

# **Information Technology (IT) Equipment Disposal, Is It A Problem or a Gold Mine?**

## **VA's IT Recycling Program**

Freddie Martinez, Office of  
Acquisition and Materiel  
Management, Materiel Policy,  
Training and Operation

# We Know The Facts

- The Federal Government is largest purchaser of IT in the WORLD - FY 2003 IT budget \$54.2 Billion.
- Computers are as common in Federal offices as telephones.
- Majority of 1.8 million employees in the Federal Government have PCs.
- More rapid and powerful computers are quickly replacing previous ones on an average cycle of every 2 to 3 years.

# We Know of More Facts

- The Government discards approximately 10,000 computers each week.
- IT equipment is the fastest growing portion of the municipal waste stream.
- In 1999, more than 29 million computers were discarded, only 14 % were reutilized/recycled.
- For 2004, as many as 325 million obsolete computers are expected to be disposed in landfills.

# IT Environmental Laws and Rules

- **IT equipment is considered as hazardous waste in accordance with 40 CFR Part 261 and Resource Conservation and Recovery Act (RCRA) RCRA**
- **IT equipment contains hazardous substances e.g., mercury, chromium, cadmium, beryllium and lead (computer monitors contain about 6 lbs)**
- **Cathode ray tubes (CRTs) will fail the Toxicity Characteristic Leaching Procedure (TCLP) for “lead”**
- **TCLP Testing of IT Components - Testing of whole computer (CPU), keyboards and peripherals find 8 RCRA metals**
  - **EPA: Regions 4 and 5 funded research at the University of Florida**

# No Problem VA Signs MOU With UNICOR

VA Shipments to UNICOR:

Freight Shipments 103

Pallets	Weight	Cost Total
9682	1,341,760	\$75,456

Average Cost per shipment is \$803

# Why Did VA Select UNICOR?

- It is a Federal de-manufacturing/recycling program
- It assists with rehabilitation of Federal prisoners
- The program is cost efficient
- They incorporate safe and environmentally sound practices
- Security is top-notch
- The program is effective

# VA CFL Donations Through GSA

- \$ 2 Million in Acquisition Value
- Amounts to 1,586 Computers and Peripherals

# How To Select Qualified Schools

- **Agencies can set own requirements**
- **Register on GSA's Computers for Learning (CFL) Program Website**
- **Must be certified by State Ed. Board**
- **School must provide letter requesting IT equipment or needs on website**
- **Forms on GSA Website**

# Department of Veterans Affairs (VA) Is One of The Largest Civilian Agency

- Challenge To VA
  - Lack of government standards for environmentally sound management/disposal practices.
- It Is Important That VA Maximizes Efforts In Its IT Disposal Program:
  - Because data supports *hazardous waste* determinations

# IT Data Challenge

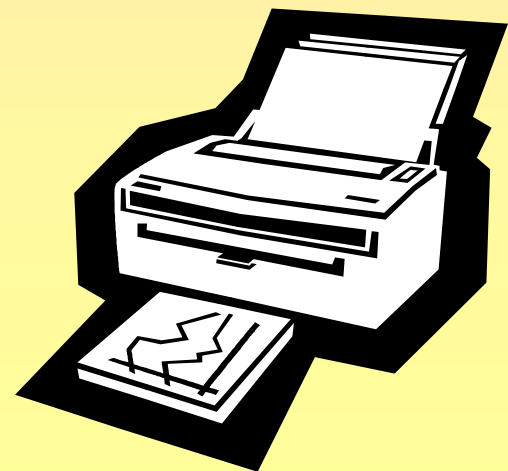
- The Privacy Act of 1974, 5 U.S.C. 552a protects sensitive, non-public information
- More recent Federal security/privacy laws are the Gramm-Leach-Bliley Act of 1999
- HIPPA, which protect disclosure of non-public financial data and medical information, respectively.

# VA Property Office Works With Office of Cyber Security

- Directive & Handbook Drafted
- Official VA “Sanitization Certification Program” created to assist with documentation process
- Sanitizing software “Data Eraser” distributed

# Accounting for IT disposed Equipment

- Property managers (PM) are asked not accept turn-ins without certificate of data removal.
- PMs shall maintain all disposal documents.



# Field IT Technicians Claim

- Don't have time to run software
- Don't have resources to run software
- Don't have space to run software
- Don't have software
- IT Sanitizing contractor claim software does not work

# Solution - Use of Keyboard-Video-Mouse Switch

- Allows multiple computers to be controlled by one monitor, keyboard and mouse
- Most models are scalable in multiples of 8 or 16
- Keyboard & mouse emulation permits simultaneous boots

# Use of Keyboard-Video-Mouse Switch continued

- Several computers may be sanitized in a relatively small space
- Also very useful for software configuration modification, repair and testing
- In combination with desktop switch multiple computer can access the network through a single drop (very useful for Windows or COTS updates)

# VA's Office of Inspector General Report

Report No. 7D2-E06-018

Dated February 12, 1997

- VA needs to maximize receipts derived from the Federal Exchange/Sale Program of property.
- VA facilities need to take available opportunities to retain proceeds from the sale or exchange of unneeded equipment.

Is IT Item Being Disposed of a Replaced?

Yes

No



Exchange/Sale  
(FPMR: 101-46.002-3,4)

Unrequired

Screen locally  
(VA Handbook 7343)

Screen VA wide  
(VA Handbook 7343)

Excess

CFL

Report to GSA  
Federal Screening  
(FPMR: 101-43.302)

Donation  
(FPMR: 101-44.101)

Sell  
(FPMR: 101-45)

Includes GSA  
On-line  
Auctioning

Abandonment or  
Destruction if Unsold  
(FPMR: 101-45.9)

Trade-in

Sell

Auction (.dot.com)

GSA Sale/Auction  
Links to FEDES

Local Sale

Proceeds Retained  
for New Purchase

If Unsold, Property  
Reverts to Excess Process

De-manufacturing →

# Required Determination Set Forth by 41 CFR

- Agencies must determine, which Exchange or Sale will bring the maximum return to the Government
- Considerations
  - Trade-in: Disposes of item faster
    - Federal Contracting Officers should make every attempt to obtain “trade-in” agreement during acquisitions
  - Sale: Normally brings higher return
    - Sales Contracting Officers need to be trained in environmental end-of-life laws, regulations and “Due diligence” rules.

# Sales Rules for Sales Contacting Officers

- Property can be sold prior to acquisition of replacement property
  - Proceeds from sale can be held remaining FY of sale, plus one additional
- Conduct Due Diligence of the awardees
- Property must have accurate condition code

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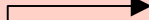
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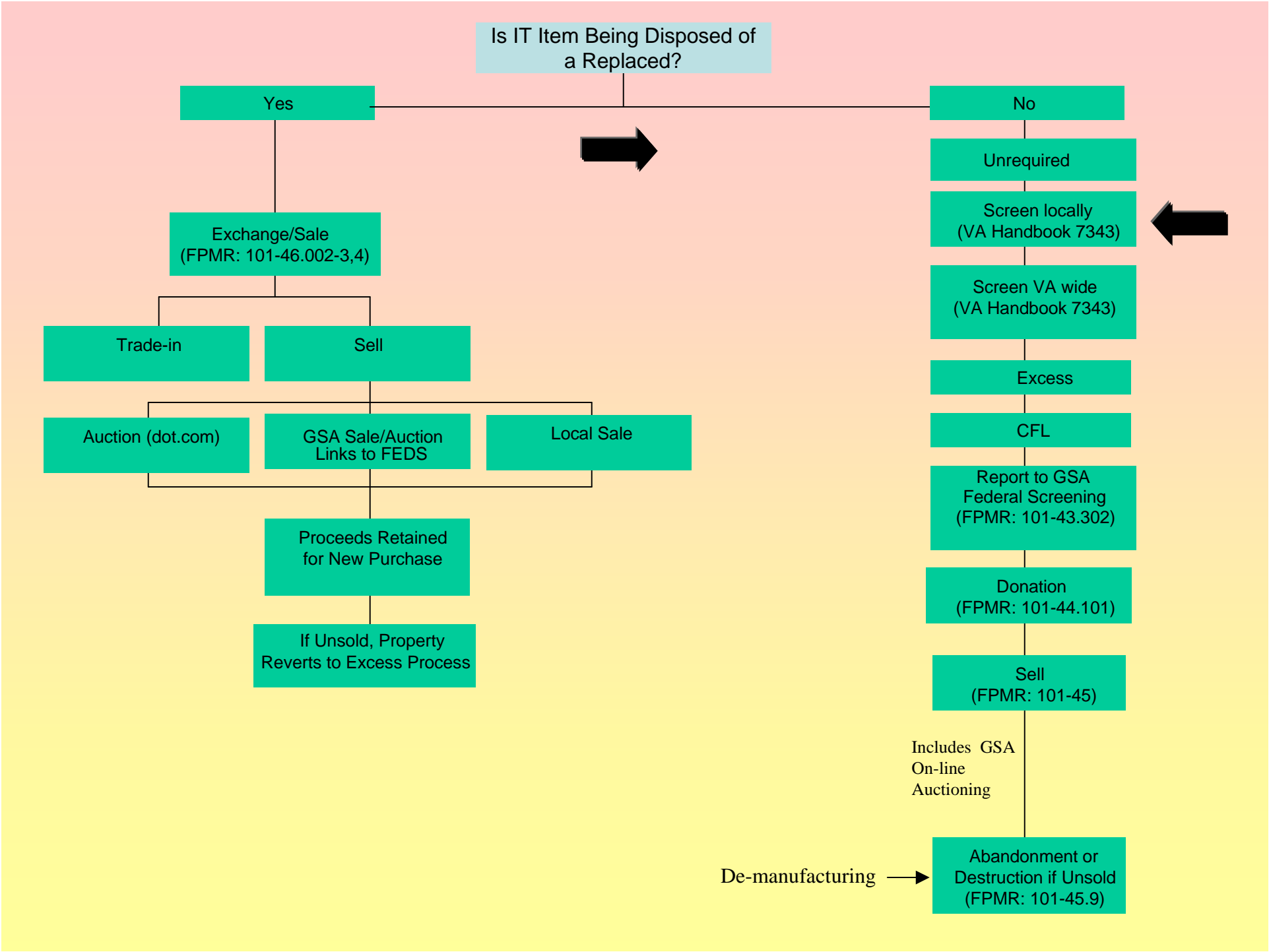
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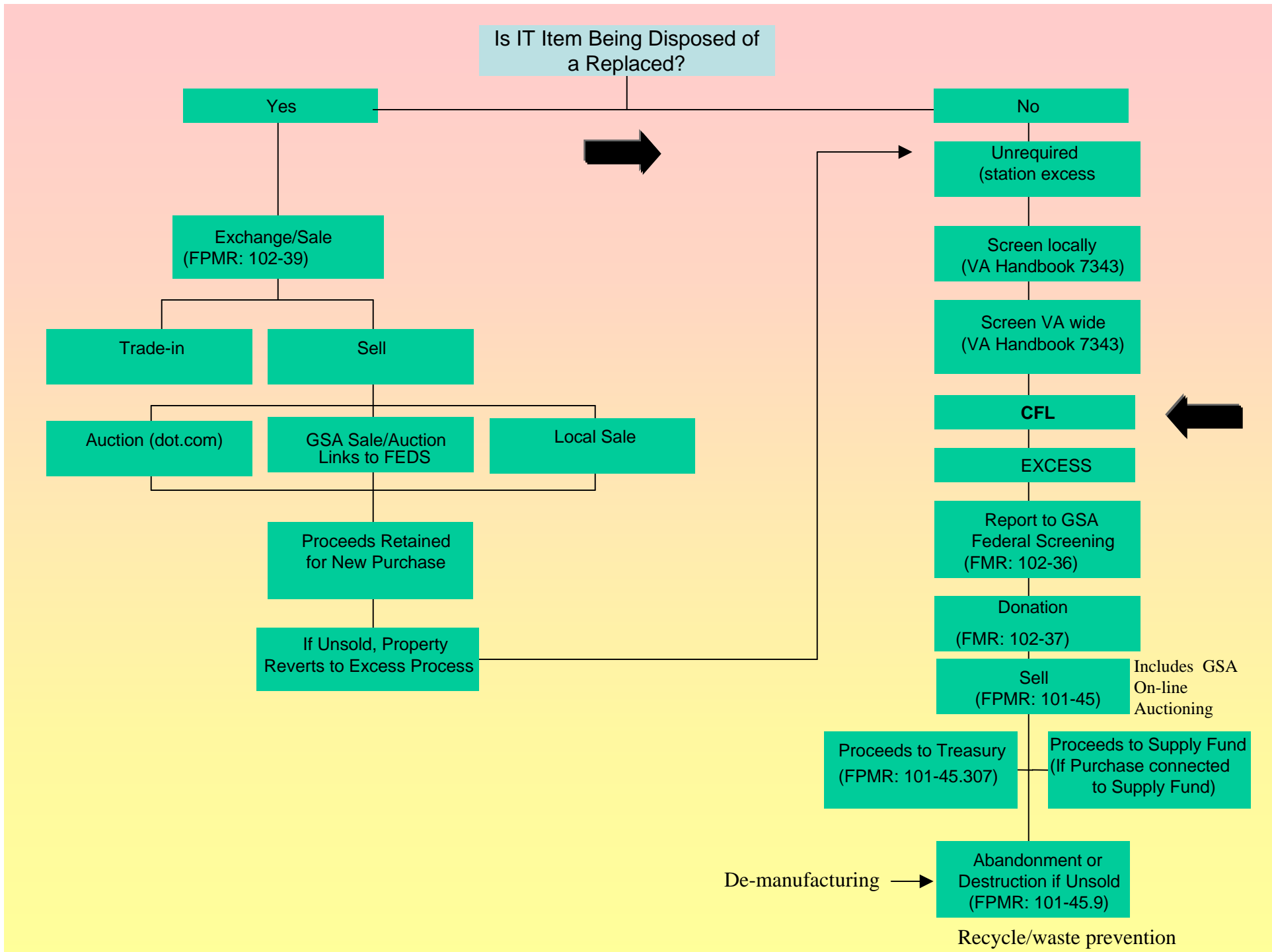
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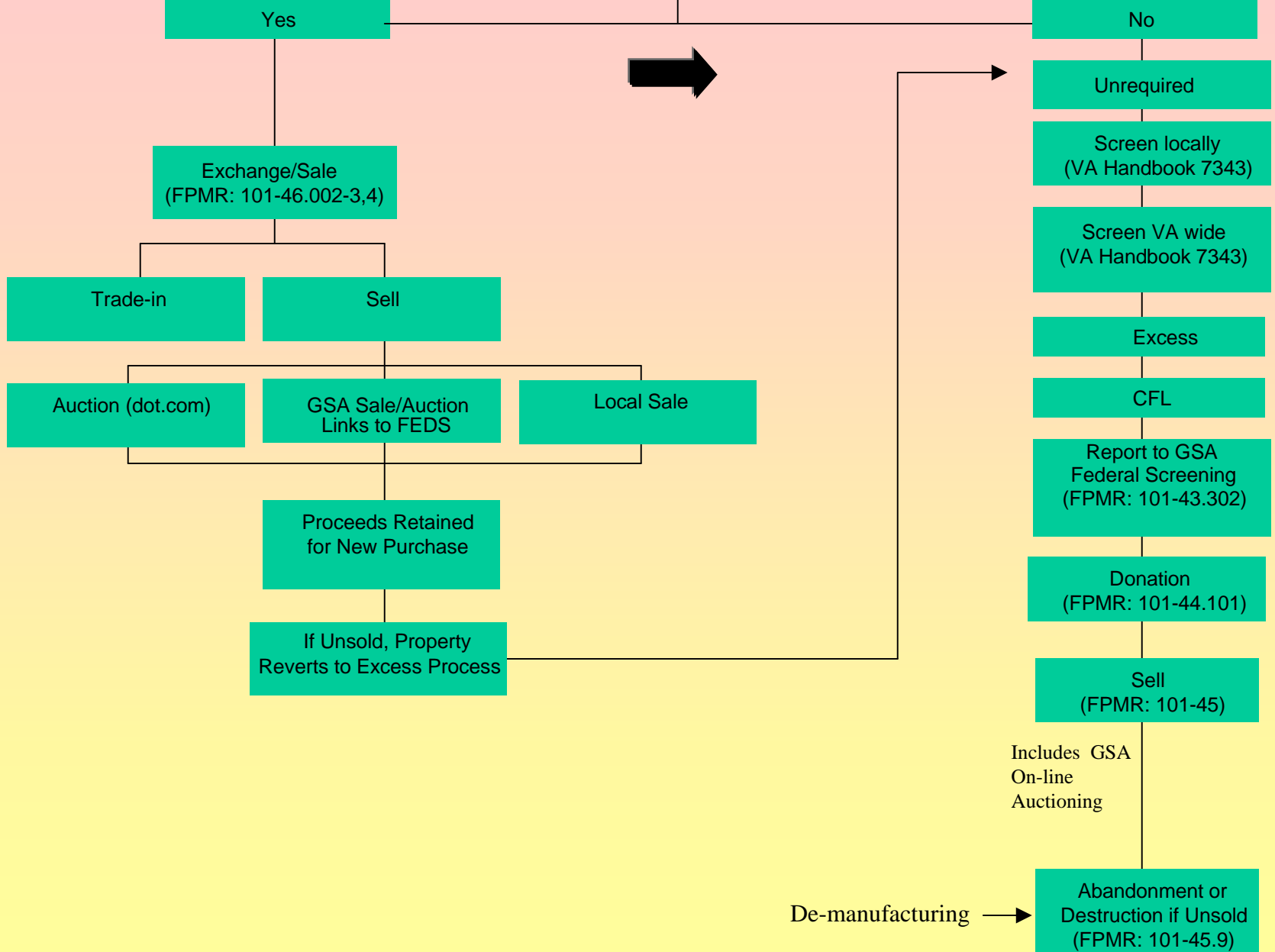
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# IT De-manufacturing Requirements

- Facility Property Management (PM) should coordinate truck loads with other facilities
- PM should coordinate transfer with Bill Bardwell, VACO, Traffic Manager; 202-273-6118
- VACO Traffic Manager will notify UNICOR in advance of delivery

# **Better Solutions Through Acquisitions**

- IT Purchasers need to consider life-cycle of equipment.
- Such considerations need to be implemented during the acquisition planning.

# Federal Acquisition Clause?

- **What can be included in the statements of work or what should manufactures offer in their products?**
  - **Separate data hard drive from operating hard drive?**
  - **Better Erasable hard drives?**