

# **QUALIFIED RECYCLING PROGRAM (QRP)**



**COMDTINST 5090.18  
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U.S. Department of  
Homeland Security

United States  
Coast Guard



Commandant  
United States Coast Guard

US Coast Guard Stop 7714  
2703 Martin Luther King JR Ave SE  
Washington, DC 20593-7714  
Staff Symbol: CG-47  
Phone: (202) 475-5682  
Email: Recycling@uscg.mil

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## COMMANDANT INSTRUCTION 5090.18

Subj: QUALIFIED RECYCLING PROGRAM (QRP)

Ref: (a) Disposition of Certain Material, 14 U.S.C. § 901

1. PURPOSE. This Commandant Instruction establishes the Coast Guard policy, responsibilities, and reporting requirements for establishing a Qualified Recycling Program (QRP) at any CG unit. This program is optional but strongly encouraged.
2. ACTION. All Coast Guard unit commanders, commanding officers, officers-in-charge, deputy/assistant commandants, and chief of headquarter directorates must comply with the policies contained.
3. AUTHORIZED RELEASE. Internet release is authorized.
4. DIRECTIVES AFFECTED. COAST GUARD QUALIFIED RECYCLING PROGRAM (QRP) POLICY, COMDTINST 16477.5 is hereby canceled.
5. DISCUSSION. The QRP is a designated recycling program leveraging legislation that allows incentives for units to limit pollution, reduce waste, and conserve natural resources. QRP proceeds from the sale of recyclable materials may be credited to the unit to finance pollution abatement, energy conservations, and occupational safety and health projects and to help support unit Morale, Well-Being & Recreation (MWR) activities. Management & disposal of solid waste are not covered by this Instruction and information about solid waste or hazardous waste management and disposal may be found in 42 U.S. Code § 6961. This Instruction is not intended to interfere with any existing Coast Guard non-appropriated funds or General Services Administration (GSA) building recycling activities.
6. DISCLAIMER. This guidance is not a substitute for applicable legal requirements, nor is it itself a rule. It is intended to provide administrative guidance for Coast Guard personnel and is not intended nor does it impose legally binding requirements on any party outside the Coast Guard.
7. MAJOR CHANGES. Realigning organizational responsibilities on financial management and recordkeeping, clarifying procedures on units' requests to become an authorized QRP unit, and new reporting dates to align with other fiscal year reporting requirements.

8. SCOPE AND AUTHORITIES. It is recommended the reader become familiar with the directives and publications noted throughout this Instruction and listed as follows:  
Coast Guard Morale, Well-Being & Recreation Manual, COMDTINST M1710.13 (series)  
U.S. Coast Guard Personal Property Management Manual COMDTINST M4500.5 (series)  
Financial Resource Management Manual, COMDTINST M7100.3 (series)  
Civil Engineering Manual, COMDTINST M11000.11 (series)  
Hazardous Waste Management Manual, COMDTINST M16478.1 (series)
9. IMPACT ASSESSMENT. This Instruction formalizes existing personnel roles, duties, and responsibilities, as applicable to the Qualified Recycling Program. The policies in this Instruction have been analyzed by all affected Coast Guard elements and are currently supported by current fund allocations. If specific changes are made to any civilian employee positions or conditions of employment, then the local Commandant (CG-124) specialist will be contacted to determine if there are any local bargaining obligations.
10. ENVIRONMENTAL ASPECT AND IMPACT CONSIDERATIONS. The Office of Environmental Management, Commandant (CG-47) reviewed this Commandant Instruction and the general policies contained within and determined that this policy falls under the Department of Homeland Security (DHS) categorical exclusion A3. This Commandant Instruction will not result in any substantial change to existing environmental conditions or violation of any applicable federal, state, or local laws relating to the protection of the environment. It is the responsibility of the action proponent to evaluate all future specific actions resulting from this policy for compliance with the National Environmental Policy Act (NEPA), other applicable environmental requirements, and the U.S. Coast Guard Environmental Planning Policy, COMDTINST 5090.1 (series).
11. DISTRIBUTION. No paper distribution will be made of this Instruction. An electronic version will be in the Coast Guard Directives System Library internally, and if applicable on the Internet at [www.dcms.uscg.mil/directives](http://www.dcms.uscg.mil/directives).
12. RECORDS MANAGEMENT CONSIDERATIONS. Records created as a result of this Instruction, regardless of format or media, must be managed following the records retention schedule located on the Records Resource Center SharePoint Online site: <https://uscg.sharepoint-mil.us/sites/cg61/CG611/SitePages/Home.aspx> .
13. RECYCLABLE MATERIALS. Recyclable materials are products that have no value other than their basic material content but can be altered through a chemical or physical process and are authorized for disposal by the U.S. Coast Guard Personal Property Management Manual, COMDTINST M4500.5 (series). Any materials that can be reused or repaired to a usable state are not eligible to be sold under this policy. These materials include, but are not limited to paper, glass, newspapers, plastics, cardboard and other packing materials, scrap aluminum and other scrap metal, brass shell casings, food waste, and certain hazardous property such as used oil, spent Aids to Navigation (ATON) and motor vehicle batteries, and unused paints and solvents that are damaged or have expired shelf-life dates. A list of eligible and excluded materials is provided at <https://uscg.sharepoint-mil.us/sites/cg47/sitepages/QRPhome.aspx> .
14. SALES OF RECYCLABLE MATERIALS. Units may sell recyclable materials only if the sale is expected to result in proceeds or benefits (including cost avoidance). All materials

sold must be QRP-eligible recyclable materials from the operations of the unit or its tenants and recognized as recyclable material per Paragraph (13) above. Units are encouraged to pool their recyclable materials with other units to increase sales volume and enhance marketability. Recycling facilities or brokers may be interested in the bulk product and offer a better price when the materials are segregated, compacted, bound, and free of contaminants. The unit will choose the broker that provides the most advantageous sales price to the government and process the sale using the Sale of Government Property, Form SF-114, Bid and Award. As a condition of any sale made under this Instruction, units must require the buyer to deliver funds within 10 business days of the bid award and to remove the paid-for recyclable materials within 15 business days of the sale.

15. SALES EXCEEDING \$5,000. Units may execute sales directly when proceeds from the sale of recyclable materials will not exceed \$5,000 for any one sale (combining all the types of recyclable materials sold). If the sale is anticipated to exceed \$5,000, the unit may not facilitate the sale. Instead, the unit must contact GSA or DLA Disposition Services and request that they conduct the sale following their policies. Prior agreement with GSA or DLA Disposition Services should be made regarding appropriate administrative procedures for Coast Guard retention of sales proceeds. In some cases, GSA may allow units to conduct the sale if prior approval was received from the regional GSA manager.
16. SALES OF HAZARDOUS PROPERTY. The sale of hazardous property may be authorized in certain situations. Since there are inherent risks with selling hazardous property to recyclers, the unit must perform adequate due diligence to comply with the policies within the Hazardous Waste Management Manual, COMDTINST M16478.1 (series) and all applicable federal, state, and local laws and regulations. The unit must receive approval from their servicing environmental office or collateral duty environmental manager to determine if the hazardous property is eligible for resale before conducting the sale.
17. DONATIONS OF RECYCLABLE MATERIALS. Recyclable materials that cannot be sold to a recycling contractor or broker may be donated to a local community or GSA recycling program. This practice may result in increased recyclable stock for the local community as well as a pollution prevention initiative, disposal savings, and cost avoidance for the Coast Guard. The unit must report the donation of property using either Transfer Order Excess Personal Property, Form SF-122, without GSA's approval or Transfer Order Surplus Personal Property, Form SF-123, with GSA's approval.
18. UNIT ELIGIBILITY. Units that dispose of their solid waste (i.e., scrap, garbage, or refuse including recyclable materials) are eligible to become an authorized QRP unit. A unit must be designated, in writing, as an authorized unit by Commandant (CG-47) before benefiting from QRP sale proceeds under this Instruction. Any unit conducting sales under the QRP without an authorization memo signed by Commandant (CG-47) may be required to return all proceeds to the Treasury.
19. UNIT INSTRUCTIONS. The unit CO or OIC must develop a unit QRP instruction to establish a QRP. The unit instruction must describe, at a minimum, personnel duties that support QRP activities, projected types and quantities of materials to be recycled, operational procedures (e.g., storage and handling, identification and disposal of excess personal property, etc.), procedures on tracking and maintaining records for financial

transactions, and establishment of a QRP committee, if required under Paragraph (25). The unit instruction must include procedures for internal controls to ensure management accountability against fraud, waste, misuse, and abuse of personal property. An example of a unit instruction can be found at <https://uscg.sharepoint-mil.us/sites/cg47/SitePages/QRPHome.aspx>.

20. HOST-TENANT UNITS. The host unit usually manages the QRP; however, the host unit may delegate responsibilities to tenants. The QRP must meet applicable requirements established in any host-tenant agreements, including those with DOD installations or non-Coast Guard units. Host-tenant agreements should describe the responsibilities of the host unit and all tenant units for the operation and maintenance of the QRP and the process for disbursing the QRP sale proceeds among all participating units.
21. QRP FINANCIAL MANAGEMENT. The proper management of QRP proceeds is the responsibility of the Commanding Officer (CO) or Officer in Charge (OIC) of the authorized QRP unit. The QRP proceeds must be disbursed in the following order and by Reference (a):
  - a. Proceeds from the sale of recyclable materials must first be credited to funds available for operations and maintenance at the unit in amounts sufficient to cover operations, maintenance, recycling equipment, and overhead costs for processing recycling materials at the unit, see Paragraph (24) below.
  - b. If, after funds are credited, a balance remains available to a unit, not more than 50% of that balance may be used at the unit for projects for pollution abatement, energy conservation, and occupational safety and health activities. The cost of the project may not be greater than 50% of the amount permissible for a minor Procurement, Construction, and Improvement (PC&I) project as defined in the Civil Engineering Manual, COMDTINST M11000.11 (series).
  - c. The remaining balance available may be transferred to the unit's Morale, Well-Being, and Recreation (MWR) program.
  - d. If the balance available to the unit at the end of the fiscal year is more than \$200,000, the amount of that excess must be deposited in the general fund of the Treasury as offsetting receipts of DHS and ascribed to Coast Guard activities.
22. DISBURSEMENT OF QRP SALE PROCEEDS. The unit must remit proceeds from the sale of recyclable materials to the ART/OTHERS FINCEN lockbox within 40 business days of the receipt of funds. If the entire available QRP proceeds will be deposited into the unit's MWR fund, the check may be deposited directly into the unit's MWR account without sending it to the lockbox, but records for all deposits must be maintained for reporting purposes. Any sale exceeding \$5,000 must go through FINCEN for disbursement. While FINCEN may handle the accounting, including receipts and disbursements of the QRP proceeds, disbursement of the QRP funds is done at the direction of the unit's CO or OIC. The unit must provide explicit instructions for the distribution of any QRP proceeds. Tenant units whose recyclables are processed by consolidating with a host unit must coordinate disbursing of their portion of the QRP proceeds with the host unit's command.

23. ACCEPTABLE FORMS OF PAYMENT. Acceptable forms of direct sales payments are bank drafts, cashier's checks, certified checks, traveler's checks, or postal or telegraphic money orders. Due to the risk of compromise and lack of an audit trail, units must not accept cash payments. Electronic funds transfer must be consistent with the unit's Financial Officer requirements. Personal or company checks and credit card payments may be accepted at the discretion of the unit's CO or OIC. Checks received must not be made out to an individual. If certified or cashier's check or money orders will be processed through the FINCEN lockbox it must be made payable to "U.S. Coast Guard."
24. QRP COSTS OF OPERATIONS, MAINTENANCE, AND OVERHEAD FOR PROCESSING RECYCLABLE MATERIALS. Some QRP costs are eligible for reimbursement when funded by the unit Operations & Support (O&S) account. The unit QRP committee, or unit CO or OIC in the absence of a unit QRP committee, must identify the cost as being related to QRP operations, maintenance, or overhead before reimbursement. The following items funded by the unit O&S account are eligible for reimbursement from QRP proceeds:
- a. Labor. Non-appropriated civilian labor costs associated with operating, maintaining, and processing recyclables are eligible. QRP proceeds may not reimburse military personnel or appropriated civilian labor costs.
  - b. Collection, Containers, and Equipment. Containers that collect recyclables, any equipment necessary to collect recyclable materials for transport to a processing center, or any other container and equipment used in the operation of the QRP are eligible for reimbursement.
  - c. Recycling Equipment. QRP equipment maintenance and repair costs, leased QRP equipment costs, and purchasing of equipment used exclusively at the QRP processing location (e.g., balers, forklifts, etc.) are eligible for reimbursement. Acquisition of new or replacement equipment used only for recycling solid waste and the construction of holding bins, sorting platforms, or other recycling facility equipment are also eligible for reimbursement. General building and facility maintenance and renovations are not eligible for reimbursement with QRP proceeds.
  - d. Redistributed Equipment. Units may obtain recycling equipment through DLA Disposition Services and GSAXcess at no cost through distribution. The cost to relocate the equipment is eligible for reimbursement, as well as the operation and maintenance after relocation to the unit.
  - e. Transportation. Transportation costs to dispose of recyclable materials to and from the unit are eligible for reimbursement.
  - f. Miscellaneous. Courses, conferences, training, and other equipment (e.g., computers, scales, scanners) solely used for the efficient operation of the QRP are eligible for reimbursement.
25. QRP COMMITTEE. Units with annual QRP revenues of \$5,000 and greater must establish a QRP committee. Units with annual QRP revenues less than \$5,000 may establish a QRP committee at the discretion of the unit's CO or OIC. The QRP committee consists of the

unit's Deputy, Executive Officer or Executive Petty Officer, unit's QRP manager, unit's Funds Manager, and at least one additional member designated as the Budget Officer, Master-at-Arms, Accountable Property Officer, Environmental Manager, Safety Officer, Morale Officer, or other related responsibility. The QRP committee will recommend how to allocate QRP proceeds per Paragraph (21) above and provide oversight on identifying permissible QRP operational expenses per Paragraph (24) above. The unit's CO or OIC will establish the process for making the final disbursing decision per Paragraph (31.a).

26. RECORDS AND RECORDKEEPING. All authorized QRP units must maintain records of QRP recycling activities including recycled materials collected, cost avoidance (see Paragraph (28) below), and proceeds received from sales. This information must include documentation of all sales notice bids, sales agreements, donations, and disbursement of proceeds. Financial records required to support effective program management audit requirements include direct sale records and QRP cost documentation defined in Paragraph (27) below. All QRP records must be maintained for 6 years and 3 months from the date of sale.
27. DIRECT SALE RECORDS AND COST DOCUMENTATION. Direct sale records must contain the recyclable material description, sale price, sale date, payment receipt date, the weight of recyclable material sold, list of bidders (if applicable), buyer, and date the material was picked up. QRP cost documentation includes expense records, receipts, proposals, etc., for QRP operation and maintenance described in Paragraph (24) above.
28. COST AVOIDANCE CALCULATION. The cost avoidance is calculated by multiplying the weight of the material the unit diverted through recycling by the fee the unit's waste hauler charges to bring the solid waste to the landfill. The cost avoidance from recycling must be included in the QRP Annual Report required in Paragraph (29).
29. REPORTING. Authorized QRP units must submit a QRP annual report to Commandant (CG-47) no later than 31 October for the previous fiscal year (01 October to 30 September) detailing the unit's recycling activities (e.g., weights and types of material recycled, sale values, proceed disbursement, etc.). Report data will be used to measure the Coast Guard's recycling program metrics, demonstrate financial accountability, and develop the DHS report to Congress. Failure to submit the required annual report may result in the cancellation of the unit's designation as an authorized QRP unit. Annual reports are required even if no QRP sales occurred. Authorized QRP units must also report the QRP proceeds for the fiscal year in the GSA Year End Reporting System (GSA YERS) located on the FINCEN POD SharePoint Site at [https://cg.portal.uscg.mil/communities/cgcc/SitePages/GSA\\_YERS\\_SitePage.aspx](https://cg.portal.uscg.mil/communities/cgcc/SitePages/GSA_YERS_SitePage.aspx) and quarterly as Item 4, Other Receipts/Income, of the Morale Fund Financial Statement CG-2985.
30. MAINTAINING AN ACTIVE QRP. The unit must notify Commandant (CG-47) of a new QRP manager if personnel changes occur by submitting a new designation memo or collateral duty list. The unit's CO or OIC must review the unit instruction every five years or because of a change of command, whichever is sooner. The unit's CO or OIC will notify Commandant (CG-47) at [Recycling@uscg.mil](mailto:Recycling@uscg.mil) of the review and provide a new unit instruction if any changes were made.

31. ROLES AND RESPONSIBILITIES. Personnel responsible for the establishment and management of the QRP include:
- a. Unit COs or OICs. The unit CO or OIC is ultimately responsible for ensuring the unit's entire QRP operation follows the requirements of this Instruction and any host-tenant agreements. The unit CO or OIC establishes a unit QRP by developing a unit instruction per Paragraph (19) above and designates in writing a unit QRP manager and personnel authorized to conduct QRP direct sales and award sales agreements. The unit CO or OIC establishes a QRP committee and committee chair, if required by Paragraph (27) above, and establishes an appropriate process for approving QRP committee recommendations.
  - b. Unit QRP Manager. The unit QRP Manager runs the unit QRP operation to ensure compliance with this Instruction and any host-tenant agreements; maintains auditable, accurate, organized, and detailed records to confirm that all QRP proceeds are disbursed per Paragraph (23) above; supports reconciliations of reimbursement of operational costs or funding environmental projects; and submits the annual report to Commandant (CG-47) per Paragraph (29) above.
  - c. Unit QRP Committee. Where established, the unit QRP Committee meets at least annually to make recommendations for procuring recycling equipment, reviews the recycling annual report prepared for Commandant (CG-47), reviews and recommends approval of recycling operation improvement projects, and proposes the use of net recycling funds, if any.
  - d. Unit Funds Manager. The unit Funds Manager manages all QRP financials, confirms all unit QRP net proceeds are properly reported and processed per the QRP Committee recommendations and unit command approval, and manages reimbursement of unit operation and maintenance QRP expenditures. The unit Funds Manager must confirm that projects considered for local funding with QRP proceeds are not included in a normal military construction program.
  - e. Unit Morale Officer. The Morale Officer deposits all proceeds under Paragraph (21.c) of this Instruction into the unit's MWR bank account per the Coast Guard Morale, Well-being, and Recreation Manual, COMDTINST M1710.13 (series); provides a receipt of deposit to QRP Manager; and includes the QRP proceeds in Item 4, Other Receipts/Income, of the Morale Fund Financial Statement, CG-2985.
  - f. Office of Environmental Management (CG-47). Commandant (CG-47) reviews and approves all unit requests for the establishment of a unit-level QRP. Commandant (CG-47) maintains this Instruction to accurately reflect all current federal regulations, and other applicable authorities; Executive Orders (EOs); DHS Directives; and Coast Guard goals and objectives. Commandant (CG-47) reviews and approves before issuance all new or substantive revisions to QRP-related policy; tactics, techniques, and procedures (TTP); process guides; and training developed by other Coast Guard programs, organizational elements, or units to confirm they align with, are consistent with and support this Instruction and Reference (a). Request for Commandant (CG-47) review and approval of other environmental planning policies, procedures, guidance, and training programs must be sent to [HQS-SMB-CG-47-POLICYREVIEW@uscg.mil](mailto:HQS-SMB-CG-47-POLICYREVIEW@uscg.mil)



Commandant (CG-47) monitors and evaluates compliance with Coast Guard QRP requirements and responsibilities and identifies deficiencies and associated risks

Commandant (CG-47) designates the database of record to contain required information and documents related to QRP management; established program priorities and, as appropriate, defines the strategy to achieve conformance; and provides written reports to DHS during annual and intermediate data calls.

- g. Office of Financial Policy, Reporting, and Property (CG-84). Commandant (CG-84) reviews and approves all unit requests for the establishment of a unit-level QRP and ensures all authorized QRP units report fiscal proceeds in GSA YERS. Commandant (CG-84) evaluates this Instruction to ensure compliance with Coast Guard financial management policy, directives, and procedures and provides input for external audit and review activities related to QRP financial transactions.
  - h. USCG Finance Center (FINCEN). FINCEN deposits and disburses QRP proceeds as requested by the authorized QRP unit's CO or OIC and maintains desk procedures for the handling, reconciliation, and reporting of QRP transactions received through the lockbox or IPAC.
  - i. Community Services Command (CSC). CSC evaluates this Instruction to ensure compliance with Coast Guard Morale, Well-Being, and Recreation policies, directives, and procedures and provides input for audit and review of activities related to QRP financial transactions. CSC ensures all authorized QRP units report quarterly QRP income in Item 4, Other Receipts/Income, of the Morale Funds Financial Statement, CG-2985 (this may be delegated down to the cognizant authority).
  - j. Judge Advocate General and Chief Counsel (CG-094) and Legal Services Command (LSC). Commandant (CG-094) and LSC support unit COs and OICs with advice on issues associated with QRP operations and management, including interpretation and application of requirements applicable to QRP operations and management codified in regulations and administrative codes.
32. FORMS AND REPORTS. The forms referenced in this Instruction are available on the Coast Guard Standard Workstation or on the Internet: [www.dcms.uscg.mil/Our-Organization/Assistant-Commandant-for-C4IT-CG-6/The-Office-of-Information-Management-CG-61/Forms-Management/](http://www.dcms.uscg.mil/Our-Organization/Assistant-Commandant-for-C4IT-CG-6/The-Office-of-Information-Management-CG-61/Forms-Management/) .
33. SECTION 508. This Instruction was created to adhere to Accessibility guidelines and standards as promulgated by the U.S. Access Board. If changes are needed, please communicate with the Coast Guard Section 508 Program Management Office at [Section.508@uscg.mil](mailto:Section.508@uscg.mil) .

34. REQUESTS FOR CHANGES. Units and individuals may formally recommend changes through the chain of command using the Coast Guard Memorandum. Comments and suggestions from users of this Instruction are welcomed. All such correspondence may be emailed to Commandant (CG-47) at [Recycling@uscg.mil](mailto:Recycling@uscg.mil).

/C. J. LIST/  
Rear Admiral, U.S. Coast Guard  
ASSISTANT COMMANDANT FOR  
ENGINEERING AND LOGISTICS