

FRANCISCO JAVIER BARRIO TERRAZAS, Minister of the Exchequer and Administrative Development, with basis in articles 37 fraction XIX of the Organic Law of the Federal Public Administration; 77, 79,81, and 82 of the General Law of National Wealth and, 5 fraction I of the Internal Rules of this Ministry, and

C O N S I D E R I N G

That the objectives devised concerning administrative development by the Federal Executive Body within the National Plan for Development 2001-2006, are to raise the quality of public service and guarantee the efficacy of governmental charges, as well as to give absolute transparency to the negotiations and performance of the Federal Public Administration;

That as strategies for achieving said objectives, the National Plan for Development provides for the instrumentation of norms and procedures directed towards preventing the discretionary judgment of public servants, as well as promoting an improvement in internal rules that guarantees this, the application of indispensable controls, at the same time as it facilitates said governmental activity;

That in this context it is important to establish new regulatory schemes that promote the efficient, effective and honorable use of public resources, with special emphasis on the State's wealth, involving a need to obtain an adequate administration of the assets of the Federation's private sector, under the criteria of rationality, simplification, and modernization;

That from this perspective, said administration requires reliable norms permitting governmental organization to determine quickly and transparently the most pertinent destination and disposal of those portable assets which, due to their state of conservation, are no longer useful for the ends for which they were appropriated, for which purpose I have seen fit to issue the following:

Norms for the Administration and Disposal of Portable Assets of Federal Public Administration Dependencies

NORMS FOR THE ADMINISTRATION AND DISPOSAL OF PORTABLE ASSETS OF FEDERAL PUBLIC ADMINISTRATION DEPENDENCIES

Chapter I

General Provisions

FIRST. - The current provisions are intended to regulate the application of the General Law of National Wealth, in relation to the administration of portable assets and the management of warehouses, together with the encumbrance lien, final destination, and disposal of said assets within the offices of the Federal Public Administration and that of the Attorney General for the Republic.

These norms are for the general application of the encumbrance lien, final destination and disposal of portable assets, except when there is a legal or administrative provision which specifically regulates same.

The Ministry of the Exchequer and Administrative Development shall be the dependency empowered to interpret current norms.

The references in these norms to high-ranking officials of the dependencies in question, shall be understood to refer to all public servants engaged in functions equivalent to those in decentralized agencies having technical and administrative autonomy under the terms of their internal rules or original decrees.

SECOND. – For the application of these norms, the following will be understood to signify:

- I. Ministry: The Ministry of the Exchequer and Administrative Development, through the Normative Unit of Acquisitions, Public Works, Services and Federal Wealth;
- II. Dependencies: Those comprising the Centralized Public Administration and referred to in article 1, second paragraph, of the Internal Law of the Federal Public Administration and the office of the Attorney General for the Republic, together with their related decentralized agencies;
- III. Law: The General Law of National Wealth;
- IV. Committee: The Committee for Portable Assets;
- V. CABMS: The Catalogue for Acquisitions, Portable Assets and Services;
- VI. Assets: The portable assets useful to, and for consumption by, the private sector of the Federation, representing the inventories of the dependencies.
 - I. This definition of portable assets also indicates, under the terms of article 751 of the Federal Civil Code, that they be considered real estate by nature and recover their quality of portable assets for the reasons given in the same article.

- VII. Useful assets: Those considered as implements or means for developing dependency activities and subject to the individual assignation of an inventory number and control, given the nature of the assets and their purpose;
- VIII. Consumer assets: those that due to their use in the development of activities carried out by the dependencies, undergo a partial or total deterioration and are controlled through a global register in the inventories, given the nature of the asset and its purpose;
- IX. Defunct assets: Those that by physical state or technical qualities are no longer functional, or are no longer required for the service for which they were destined, or which have become inconvenient for further use;
- X. Encumbrance lien: The document elaborated by the purchasing officer, describing the asset and the reasons that motivate its inoperativeness, together with obstacles impeding partial or total reuse in each case.
- XI. Transferal: The sale of goods;
- XII. Final destination: The determination to transfer, donate, permute, trade, destroy, or award in lieu of payment defunct assets;
- XIII. Disposal of assets: The cancellation of asset registries in dependency inventories;
- XIV. Purchasing officer: The public servant empowered to determine the encumbrance lien of portable assets, as well as proposing their corresponding final destination.
- XV. Minimum price: The general or specific price fixed by the Ministry or determined by an established methodology.
- XVI. Appraiser: The credit institutions or other qualified third parties, considering among these last the Appraisal Commission for National Wealth, public brokers, or any other qualified person;
- XVII. Appraisal: The result of the process carried out by the appraisers of estimating in money the value of assets;
- XVIII. List: The list of minimum prices published every bimester by the Ministry in the Official Journal of the Federation;

XIX. Norms: The norms for the administration and disposal of portable assets in the dependencies of the Federal Public Administration, and

XX. Vehicles: Land vehicles.

Chapter II

Administration of Portable Assets and Warehouse Management

THIRD. – The chief clerks of the dependencies shall approve the manuals, formats and instructions required for the administration of assets and warehouse management.

FOURTH. – The Ministry shall issue and periodically revise the CABMS. In the case of assets not considered by said catalogue, the dependencies shall petition the Ministry to determine their classification and incorporation within the same.

FIFTH. – When dealing with useful assets, an inventory number shall be assigned that consists of the digits of the budget branch or the denomination or abbreviation of the dependency; the code that corresponds to the asset in accordance with the CABMS and the progressive number determined by the same dependency, as well as other digits that facilitate the control of the asset such as the year of acquisition and the identification of the state in which it is located. Inventory controls should be carried out in written or electronic form and the numbers should be consistent with those that appear labeled or engraved on the useful asset.

In relation to consumer assets, a global register shall be implemented, and each dependency must determine at its convenience whether to assign individual controls or not.

SIXTH. – The value of useful assets at the time of their registration in the inventories shall be the acquisition value; concerning assets produced by the dependencies themselves, the value will be assigned according to production costs and, in the case of repossessed assets, the value is that quoted in the market at the time of repossession.

In the case that some asset lacks acquisition cost, the value may be determined by the purchasing officer for administrative ends of completing the inventory by considering the value of other assets with similar characteristics, or the appraisal obtained under the terms of the Twelfth norm, or in its absence, by other means which the purchasing officer deems pertinent.

SEVENTH. – It shall be determined which public servants are responsible for establishing the mechanisms that allow for the adequate control of assets

acquired for production processes, as well as those that are received by the dependencies directly in areas other than the warehouse.

The dependencies may carry out reassignments benefiting their decentralized agencies, or vice versa, as well as within the said decentralized agencies bodies inclusively.

EIGHTH. - When the dependency lacks the document that accredits it with ownership of the asset, the purchasing officer for reasons of administrative control, shall elaborate a document stating that the asset is federal property and that it figures within the respective inventories of the dependency.

When the dependencies lack licenses, permissions or other documentation necessary for the use and employment of the asset, instructions shall be issued so that pertinent negotiations be made for their obtainment or restoration.

NINTH. – With due authorization from the chief clerk, the dependencies may enjoin comodatum contracts with other dependencies and agencies within the Federal Public Administration, as well as with state and municipal governments, when this contributes to the fulfillment of the aims and programs of the Federal Government, and after contemplating surveillance and control mechanisms for the actions derived from said operations. When the dependencies determine to enjoin contracts with other leaseholders, they shall obtain previous approval from the titled officer of the dependency in question, notifying the Ministry within a month following the granting of said approval.

Chapter III

Encumbrance Liens, Final Destination and Disposal of Portable Assets

TENTH.- The chief clerks of the dependencies shall authorize an annual program for the final destination of assets to be presented to the Committee for surveillance no later than March 31 of each fiscal year. Said program is liable to modifications, with due authorization from the chief clerk:

ELEVENTH. – The dependencies will only dispose of assets in the following circumstances:

- I. When dealing with defunct assets, and
- II. When the asset has been lost, stolen or damaged, subsequent to duly stating the facts and complying with the formalities established by applicable legal provisions.

The dependencies, based on the encumbrance lien, shall determine the final destination and disposal of defunct assets and, when necessary, control and register re-useable parts.

The encumbrance lien and the proposal for final destination is the responsibility of the purchasing officer, in addition to concluding said destination once authorization has been given under the terms provided for by the norms.

TWELFTH. – The dependencies shall verify the legal and professional qualifications of the appraisers that are consulted independently from credit institutions, the Commission for the Appraisal of National Wealth and public brokers, requesting for these ends, among other documentation, their curriculum vitae, the registries that credit them as appraisers and where necessary, their diplomas. In like manner, the employment of appraisal services shall be subject to the provisions drawn up in the Law of Acquisitions, Leases and Services for the Private Sector.

The validity of the appraisal may not be less than one hundred and eighty weekdays and shall be determined by the same appraiser on the basis of his professional experience, with the understanding that said validity, as well as that of minimum prices, shall comprehend at least the date on which the notification or invitation is published or announced to at least three individuals.

For transferal by direct allocation, permutation or dation, the minimum or appraisal price shall be valid at the time when the respective operation is formalized.

The dependencies shall not order appraisals for the disposal of assets comprehended by the List.

In the case of vehicles, the purchasing officer shall designate those public servants charged with determining the corresponding minimum price, and who shall:

- I. Apply the corresponding monthly or trimonthly edition of the EBC Guide (the Blue Book), in order to establish average vehicle price, obtained from adding sale price and purchasing price and dividing by two;
- II. Verify physically each vehicle and complete format 1, which is attached to the norms, in order to obtain the vehicle useful life factor, information resulting from the application of the respective points of each one of the concepts comprised by said format, and
- III. Multiply the useful life factor by the average price.

When the sale and purchasing price of the vehicles in question do not appear in the EBC Guide (the Blue Book), or if they were modified in order to fulfill the service for which they were destined and their present characteristics are not fully identified in the aforementioned format, value will be determined by appraisal as with the following, trucks with cargo beds, tank trucks and ambulances etcetera.

When vehicles are not found in operational or working conditions and due to their physical state are considered as vehicular scrap metal, minimum price shall be obtained from the List.

Corresponding value for vehicles with burned-out motors or damaged transmissions and tractions, or for which major repairs must be carried out, shall be determined by appraisal.

THIRTEENTH. - The dependencies shall procure the final destination of the assets within the territorial or regional circumscription in which they are located, and the procedure determined for applicable transferal in each circumscription shall only take as reference the amount of the minimum or appraisal price of the assets in that location; if not the fractioning of operations with the purpose of avoiding public tender is implied.

FOURTEENTH. - The dependencies shall transfer assets through the following procedures:

- I. Public tender
- II. Invitation to at least three individuals, or
- III. Direct allocation.

The transferal of assets, except in the instances comprehended in article 79, paragraph 3 of the Law, shall be subject to public tender through public announcement and proposals presented freely in a sealed envelope to be opened publicly.

FIFTEENTH. – The public notifications for asset transfers shall be announced simultaneously through Internet webpage and within the dependency offices in places visible and accessible to the public, showing that the participation of any interested party is allowed. When the value of the assets to be tendered is superior to the equivalent of four thousand days of valid general minimum wage in the Federal District, it shall be published in addition for one day in the Official Journal of the Federation.

- I. The announcements may refer to more than one tender and must contain the following information:
 - I. Name of the dependency that is publishing the announcement;
- II.
 - II. General description, quantity and measuring unit of assets to be tendered, as well as the minimum or appraisal price;
- III. Place, date, and time in which interested parties can obtain the regulations and, when applicable, the cost and payment form of same, together with information about accessing site where assets are located. The dependencies may freely determine to charge a fee for the registrations or not, in which case, the same regulations

may be revised by the interested parties previous to fee payment, which is required for participation in the tender;

- IV. Place and maximum time limit during which assets can be removed;
- V. Place, date, and time for bid submittal, and when applicable, of outcome;
- VI. Form and percentage of the guarantee of the seriousness of the bids, and
- VII. The initial date for announcement notification, except when published in the Official Journal of the Federation.

Bid submittal shall commence and have a duration of no less than eight weekdays, and no more than fifteen weekdays, counting from the date of the first notification or from the publishing of the announcement in the Official Journal of the Federation, the latter taking precedence.

SIXTEENTH. – The regulations issued by the dependencies for the tender are public and shall be put at the disposal of the interested parties, not only in the areas indicated for this purpose, but also in the webpage of the announcing dependency, from the date of the first notification or publishing of the announcement up until and including the workday previous to the commencement of bid submittals. The regulations shall contain at least the following:

- I. Name of announcing dependency;
- II. Complete description and minimum or appraisal price of assets;
- III. Place, date and time for bid submittals, when applicable, of outcome;
- IV. Requisites to be fulfilled by interested parties, including: participant's identification, guarantee for the seriousness of the bid, signature on regulations, together with bid submittal in a sealed envelope and, when applicable, a receipt for registration fee;
- V. Instructions for bid presentation;
- VI. Date on which payment of allocated assets must be effected;
- VII. Place, time limit, and conditions for retrieving assets;

- VIII. Criteria for allocation;
- IX. Time limit for modifying tender regulations. Modifications may only be effected up until and including the third workday previous to the commencement of bid submittals. Said modifications will be made known to interested parties by the same means as the announcement;
- X. Indications of cause for disqualification or default of any of the requisites established by the regulations, including bid submittals that are insufficient for the minimum or appraisal price fixed for the assets;
- XI. Causes for which the tender could be declared abandoned;
- XII. Indication for which the guarantee of seriousness of bids will be made effective including when the individual to whom the assets were allocated defaults on asset payment.
- XIII. Include indications regarding a declaration of integrity, so that those participants that sign regulations accept, under protest of stating the truth, that they will abstain from adopting behaviors on their own behalf or that of others to induce public servants of the dependency to alter bid evaluation, the results of the proceedings, or other aspects conceding more favorable conditions to them over other participants, and
- XIV. The indication that those individuals contemplated by article 47, fraction XXIII of the Federal Law of Responsibilities of Public Servants may not participate, except in the case of internal invitations.

SEVENTEENTH. – If the participant with the winning tender defaults on asset payment, the dependency shall make effective the corresponding guarantee and may allocate said assets to the second or next best bids accepted under the terms of the norms.

EIGHTEENTH.- During transferal procedures, the dependencies shall demand that those parties interested in acquiring goods guarantee the seriousness of their bids through certified check or cashier's check made out to the Treasury of the Federation.

The amount of the guarantee shall be for ten percent of the minimum or appraisal price, and shall be returned to the interested parties under the terms of the outcome, except that which corresponds to the winning tender, which shall be

retained as guarantee of payment fulfillment of the allocated assets and which may be applied to the total amount to be paid.

The dependencies must qualify, accept, register, store, watch and return the guarantees presented as tender during asset transferal.

NINETEENTH. - All interested parties that satisfy regulation requisites have the right to present bids.

On the date and at the time previously established, the announcing dependency shall receive bid submittals, and a presentation of the bids received will be read aloud, informing which of these when applicable, is no longer considered due to the fact that the participant did not fulfill the established requisites and the causes that motivate said determination.

The announcing dependency shall issue a document to serve as basis for the decision through which assets shall be allocated. The outcome of the tender may be made known during the same presentation or, during some other subsequent public act, within a time limit that does not exceed five workdays, counting from the date when said presentation took place.

If based on this document a tie is called between two or more bids, the allocation shall be effected in favor of the tender who wins a drawing held within the dependency during the outcome proceedings. The drawing shall consist of one ticket for each offer that is tied to be deposited in an urn, from which the ticket of the winning tender shall be taken.

The dependencies shall make a statement recording the presentation and decision-making activities, to be signed by those present; the omission of the signature of the participants will not disqualify its content or effects.

Those participants whose proposals have been discarded during the transferal procedure may attend the public tender together with any individual that without having participated manifests interest in being present during said acts, with the condition that they register their attendance and abstain from intervening in any way during the same.

TWENTIETH. – The dependencies may declare the public tender abandoned, when any of the following occur:

- I. No individual acquires the regulations, or
- II. No individual registers to participate in the commencement of bid submittal.

The bids presented are considered unacceptable when insufficient for the minimum or appraisal price of the assets or for requisite fulfillment as established by the regulations.

Once a public tender has been declared abandoned, and having obtained previous authorization of the Committee, the dependencies shall transfer assets without subjecting them to a new public tender, considering the exception referred to in fraction II of the Twenty-third norm to be fulfilled.

When dealing with tenders in which the bids of one or more of the parties has not been accepted, the announcing dependency shall consider the corresponding minimum or appraisal price and, if the same is not superior to the equivalent of five hundred days of valid general minimum wages in the Federal District, the transferal should take place under the terms of the Twenty-second norm.

TWENTY-FIRST. – If the transferal of assets by just cause has not been completed after concluding the appraisal validity and public tender, as well as the exception procedure of the same, authorization for a minimum price to concretize said transferal may be sought from the Ministry. The Ministry shall take into account the physical state of the asset, the conditions of the market and other aspects provided by the petitioner to determine the new minimum price.

Once authorization is obtained, proceedings for the applicable transferal shall begin. If authorization is denied, another final destination shall be determined for the assets in question.

TWENTY-SECOND. – The dependencies shall transfer assets without submitting them to public tender by invitation to at least three individuals or by direct allocation, when the amount of the operation in question does not exceed the equivalent of five hundred days at valid general minimum wage in the Federal District.

TWENTY-THIRD. – The dependencies with due Committee authorization may opt to transfer goods without submitting them to public tender, by performing invitation proceedings to at least three individuals or by direct allocation, when any of the following are present:

- I. Extraordinary or unforeseen conditions or circumstances, or emergency situations occur, and

- II. The lack of at least three ideal or legally qualified bidders

These cases shall be made known to the Ministry, under the terms of article 79 of the Law.

TWENTY-FOURTH. – When dealing with partial cash payment with provision in article 31, fraction XII of the Law of Acquisitions, Leases and Services for the Private Sector, the dependencies may opt to transfer goods without submitting them to public tender proceedings, sustaining their determination on the exception established in fraction I of the Twenty-third norm.

TWENTY-FIFTH. – The invitation to at least three individuals shall be subject to the following:

- I. The opening of envelopes containing bids may be carried out without the presence of the corresponding bidders, but invariably a representative of the internal control agency of the respective dependency must be invited;
- II. The invitations shall indicate at least the quantity and description of the assets to be transferred, the amount of the minimum or appraisal price, guarantee, time limit and place for retrieval of assets, payment conditions and date on which outcome shall be communicated;
- III. In addition to the invitations, the announcement of these shall be made simultaneously through Internet webpage and in a place visible to the public within the dependency;
- IV. The time limits for bid submittal shall be fixed for each operation, according to the type of assets to be transferred, as well as to the complexity for elaborating the bids, and
- V. The causes for declaring abandoned the invitations to at least three individuals shall be established by the Twentieth norm.

TWENTY-SIXTH. – In the case of periodically generated waste, the dependencies must dispose of them under the terms established in the Fourteenth norm and the corresponding allocation must be formalized through contracts valid for up to one year. In the case of validity of greater duration, previous authorization from the Committee is required without these exceeding a time frame of two years.

In these cases, the price adjustment proportional to the variations presented must be accorded, considering the decrease or increase contemplated by the List or when applicable, of a valid corresponding appraisal. The inopportune retrieval of assets shall be motive for annulling the contract.

TWENTY-SEVENTH. – The dependencies with Committee authorization for the establishment of corresponding minimum or appraisal price, may carry out operations implied by permutation or dation of assets as payment.

Dation as payment shall only be applicable to complete outstanding payment obligations contracted previously by the dependencies.

TWENTY-EIGHTH. - The awarding of assets shall take place observing the provisions contained in article 81 of the Law. In this case, awarding may not be authorized by the high-ranking officials of the decentralized agencies.

In the case of awards given at appraisal value, the appraisal shall be valid at the time when the dependency chief clerk authorizes the operation.

The dependencies may award all kinds of assets at the acquisition or inventory price independently of the amount only if previous authorization from the Ministry is obtained. For administrative ends, awards shall be formalized by drawing up respective contracts.

TWENTY-NINTH. - The transferal of assets operates exclusively among the dependencies and shall be accounted for by the previous authorization of the Committee of the dependency where the assets that are the object of the transferal figure in inventories; an appraisal is not required when the acquisition or inventory value is formalized by delivery and reception receipts.

THIRTIETH. - Anticipating authorization from the respective titled officer, the dependencies may destroy assets when:

- I. By nature or current physical state, they endanger or alter health, safety, or the environment.
- II. They are assets for which legal or administrative provisions exist ordering their destruction, and
- III. Having exhausted all disposal procedures or award offers, no interested party exists; this assumption must be accredited by corresponding declarations.

Among the assumptions contemplated by the preceding fractions I and II, the dependencies may observe the procedures indicated by the applicable legal or administrative provisions and carry them out in coordination with the competent authority.

The dependencies shall invite invariably one representative of the internal control agency to witness asset destruction and to declare the facts.

THIRTY-FIRST. – Once the final destination of assets has been determined in accordance with the norms, their disposal can be affected, and carried out; this also applies when the good in question has been lost, stolen or delivered to an insurance institution as consequence of an accident, once the insured sum has been paid.

The dependencies shall inform the Ministry about the disposal of assets within the first ten workdays of the month of January, April, July, and October of each year. Said report is required in format 2 which is attached to the norms and refers to assets disposed of during the previous trimester in question.

THIRTY-SECOND. – The disposals carried out by representative dependencies outside of national territory shall be directed in accordance to the Law and norms, without prejudice for any of the legislative provisions of the place where they are carried out.

In the specific case of appraisals, the dependencies may obtain them from institutions or other qualified third parties, according to the provisions that are applicable in the country in question. In like manner, for the determination of the value of the appraisal of vehicles, publications equivalent to the EBC Guide (the Blue Book) may be used, and reference made to it within the record.

Chapter IV

Internal Invitations

THIRTY-THIRD. – The dependencies may impartially remove vehicles, furniture, office equipment and computer equipment by public tender procedures, in benefit of public servants, when the following conditions are fulfilled:

- I. The minimum or appraisal price shall be determined according to the provisions in the Twelfth norm;
- II. The Committee shall authorize the internal invitation;
- III. All public servants may participate in the internal invitation who are ascribed to the announcing dependency, with the exception of those that through internal invitation have been allocated some asset of the same type within the dependency during the fiscal year in course or in the year immediately preceding, in addition to the purchasing officer or those who intervene during the different acts of said invitation;
- IV. The announcement, regulations, and relation of assets that are the object of the internal invitation shall be announced simultaneously through Internet webpage and within the dependency in a place visible to all areas and workcenters;
- V. The vehicles to be removed shall only be sedans, station wagons, and pick-ups, of any make;
- VI. The furniture and office and computer equipment shall be limited to those that may be of personal use to public servants;
- VII. Attendance of public servants presenting proposals for commencement or outcome activities shall be optional;
- VIII. The seriousness of the proposals shall be guaranteed, through certified or cashier's check issued by a credit institution to the Treasury of the Federation, for the amount equivalent to ten percent of the minimum or appraisal price of the asset in question. When public servants present proposals for two or more assets, only a guarantee for ten percent of the minimum or appraisal price that corresponds to the good with the highest price is necessary, and
- IX. Apply this in accordance to the provisions established in the norms for public tender.

The internal invitation shall be considered as an exception to public tender under the terms of article 79, paragraph 3 of the Law.

THIRTY-FOURTH. – The regulations issued by the dependencies for internal invitations shall contain, at least, the conditions indicated by the Sixteenth norm, with the exception of fraction XIV.

THIRTY-FIFTH. – The maximum limits for allocation for each participant shall be the following:

- I. For vehicles, one unit. Public servants may present bids for one or more of the vehicles forming part of the invitation, noting their proposals in order of vehicle preference to be respected at the time of allocation, and
- II. Furniture and office and computer equipment, up to the appraisal amount equivalent to five hundred days of valid general minimum wages in the Federal District.

THIRTY-SIXTH. – When any public servant does not sustain a bid or defaults on payment, the foreseen guarantee becomes effective, independently of the minimum or sale price of the assigned asset, and he/she may not participate in the following internal invitation held by the dependency. In these cases, the announcing dependency may allocate the assets to the second or next best bids that have been accepted.

THIRTY-SEVENTH. – Assets that have not been allocated according to internal invitation may be removed through any procedure foreseen by the norms.

Chapter V

Committee of Portable Goods

THIRTY-EIGHTH. – The titled officers of the dependencies may establish the Committee, whose integration and function is outlined in this chapter.

THIRTY-NINTH. – The Committees shall be comprised by the directing officer, who will preside; the titled holder of the General Administration for Material Resources or the equivalent, who will function as Executive Secretary; a representative of each sub-ministry; the direct responsible party for the area of Programming, Organization, and Budget and the other areas that are considered necessary for the formation of the Committee, and who will function as members; one representative from the internal control agency; one from the legal department and one that, in turn designates the Secretary, and will act in the capacity of advisors.

The titled members of the Committees may name their respective substitutes, to hold the post immediately below that of the titled member.

The advisors and guests that attend the sessions in order to provide or clarify information about pertinent matters shall have the right to speak, but not to vote.

FORTIETH. – The functions of the Committees shall be the following:

- I. To elaborate and authorize the Manual for Integration and respective Functioning, all in accordance to the norms;
- II. To approve the calendar for ordinary meetings;
- III. To give surveillance to the annual program for the final destination of assets;
- IV. To resolve with anticipation the cases in exception to public tender, referred to in the Twenty-third norm;
- V. To authorize waste removal contracts valid for more than one year;
- VI. To analyze petitions for awards and propose them for authorization to the titled officer of the dependency and when corresponding, to the Minister, according to that established by article 81 of the Law and the Twenty-eighth norm;
- VII. To authorize the operations implied by the permutation or dation of assets in lieu of payment as well as the case of transferals;

- VIII. To analyze petitions for comodatum and propose them for authorization to the titled officer of the dependency or to the directing officer, howsoever it corresponds;
- IX. To authorize the removal of assets through internal invitation, in favor of public servants under the terms established by the norms;
- X. To name those public servants charged with presiding over the commencement and decision-making activities;
- XI. To analyze the report on the conclusion or procedures of the matters submitted to the Committee each trimester, in addition to the removals effected by the dependency in order to, provide the necessary corrective measures, and
- XII. To approve the annual report in relation to performance results, which shall be distributed to its members during the first session of the subsequent fiscal year.

FORTY-FIRST. – The members of the Committee shall have the following functions and responsibilities:

- I. President: To authorize the business at hand of the ordinary and extraordinary meetings, to coordinate and direct the meetings of the Committee and to announce, when necessary, extraordinary meetings;
- II. Executive Secretary: To follow the correct order of the business at hand and the lists of the matters to be dealt with, including the necessary support documents; to distribute to each member of the Committee the documentation of the business at hand for the meeting to be held, in addition to writing the minutes of each session;

To register the agreements and to verify their fulfillment; to back up the documentation inherent to the functioning of the Committee and those convenient to the President or the Committee in general.

In order to better carry out their functions and responsibilities, the Executive Secretary, in turn, will aid the Technical Secretary, who shall attend the Committee meetings with the right to speak, but not to vote;

- III. Members: To send to the Executive Secretary the documents of the matters which according to their judgment should be dealt with by

the Committee in general; to analyze the business at hand and the meeting documentation for the meeting to be held and to carry out other functions convenient to the President or the Committee in general, and

- IV. Advisors: To advise the Committee in their area of specialization. The Advisors shall not sign any document that contains any decision inherent to the functions of said Committee, for which they shall only sign the minutes of each session as a statement of their participation.

FORTY-SECOND. – The meetings of the Committee shall be carried out according to the following:

- I. Ordinary meetings shall be held on a monthly basis, whenever there is business at hand. When necessary, upon petition to the Committee President and the majority of members, extraordinary sessions may be held;
- II. Invariably the attendance of the public servant acting as Committee President or his substitute must be present. Sufficient quorum may be said to exist when at least half of the members with a right to vote plus one are present; decisions shall be made by majority vote. In the case of a tie, the presiding member shall cast the deciding vote;
- III. The participation of Committee members through videoconference shall be considered attendance, and shall be annotated in the respective minutes with the corresponding signatures;
- IV. The business at hand, along with the corresponding documents of each session shall be distributed to Committee members, at least two workdays previous to the scheduled ordinary meetings and one workday previous to extraordinary meetings. This information may be distributed through electronic devices only if the established time limits are respected;
- V. The matters submitted to the consideration of the Committee shall be presented by priority on lists, which shall contain a summary of the information regarding the cases decreed during each session, and which shall be signed by attending members with right to speech and vote. For each session minutes shall be drawn up which invariably must be signed by all those attending, and
- VI. It is not required that the Committee follow the protocol for installation and reinstallation at the beginning of each fiscal year, it

is sufficient that each year it recommences the numeration of the corresponding sessions.

FORTY-THIRD. - In order to establish Committees in delegations or representations within the domestic boundaries of the nation, the authorization of the chief clerk of the dependency in question is required.

These Committees shall operate in the capacities determined by the chief clerk, who will establish the membership, their specific functions and the form and terms by which they shall keep the Institutional Committee informed.

FORTY-FOURTH. – For those dependencies that do not have a Committee, such authorizations conferred upon said bodies by the norms then correspond to the chief clerk.

Chapter VI

Final Provisions

FORTY-FIFTH. – When a public servant loses an asset, the Ministry through competent authority may dispense the procuring of responsibilities incurred, fulfilling the terms and conditions established in article 48 of the Law of the Federal Public Budget, Accounting, and Expenditures, and the responsible party compensates for the damage through replacement of the asset for one equal or of similar characteristics to that lost or payment of the same at the value for an equal or equivalent asset in force in the market at that time.

FORTY-SIXTH. – The participants that notice irregular acts during removal procedures may denounce them to the internal control agency within the dependency so that the sanctions foreseen by the Federal Law for Responsibilities of Public Servants be put into effect.

FORTY-SEVENTH. – The dependencies shall conserve in a systematic and orderly form all of the documentation related to the acts that are carried out in accordance to the norms, for no less than a period of three years, except for accounting documentation which is categorized by the applicable provisions.

FORTY-EIGHTH. – The dependencies shall make known all results of asset removal to the Treasury of the Federation and subsequently may petition for their replacement, according to what is established in the applicable legal provisions.

TRANSITORY PROVISIONALS

FIRST. - The present norms become effective ten weekdays following their publication in the Official Journal of the Federation.

SECOND. – For the purposes of the provision in article 82, paragraph 2 of the Law, the agencies of State governments shall dictate the General Norms or Regulations during a time limit that shall not exceed ninety weekdays counting from the date of validity of the norms concerning portable assets, to be observed by the titled officers of the same; they may consider the provisions contained in these norms and declare them as their own either partially or totally.

The aforementioned General Norms or Regulations shall be subject to the established by chapter VI of the Law, providing invariably for the classification of the assets held by the states according to the CABMS; in addition vehicle value may be determined through appraisals.

THIRD. – The manuals, formats, and instructions alluded to in the Third norm of this decree shall be elaborated or updated for a term no greater than one hundred and twenty weekdays, counting from the date on which the norms become effective.

FOURTH. – The procedures for disposal that are in process or unfinished shall be dealt with and resolved according to procedures valid at the time of their outset.

Contracts for disposal of periodically generated waste that are valid at the time that this decree becomes effective shall continue in force until their termination by the provisions applicable at the time that they were initiated.

FIFTH. – The Norms to which the Administration of Portable Assets and Warehouse Management and the General Norms and Procedures for Encumbrance Liens, Removal and Final Destination of Portable Assets of the Federal Public Administration Dependencies shall be subject, published in the Official Journal of the Federation on July 21, 1988, are abolished, in addition to the Agreement by which diverse provisions to the General Norms and Procedures for Encumbrance Liens, Removal and Final Destination of Portable Assets of the Federal Public Administration Dependencies are reformed, added to, and abolished, published in the Official Journal of the Federation on February 1, 1993, the Agreement which establishes the Integration and Functioning of the Committees for the Disposal of Portable and Fixed Assets of the Dependencies and Entities of the Federal Public Administration, published in the Official Journal of the Federation on August 5, 1996, the General Guidelines and Criteria for the Disposal of Land Vehicles of the Dependencies and Entities of the Federal Public Administration, published in the Official Journal of the Federation on April 14,

1997, and all other provisions and criteria which oppose these norms are abolished.

SUFRAGIO. EFECTIVO. NO REELECTION.

Mexico City, Mexico August 28, 2001

**THE MINISTER OF THE EXCHECQUER AND ADMINISTRATIVE
DEVELOPMENT**

FRANCISCO JAVIER BARRIO TERRAZAS

INSTRUCTIONS FOR THE COMPLETION OF FORMAT 1 “DETERMINATION OF MINIMUM PRICE OF VEHICLES”

- 1) Logotype and complete name of dependency in question.
- 2) Consecutive number for dependency’s internal control.
- 3) Date of format completion.

LOGOTYPE OF DEPENDENCY (1)				DETERMINATION OF MINIMUM PRICE (1)				
DESCRIPTION: (4)		Make and Line:		Model:	Type			
Motor:		Series:		License Plates:				
Adscription: (5)				Location: (6)				
PHYSICAL VERIFICATION								
CONCEPT	MAX	REAL	OBSERVATIONS	CONCEPT	MAX	REAL	OBSERVATIONS	CONCEPT
A. Body	35.0	(7)	(8)	Sp. Plugs	0.8			Drum brk
Fins	0.5	(9)	(10)	Plug cabl	0.8			Disc brks
Lamp frame	0.2			Batt cabl	0.5			D. Interior
Trunk	2.0			Carb/Inj	2.0			Accelerat
Taillighes	1.0			Horn	0.5			Antenna
Hood	2.0			Clutch	2.6			Seats
Windows	2.0			Dist/Mod.	2.5			Ashtrays
Bumpers	2.0			Gen/Alt	2.0			Wind. Lev
Side Mirror	0.5			Switch	2.0			Lighter
Caution Lt.	0.3			Block	3.0			Rearvw M
Headlights	0.7			Pulleys	1.0			Handbrak
Wipers	2.0			Filters	0.5			Jack
Ex. Handle	1.0			Radiator	2.0			Elect. Ins
Rear Wind	3.0			Regulator	0.6			Spare tire
Molding	0.8			Oil Cap	0.3			Wrench
Windshield	3.0			Rad. Cap	0.1			Int handle
Grill	2.0			Level Insp	1.0			Gearshift
Doors	4.0			Ventilator	1.0			Clutch pe
Fenders	4.0			Press ind.	2.0			Brake pe
Gas tank	1.0			C. Suspen	20.0			Int. light
Gas cap	0.2			Sh. Absor	2.0			Radio
Hubcaps	0.8			Transmiss	3.0			Clock
Tarp	2.0			Chassis	3.0			Headrest
B. Motor	30.0			Steering	2.0			Dashboar
Belts	0.5			Tires	2.0			Rugs
Battery	0.5			Leaf Spr R	1.5			Upholst

Bobbins	1.0			Coils	1.0			Shades
Gas pump	1.0			Wheels	1.5			Steer Wh
Water pump	1.8							
OBSERVATIONS: (12)								TOTAL:
Calculation Min. Appraisal Price:						(13)		
Min. Appraisal Price:						(14)		
(15)				(16)				
RESPONSIBLE PARTY-PHYSICAL VERIFICATION				RESPONSIBLE PART-CALCULATION				

- 4) Complete description according to control card (Make, Line, Model, Type, Economic number, Motor, Series, and when applicable, Federal Registry for Automobiles (FRA) number.
- 5) Name of area to which vehicle was assigned.
- 6) Location of vehicle.
- 7) Real qualifications of each one of the systems that comprise the unit (Body, Motor, Electrical system, Suspension, and Interiors).

EXAMPLE: (Fins 0.5) + (Headlamp frame 0.0, obs. Broken) + (Trunk 2.0) + (Taillights 1.0) + (Hood 2.0) + (door windows 1.5, Obs. Shattered) + (Bumpers 3.0) + (Side mirrors 0.0) + (Caution lights 0.3) + (Headlights 0.7) + (Windshield wipers 2.0) + (Exterior door handles 1.0) + (rear window 3.0) + (Molding 0.0, Obs. It doesn't have any) + (Windshield 3.0) + (Grill 2.0) + (Doors 4.0) + (Fenders 4.0) + (Gas cap 0.2) + (Hubcaps 0.4, Obs. It only has two) + (Tarpaulin 2.0) = BODY 32.6.

NOTE: The maximum grade that can be given to BODY shall be 35.0

- 8) Observations for each system
- 9) Grade of each system component, in accordance to actual physical state in relation to maximum points.

EXAMPLE: The maximum grade for the grill is 2.0, but if it is cracked, the real grade would be 1.5 and if the grill is missing, 0.0.

On the other hand, if there is some component that is not applicable to the type of vehicle being verified (as could be the case with fins, clock, or leaf spring rear suspension), the grade indicated shall be the maximum.

10) Observations for each part of the systems. – Invariably the causes shall be noted when applicable, the maximum grade for each part of the systems has decreased.

EXAMPLE: Headlight frame–broken.

11) Sum of the total of each one of the systems and result of useful life factor.

EXAMPLE:

$$\frac{A + B + C + D}{100} = \text{USEFUL LIFE FACTOR}$$

12) General observations.

NOTE: In the case of luxury vehicles, the basis for the calculation of the minimum price shall be taken from the listings for this type of vehicle in the EBC Guide (the Blue Book).

13) Calculation of minimum price

Formula:

$$\frac{\text{Sale Price (EBC)} + \text{Buying Price (EBC)}}{2} = \text{Price} \times \text{Useful Life Factor}$$

MINIMUM

PRICE

14) Minimum price written in digits and words.

15) Name and signature of public servant responsible for physical verification.

16) Name and signature of public servant responsible for calculation.

17) Name and signature of public servant in charge of area.

TRIMESTRAL REPORT OF PORTABLE ASSETS DISPOSAL

(1) _____ and (2) _____

(3) Folio number

(4) Page no. _____ of (5) Trimester
Year

CABMS CODE	Type of asset	Quantity and Unit of Measurement	Acquisition or Inventory Value	Reasons for disposal	Final Destination	Minimum or Appraisal Price	Value of Final Destination Operation	O
(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
Subtotals					(15)	(15)	(15)	
Totals		(16)	(17)			(18)	(19)	

Name, title, and signature of party responsible For elaboration of report

Name and signature of Director General of Material Resources or equivalent

INSTRUCTIONS FOR THE ELABORATION OF FORMAT 2 “TRIMESTRAL REPORT ON PORTABLE ASSETS DISPOSAL”

The information that shall be included in the report appears here numbered consecutively, and indicates the respective space on the corresponding format.

When this format is printed, said numbers shall be omitted.

- 1) Dependency abbreviation or logotype.
- 2) Name of the dependency.
- 3) Number of corresponding folio.
- 4) Page number and total.
- 5) Trimester and year which correspond to report.
- 6) Group and subgroup that corresponds to assets according to the classification in the Catalogue of Acquisitions, Portable Assets and Services (CABMS).
- 7) Brief description of type of assets referred to in petition (vehicles, desks, file cabinets, chairs, etc.)
- 8) Quantity and measuring unit of assets.
- 9) Total acquisition or inventory value of assets.

- 10) Reason for disposal of assets: defunct, theft, missing, or damaged.
- 11) Indicate corresponding final destination, when dealing with public tender or internal invitation, note number and date of completion.
- 12) Specify value of assets: minimum or appraisal price.
- 13) The value established for the corresponding final destination should be reported. When dealing with awards, indicate the value of the appraisal, or the acquisition or inventory value authorized by the Ministry.
- 14) In the case of awards given at acquisition or inventory value, the corresponding reference to Ministry authorization should be indicated. In like manner if stolen, missing, or damaged assets have been paid, the payment amount should be indicated.
- 15) A subtotal should be indicated for each final destination reported with its corresponding value.
- 16) Total quantity of released assets by measurement unit (pieces, kilograms, liters, etc.).
- 17) Total acquisition or inventory value.
- 18) Total value of assets: minimum or appraisal price.
- 19) Total value of assets whose final destination was sale, permutation, dation in lieu of payment, grant, transference or destruction.
- 20) Name, title, and signature of party responsible for elaboration of report, as well as the name and signature of the Director General of Material Resources or dependency equivalent; said information shall be included on each page.