

## CHAPTER 8

### ABANDONMENT OR DESTRUCTION

#### A. GENERAL

1. This chapter prescribes general policies on the disposition of nonhazardous surplus and FEPP by A/D, or donation instead of A/D. A/D actions must consider the provisions of Chapter 4, Property Requiring Special Processing, Chapter 9, Disposal of FEPP, and Chapter 10, Environmentally Regulated and Hazardous Property.

2. Generating activities are responsible for the disposition of refuse and trash (see Chapter 3; Receipt, Handling and Accounting), therefore, this chapter does not apply to refuse and trash.

3. A/D shall be accomplished in a manner which will not be detrimental or dangerous to public health, safety, or the environment; will not infringe upon the rights of others; or will not violate country-to-country agreements.

#### B. CRITERIA

##### 1. A/D Officer and Witnessing Party

a. The cognizant Service or agency shall appoint an individual to serve as the A/D Officer. This individual must be conversant with applicable publications; and, in compliance, develop required supportive findings; and sign A/D certifications. This individual may not be the accountable officer, the responsible property officer, or serve as a witnessing party to A/D actions.

b. Witnessing Party. This individual shall attest to having observed the actual accomplishment of A/D action. The witnessing party will normally not be involved in the receipt, classification, or accounting of property.

2. Property may not be abandoned or destroyed unless one or more of the following conditions are met.

a. A finding is made and documented which indicates A/D is proper for considerations of health, safety, security, or the environment. These findings shall include a written statement from the pertinent official having responsibility in these areas of operation.

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b. Material cannot be reutilized, transferred, donated, or sold because of prohibition imposed by U.S. or host country law, DoD policy, or Military Service regulation such as classified material, radioactive waste, thermal batteries, DoD inspection stamps, and devices. Generating activities are responsible for processing such items in accordance with this manual.

c. Donation has been determined and documented to be infeasible. This shall include a statement that donation is not feasible and rationale for the finding and the property has no sale potential. If at any time before actual A/D, donation of the property becomes feasible, donation action shall be taken unless otherwise specifically prohibited.

d. The property has no commercial value. "No commercial value" means the property has neither utility or monetary value (either as an item or as scrap). Examples of property with no commercial value are: Broken glass; broken vitreous china; and items such as expended electric light bulbs, air filters, and dust cloths. These valueless items may be disposed of by generating activities as refuse and trash. When this type of property has been picked up on a DRMO account, it may be processed for A/D.

e. Sale of the property is uneconomical; that is, when the estimated costs of the continued care and handling of the property exceed the estimated proceeds of sale, and providing the estimated cost of disposal by A/D is less than the net sales cost. The economic feasibility is computed by using the economy formula contained in Attachment 1, this chapter.

3. Property may not be A/D without confirmation that necessary DEMIL has been completed and certified.

4. The accountable activity shall document all actions. The finding shall be entered on (space permitting), or attached to, the DD Form 1348-1A, which shall be used to credit the account for property being A/D. The written statement shall clearly identify the property being proposed for A/D, and shall contain a recommended course of action for disposition of the property in question. The DD Form 1348-1A shall cite the NSN (if applicable), description, quantity, condition code, unit and total cost, and, if the situation warrants, location of the property.

### **C. PUBLIC NOTIFICATION REQUIREMENTS**

1. Property may not be A/D until after public notice of the proposed A/D has been given. (NOTE: GSA has granted DRMS a waiver to this requirement.) The following are exceptions to the requirement for public notice:

a. A/D is required due to health, safety, security, or environmental considerations; or, disposal by reutilization, donation, or sale is prohibited by U.S. law, DoD policy, or Military Service regulations.

b. The value of the property is so little or the cost of its care and handling is so great that its retention for donation or sale is clearly not economical. Whenever the line item value of property proposed to be A/D at any one location or at any one time has an original acquisition cost (estimated if unknown) of less than \$500, immediate A/D is justified.

c. Property having no commercial value as explained in paragraph B2d.

d. FEPP to be A/D without public notice shall be processed in the same manner as prescribed above, if this course of action is not in conflict with existing country-to-country agreements, DoD 5105.38-M, and Unified Command Supplement.

2. The public notice for the A/D of surplus property may include, but is not limited to, the media, such as, newspapers, posters in Federal buildings, local radio announcements. The notice shall be given in the area in which the property is located; it shall contain a general description of the property to be A/D, and shall include an offering of the property for sale. A sample of a poster which may be used for posting in Federal buildings is contained in attachment 2, this chapter. The public notice should be posted a minimum of 7 calendar days before the beginning of A/D.

#### **D. FEPP**

1. With the exception of property requiring DEMIL or property dangerous to public health, safety, and the environment, FEPP with no sales potential may be donated to organizations specified below, upon proper findings that the property is donable. Assistance in obtaining information on the activities or organizations unknown or not familiar to the installation concerned should be requested from the local representative of the DoS. Preference shall be given to eligible donees in the order listed below. Donations may be accomplished without cost to:

a. Any organization, institution, or agency of the U.S. Government.

b. Any organization, institution, or agency of any friendly foreign government or local subdivision thereof.

c. Any nonprofit scientific literary, educational, public health, public welfare, charitable institution; any hospital or similar institution, organization, or association in a friendly country, if its activities are not adverse to the interests of the United States. Written request from a donee shall include, as a minimum, a brief statement of its activities, general information as to the use to be made of the requested property, and a statement that the property is needed and is being acquired for such purposes and may not be resold or put to any other use. Donations may be made to foreign nonprofit institutions, but preference shall be given to those organized under the

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laws of the United States or any territory, state, or possession thereof, and supported in whole or in part through use of funds raised chiefly from sources in the United States, its territories, or possessions.

2. The advice of the local representative of the DoS shall be obtained as to how donation of FEPP shall be made so as to serve the U.S. foreign policy interests and objectives in the area. Local arrangements between representatives of the DoS and the DoD should be sufficiently flexible to permit advice covering donation of FEPP on a continuing basis, subject to periodic review as necessary, rather than on a case-by-case review. The advice of the representative of the DoS shall be given consideration in reaching a decision as to the recipient of the property to be donated.

### **E. APPROVAL AND CERTIFICATION REQUIREMENTS**

#### **1. Approvals**

a. Each line item of surplus or FEPP proposed to be disposed of by A/D must be approved by the installation commander in the case of a generating activity, or the DRMO Chief.

b. In reaching a decision, consideration shall be given to the quantity, condition, location, and type of property involved, market conditions, past experience from attempts to sell similar property under similar conditions, either competitively or by negotiation, and any other factors having a bearing on the sale of such property. The composition and content of the reviewing authority document may vary to conform to local practice. It must, however, indicate approval of the recommended disposal action or furnish alternate instructions as to means by which disposition of the property shall be accomplished.

c. Items which have been downgraded to scrap by the DRMO shall be regarded in terms of the item's original acquisition cost except in cases of MLIs which have been reduced to scrap as the result of DEMIL, or except where destruction has been directed under a provision in Chapter 4, Property Requiring Special Processing.

#### **2. Approval of the Method of A/D**

a. Approval must be obtained from the appropriate installation official as to the method to be used, if A/D is to be accomplished on the installation's real estate. Where the proposed A/D action involves only innocuous property and the proposed method has been previously coordinated with the installation (such as, by letter, ISA, or MOU) the requirement of the preceding sentence shall be considered as satisfied.

b. Approval of the appropriate host government official must be obtained before ultimate disposal of FEPP on foreign soil, exclusive of U.S. installation landfills.



## **ECONOMY FORMULA**

### **Reference: Chapter 8, Paragraph B2e**

1. In order to provide a means of determining if the estimated cost of care and handling may exceed the estimated proceeds of sale, the economy formula shall be applied to those items of property whose sale value is questionable.

a. Exceptions to the Application of the Economy Formula

(1) All items containing significant recoverable quantities of strategic and critical materials shall be processed in accordance with Chapter 4, Property Requiring Special Processing.

(2) All items containing recoverable quantities of precious metals shall be processed in accordance with Chapter 4 and Chapter 11, PMRP.

(3) Whenever the line item value of property proposed to be A/D at any one location or at any one time has an original acquisition cost (estimated, if unknown) of less than \$500, its immediate A/D is justified.

b. "Care and handling" includes preserving, protecting, storing, handling, transporting, and preparing the item for sale; and, in the case of property which would be dangerous to public health or safety, rendering innocuous such property in order to accomplish its sale. The formula is computed as follows.

(1) Estimate the gross sale value of the property, based upon previous experience, advice of reliable merchants or specialists, etc.

(2) Estimate collection, segregation, and processing costs.

(3) Estimate other sale preparation and sale costs, exclusive of direct supervisory and administrative overhead.

(4) Compute direct sale overhead at 15 percent of subparagraph 1b(3).

(5) Formula: 1b(1) minus (1b(2) plus 1b(3) plus 1b(4)) equals estimated net sale value.

2. When salvageable material and worthless refuse can be picked up on the same load by one truck and the segregation maintained to the delivery point, the cost of collection shall be considered insignificant and shall be disregarded. Substantial differences in the cost of collection shall be taken into account.

3. When the net sale value determined as a result of the economy formula shows a plus figure, the items shall be processed for disposition by sale. When it shows a minus figure, the net sale value shall be compared with the estimated cost of disposal by A/D. If the estimated cost of disposal by A/D is less than the net sale value figure, the items shall be abandoned or destroyed. If the estimated cost of disposal by A/D exceeds the net sale value figure, the items shall be processed for disposition by sale, even though the net sale value shows a minus figure.

4. Economy formula results shall be kept current and on file by DRMOs, for such inspection and audit as may be appropriate. Items shall be retested annually or following any marked change in any of the factors included in the formula, whichever occurs first.

**PUBLIC NOTICE**

1. NOTICE is hereby given that the (name of activity) proposes to initiate abandonment or destruction procedures for the following surplus Government property:

Item Name: \_\_\_\_\_

General Description: \_\_\_\_\_  
\_\_\_\_\_

NSN: \_\_\_\_\_

Quantity: \_\_\_\_\_

Condition: \_\_\_\_\_

Unit of Issue: \_\_\_\_\_

Total Acquisition Cost: \_\_\_\_\_

2. Beginning on \_\_\_\_\_, until close of business (three (3) workdays), the (Date)  
(date)  
above property shall be available for donation to public bodies. Property remaining after  
\_\_\_\_\_ shall be available for removal on a first-come, first-served basis to the general  
(date)  
public until the close of business, (eight (8) workdays). After this date, \_\_\_\_\_, all  
(date) (date)  
remaining property shall be abandoned or destroyed in accordance with applicable U.S.  
Government regulations.

3 This property is available for inspection at \_\_\_\_\_, \_\_\_\_\_  
\_\_\_\_\_ (location) (host)  
from \_\_\_\_\_ to \_\_\_\_\_, Monday through Friday, excluding holidays.  
(hour) (hour)

4. Notwithstanding the above, commencing with the posting of this notice and so long as the property is available, the U.S. Government shall consider the sale of all or any portion of this property to any or all interested parties on a first-come, first-served basis.

5. Interested parties are invited to contact: \_\_\_\_\_  
(name)  
at \_\_\_\_\_ \_\_\_\_\_ \_\_\_\_\_  
(telephone) (address) (hours available)