded, and hence their data needs to be frequently updated in the inventory records. The areas are:

1. The Department of Conferences and Meetings;
2. The equipment under the jurisdiction of the DGS;
3. The Department of Information and Technology Services (DOITS).

c. DOITS must report all installations of new or used computer equipment to the Inventory Section of the DGS through the Service Request form.

d. If a barcode has not been affixed to a new computer and peripheral equipment, DOITS personnel / installer must immediately notify DGS so that it may affix a barcode. Newly acquired equipment shall be reported in Form FA-01.

XIV. 9 TRACKING NON-CAPITALIZED ITEMS

A control list of all assets costing under $500 shall be kept by each GS/OAS Area, Department, Unit, and/or Office, including the Offices, Missions, Programs and/or Projects of the GS/OAS away from Headquarters, for auditing and Donor reporting purposes. The assets thus listed shall be subject to physical inspection as needed, as requested by the Donor, SAF, OIG or any other party.

a. Accountability for Lost Items

Officials in charge of their respective areas, are responsible for the assets assigned to their respective areas, and as such will be held accountable for lost assets. If necessary, administrative sanctions shall be applied to those officials who are unable to account for the lost assets.

XIV. 10 PHYSICAL INVENTORY OF PROPERTY MORE SUSCEPTIBLE TO LOSS

There are certain assets that are more vulnerable to being misplaced, stolen, or lost than furniture. These items include laptop and desktop computers, monitors, stamping
machines, modems, sound and interpretation equipment, video equipment, cameras, cellular telephones, slide projectors, etc. An inventory of these assets, but most importantly, of laptops, interpretation and video equipment shall be conducted periodically.

a. Procedure to take inventory of laptops

Laptop custodians, including officials in charge of an organizational unit and administrative officers, will be notified of the date on which the physical inventory will be carried out. They will be asked to bring the equipment to their respective offices. The physical inventory will be conducted with the use of Scanners and then synchronized in OFA. Custodians who fail to bring the equipment on the scheduled date will be reminded by e-mail, with a copy sent to their direct supervisor. This procedure will be repeated until the custodian brings the equipment to be inventoried.

XIV. 11 REPORTS UPON SEPARATION FROM THE GS/OAS SERVICE

a. Upon separation from service of any staff member, the Department of Human Resources must inform DGS Inventory Section of the name and the date of separation.
b. DGS Inventory Section shall conduct an inventory of the former staff member’s furniture and equipment.
c. If it is determined that the assets are not to be used in the area of the departing employee, they will be sent to storage, removed from the inventory of the respective area and reassigned according to the needs of the GS/OAS.
d. In cases where items that were clearly under the responsibility of the former staff member are not located and identified (i.e. are lost), he/she must be held accountable for the corresponding book value (original cost less accumulated depreciation)
e. See Staff Rule 101.3 regarding financial responsibility of Staff Members.

XIV.12 RETIREMENT AND TRANSFERS OF FIXED ASSETS

a. DFAMS shall derecognize and remove the cost or other basis (and the related accumulated depreciation) for property retired from service, whether by sale, trade-in, dismantling, destruction, or other means from the accounts based on the information provided by DGS.
b. Amounts realized from the sale of property shall normally be accounted for as miscellaneous income to the acquiring Fund or, if not readily identifiable, to the Regular Fund.
c. The SAF may make exceptions to the removal and accounting requirements in the immediately preceding subsection a and b when disposal of equipment (such as automobiles) is made to acquire new, similar equipment, and where sale is more advantageous than trade-in. In the case of such an exception, funds received from the sale shall be credited to the respective account in the General Ledger to offset the total cost of the new equipment. The newly acquired property will be recorded in the inventory at the total invoice price.
XIV.13 SURPLUS AND OBSOLETE PROPERTY, AND THE COMMITTEE FOR LIQUIDATION OF MOVABLE PROPERTY ("LIQUIDATION COMMITTEE")

a. The SAF may classify property as “surplus” or “obsolete” when it is no longer of use to GS/OAS, or the repair of a Fixed Asset may be too costly. Documentation shall be retained on all dispositions of such property. Surplus property may also include equipment and goods sent to the Member States for emergency relief missions and which is no longer needed for that purpose.

b. Procedure for Disposition: The procedure for disposition of property declared to be surplus or obsolete and for obtaining the corresponding declaration is set out in Administrative Memorandum No. 51, The Reorganization of the Committee for Sales and or Liquidation and or Movable Property ("COVENT") of the General Secretariat, to Adapt to the Standard Contracting System (March 25, 1976). That Administrative Memorandum contains definitions of surplus and obsolete property, establishes the membership of COVENT, sets out the procedures for conducting COVENT’s operations, and establishes the range of methods for disposing of surplus and obsolete property. SAF may grant written exceptions to the methods and procedures set out in COVENT and may also modify its membership by administrative issuances to reflect changes in GS/OAS structure and/or to reflect the interests of concerned areas of the GS/OAS.

c. Notwithstanding the foregoing subsections of this Section, in the case of property purchased with Specific Funds and Trust Funds, the provisions regarding the disposition of property, if any, in the Donor agreements under which those funds were contributed will regulate disposition of that property.

XIV.14 INVENTORY OF GS/OAS FIXED ASSETS IN OFFICES AWAY FROM HEADQUARTERS, MISSIONS, PROGRAMS AND PROJECTS

Throughout the year, the Inventory Section of DGS is in continuous contact with the offices away from headquarters via e-mail and/or NOCS. Periodically, the forms FA-369 and FA-592 are requested to be sent to headquarters to report either new acquisitions or removal of obsolete items from the inventory. Additionally, a report is obtained in which all purchase orders generated in relation to the National Offices are analyzed and remitted to the pertaining office to inquire about reporting the findings in the FA-369. All acquisitions must be reported as soon as they occur.

The Offices Away from Headquarters (OAH) are responsible for:

i. GS/OAS Offices Away from Headquarters shall perform a physical inspection of Fixed Assets on an annual basis and submit to DGS the Annual Physical Inventory Report.

ii. In September of each year, the DGS inventory section shall send a reminder to OAS Representatives at all GS/OAS Offices Away from Headquarters regarding updating records to the inventory that has been provided for their review. The Physical Inventory Report must be sent back to DGS by the end of November of the same year.

iii. The OAS Representatives at all GS/OAS Offices Away from Headquarters must contact the personnel in charge of Missions, Programs and Projects in their respective member
states and ensure that the inventory report of each Mission and Project property is submitted to the DGS.

iv. All reports must be submitted to DGS in a timely manner.

iv. For administrative purposes, an inventory of the corresponding assets will be kept and updated periodically by each National Office and/or Project Manager. Such inventory will be kept until the Project is completed, and will be reflected in the financial records of the GS/OAS.

Notifications to DGS must be sent when a Project is created and when it is finished. In addition, DGS must receive a copy of the agreement and information in regards to the management of the assets acquired for the Project.

Throughout the duration of the Project, the GS/OAS shall have the right to inspect, at any time, the assets delivered to verify their use in accordance with the execution and operation plans of the Project. In regard to the reporting of vehicles, all information must be sent to DGS by January 1st of the year following the acquisition of the vehicle. DGS shall send a Circular to the OAH with instructions and procedures to follow for inventory and insurance purposes upon the purchase of a new vehicle.

XIV. 15 ACQUISITIONS OF ASSETS - DOCUMENTATION

All Fixed Assets purchased for the National Offices and Projects must be immediately reported to Headquarters/DGS. Directors of Offices Away from Headquarters must use Form FA-369. Project managers at headquarters must also use Form FA-369 to notify the DGS.

For assets purchased at a cost exceeding $500.00, Directors of Offices Away from Headquarters and Project Managers must have on file and submit by email to Headquarters, if requested, the following supporting documents (copy or original, according to the request):

1. Supplier’s invoice
2. Receipts for payment and delivery of equipment
3. Check issued for payment
4. Approved P.O.
5. Name and number of Project and Project manager, if Project property

For all assets purchased, regardless of cost, the above original supporting documents must be kept on file for internal control and auditing purposes. All work papers related to the physical inventory shall be maintained for future reference and for possible review by Donors, and by external and internal auditors.

XIV.16 CRITERIA FOR DISPOSAL OF PROJECT PROPERTY: Donation of Fixed Assets Purchased With Specific Funds

This document establishes the official GS/OAS format and procedures for donation of Project assets purchased with Trust Funds and Specific Funds, including FEMCIDI and all other Voluntary Funds, but excluding the Regular Fund.
In the case of property purchased with Specific Funds and Trust Funds, the provisions regarding the disposition of property, if any, in the Donor agreements under which those funds were contributed will regulate disposition of that property.

a. If the Donor agreement provides for disposal of Project property, upon completion of the Project,

i. The assets shall be transferred to the entity indicated in the corresponding Donor agreement;

ii. A donation affidavit (acta de entrega) (including a list of items donated – using form FA-592) signed by three witnesses and the beneficiary’s representative(s), acknowledging receipt of furniture and / or equipment, shall be submitted to the GS/OAS Office in the member state of Project execution and forwarded to DGS. Once the affidavit and list of items donated (form FA-592) are received, DGS will proceed to update the Fixed Assets database (i.e. delete the items from the inventory listing).

b. In the case where the Donor agreement does not provide for disposal of Project property, the Project staff or the Director or Executive Secretary of the GS/OAS dependency responsible for the Project shall obtain from the Donor written instructions on how to dispose of the Project property, prior to completion of the Project. The following guidelines shall be observed for disposal of assets acquired for Projects away from headquarters, when the Donor agreement does not include a clause indicating how to dispose of Project assets at the end of the Project:

i. Prior to completion of the Project, the GS/OAS Secretariat or Technical Unit in charge of the Project shall inquire, in writing, with the Project funds contributor as to the authorized format of disposal of Project property at the end of the Project, and shall dispose of it as determined by the Donor / contributor.

ii. Once written authorization from the contributor is obtained, a copy of the authorization shall be forwarded to DGS along with Form FA-592.

iii. A request of authorization to transfer ownership (Form FA-592) shall be filled out and signed by:

1. The Director (or designated staff member) of the Office of the GS/OAS in the member state where the Project is / was executed
2. The Project manager,
3. The Director of the Technical Unit or Secretariat in charge at Headquarters.

iv. The signed request must be sent to the Secretary for Administration and Finance (SAF) through the Director of the DGS.

v. DGS must review the status of the assets in the financial system and issue an authorization (by approving Form FA-592) to transfer titles of the assets requested to the entity indicated by the Donor. If required by the SAF, additional review by the Department of Legal Services and the Department of Financial Services would be needed.

vi. The assets shall be physically transferred to the entity indicated by the Donor.

c. For the purpose of this policy and procedure statement “assets” is understood to mean: computers and related software, typewriters, books, calculators, office furniture, transportation
vehicles, communication and scientific equipment, as well as other type of materials acquired for the specific use of a mission, Project or activity as set forth in the GS/OAS guidelines or as entered in specific execution agreements or memoranda of understating with official entities or agencies where the Projects are being carried out.

d. The format of disposition of Project assets under the Inter-American Agency for Cooperation and Development (IACD) is automatically provided for at the creation of each Project, in the Project execution agreement. In accordance with IACD’s Execution Agreements or Memoranda / Letters of Understanding with the Executing Agencies away from headquarters, purchases of assets and services are made directly by the executing agencies. In addition, Appendix I section 2.5. of the IACD agreements states in part:

*Purchase or lease, as appropriate, the goods required to execute the Project, to be charged against the Contribution approved by the MB/IACD, up to the amount designated for that purpose in the Execution Plan for ...[year]. The goods so purchased or leased by the Executing Agency shall be for the exclusive use of the Project. The purchased goods shall be the property of the Executing Agency.*

e. At the end of a Project the OAS Office in the corresponding member state and the executing institution shall sign a document (donation affidavit or *acta de entrega*) that officially transfers ownership to the executing institutions.

**XIV.17 VEHICLES**

a. **Steps to Sell Vehicles**
   
i. A Form 592 shall be filled out and sent to DGS, to be approved by the Director of DGS. This initiates the sale process; however, the asset is not retired from the inventory until all proper documentation is received.
   
   ii. It must be specified in the Form 592 if the vehicle is to be traded in or if it is to be sold.
   
   iii. If the vehicle is to be traded in for a new vehicle, the name of the dealership must be indicated, as well as the price that will be accepted for the vehicle being traded in. All documentation generated as a result of the transaction must be sent to the inventory section. If the vehicle is to be sold, a closed bid procedure must be followed.
   
   iv. The steps to follow for a closed bid are:
   
   1. An advertisement must be published in a local newspaper offering the vehicle for sale, requesting that offers be sent in closed envelopes;
   
   2. Offers are to be sent to the address of the National Office;
   
   3. A specific time and date must be indicated as a closing date by which offers must be received.
   
   4. A specific time and date must be set to do a public opening of the bids received. Since the transfer of vehicles with diplomatic tags takes a longer time than the transfer of private vehicles, the approximate time that the transfer will take must be specified.
   
   v. The sale of the vehicle will be awarded to the highest bidder.
b. **Procedures to Publish the Sale of a Vehicle on a Newspaper**

   i. Publish a notice advertising the sale of the vehicle in the classified section of a newspaper, preferably Saturday or Sunday, or in a magazine or on a web page. As a sample the following is suggested. You may modify it according to the circumstances:

   | International Organization offers for sale Vehicle “as is”. Vehicle: make ___? year __?, miles___?, color ?, with xyz___ characteristics____. Start bidding price is $_________? Send offers in a closed envelope to the OAS, [address] ____? Deadline to receive offers: date ______ time_____. Public opening of envelopes will be at the OAS office, on____[date] at ___[time]. Payment Method: cash or certified check. Vehicle will be sold to the highest bidder. For vehicle inspection contact: x, telephone x. |