

THE GAP BETWEEN LOGISTICS AND COMPLIANCE

...AND HOW GM-ESG FILLS IT



JESSICA I. MARSCHALL, CPA, ISA AM

DECEMBER 8TH, 2025

Introduction: The Integrated Challenge of Asset Disposition

In today's demanding regulatory and sustainability environment, companies managing large inventories, facility decommissions, or property dispositions face a fundamental struggle. A significant operational gap exists between two critical functions:

1. Logistics: The physical movement, storage, handling, and clearing of assets.
2. Compliance: The required ESG reporting, tax and valuation documentation, carbon accounting, and regulatory disclosures.

Historically, these functions have been treated as separate concerns. Logistics teams focus on clearing space, while compliance teams focus on paperwork. The result of this misalignment is often inefficiency, lost financial value, unnecessary landfill waste, and heightened audit risk.

GM-ESG was built specifically to close this gap. By integrating logistics, valuation, compliance, and ESG transparency into one coordinated workflow, we transform asset disposition from a logistical headache into a strategic value driver.

The stakes are significant. Through The Green Mission Inc. and GM-ESG, our integrated approach facilitates approximately \$90 million annually in qualified charitable deductions for clients—representing an estimated \$25–30 million in tax savings—while diverting an estimated 3,000 tons of reusable building materials from landfills each year.





Case in Point: Historic Home Renovation

A homeowner undertaking a full renovation of a 4,500-square-foot historic property in the Mid-Atlantic region faced the decision of how to handle high-quality original materials, including custom cabinetry, solid wood doors, vintage hardware, and professional-grade appliances.

Traditional demolition would have sent everything to the landfill at a cost of approximately \$12,000, with no financial recovery and no environmental benefit.

GM-ESG's integrated approach delivered:

- \$168,000 in IRS-qualified charitable deductions
- Estimated 6.5 tons of materials diverted from the landfill
- Donation placement with three verified nonprofit partners
- Complete appraisal documentation meeting USPAP and IRS Regulation §1.170A-13(c) requirements
- ESG impact summary quantifying carbon savings and community benefit

The project converted a disposal cost into significant tax savings while supporting the donor's personal sustainability goals.



Why the Gap Exists



The functional division between physical operations and reporting requirements creates a costly chasm for modern organizations. This gap persists for four primary reasons:

1. Fragmented Systems and Siloed Teams

Most organizations operate with strict silos. Logistics teams are incentivized to move materials quickly (warehousing, transport, clearing properties), while compliance teams are incentivized to document accurately. Without a unified system, critical data points (such as asset age, condition, provenance, or chain of custody) are frequently lost during the physical hand-off or never captured at all.

2. Increasing Regulatory and ESG Scrutiny

Investors, regulators, and customers now demand unprecedented transparency regarding environmental and social impacts. Supply chain operations related to asset movement, storage, and disposal are subject to rigorous ESG-related review, including expectations for waste diversion, carbon emission tracking, and social impact. The SEC's climate disclosure rules and evolving state-level ESG mandates have only accelerated this trend.

3. The Valuation and Compliance Disconnect

When companies donate, liquidate, or retire assets, they often lack defensible valuations aligned with compliance requirements (such as charitable deduction rules under IRC §170 or audit standards). Standard logistics teams do not generate this specialized, audit-ready data, leaving finance teams without the necessary support for tax filings and general valuation data. Companies want to know the carbon and landfill metrics as well as the underlying valuation of the assets both at procurement and at disposal. Identifying the quick depreciation of assets aides with procurement planning and better cost-savings strategy.

4. Operational Complexity and Risk

Every step involved in physical disposal or donation introduces compliance risk—including potential loss of assets, incomplete documentation, or misreported ESG outcomes, as well as lack of valuation data that is tied to carbon metrics. This complexity often drives companies to choose the path of least resistance: discarding usable materials or executing donations without the documentation needed to claim tax benefits or ESG credit.



How GM-ESG Fills the Gap

GM-ESG bridges the divide by offering a fully integrated system that connects physical handling with valuation, compliance, and ESG reporting in a single, auditable workflow.

Our Core Integrated Services

Decommission and Reuse Program Management

We manage full-scale decommissioning for companies closing, relocating, or consolidating facilities. This includes onsite assessments, inventory, selective salvage, and routing materials to reuse, resale, or donation partners.

Logistics Coordination for Diversion

We coordinate the logistics for nonprofit donation and reuse, ensuring materials that might otherwise be discarded are successfully diverted from landfills. Our network includes over 200 verified nonprofit partners nationwide.

IRS-Qualified Valuation Support

We provide the IRS-qualified appraisals and valuation support required for charitable contribution deductions, ensuring compliance and maximizing tax benefits. All appraisals adhere to USPAP standards and IRS requirements under Regulation §1.170A-13(c).

Quantifiable ESG Reporting

We produce reporting outputs that quantify waste diversion, carbon savings, and social impact, mapping these outcomes to recognized ESG frameworks including GRI, SASB, and CDP.

Unified Auditable Workflow

We unify economic value, compliance requirements, and environmental outcomes in a single system, providing complete transparency and audit-ready documentation.



The Benefits of Integration

By replacing fragmented vendors with a unified model, GM-ESG transforms disposal into a verifiable recovery process.

Benefit Category	Key Outcomes
Financial Value	Recovery of financial value through resale, liquidation, or substantiated charitable deductions.
Environmental Impact	Significant reduction in landfill waste and reliable tracking of carbon savings.
Compliance & Risk	Strong support with verified, audit-ready documentation for tax and regulatory requirements.
Operational Efficiency	Simplified operations through a single partner managing every step, from salvage to final reporting.

Why Standalone Solutions Fail

The traditional approach relies on separate, disconnected vendors. This fragmentation guarantees data loss and compliance risk:

- Logistics Firms typically do not maintain compliance, valuation, or ESG documentation systems.
- Compliance or ESG Consultants typically do not manage physical asset handling or chain of custody.
- Donation Marketplaces often facilitate transactions but fail to provide qualified appraisals, compliance analysis, or detailed ESG reporting.

Because no single provider in the traditional model manages the entire cycle from logistics to compliance, data gaps emerge. Documentation becomes unreliable, and significant ESG or tax-related opportunities are lost. GM-ESG eliminates these gaps to deliver one continuous, verifiable process.

How GM-ESG Works in Practice

We convert asset removal from a cost center into a value-producing, environmentally aligned operation through a six-step process:

1. Pre-Decommission Assessment: Onsite inventory and condition grading to identify reusable assets.
2. Salvage and Deconstruction: Selective material recovery to maximize the pool of usable inventory.
3. Logistics Management: Coordinated transport, warehousing, resale, or donation placement.
4. Valuation and Appraisal: Services that adhere to strict IRS and audit standards (USPAP).
5. ESG Measurement: Calculation of carbon savings, landfill diversion, and social impact.
6. Compliance Delivery: A complete compliance package including donation receipts, valuation files, chain of custody reports, and ESG metrics.

Case in Point: Corporate Headquarters Relocation

A Fortune 500 financial services company relocating its corporate headquarters faced the challenge of disposing of furniture, fixtures, and equipment from a 400,000-square-foot facility. Traditional disposal would have resulted in landfill costs exceeding \$180,000 with no financial recovery.

GM-ESG's integrated approach delivered:

- 94% landfill diversion rate
- \$1.2 million in qualified charitable deductions
- 847 tons of materials diverted to nonprofit partners
- Complete ESG documentation for the company's annual sustainability report
- Full audit trail satisfying both internal compliance and external reporting requirements



The gap between logistics and compliance leads to wasted resources, lost tax opportunities, environmental harm, and higher audit risk.

As ESG reporting and regulatory pressures intensify, companies need systems that unify physical operations with compliance-ready documentation. GM-ESG provides that structure. For companies seeking to transform decommissioning, donation, and disposal into a compliant and sustainable value recovery process, GM-ESG delivers the operational capacity and the rigorous documentation needed to support the modern circular economy.

About the Author

Jessica I. Marschall, CPA, ISA AM, is President and CEO of GM-ESG and The Green Mission Inc, as well as her tax practice MAS LLC and Probitry Appraisal Group. With over 26 years of experience in tax advisory and asset valuation, she and the team at The Green Mission Inc complete hundreds of deconstruction appraisals per year and serves clients nationwide. She is an accredited personal property appraiser through the International Society of Appraisers and is a CPA of 26 years.

For inquiries, contact us:

Website	Email	Phone
www.GM-ESG.com	Info@TheGreenMissionInc.com	540-322-3884

