



Department of Defense MANUAL

NUMBER 4160.21, Volume 3
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USD(AT&L)

SUBJECT: Defense Materiel Disposition: Reutilization, Transfer, and Sale of Property

References: See Enclosure 1

1. PURPOSE

a. Manual. This manual is composed of several volumes, each containing its own purpose. In accordance with the authority in DoD Directive (DoDD) 5134.12, DoD Instruction (DoDI) 4140.01, and DoDI 4160.28 (References (a), (b), and (c)), this manual prescribes uniform procedures for the disposition of DoD personal property and establishes the sequence of processes for the disposition of personal property of the DoD Components.

b. Volume. This volume of this manual:

(1) Implements policy for reutilization, transfer, excess property screening, and issue of surplus property and foreign excess personal property (FEPP), scrap released by qualified recycling programs (QRPs), and non-QRP scrap.

(2) Provides guidance for removing excess material through security assistance programs and foreign military sales (FMS).

(3) Provides detailed instructions for the sale of surplus property and FEPP, scrap released by QRPs, and non-QRP scrap.

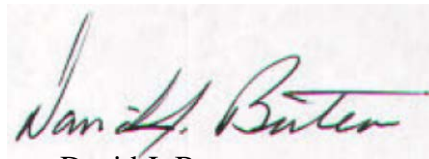
2. APPLICABILITY

a. This volume applies to OSD, the Military Departments, the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities within the Department of Defense (referred to collectively in this volume as the "DoD Components").

b. Parts 101 and 102 of Title 41, Code of Federal Regulations (CFR), also known as the

Federal Property Management Regulation and Federal Management Regulation (FPMR and FMR) (Reference (d)), and subtitle I of Title 40, United States Code (U.S.C.), also known as “Federal Property and Administrative Services Act” (Reference (e)), take precedence over this manual if a procedural conflict exists.

3. POLICY. It is DoD policy consistent with Reference (d) that excess DoD property must be screened and redistributed among the DoD Components, and reported as excess to the General Services Administration (GSA). Pursuant to section 701 of Reference (e), DoD will efficiently and economically dispose DoD FEPP.
4. RESPONSIBILITIES. See Enclosure 2.
5. PROCEDURES. See Enclosures 3 to 5.
6. INFORMATION COLLECTION REQUIREMENTS. The annual report on public sale of items on the U.S. Munitions List (USML) referenced in section 18 of Enclosure 3 of this volume is submitted to Congress in accordance with section 2582 of Title 10, U.S.C (Reference (f)) and is coordinated with the Assistant Secretary of Defense for Legislative Affairs in accordance with the procedures in DoDI 5545.02 (Reference (g)).
7. RELEASABILITY. **Cleared for public release.** This volume is available on the Internet from the DoD Issuances Website at <http://www.dtic.mil/whs/directives>.
8. EFFECTIVE DATE. This volume is effective October 22, 2015.



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Enclosures

1. References
2. Responsibilities
3. Sale of Surplus and FEPP, Scrap Released By QRPs, and Non-QRP Scrap
4. Security Assistance or FMS
5. Reutilization or Transfer, Excess Screening, and Issue (Includes Donation of DLA Disposition Services Assets)

Glossary

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ENCLOSURE 1

REFERENCES

- (a) DoD Directive 5134.12, "Assistant Secretary of Defense for Logistics and Materiel Readiness (ASD(L&MR))," May 25, 2000, as amended
- (b) DoD Instruction 4140.01, "Supply Chain Materiel Management Policy," December 14, 2011
- (c) DoD Instruction 4160.28, "DoD Demilitarization (DEMIL) Program," April 7, 2011
- (d) Title 41, Code of Federal Regulations
- (e) Title 40, United States Code
- (f) Title 10, United States Code
- (g) DoD Instruction 5545.02, "DoD Policy for Congressional Authorization and Appropriations Reporting Requirements," December 19, 2008
- (h) DoD 4160.28-M, Volume 1, "Defense Demilitarization: Program Administration," June 7, 2011
- (i) DoD 4160.28-M, Volume 2, "Defense Demilitarization: Demilitarization Coding," June 7, 2011
- (j) DoD 4160.28-M, Volume 3, "Defense Demilitarization: Procedural Guidance," June 7, 2011
- (k) DoD Instruction 4140.62, "Material Potentially Presenting an Explosive Hazard (MPPEH)," August 20, 2015
- (l) DoD Instruction 2030.08, "Implementation of Trade Security Controls (TSC) for Transfers of DoD Personal Property to Parties Outside DoD Control," February 19, 2015
- (m) Title 31, United States Code
- (n) Title 48, Code of Federal Regulations
- (o) Federal Acquisition Regulation, current edition
- (p) DoD Directive 3230.3, "DoD Support for Commercial Space Launch Activities," October 14, 1986, as amended
- (q) Title 50, United States Code
- (r) DoD Manual 4140.01, "DoD Supply Chain Materiel Management Procedures," February 10, 2014
- (s) Title 15, Code of Federal Regulations
- (t) Defense Logistics Manual 4000.25-1, "Military Standard Requisitioning and Issue Procedures (MILSTRIP)," June 13, 2013
- (u) Title 22, United States Code
- (v) Title 22, Code of Federal Regulations
- (w) Executive Order 12549, "Debarment and Suspension," February 18, 1986
- (x) Executive Order 12689, "Debarment and Suspension," August 16, 1989
- (y) Defense Federal Acquisition Regulation Supplement, current edition
- (z) Title 5, United States Code
- (aa) DoD 7000.14-R, "Department of Defense Financial Management Regulations (FMRs)," date varies by volume
- (ab) DoD Instruction 4715.4, "Pollution Prevention," June 18, 1996, as amended

- (ac) Executive Order 13514, “Federal Leadership in Environmental, Energy, and Economic Performance,” October 5, 2009
- (ad) Title 51, United States Code
- (ae) Defense Security Cooperation Agency 5105.38-M, “Security Assistance Management Manual (SAMM),” April 30, 2012¹
- (af) Defense Transportation Regulation 4500.9-R, “Defense Transportation Regulations,” current edition²
- (ag) DoD Directive 5105.22, “Defense Logistics Agency (DLA),” May 17, 2006
- (ah) DoD Directive 5230.20, “Visits and Assignments of Foreign Nationals,” June 22, 2005
- (ai) Office of Management and Budget Circular A-76, “Performance of Commercial Activities,” May 29, 2003
- (aj) Title 49, Code of Federal Regulations
- (ak) Title 42, United States Code
- (al) Executive Order 12999, “Educational Technology: Ensuring Opportunity for All Children in the Next Century,” April 17, 1996
- (am) Title 29, Code of Federal Regulations
- (an) Title 40, Code of Federal Regulations
- (ao) Title 26, United States Code
- (ap) Defense Logistics Manual 4000.25-2, “Military Standard Transaction Reporting and Accounting Procedures (MILSTRAP),” June 13, 2012, as amended

¹ See URL <http://www.samm.dsca.mil/listing/authorization-letter>

² Reference found at website http://www.transcom.mil/dtr/part-ii/dtr_part_ii_app_e.pdf

ENCLOSURE 2

RESPONSIBILITIES

1. ASSISTANT SECRETARY OF DEFENSE FOR LOGISTICS AND MATERIEL READINESS (ASD(L&MR)). Under the authority, direction, and control of the Under Secretary of Defense for Acquisition, Technology, and Logistics (USD(AT&L)), and in accordance with Reference (a), the ASD(L&MR):
 - a. Develops DoD materiel disposition policies, including policies for FEPP.
 - b. Oversees the effective implementation of the DoD materiel disposition program.
 - c. Approves changes to FEPP procedures as appropriate to support contingency operations.

2. DIRECTOR, DEFENSE LOGISTICS AGENCY (DLA). Under the authority, direction, and control of the USD(AT&L), through the ASD(L&MR), the Director, DLA:
 - a. Administers the worldwide Defense Materiel Disposition Program for the reutilization, transfer, screening, issue, and sale of FEPP, excess, and surplus personal property.
 - b. Implements guidance issued by the ASD(L&MR) or other organizational elements of the OSD and establishes system concepts and requirements, resource management, program guidance, budgeting and funding, training and career development, management review and analysis, internal control measures, and crime prevention for the Defense Materiel Disposition Program.
 - c. Annually provides to ASD(L&MR) a summary of sales proceeds from recycling transactions in accordance with section 2577 of Reference (f).
 - d. Ensures prompt processing of monthly sales proceeds under the QRP to DoD Components for reconciliation of sales proceeds and transactions.

3. DOD COMPONENT HEADS. The DoD Component heads:
 - a. Implement the procedures prescribed in this volume and ensure that supplemental guidance and procedures are in accordance with Reference (f).
 - b. Reutilize, transfer, screen, issue, and sell FEPP, excess, and surplus personal property according to the procedures in Enclosures 3 and 5 of this volume.
 - c. Treat the disposal of DoD property as an integral part of DoD Supply Chain Management; ensure that disposal actions and costs are a part of “end-to-end” management of items and that

disposal of property is a planned event at all levels of their organizations.

d. Furnish the Director, DLA, with mutually agreed-upon data necessary to administer the Defense Materiel Disposition Program.

e. Provide administrative and logistics support, including appropriate facilities, for the operations of tenant and related off-site DLA Disposition Services field activities under inter-Service support agreements (ISSAs).

f. Dispose hazardous property (HP) specifically designated as requiring Military Department processing.

g. Request DLA Disposition Services provide sales services, as needed, for recyclable marketable materials generated as a result of resource recovery programs.

h. Monitor, with DLA Disposition Services site personnel, all property sent to landfills to ensure no economically salable property is discarded.

i. Report, accurately identify on approved turn in documents, and turn in all authorized scrap generations to servicing DLA Disposition Services sites.

j. Authorize installation commanders, as appropriate, to sell directly recyclable and other qualified recycling program materials, or to consign them to the DLA Disposition Services for sale.

ENCLOSURE 3

SALE OF SURPLUS AND FEPP, SCRAP RELEASED BY QRPs,
AND NON-QRP SCRAP

1. AUTHORITY AND SCOPE

a. FPMR and FMR. The provisions of this enclosure are pursuant to parts 101 and 102 of Reference (f), also known as the “FPMR” and “FMR,” respectively.

b. Additional Guidance

(1) Policy and procedures for the control of MLIs and Commerce Control List (CCL) items are contained in Reference (c), DoD Manual 4160.28 Volumes 1, 2, and 3 (References (h), (i), and (j)), DoDI 4140.62 (Reference (k)) and incorporated in the provisions of DoDI 2030.08 (Reference (l)).

(2) Sections 3711-3720E of Title 31, U.S.C. (Reference (m)) provide an additional statutory requirement applicable to the sale of personal property.

(3) Part 33 of Title 48, CFR (Reference (n)) provide additional guidance on handling disputes from the sale of personal property.

(4) Subpart 9.4 of the Federal Acquisition Regulation (FAR) (Reference (o)) provides direction on the debarment or suspension of individuals or entities.

(5) Sales of FEPP, although briefly addressed in the FMR, are managed by the agency head and must be in compliance with foreign policy of the United States and the terms and conditions of any applicable host-nation agreement. For additional information on processing FEPP, see Enclosure 4 to Volume 2 of this manual.

(6) DoD Directive 3230.3 (Reference (p)) allows the sale of dedicated expendable launch vehicle (ELV) equipment directly to commercial ELV vendors in consultation with the Secretary of Transportation.

2. EXCLUSIONS. This volume does not govern the sale of property that is regulated by the laws or agencies identified in paragraphs 2a through 2d of this enclosure. The information in paragraphs 2a through 2d is included for the DoD Components to reference when commodities in their possession become excessive and disposal requires compliance with this manual.

a. The Strategic and Critical Materials Stock Piling Act in Section 98 et seq of Title 50, U.S.C. (Reference (q)) provides for the acquisition, disposal (sale) and retention of stocks of certain strategic and critical materials and encourages the conservation and development of

sources of such materials within the United States. These materials when acquired and stored constitute and are collectively known as the National Defense Stockpile (NDS) or the stockpile.

b. The Department of Transportation Maritime Administration has jurisdiction over the disposal of vessels of 1,500 gross tons or more that the Secretary of Transportation determines to be merchant vessels or capable of conversion to merchant use, excluding specified combatant vessels.

c. Under the provisions of section 2576 of Reference (f), the Secretary of Defense may sell designated items (such as pistols, revolvers, shotguns, rifles of a caliber not exceeding .30, ammunition for such firearms, and other appropriate equipment) to State and local law enforcement, firefighting, homeland security, and emergency management agencies, at fair market value if the designated items:

(1) Have been determined to be surplus property.

(2) Are certified as being necessary and suitable for the operation and exclusive use of such agency by the governor (or such State official as he or she may designate) of the State in which such agency is located.

(3) Do not include used gas masks and any protective body armor.

d. DLA Disposition Services provides a sales service to the DoD pursuant to the exchange or sale according to the procedures in DoDM 4140.01 (Reference (r)) that implement the authority in part 102-39 of Reference (d); however, general and specific provisions through this method of sale are not addressed in this volume. More information may be obtained from the DLA Disposition Services Exchange Sale Website at <http://www.dispositionservices.dla.mil/sales/typesale.shtml>.

3. SALES OF SURPLUS PROPERTY, FEPP, SCRAP RELEASED BY QRPs, AND OTHER NON-QRP SCRAP

a. DLA Disposition Services is the primary agency for managing surplus and FEPP sales, to include sales of scrap released by Military Department QRPs and non-QRP scrap.

b. DoD Components are responsible for disposing of surplus property, FEPP, scrap released by QRPs, and other scrap through sales to the general public and State and local governments through execution of an awarded contract.

c. The Military Departments are authorized to sell eligible scrap released by their respective QRPs and non-excess property eligible for exchange or sale without the involvement of DLA Disposition Services in accordance with their internal operating guidance, Reference (r), and parts 101 and 102 of Reference (d).

d. DoD Components advertise excess and surplus personal property for sale only after all prescribed screening actions are taken, unless screening is not required. See Volume 4 of this manual for exempt items.

e. Sales actions include planning, merchandising, pre-award surveys, bid evaluation and award, contract administration, proceeds receipt and disbursement, and releasing the property.

f. Information on surplus and FEPP sales can be obtained from the DLA Customer Contact Center, accessible 24 hours a day, 7 days a week on the DLA Disposition Services Government Sales Website at <https://www.dispositionservices.dla.mil/sales/index.shtml>.

g. Within the continental United States (CONUS), DLA Disposition Services has partnered with a commercial firm to sell usable, non-hazardous surplus demilitarization (DEMIL) Code A and safe to sell Q property that is not reutilized, transferred, or donated. The commercial venture partner schedules and holds sales of property released to it by DLA Disposition Services. DLA Disposition Services has partnered with a commercial firm to sell scrap property. The scrap venture partner schedules and holds sales of scrap property released to it by DLA Disposition Services.

h. DLA Disposition Services conducts the balance of surplus and FEPP sales. This includes hazardous and chemical sales and DEMIL- and mutilation-required property and scrap sales in controlled property groups.

(1) DoD Components implement controls to mitigate security risks associated with the release or disposition of DEMIL Code B munitions list item (MLI) and DEMIL Code Q CCL items that are sensitive for reasons of national security. Certain categories of DEMIL Q items that pose no risk to national security will be available for reutilization, transfer, or donation (RTD) and sales following normal procedures. However, only FEPP with DEMIL Code A (no export license requirements except to restricted parties) may be sold in foreign countries that are not restricted parties in accordance with parts 730 to 774 of Title 15, CFR (Reference (s)). DEMIL B and DEMIL Q items, including those posing no risk to national security are not permitted for sale.

(a) DEMIL B and sensitive DEMIL Q property can only be reutilized by authorized DoD Components and approved Special Programs (FMS, law enforcement agencies (LEAs) and fire fighters).

(b) After DLA Disposition Services conducts initial screening, serviceable DEMIL B and sensitive DEMIL Q property will be transferred to a long term storage (LTS) facility and will remain available for reutilization screening by DoD and approved Special Programs customers.

(c) LTS property can be screened electronically on the DLA Disposition Services Website at <https://www.DispositionServices.dla.mil/asset/govege01.html>. No physical screening is permitted at the LTS facility.

(2) DoD Components may offer for sale any property designated as unsafe for use as originally intended, with mutilation as a condition of sale. DoD Components incorporate the method and degree of mutilation into the sales offering, as required by an official notification of the safety defects. The sales offering must include a condition of sale stipulating that title of the property cannot pass from the Government to the purchaser until DoD representatives have certified and verified the mutilation has been satisfactorily accomplished and have documented this certification.

(3) Supply condition code (SCC) Q materiel with Management Code S (as defined in DLM 4000.25-1 (Reference (t))) is hazardous to public health, safety, or national security. If sold, it must require mutilation as a condition of sale. Property assigned SCC Q with Management Code O may be offered for sale without mutilation as a condition of sale, but the seller must ensure that all sales include a restrictive resale provision. In addition, any sales offerings must indicate that the restrictive resale provision is to be perpetuated to all future sales to deter reentry of the materiel to the DoD supply system.

(4) Hazardous property may be offered for sale with appropriate terms and conditions. Prior to award, DoD Components conduct a pre-award survey to determine whether the prospective purchaser meets the responsibility criteria in part 102 of Reference (d). The prospective purchaser must display the ability to comply with applicable laws and regulations before the DoD Components can make an award.

(5) Only FEPP with DEMIL Code A (no export control requirements except to restricted parties) may be offered for sale in foreign countries that are not restricted parties in accordance with Reference (s) and with additional DoD guidance in References (h), (i), and (j). The sales offering must include terms and conditions relating to taxes and duties, import stipulations, and compliance with international and local laws and regulations. See Enclosure 4 to Volume 2 of this manual for additional information.

(6) Other types of sales offerings for property requiring special handling must include applicable terms and conditions.

i. All persons or organizations are entitled to purchase property offered by DLA Disposition Services except for:

(1) Anyone under contract to conduct a specific sale, their agents or employees, and immediate members of their households.

(2) DoD military and civilian personnel and military and civilian personnel of the United States Coast Guard (USCG) whose duties include any functional or supervisory responsibilities for or within the Defense Materiel Disposition Program, their agents, employees, and immediate members of their households.

(3) Any persons or organizations intending to ship FEPP, excess and surplus personal property to restricted parties. See http://pmddtc.state.gov/embargoed_countries/index.html or

<https://demil.osd.mil/> or <http://treas.gov/offices/enforcement/ofac/programs> for additional information on shipments to restricted parties.

(4) Persons under 18 years of age.

(5) Individuals or firms who are ineligible to be awarded government contracts due to suspension or debarment. See the GSA Excluded Parties List at <http://epls.gov> or <https://demil.osd.mil/> or <http://treas.gov/offices/enforcement/ofac/sdn/> or <http://bis.doc.gov/complianceandenforcement/liststocheck.htm>.

(6) Persons or entities who wish to purchase MLI or CCL items who do not meet the requirements to receive an end user certificate as specified in section 2778 of Title 22, U.S.C. (Reference (u)) also known as “the Arms Export Control Act,” and the implementing regulations part 120-130 of Title 22, CFR (Reference (v)) also known as the “International Traffic In Arms Regulations” and parts 730-774 of Reference (s) also known as the “Export Administration Regulations.” Information on demilitarized materiel is provided at <https://demil.osd.mil/>. A consolidated list of prohibited entities or destinations may be found at: http://export.gov/ecr/eg_main_023148.asp.

j. Disposable assets (FEPP, scrap, nonappropriated fund (NAF) property, disposable Military Assistance Program (MAP) property, etc.) may not be sold directly or indirectly to restricted parties or any other areas designated by References (h), (i), and (j).

k. DoD Components will update the DoD Item Unique Identification (IUID) Registry when an item of personal property with a unique item identifier (UII) is declared FEPP, excess and surplus personal property and is subject to reutilization, transfer, or sale. The procedures required to update the DoD IUID Registry are in Enclosure 6 of Volume 1 of this manual.

4. RESPONSIBILITIES IN SELLING PERSONAL PROPERTY

a. Selling Agencies. Selling agencies:

(1) Determine whether to sell as the holding agency or request another agency to sell on behalf of the holding agency.

(2) Ensure the sale complies with the provisions of section 549 of Reference (e), and any other applicable laws.

(3) Issue internal guidance for utilizing methods of sale stipulated in subchapter B, part 102 of Reference (d), and promote uniformity of sales procedures.

(4) Obtain appropriate authorization to conduct sales of certain property or under certain conditions (e.g., approval by the agency head to use the negotiation method of sale).

(5) Ensure that all sales are made after publicly advertising for bids, except as provided for negotiated sales in subchapter B, part 102-38, sections 100-125 of Reference (d).

(6) Document the required terms and conditions of each sale, including but not limited to those terms and conditions specified in subchapter B, part 102-38, section 75 of Reference (d).

(7) Sell personal property upon such terms and conditions as the head of the agency deems appropriate to promote fairness, openness, and timeliness. Standard Government forms (e.g., the Standard Form (SF) 114 series, "Sale of Government Property") are no longer mandatory, but may be used to document terms and conditions of the sale.

(8) Assure that only representatives designated in writing by the selling agency as selling agent representatives (SARs) are appointed to approve the sale and bind the United States in a written contractual sales agreement. The DLA Disposition Services equivalent of SARs are sales contracting officers (SCOs). The selling agency determines the requirements for approval (e.g., select the monetary thresholds for awarding sales contracts).

(9) Adequately train SARs in regulatory requirements and limitations of authority. Ensure SARs are cognizant in identifying and referring matters relating to fraud, bribery, or criminal collusion to the proper authorities in accordance with sections 50 and 225 of part 102 of Reference (d).

(10) Obtain approvals as necessary prior to award of the property (e.g., an approval by the Attorney General of the United States to award property with a fair market value of \$3 million or more or if it involves a patent, process, technique, or invention) as specified in subpart 102-38.325 of Reference (d).

(11) Be accountable for the care, handling, and associated costs of the personal property prior to its removal by the buyer.

(12) Reconcile property and financial records to reflect the final disposition.

(13) Make the property available to federal civilian agencies (FCAs) when a bona fide need exists and when no like items are located elsewhere prior to transfer of title to the property, to the maximum extent practicable.

(14) Subject small quantities of low dollar value property in poor condition to the Abandonment and Destruction (A/D) Economy Formula (see Enclosure 3 to Volume 2 of this manual). If there is no reasonable prospect of disposing of the property by sale (including a scrap sale), dispose of the property with the A/D processes.

(15) Ensure that the DoD IUID Registry is updated for DoD personal property items marked with a UII in accordance with Enclosure 6 of Volume 1 of this manual.

b. Sales Conducted by DLA Disposition Services. As the major selling agency for the Department of Defense and an approved GSA Personal Property Sales Center, DLA Disposition Services must, in compliance with requirements in paragraph 4a of this enclosure:

(1) Carefully consider all factors and determine the best method of sale for personal property utilizing identification, segregation, merchandising, advertising, bid evaluation, and award principles to protect the integrity of the sales process.

(2) Utilize any publicly accessible electronic media for providing information regarding upcoming sales, invitations for bid (including sales terms and conditions), acceptance of bids, and bid results.

(3) Provide direction to the DLA Disposition Services site through its internal operating procedures and automated systems.

(4) Verify that personal property items marked with a UII and offered for sale have been updated in the DoD IUID Registry.

c. Authorized Methods of Sale

(1) General. Sale of personal property is authorized in part 102-38 of Reference (d) by the methods of sale identified in paragraphs 4c(1)(a) through 4c(1)(d) of this enclosure. (See Glossary for definitions.)

(a) Sealed bid.

(b) Spot bid.

(c) Auction.

(d) Negotiated sale. Criteria for negotiated sales include:

1. The estimated fair market value is not in excess of \$15,000 and the sale is considered to be in the best interest of the U.S. Government (USG). Large quantities of materiel were not divided nor disposed through multiple sales in order to avoid these requirements.

2. For FEPP, the estimated fair market value is less than \$250,000; sale is managed by DLA Disposition Services and authorized by DLA Disposition Services Director or designee.

3. Disposal is to a State, territory, possession, political subdivision thereof, or tax-supported agency therein, and the estimated fair market value of the property and other satisfactory terms of disposal are obtained by negotiation.

4. Bid prices after advertising are not reasonable and re-advertising would serve no useful purpose.

5. Public exigency does not permit delay, such as that caused by the time required to advertise a sale (e.g., disposal of perishable food or other property that may spoil or deteriorate rapidly).

6. The sale promotes public health, safety, or national security.

7. The sale is in the public interest in a national emergency declared by the President or Congress. This authority may be used only with specific lots of property or for categories determined by the GSA Administrator for a designated period but not more than 3 months.

8. Selling the property competitively (sealed bid) would have an adverse impact on the national economy, provided that the estimated fair market value of the property and other satisfactory terms of disposal can be obtained by negotiation (e.g., sale of large quantities of an agricultural product that impacts domestic markets).

9. The sale is otherwise authorized by part 102 of Reference (d) or other law.

(e) Negotiated fixed price.

1. The head of the selling agency or designee must determine and document that this method of sale serves the best interest of the government.

2. This type of sale must include appropriate terms and conditions; must be publicized consistent with the nature and value of the property involved; and be awarded on a first-come, first-served basis.

(2) Sales of Surplus, Foreign Excess, and Other Categories of Property. Within the constraints of the FMR-authorized methods of sale in paragraphs 4c(1)(a) through 4c(1)(e) of this enclosure, the types of sales that may be conducted for surplus, foreign excess, and other categories of property sold in the DoD Defense Materiel Disposition Program are:

(a) One-time sales for disposal of property already generated. Actual deliveries may comprise several release transactions.

(b) Term sales for the disposal of property generated over a period of time and in quantities that can be reasonably estimated for a specific period of time or are offered with minimum and maximum quantity provisions.

d. Negotiated Sales Reporting. Negotiated sales reports are required by GSA within 60 calendar days after the close of each fiscal year. DoD Components include in the report a listing and description of all negotiated sales with an estimated fair market value in excess of \$5,000. For each sale negotiated, the report must provide:

(1) A description of the property.

(2) The acquisition cost and date. If not known, an estimate of the acquisition cost, identified as such.

(3) The estimated fair market value, including the date of the estimate and name of the estimator.

(4) The name and address of purchaser.

(5) The date of sale.

(6) The gross and net sales proceeds.

(7) A justification for conducting the negotiated sale.

e. GSA or DoD-Authorized Retail Method of Sale. Sales of small quantity, consumer-oriented property at negotiated, auction, or bid prices that are conducted on a first-come; first-served; and as-is, where-is basis are considered retail sales. Credit or debit cards are the only authorized payment methods. Property having a fair market value exceeding \$15,000 is subject to the limitations applicable to negotiated sales of surplus personal property.

(1) Retail sales of surplus, FEPP, and abandoned privately owned property may be conducted whenever such a program can effectively and economically be used to supplement other methods of sale. Retail sales must be approved in writing at an agency level on a case-by-case basis, and the approval must specify the quantities and types of property and time period covered. These authorizations are limited to specific situations and types of property for which deviation can be fully justified. In addition:

(a) All items must undergo screening, as appropriate, before being offered for retail sale.

(b) Each item being sold must have a fair market value of less than \$15,000.

(c) All property received as items, if offered for sale by retail, must be sold as items and not by weight or lot, with the exception of scrap authorized for retail sale.

(d) Prices established must reflect the estimated fair market value of the property and must be publicized to the extent consistent with the nature and value of the property.

(e) Retail sales are limited to the Federal Supply Classification Codes (FSCs), according to the DEMIL code assigned and GSA approval, which are in part 102 of Reference (d).

(f) Property must be DEMIL Code A and have a DEMIL Integrity Code 1, 7, or 9.

(g) The retail selling price of the property, based on the condition, may not be set below the price it would bring from a commercial vendor.

(2) Approval in accordance with Reference (d) is required to sell scrap by the retail sale method.

(3) Only trained cashiers are authorized to collect and deposit proceeds received from a retail sale. Retail sales are open to the public and all USG personnel except:

(a) DoD military and civilian personnel and contractors and military and civilian personnel and contractors of the USCG whose duties at the installation where the property is sold include any functional or supervisory responsibility for or within the DoD Materiel Disposition Program.

(b) An agent, employee, or immediate member of the household of personnel in paragraph 4e(3)(a) of this section.

f. Market Impact

(1) DoD Components will give careful consideration to the adverse market impact that may result from the untimely sale of large quantities of certain surplus items. Where applicable, the selling agency or partner organizations consult with organizations associated with the commodity proposed for sale to obtain advice on the market impact.

(2) Property reporting and sale schedules are developed to ensure expeditious property disposal, maximum competition, maximum sale proceeds, good public relations, and uniform workload.

(3) The selling agency will provide advance notice of all proposed or scheduled competitive bid sales (except negotiated) of surplus usable property. This includes property:

(a) Located in the 50 United States, the District of Columbia, Puerto Rico, American Samoa, Guam, the Federated States of Micronesia, the Northern Mariana Islands, Palau, and the U.S. Virgin Islands.

(b) With a total acquisition cost of \$250,000 or more per sale.

(c) With a minimum potential return of \$5,000 per sale of scrap and recyclable material.

5. ADVERTISING TO PROMOTE FREE AND OPEN COMPETITION. DoD Components will:

a. Bring property offered for sale to the attention of the buying public by free publicity and paid advertising.

b. Make every effort to obtain maximum free publicity through sites such as a government-wide point of entry, <https://www.fedbizopps.gov>.

c. Employ the amount of paid advertising commensurate with the type and value of property being sold.

d. Distribute sale offerings to prospective purchasers before the first day of the inspection period.

6. PRE-SALE ACTIVITIES

a. Preparation and Distribution of Sale Offerings

(1) Include in the offer to sell sale date and time, method of sale, description of the property being offered, selling agency, location of property, time and place for receipt of bids, acceptable forms of bid deposits and payments, and general and special terms and conditions of sale. DLA Disposition Services sale offerings are available on the DLA Disposition Services Website (www.dispositionservices.dla.mil).

(2) Establish a sales offering file that contains information about the property offered for sale from initiation to bid opening (e.g., sale catalog, withdrawals prior to bid opening, agreements with holding activities).

(3) Prepare sale offerings to provide prospective purchasers with general information and instructions.

(4) Include in each offering the specific conditions of sale, the contents of which are determined by the selling agency. The SF 114 series may be used to document the terms and conditions of a sale, but their use is not mandatory. Conditions of sale include, but are not limited to:

- (a) Inspection results.
- (b) Condition and location of property.
- (c) Eligibility of bidders.
- (d) Consideration of bids.
- (e) Bid deposits and payments.
- (f) Submission of bids.
- (g) Bid price determination.
- (h) Legal title of ownership.
- (i) Delivery, loading, and removal of property.

- (j) Default, returns, or refunds.
- (k) Modifications, withdrawals, or late bids.
- (l) Requirements to comply with applicable laws and regulations.
- (m) Certificate of independent price determination.
- (n) Covenant against contingent fees.
- (o) Limitation of government liability.
- (p) Award of contract.

(5) DEMIL-required MLI property may not be sold unless DEMIL has been accomplished or it is offered for sale with DEMIL as a condition of sale. Incorporate the method and degree of DEMIL into the sales offering.

(a) If DEMIL is a condition of sale, the sales offering must include a condition of sale stipulating that title of the property will not pass from the government to the purchaser until the property has been satisfactorily DEMIL and has been certified and verified in accordance with References (h), (i), and (j).

(b) The sales offering must also include a requirement for the bidder to provide an end user certificate (EUC) to the selling agency specifying the intended use and disposition of the property. The sales offering will also include an agreement by the buyer that they will obtain appropriate export authorizations from the Departments of Commerce or State prior to any export of the item. DLA Disposition Services uses DLA Form 1822, "End-Use Certificate." The EUC must be processed through designated approval channels prior to award of the property to the prospective customer.

(c) The EUC for scrap mutilation residue must be incorporated into the sales offering for all MLI and CCL property, including mutilation residue that may still be classified as DEMIL Code B or Q.

b. Inspections. Each sales offering will include an electronic or physical inspection period of at least 7 calendar days before the bid opening.

c. Bid Deposits. The selling agency may incorporate a requirement for bidders to provide or post a bid deposit or a bid deposit bond in lieu of cash or other acceptable forms of deposit to protect the government's interest.

d. Precious Metals (PM) Bid Deposits. PM offerings will include a 20 percent bid deposit. A deposit bond may be used in lieu of cash or other acceptable form of deposit when permitted by the sales offering. If awarded, the bid deposit will be applied to the total contract price.

Unsuccessful bid deposits will be returned. Bid deposit bonds will be returned to the bidder when no longer needed to secure the property.

e. Payments

(1) Selling agencies will implement a payment policy, pursuant to part 102 of Reference (d) that protects the government against fraud.

(2) Acceptable forms of payment include but are not limited to:

(a) Guaranteed negotiable instruments made payable to or endorsed to the U.S. Treasury in any form (e.g., cashier's check, certified check, traveler's check, bank draft, or postal or telegraphic money order).

(b) Canadian postal money orders designed for payment in the United States must state specifically that they are payable in U.S. dollars in the United States.

(c) Electronic funds transfer. Special instructions are available through the DLA Disposition Services Website at: www.dispositionservices.dla.mil and must be followed if this option is chosen.

(d) Credit or debit cards.

(e) Combinations of payment methods in paragraphs 6e(2)(a) through 6e(2)(d) of this section.

(3) Other acceptable forms of payment include:

(a) Uncertified personal or company check for amounts over \$25.00 accompanied by an irrevocable commercial letter of credit issued by a U.S. bank, payable to the Treasurer of the United States or to the selling agency. The check may not exceed the amount of the letter of credit. Each letter of credit must:

1. Be an original or clearly state on its face that reproductions of the original document may be considered as an original document.

2. Clearly state that requests for payment will be honored at any time they are presented by the selling agency. Selling agents will reject letters of credit with an expiration date. In addition, the minimum criteria required for acceptance of letters of credit are to state clearly that it is a commercial letter of credit (it need not say it is irrevocable, but it cannot say it is revocable); be on bank stationery; state the maximum amount guaranteed; state the name and address of the company or individual submitting the bid; state the sales offering number and opening date; and be signed by the issuer (authorized signature of bank official).

(b) Uncertified personal or company checks in the amount of \$25.00 or less when submitted for ancillary charges (e.g., debt payment, storage charge, liquidated damages, interest).

(c) Any form of payment received from a NAF instrumentality or a State or local government.

(4) Acceptable country currencies and information on exchange rates used must be provided in the sales offering and be incorporated into the sales offering. Generally, the exchange rate for receipt of monies or payments in designated currencies is established on the date of the deposit, which is generally the date of receipt.

(5) FEPP buyers must pay in U.S. dollars or the equivalent in foreign currency that is readily convertible into U.S. dollars. Where U.S. dollars are not available, the acceptance of foreign currency is authorized subject to these conditions:

(a) Payments exceeding the equivalent of \$5,000 U.S. in individual sale transactions (that is, for the total of all items offered in a single sale, not for individual items included in a sale) may be accepted only after obtaining prior approval from the Defense Finance and Accounting Service (DFAS).

1. When required, DFAS will submit the requests through the chain of command to Department of State (DOS) and Department of Treasury for approval.

2. In countries where a considerable amount of FEPP may be available for sale and it may be necessary to accept foreign currency, the selling agency will request from DFAS an annual authorization, on a calendar year basis, to accept foreign currency.

(b) Payments of up to the equivalent of \$5,000 U.S. for individual transactions, at the rate of exchange applicable to the USG, may be accepted without further consultation if:

1. Assurance has been obtained through the local DOS representative that such currency may be used in payment of any or all USG expenditures in the country whose currency is accepted. This provision is applicable only when annual authorizations have not been received.

2. It is not feasible to sell for U.S. dollars or to ship the property to a country (other than the United States, except where property is a type authorized for return) where it may be sold for U.S. dollars or a freely convertible foreign currency.

3. The currency is not that of a country whose assets in the United States are blocked by Department of Treasury regulations.

4. The currency is that of a country with which the United States maintains diplomatic relations.

5. Foreign currency accepted need not be the currency of the country of sale if the currency offered is otherwise acceptable to DOS and Department of Treasury and can be accepted pursuant to U.S. and host government agreements governing the sale of FEPP. In this

connection, the sales offerings will indicate the foreign currencies that will be accepted for a particular sale.

f. Transfer of Title. Selling agencies must document the transfer of title of the property from the government to the purchaser:

(1) By providing to the purchaser a bill of sale.

(2) By notification within a contract clause stipulating when the transfer is affected. For instance:

(a) Upon removal from the exact location specified in the sales offering.

(b) Upon certification and signature by the government that all required demilitarization has been accomplished in accordance with Reference (c).

(3) By providing certifications required from the buyer prior to a transfer of title. An SF 97, "Certificate of Release of a Motor Vehicle," (available at <http://www.gsa.gov/forms>) is required for the sale of vehicles. Selling agencies must provide internal guidance on how the transfer will occur and what documentation is required.

g. Defaults. If a purchaser breaches a contract by failure to make payment within the time allowed or by failure to remove the property as required, or breaches other contractual provisions, the purchaser is in default. The selling agency representative will give the purchaser a written notice of default and a period of time to cure the default.

(1) If the purchaser fails to cure the default, the selling agency is entitled to collect or retain liquidated damages as specified in the sales offer or contract.

(2) If a bid deposit was required and the bidder secured the deposit with a deposit bond, the selling agency must issue the notice of default to the bidder and the surety company.

h. Disputes. All sales offers will include the disputes clause contained in subpart 52.233-1 of Reference (o).

7. BIDDER ELIGIBILITY CRITERIA

a. As a rule, selling agencies may accept bids from any person, representative, or agent from any entity. To be considered eligible for award of a sales contract, the bidder must be of legal age and not be debarred, suspended, or indebted to the USG, or from a restricted party. Any exceptions must be authorized by the selling agency head, who has determined that there is a compelling reason to make the award. A list of parties excluded from federal procurement and non-procurement programs can be obtained on the GSA Excluded Parties List System website at <http://epls.gov> or the OSD DEMIL website at <https://demil.osd.mil/>.

b. Personal property may be sold to a federal employee whose agency does not prohibit the employees from purchasing such property. Unless allowed by a federal or agency regulation, employees having non-public information regarding property offered for sale may not participate in that sale. This applies to an immediate member of the employee's household.

8. SUSPENSION AND DEBARMENT OF BIDDERS

a. Subpart 102-38.170 of Reference (d), section 6101 note of Reference (m), Executive Order 12549 (Reference (w)), and Executive Order 12689 (Reference (x)) provide the authority for the suspension or debarment of bidders or contractors purchasing personal property from the government. The selling agent must follow the procedures described in subpart 9.4 of Reference (o) to debar or suspend a person or entity from the purchase of personal property. The debarring official for DLA Disposition Services sales is the DLA Special Assistant for Contracting Integrity.

b. Appointed SARs and SCOs will:

(1) Prepare recommendations for suspension or debarment from the sale of federal property and acquisition contracts.

(2) Forward them to their respective servicing legal offices.

(3) Prepare reports recommending suspension or debarment using the procedures described in subpart 209.4 of the Defense FAR Supplement (Reference (y)) in all cases where purchasers are recommended for suspension or debarment.

c. In addition to applicable guidance in References (o) and (y), contractors who are suspended, debarred, or proposed for debarment are also excluded from conducting business with the government as agents or representatives of another contractor. Firms or individuals who submit bids on sale solicitations on behalf of suspended or debarred contractors, or who in any other manner conduct business with the government as agents or representatives of suspended or debarred contractors, may be treated as affiliates as described in section 9.403 of subpart 9.4 of Reference (o), and may be suspended or debarred.

d. Parties who violate trade security control (TSC) policies may be recommended for debarment or suspension.

9. INDEBTED BIDDERS AND PURCHASERS

a. No awards may be made to bidders indebted to the government. Selling agencies will coordinate with DFAS to determine if a bidder is indebted to DoD and maintain local listings containing bidder name, address, sales contract information, amount of indebtedness, and date indebted.

b. Circumstances where the SAR or SCO must initiate action include:

- (1) At bid opening. Bidders can bid if they cure the debt prior to the opening.
- (2) As the result of monies owed the contractor as a refund.
- (3) As a result of monies received for bid deposit.
- (4) As a result of failure to make payment for overages, ancillary charges, etc.
- (5) As a result of affiliation with a suspended bidder.

c. Checks received for debts will be deposited immediately and the bidder will not be notified until the check has cleared its bank. Cash or negotiable instruments will be deposited immediately.

d. SARs or SCOs will contact the bidder and advise that the monies have been deposited to offset the specific indebtedness.

e. If a SAR or SCO suspects affiliation, the SAR or SCO will contact the bidder and advise that the monies have been deposited according to the procedures in section 3711 to 3720E of Reference (m) for the collection of debts owed to the United States.

10. BID EVALUATION

a. Responsive Bids and Responsible Bidders

- (1) Only responsive bids (as defined in the Glossary) may be considered for award.
- (2) Bidders do not have to use authorized bid forms. The bid may be considered when the bidder agrees to all of the terms and conditions and acknowledges that the offer may result in a binding contract award.
- (3) The selling agency must determine that the bidder is a responsible person or represents a responsible entity.

b. Late Bids. The selling agency will consider late bids for award if the bid was delivered in a timely fashion to the address specified in the sales offering but did not reach the official designated to accept the bid by the bid opening time due to a government delay.

c. Bid Modification or Withdrawal

(1) A bidder may modify or withdraw its bid prior to the start of the bid opening. After the start of the sale, the bidder will not be allowed to modify or withdraw its bid.

(2) The selling agency representative may consider late bid modifications to an otherwise successful bid at any time, but only when it makes the terms of the bid more favorable to the government.

d. Mistakes in Bids Prior to Award

(1) The administrative procedures for handling mistakes in bids (prior to or after award) are contained in subpart 102-38.260 of Reference (d), which utilizes the processes of subpart 14.407 of Reference (o) for federal property sales.

(2) The selling agency head or designee may delegate the authority to make administrative decisions regarding mistakes in bid to a central authority or alternate. This delegation may not be re-delegated by the authority or alternate.

(3) A signed copy of the administrative determination must be included in the contract file and provided to the Government Accountability Office, when requested.

e. Bid Rejections. In the event a bid is rejected, the next most advantageous bid may be considered. If an entire sales offering is rejected, all items within that sale may be reoffered on another sale.

f. Identical Bids. If there are multiple high bids of the same amount, the SAR or SCO must consider other factors of the sale (e.g., payment arrangements, estimated removal time) that would make one offer more advantageous to the government. Otherwise, the SAR or SCO may use random tie breakers to avoid expense of reselling or reoffering the property.

g. Suspected Collusion. The SAR or SCO must refer any suspicion of collusion to the agency's Office of the Inspector General or the Department of Justice (DOJ) through its legal counsel.

h. Protests. Protests by bidders regarding validity of determinations made on the sale of personal property may be submitted to the DLA Disposition Services Comptroller General or comptroller general for the selling agent.

11. AWARDING SALES CONTRACTS

a. Selling Agents. SARs or SCOs will:

(1) Be appointed by agency heads or their designees to act as selling agents for the USG.

(2) Enter into and administer contracts for the sale of government property pursuant to the provisions of section 101 et seq. of Reference (e) and other applicable statutes and regulations.

(3) Award and distribute contracts to responsible bidders whose bids conform to the sales offering and are the most advantageous to the government.

(4) Be authorized to reject bids in accordance with paragraph 10e of this enclosure.

(5) Sign under the title of “Sales Agency Representative” or “Sales Contracting Officer.”

(6) Sign all contracting documentation on behalf of the USG.

(7) Be responsible for the proper distribution of sales proceeds.

b. Approvals Required for Sales and Awards

(1) Selling agencies will designate the dollar limitations of authority of their appointed SARs or SCOs. DLA Disposition Services SCOs may make awards of contracts on sales of usable property having a fair market value of less than \$100,000. Except for antitrust advice limitations, awards of scrap property do not require approval by higher authority.

(2) Selling agencies will notify the U.S. Attorney General whenever an award is proposed for personal property with an estimated fair market value of \$3 million or more or if the sale involves a patent, process, technique, or invention per subpart 102-38.325 of Reference (d). Selling agencies will otherwise comply with all requirements of part 102 of Reference (d) including but not limited to the prohibition to dispose any such item until confirmation from the U.S. Attorney General that the proposed transaction would not violate antitrust laws.

(3) The head of a selling agency or designee must approve all negotiated sales of personal property. Selling agencies must submit explanatory statements for each sale by negotiation of any personal property with an estimated fair market value in excess of \$15,000 through GSA to the House and Senate Oversight Committee to obtain approval for the sale in accordance with section 549 of Reference (e).

c. Processing Mistakes in Bid After Award, Claims, Disputes, and Appeals. Keeping the interests of the government in the forefront, SARs or SCOs will process these actions expeditiously and fairly, in accordance with established internal and external regulations and laws. SARs or SCOs will respond to each issue pertaining to mistakes in bids, claims, disputes, or appeals until it is resolved and provide a written final decision to the claimant or adjudicating agency, as appropriate, until the issue is closed. Retain any decisions made or actions taken in regard to these issues as official records, as required by agency or higher authority directives.

12. NOTIFICATION PROCESS FOR DISSEMINATION OF AWARDS INFORMATION

a. The selling agency may only disclose bid results after the award of any item or lot of property has been made. No information other than names may be disclosed regarding the bidder(s).

- b. Bids are disclosed as they are submitted on spot bids or auctions.

13. CONTRACT ADMINISTRATION. Selling agencies will prescribe contract administration procedures for the various methods of sale, to include procedures for:

- a. Disseminating award information.
- b. Billing.
- c. Default and liquidation.
- d. Establishing contract folders, including file maintenance and disposition.

(1) Contract administration files will consist of a sale folder, financial folder, individual contract folder(s), and an unsuccessful bids folder for each sale.

(2) Selling agencies will develop procedures for maintaining, completing, reviewing, and auditing these files. All pertinent documentation, including EUC, licenses, pre-award surveys, etc., must be included in the files.

(3) Documentation found in these files may be subject to section 552 of Title 5, U.S.C. (Reference (z)), also known as the "Freedom of Information Act." All Privacy Act, privileged, exempt, classified, For Official Use Only, or sensitive information must be obliterated prior to release to the public.

- e. Collection and distribution of sales proceeds.
- f. Ensuring all requirements of the contract (e.g., non-payment, required licenses) are met prior to releasing the property.
- g. Making modifications to contracts resulting from changes to the original contract.
- h. Handling public requests for information.
- i. Timely review and closure of each contract.
- j. Timely review and closure of each sale.

14. CASHIER FUNCTIONS AND SAR OR SCO RESPONSIBILITIES

- a. Cashiers must be duly trained in the handling and processing of monies collected as payment on sales.

b. Cashiers must credit sales proceeds in accordance with chapter 5 of Volume 11A of DoD 7000.14-R (Reference (aa)).

15. INQUIRIES REGARDING SUSPENDED OR DEBARRED BIDDERS. Refer all inquiries regarding suspended or debarred bidders to the office effecting the action.

16. RELEASE REQUIREMENTS FOLLOWING SALES

a. Removal of property is subject to general and special conditions of sale and the loading table as set forth in the sale offering and resulting contract.

b. Prior to releasing sold property, assigned personnel will:

(1) Verify the sale items to be delivered or shipped to purchasers against the sale documents to prevent theft, fraud, or inappropriate release of property.

(2) When DLA Disposition Services is managing the sale and where an in-place receipt memorandum of understanding (MOU) has been executed, installation commanders will provide, by letter designation and upon request from DLA Disposition Services site, the names, telephone numbers, and titles of those non-DLA Disposition Services site personnel authorized to release property located at their activities. As changes occur, installation commanders will provide additions, deletions, and revisions in writing to DLA Disposition Services.

(3) Weigh property sold by weight at the time of delivery to the purchaser.

(4) Count or measure property sold by unit at the time of delivery.

c. Purchasers are required to pay, before delivery, the purchase price of item(s) to be removed, based upon the quantity or weight as set forth in the sale offering, except for term sales. If prepayment of an overage quantity is not practicable or possible, payment will be due upon issuance of a statement of account after release of property. Sales of property to State and local governments do not require payment prior to removal. The DLA Disposition Services contract with its sales partners does not require payment prior to delivery of property to State and local governments only.

17. WITHDRAWAL FROM SALE

a. Property that has been physically inspected, determined to be usable or needed, and thereby has survived screening is eligible for sale and may be requested to satisfy valid requirements within limitations specified in this paragraph. Generally, property past the screening cycle may not be withdrawn from sale. However, circumstances may require the withdrawal of property from sale to satisfy valid needs within the Department of Defense or FCAs. Donation recipients are not eligible to withdraw property from the sale unless they can

provide DLA Disposition Services with documentation that an error was made by DLA Disposition Services and they should have been issued the property or the property was never available for electronic screening in GSA personal property database GSAXcess®.

b. In many instances, the property remains at a DLA Disposition Services site after the title has been transferred. This property is ineligible for withdrawal to satisfy DoD needs. If the DoD Component intends to pursue purchasing the property from the commercial partner, transactions must be handled between the partner and the DoD Component without intervention from the DLA Disposition Services.

c. Pursuant to part 102 of Reference (d), due to the potential for adverse public relations, every effort will be made to keep withdrawals from sales to a minimum. These efforts will include searching for assets elsewhere in the disposal process. Exceptions to this policy will be implemented only when all efforts to otherwise satisfy a valid need have been exhausted and the withdrawal action is determined to be cost effective and in the best interest of the government. DoD Component heads will ensure that withdrawal authority is stringently controlled and applied.

d. Make requests to the selling agency by the most expeditious means. With the exception of inventory control point (ICP) or integrated materiel manager (IMM) and not mission capable supply (NMCS) orders, requests will provide full justification including a statement that the property is needed to satisfy a valid requirement.

e. Withdrawals may not be processed subject to property inspection for acceptability. Inspect property before requesting withdrawal.

f. Orders submitted by ICPs or IMMs do not require justification statements before award.

g. With the exception of ICPs and IMMs, minimum written information required in the package for withdrawal requests includes:

(1) Detailed justification as to why the property is required, including how the property will be used; such as applicability of materiel to active weapons systems.

(2) Mission impact statement from a support, procurement, and funding standpoint if property is not withdrawn from sale (e.g., the effect on operational readiness requirements within a specified period of time).

(3) A summary of efforts made to find assets meeting the requirement from other sources, including consideration of substitute items.

h. When the DLA Office of Investigations, TSC Assessment Office, determines that property was incorrectly described, and that TSC or DEMIL requirements are applicable, property will either be withdrawn or a provision made to accomplish TSC or DEMIL, as appropriate. The TSC Assessment Office may request withdrawal of property and suspend

further action regarding the property until the matter is resolved in accordance with the procedures in Reference (l).

i. As property moves through the sales cycle, constraints are placed on requests for withdrawals from sale.

(1) The area manager can approve requests for withdrawal during the period between the end of screening and the date the property is referred to DLA Disposition Services for sale cataloging or until a delivery order is signed by the commercial venture partner. The area manager can also approve withdrawals prior to bid opening for items on authorized local sales.

(2) DLA Disposition Services can approve withdrawal requests from date of referral until the property is awarded. DLA Disposition Services can also return requests for withdrawal after award that do not include the required written information.

j. DLA approval, with DLA legal concurrence, is required on any withdrawal request after the award but before removal.

k. When title has passed to the purchaser, the requestor must work directly with the purchaser. This includes commercial venture property. The SAR or SCO will provide contract information when requested.

18. REPORTING REQUIREMENT

a. In accordance with section 2583 of Reference (f), the Secretary of Defense will prepare an annual report identifying each public sale conducted (including property offered for sale and property awarded) by a DoD Component of military items that are controlled on the U.S. Munitions List pursuant to section 121 of Reference (u) and assigned a DEMIL Code of B in accordance with References (h), (i), and (j). For each sale, the report will specify:

- (1) The date of the sale.
- (2) The DoD Component conducting the sale.
- (3) The manner in which the sale was conducted (method of sale).
- (4) Description of the military items that were sold or offered for sale.
- (5) The purchaser of each item, if awarded.
- (6) The stated end-use of each item sold.

b. The report is submitted not later than March 31 of each year. The Secretary of Defense is required to submit to the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate the report required by this section for the preceding

fiscal year. DLA Disposition Services includes shipments made during the reporting period to its business partner.

19. SPECIAL PROGRAM SALES

a. Resource Recovery and Recycling Program

(1) All DoD installations worldwide will have recycling programs as required by DoDI 4715.4 (Reference (ab)) with goals for recycling as outlined in Executive Order 13514 (Reference (ac)).

(a) Pursuant to section 2577 of Reference (f) and Reference (y), each installation worldwide will have or be associated with a QRP or recycling program available to the installation to appropriately dispose of all recyclable materials for all activities. This includes all DoD facilities not on a military installation, tenant, leased, and government owned-contractor operated (GOCO) space.

(b) Installations having several recycling programs will incorporate them into the single installation QRP if possible, however a separate recycling program may be established to appropriately dispose of recyclable materials that cannot be recycled through the QRP.

(c) Each DoD Component will designate a coordinator for each QRP and ensure the GOCO facilities participate in QRP.

(2) Recyclable material includes material diverted from the solid waste stream and the beneficial use of such material. It may be beneficial to use waste material as a substitute for a virgin material in a manufacturing process, as a fuel, or as a secondary material. Examples of material that can be recycled through QRP are provided in Table 1 of this enclosure and those that cannot be recycled through QRP are provided in Table 2, both from the complete list in Reference (ab).

Table 1. Examples of Material That Can be Recycled Through QRP

| EXAMPLES OF MATERIAL THAT CAN BE RECYCLED THROUGH QRP | |
|---|---|
| 1. | Typical recyclable material found in the municipal solid waste stream (glass, plastic, aluminum, newspaper, cardboard, etc.) |
| 2. | Scrap metal from non-defense working capital fund activities |
| 3. | Expendable small arms cartridge cases that are 50-caliber (12.7 mm) and smaller not suitable for reloading that have been mutilated or otherwise rendered unusable and gleanings made unusable for military firing e.g., crushed, shredded, annealed, or otherwise rendered unusable as originally intended prior to recycling in accordance with Reference (ab), except overseas |
| 4. | Storage and beverage containers (metal, glass, and plastic) |

Table 1. Examples of Material That Can be Recycled Through QRP, Continued

| | |
|-----|--|
| 5. | Office paper (high-quality, bond, computer, mixed, telephone books, and Federal Registers) |
| 6. | Commissary store cardboard and exchange store wastes (cardboard), if the commissary or exchange chooses to use the QRP |
| 7. | Scrap wood and unusable pallets |
| 8. | Rags and textile wastes that have not been contaminated with hazardous material or hazardous waste (HW) |
| 9. | Automotive and light truck-type tires |
| 10. | Used motor oil |
| 11. | Food wastes from dining facilities |
| 12. | Office-type furniture that is broken or too costly to repair |
| 13. | Donated privately owned personal property |

Table 2. Examples of Material That Cannot be Recycled Through QRP

| EXAMPLES OF MATERIAL THAT CANNOT BE RECYCLED THROUGH QRP | |
|--|--|
| 1. | Precious metal-bearing scrap |
| 2. | Scrap metal generated from a defense working capital fund activity |
| 3. | Items, such as MLI indicated in item 10. of this table, that must be demilitarized (DEMIL) at any time during their life cycle, except for small arms and light weapons brass and gleanings as described in item 3 of Table 1 of this enclosure. |
| 4. | Hazardous materials and waste |
| 5. | Material that can be reused by the government for their original purpose without special processing. These items may or may not be MLI or CCL items. |
| 6. | Repairable items (e.g., used vehicles, vehicle or machine parts) |
| 7. | Unopened containers of oil, paints, or solvents |
| 8. | Fuels (uncontaminated and contaminated) |
| 9. | MLI or CCL items (Only DEMIL Code A items may be candidates for recycling.) |
| 10. | Printed circuit boards containing hazardous materials |
| 11. | Items required to be mutilated prior to sale or release to the public |
| 12. | Ammunition cans, unless certified as MPPEH Designated as Safe in accordance with References (h), (i), (j) and (k). |
| 13. | Usable pallets, unless DLA Disposition Services states otherwise |
| 14. | Electrical and electronic components (These may be MLI or CCL items eligible only for electronics demanufacturing and DEMIL or mutilation.) |

(3) Continually review each QRP to identify material appropriate for waste stream diversion, explore recycling methods, and identify potential markets. Additional recyclable material includes not only material generating profit, but material whose diversion from the waste stream generate a savings to DoD in disposal costs, or is required by State or local law or regulation. Material generated from nonappropriated or personal funds (e.g., post consumer wastes from installation housing and installation concessions) may be included.

(4) Installation commanders authorized by their DoD Component head, as appropriate, may sell directly recyclable and other qualified recycling program materials or consign them to the DLA Disposition Services for sale. If selling directly, installations will:

(a) Maintain operational records for annual reporting requirements, review, and program evaluation purposes.

(b) Manage processes, reports, and proceeds distribution in accordance with References (d) and (ab).

(5) Excluded material is identified in Attachment 2 to Reference (ab), which provides a guide of eligible and ineligible materials.

(6) Although scrap recyclable materials do not require formal screening, those purchased with appropriated funds, as surplus property under the FPMR and FMR, are available to meet RTD requirements.

(7) When sold directly by the installation, use proceeds to reimburse the installation level costs incurred in operating the recycling program. After reimbursement of the costs incurred by the installation for operations (e.g., operation and maintenance and overhead), installation commanders may use the remaining proceeds as authorized by Reference (ab).

b. Commercial Space Launch Act (CSLA)

(1) The purpose of the CSLA, chapter 509 of Title 51, U.S.C. (Reference (ad)), is to promote economic growth and entrepreneurial activity through the utilization of the space environment for peaceful purposes; encourage the private sector to provide launch vehicles and associated launch services; and to facilitate and encourage the acquisition (sale, lease, transaction in lieu of sale, or otherwise) by the private sector of launch property of the United States that is excess or otherwise not needed for public use, in consultation with Secretary of Transportation. Donation screening is not required prior to sale.

(2) The DoD Chief Information Officer (DoD CIO) has the primary responsibility for coordinating DoD issues or views with the Department of Treasury, other Executive department organizations, and the Congress on matters arising from private sector commercial space activities, particularly the operations of commercial expendable launch vehicles and national security interests.

(3) The DLA Disposition Services is the primary office to conduct CSLA sales following the direction for pricing and disposition as specified in Reference (p). Sales will be by competitive bid to U.S. firms or persons having demonstrated action toward becoming a commercial launch provider. The DoD CIO and the Secretary of the U. S. Air Force (USAF) designated representative will support DLA Disposition Services, as necessary, in the sale or transfer of excess and surplus personal property to the private sector, including the identification of potential bidders and any special sales terms and conditions. The generating activity will assist, as necessary, in completing sales transactions.

ENCLOSURE 4

SECURITY ASSISTANCE OR FMS

1. STATUTORY AUTHORITY. Authority for security assistance is provided primarily under section 2751 et seq. of Reference (u), (also known as the “Arms Export Control Act”) and annual appropriation acts for foreign operations, export financing, and related programs.

2. SECURITY ASSISTANCE PROGRAM REQUIREMENTS

a. Security assistance transfers are authorized under the premise that if these transfers are essential to the security and economic well-being of friendly governments and international organizations, they are equally vital to the security and economic well-being of the United States. Security assistance programs support U.S. national security and foreign policy objectives.

b. In coordination and cooperation with DOS, the Defense Security Cooperation Agency (DSCA) directs, administers, and provides overall procedural guidance for the execution of security cooperation and additional DoD programs in support of U.S. national security and foreign policy objectives; and promotes stable security relationships with friends and allies through military assistance, in accordance with Defense Security Cooperation Agency 5105.38-M (Reference (ae)).

3. FOREIGN PURCHASED PROPERTY. Disposal initiatives and actions will be in accordance with Reference (ae) or guidance provided by security assistance implementing agencies on a case-by-case basis.

4. FMS DISPOSAL PROCESS SUMMARY

a. Defense Disposal Services

(1) FEPP, excess, and surplus personal property may be made available to foreign countries and international organizations designated as eligible to purchase property or services in accordance with Reference (u). Such defense articles may be made available for sale under the FMS Program. Transactions under this authority are reimbursable.

(2) FMS transactions are completed by use of letters of offer and acceptance and the procedures specified in Reference (ae).

b. Grant Transfer of Excess Defense Articles (EDA). Section 2321j of Reference (u) authorizes the U.S. Government to grant transfer of EDA to eligible foreign governments. For a transfer under this authority, DoD funds may not be used for packing, crating, handling, and

transportation except under certain circumstances consistent with the guidance in section 2321j(e) of Reference (u).

c. FMS Transportation

(1) As a general rule, FMS customers are responsible for all transportation costs.

(a) The transportation costs can be written into the letters of agreement or the items can be shipped on a collect commercial basis. The implementing DoD Component or DLA Disposition Services will identify exceptions to this rule.

(b) Sensitive and some other FMS shipments may be made via the Defense Transportation System (DTS).

1. Sensitive shipments not going through the DTS must be routed through a DoD-controlled port (Delivery Term Codes 8, B, or C) in accordance with Appendix E, paragraph H.1, Part II of the Defense Transportation Regulations 4500.9-R (Reference (af)).

2. For these shipments, the implementing agency will provide separate instructions and funds citations. Transportation arrangements may be made by the supporting Transportation Office or DLA Disposition Services.

(2) Unless otherwise directed by the implementing agency or DLA Disposition Services FMS Office:

(a) Send small items collect via Federal Express or other parcel service to designated freight forwarder.

(b) Send less than truckload shipments collect via common carrier to designated freight forwarder.

(c) Prepare and send DD Form 1348-5, "Notice of Availability/Shipment," for larger than truckload shipments to freight forwarder or other designated address. Upon receipt of DD Form 1348-5, the recipient will provide shipping instructions or advise of pick-up date. If shipping instructions are not received within 15 days after DD Form 1348-5 is issued, follow up with freight forwarder and notify DLA Disposition Services if they are the implementing agency.

(d) For sensitive Delivery Term Code 8 property, in accordance with Reference (af), and hazardous material property, the supporting transportation office must ensure that the property is released in accordance with all applicable regulatory requirements. The preferred option is to let the supporting transportation office accomplish notice of availability and property shipment processes.

(e) On rare occasions, property may be transferred on a no-fee basis. The implementing agency or DLA Disposition Services will provide appropriate instructions on a case-by-case basis.

(3) In accordance with section 2403 of Reference (u), construction equipment, including but not limited to tractors, scrapers, loaders, graders, bulldozers, dump trucks, generators, and compressors are not considered EDA for purposes of this enclosure.

d. FMS Eligibility. Eligibility for FMS is listed in Table C4.T2 of Reference (ae). Eligibility to receive excess property as a grant pursuant to Reference (u) is established by the DOS and provided to DSCA. DoD Components will follow the latest guidance from DSCA showing which countries are eligible under the various authorities.

e. Controlled Assets

(1) Foreign countries and international organizations may screen and request DLA Disposition Services assets during DLA Disposition Services reutilization screening periods.

(2) Section 2562 of Reference (f) prohibits the sale or transfer of fire equipment to foreign countries and international organizations until RTD has been accomplished. Fire equipment remaining after these periods may be made available to security assistance customers with a certification to DSCA that the property is not defective and has completed all required excess property processes.

(3) DSCA will provide guidance for the transfer of items.

(4) Pricing of FMS is governed by Reference (aa).

ENCLOSURE 5

REUTILIZATION OR TRANSFER, EXCESS SCREENING, AND ISSUE
(INCLUDES DONATION OF DLA DISPOSITION SERVICES ASSETS)

1. AUTHORITY AND SCOPE

a. The provisions of this enclosure are based on the guidelines of Reference (d).

b. The scope of this enclosure includes the RTD screening, ordering, issuing, and shipment of DoD FEPP, excess, and surplus personal property.

(1) These procedures apply to the Military Departments, FCAs, donees, eligible foreign governments and international agencies, and any other activities authorized to screen and order FEPP, excess, and surplus personal property.

(2) See Enclosure 5 to Volume 1 of this manual for additional guidance on the DoD Humanitarian Assistance Program (HAP), LEAs, DoD or Service museums, National Guard units, Senior Reserve Officer Training Corps (ROTC) units, morale, welfare, recreational activities (MWRAs), the Military Affiliate Radio System (MARS), Civil Air Patrol (CAP), and DoD contractors.

(3) See Enclosure 5 to Volume 1 and Enclosure 4 to this volume for additional information on foreign governments and international organizations.

2. GENERAL

a. DoD policy, in accordance with Reference (d), is to reutilize DoD excess property and FEPP to the maximum extent feasible to fill existing needs before initiating new procurement or repair. All DoD activities will shop for available excess assets and review referrals for assets to satisfy valid needs. DLA Disposition Services provide asset referrals via front end screening to ICPs daily. See individual Military Department guidance regarding eligibility and authority to withdraw excess property from DLA Disposition Services.

b. Customers can electronically request specific national stock numbers (NSNs) for orders, whether DLA Disposition Services assets are available at the time the need arises. When an asset becomes available in the DLA Disposition Services inventory, an electronic notification will be sent to the customer for initiating an official order. See paragraph 3g of this enclosure for procedures on the automated want lists.

c. The UII mark, if applicable, will not be removed from a personal property item offered for reutilization, transfer, or donation.

3. SCREENING FOR PERSONAL PROPERTY

a. Screening

(1) DoD reutilization is accomplished electronically via Military Standard Requisitioning and Issue Procedures (MILSTRIP) and DLA Transaction Services, through the DLA Disposition Services Website: <https://www.dispositionservices.dla.mil/index.shtml>.

(2) At the end of the DoD exclusive internal screening cycle, DoD excess property (excluding FEPP, scrap, and HW) is transmitted to the GSAXcess®, and GSA assumes control of federal agency transfer and donation screening. The property remains in DLA Disposition Services accounts and can be viewed on their website.

(3) GSA federal screening is accomplished through the GSAXcess® platform that is a customer interface to the Federal Disposal System (FEDS). DoD personnel may shop in GSAXcess® at any time and search and select property from DoD and other FCAs. Transportation costs for other FCA property are borne by the DoD screener. DLA Disposition Services makes shipping arrangements for DoD orders in GSAXcess® and includes the transportation costs in the cost of the item.

(4) Enclosure 7 to Volume 2 and Enclosure 3 to Volume 4 of this manual provide additional information on screening for excess personal property by category.

(5) All references to days are calendar days unless otherwise specified.

(6) With electronic screening, physical tagging of property at a DLA Disposition Services site to place a “hold” until an order has been submitted is no longer authorized.

(7) DLA Disposition Services provides reasonable access to authorized personnel for inspection and removal of excess personal property.

b. CONUS Screening Timeline for Excess Personal Property

(1) Accumulation Period. DLA Disposition Services accumulates property throughout the week as it is inspected and added to the inventory system. As property is added to the inventory system, it is visible for ordering by DoD customers only. This accumulation period ends each Friday, prior to the start of the official 42 day screening timeline.

(2) DoD and Special Programs Screening Cycle (14 days). DoD and the Special Programs identified in Enclosure 5 to Volume 1 of this manual have exclusive ordering authority during the first 14 days of the screening timeline. DoD reutilization requirements have priority during this cycle, and property will not be issued to Special Programs until the end of this cycle.

(3) FCA and Donees Screening Cycle (21 days). FCAs and GSA-authorized donees screen property in GSAXcess® during the following 21 days. FCA requirements have priority during this cycle, and property will not be issued to donees until the end of this cycle. During

this cycle, DoD will search and select property in GSAXcess® rather than submit MILSTRIP orders, with the exception of priority designator (PD) 01-03 and NMCS requisitions. DoD customers will submit PD 01-03 and NMCS requisitions to DLA Disposition Services, who will immediately fill these orders and notify GSA to make the record adjustment in GSAXcess®.

(4) GSA Allocation to Donees (5 days). The following 5 days are set aside for GSA to allocate assets to fill donee requests. During this allocation period, no GSAXcess® ordering can be made.

(5) Final Reutilization/Transfer/Donation (RTD2) Screening (2 days). The final 2 days of screening are available to all RTD customers for any remaining property on a first come, first served basis.

(6) Table 3 summarizes the priority of issue and the timelines associated with screening and issue of property.

Table 3. Summary of Screening and Issue Timelines in Order of Issue Priority

| RTD Method | Eligibility | Screening Period | Issuing Period |
|-------------------|-----------------------|-------------------------|-----------------------|
| Reutilization | DoD | Days 1-14 | Days 1-42 |
| Reutilization | Special Programs | Days 1-14 | Days 15-42 |
| Transfer | All Federal Agencies | Days 15-35 | Days 15-42 |
| Donation | Authorized GSA Donees | Days 15-35 | Days 36-42 |
| RTD2 | All RTD Customers | Days 41-42 | Days 41-42 |
| Sale | General Public | N/A | N/A |

c. FEPP Screening Timeline

(1) Screening timeline and procedures for FEPP will generally follow those listed in paragraph 3b of this enclosure.

(2) During contingency operations, the ASD(L&MR) may approve expedited screening timelines and changes to issue priorities.

d. DoD Screening Methods

(1) DoD reutilization screening is accomplished electronically via MILSTRIP and DLA Transaction Services through the DLA Disposition Services Website: www.dispositionservices.dla.mil. If the electronic method is unsuccessful, please fax the following on agency letterhead: name, phone number, point of contact, internet provider address, and two signatures of authorized individuals to DLA Disposition Services Reutilization Office at fax commercial 269-961-7348 or DSN 661-7348.

(2) Local screening at the DLA Disposition Services sites is on-site (visual) viewing of excess property. Physical inspection of property may not be possible for assets at depot recycling control points (RCPs), receipts in-place, or remote locations.

e. GSAXcess® Screening

(1) Users must obtain an access code from GSA to screen through GSAXcess®. To learn about GSAXcess® and obtain access code information, see: http://apps.fss.gsa.gov/Manuals/Feds_Users_guide.

(2) DoD customers must obtain access from GSAXcess® to search and select property. The DoD Accountable (Supply) Property Officer must provide GSA a letter (on official letterhead) or e-mail (from a “.mil” address) requesting access for their representatives and include addresses, phone numbers, e-mail addresses, and DoD activity address codes (DoDAAC) of those authorized to select property from GSAXcess®. Customers may select items once the access is granted.

(3) DoD customers who only want to search for available property in GSAXcess® can also register for search only access at www.gsaccess.gov.

f. Screening Exceptions. Generally, property cannot be screened before it is entered on DLA Disposition Services site’s accountable records. However, instances where screening prior to entry may be justified include:

(1) Property needed to fulfill emergency orders, (e.g., PD 01-03, NMCS, disaster relief) and which may be processed as a “wash-post” transaction. The DLA Disposition Services site must be able to fully justify these actions and ensure a signed receipt copy of the disposal turn-in document (DTID) is returned to the generating activity.

(2) Backlog situations where usable property is in danger of being damaged by the elements due to a lack of adequate storage and an authorized customer is on location.

g. Automated Want Lists

(1) Customers may use the automated pre-receipt information to flag desired NSNs. Use of this tool does not guarantee the items will become available. If notified that the item is in the excess inventory, customers must use standard MILSTRIP order procedures. For more guidance, see <https://www.dispositionservices.dla.mil/rtd03/index.shtml>.

(2) Customers may submit automated searches for recurring NSNs through the DoD Property Search Website at <https://www.dispositionservices.dla.mil/rtd03/index.shtml>. Results are e-mailed to the customer.

(3) Customers may also submit a “Want List” in GSAXcess®, which can help them locate excess property from civilian agencies.

h. Specialized Screening for ICPs

(1) DLA Disposition Services will electronically report to designated ICPs those assets with valid NSNs meeting dollar value and condition code criteria established by DoD Component. The notification will be sent electronically to the recorded DoD wholesale manager (ICP or IMM) concurrently with recording the excess in the DLA Disposition Services system for accounting for excess property in DoD. Component IMM's may view the NSNs they requested during the first 5 days of the accumulation period before the items become available to other DoD activities. The ICPs must send their request to:

DLA Disposition Services
Hart-Dole-Inouye Federal Center
74 North Washington Avenue, Suite 2429
Battle Creek, Michigan 49037

(2) The DoD ICP or IMM will screen these notifications to determine if needs exist. DLA Disposition Services site excesses will be reutilized to satisfy known or projected buy and repair needs.

(3) Orders for property during the internal screening periods will be prepared according to MILSTRIP and submitted to DLA Disposition Services.

i. Issues To and Turn-Ins By Special Programs and Activities

(1) DoD HAP

(a) The DoD HAP is authorized to dispose excess property through DoD DLA Disposition Services site channels.

(b) Providing non-lethal DoD excess personal property for humanitarian purposes is authorized pursuant to section 2557 of Reference (f). Preparation and transportation of this property is carried out in accordance with section 2661 of Reference (f). HAP allows DoD to make available, prepare, and transport non-lethal, excess DoD property for distribution by DOS for humanitarian reasons. The program is managed by the DSCA Office of Humanitarian Assistance and Demining.

(c) In most instances, property issues will be from DLA Disposition Services inventories. The most commonly requested types of property are medical equipment, field gear, tools, clothing, rations, light vehicles, construction, and engineering equipment. DLA Disposition Services sites will issue all property destined for the HAP, with the exception of drugs and biologicals (FSC 6505), which may be issued directly by the Military Departments. HAP orders and issues will be documented on DD Form 1348-1A "Issue Release/Receipt Document."

(2) LEAs. In accordance with section 2576a of Reference (f), DLA has established an office to permit civil police authority to acquire excess DoD property, and the website <https://www.dispositionservices.dla.mil/rtd03/leso/index.shtml> provides information to assist with the process. LEAs can contact DLA Disposition Services at:

DLA Disposition Services
 Hart-Dole-Inouye Federal Center
 74 North Washington Avenue, Suite 2429
 Battle Creek, Michigan 49037
 Toll free: 1-877-DLA-CALL, DSN: 661-7766
 Commercial/FTS 269-961-7766

(a) Section 2576a of Reference (f) authorizes the Secretary of Defense, in consultation with the Director, Office of National Drug Control Policy, and DOJ, to transfer excess DoD property, including small arms, light weapons, and ammunition, to federal and State LEAs, including counterdrug and counterterrorism activities. The federal program is known as the 1033 Program. The DLA Disposition Services has managerial responsibilities in support of such transfers and will establish business relationships with participating States by memorandum of agreement (MOA).

(b) LEAs will return sensitive or controlled DEMIL-required property originally ordered from DLA Disposition Services when no longer needed. DEMIL-required equipment that is the responsibility of the LEA must be DEMIL in accordance with References (h), (i), and (j). Due to constant changes and development of new technology, Table 4 of this enclosure is only a partial list of NSNs that may contain radioactive components as identified for Army Navy (AN) night vision equipment codes in Reference (j). These NSNs and many others should not be transferred to DLA Disposition Services sites. The turn-in activity will verify with the DLA Disposition Services site whether equipment contains radioactive components before turning in any night vision equipment.

Table 4. NSNs With Radioactive Components

| NSN Number | Radioactive Component |
|------------------|-----------------------|
| 5855-00-053-3142 | AN/TVS-4 (prototype) |
| 5855-00-087-2942 | AN/PVS-1 |
| 5855-00-087-2947 | AN/PVS-2 |
| 5855-00-087-2974 | AN/PVS-1 |
| 5855-00-087-3114 | AN/TVS-2 |
| 5855-00-113-5680 | MX-8201 |
| 5855-00-156-4992 | AN/PVS-3A |

Table 4. NSNs With Radioactive Components, Continued

| NSN Number | Radioactive Component |
|------------------|-----------------------|
| 5855-00-156-4993 | MX-8201A |
| 5855-00-179-3708 | AN/PVS-2A |
| 5855-00-179-3709 | MX-7833 |
| 5855-00-400-2619 | MX-7833A |
| 5855-00-484-8638 | AN/TVS-2B |
| 5855-00-688-9956 | AN/TVS-4 |
| 5855-00-688-9957 | AN/TVS-4 |
| 5855-00-760-3869 | AN/PVS-2B |
| 5855-00-760-3870 | AN/TVS-4A |
| 5855-00-791-3358 | AN/TVS-2A |
| 5855-00-832-9223 | MX-7833 |
| 5855-00-832-9341 | AN/PVS-3 |
| 5855-00-906-0994 | AN/TVS-4 |
| 5855-00-911-1370 | AN/TVS-2 |
| 5855-01-093-3080 | AN/PAS-7A |
| 5855-00-087-3144 | AN/TVS-2 |

(3) DoD or Service Museums

(a) Legal authority is provided by section 2572 of Reference (f), which allows the loan, gift, or exchange of specified historic or obsolete or condemned military property. Approval authority for museum acquisitions from DLA Disposition Services sites expressly for the purpose of exchange must be granted by the activity having staff supervision over the museum. Approval authority includes:

1. Army:
Chief of Military History (DAMH-MD)
1099 14th Street NW
Washington, D.C. 20005-3402
2. Navy:
Curator for the Navy
Naval Historical Center, Building 108
Washington Navy Yard
Washington, D.C. 20374-0571

3. USAF:
Director, National Museum of the United States Air Force
HQAFMC
1100 Spaatz Street
Wright-Patterson AFB, Ohio 45433-7102
4. U.S. Marine Corps:
Marine Corps History Division
3079 Moreel Avenue
Quantico, Virginia 22134
5. USCG
ATTN: Coast Guard Historian, Commandant (CG-09224)
U.S. Coast Guard Headquarters, Douglas A. Munro Building
2703 Martin Luther King Jr .Avenue, South East Stop
Washington, D.C. 20593-7031

(b) The DoD or Military Department museums will use standard DoD processes to dispose excess property using DoDAACs.

(c) The DoD and Military Department museums may obtain property from DLA Disposition Services sites for use, display, or exchange. With the exception of historical artifacts, stockpiling of property obtained from DLA Disposition Services sources for future exchange is prohibited.

(d) The normal ordering procedures apply. The DD Form 1348-1A, in addition to routine information, will include:

1. The museum's individual DoDAAC or the DoDAAC of the Service headquarters with central responsibility for historical property.
2. A statement if the property is to be used for display, exchange, or use (e.g., property needed to maintain the museums' buildings and grounds, for day-to-day housekeeping operations, or to maintain displays).
3. Only DEMIL Code "A" property is requested. Examples of DEMIL Code A items suitable for housekeeping purposes by DoD museums may include: Federal Supply Classification Groups (FSGs) 52 - hand tools; 53 - hardware; 55 - lumber; 56 - construction materials; 61 - electric wire; 62 - lighting fixtures; 71 - furniture; 72 - furnishings; 75 - office supplies; 79 - cleaning equipment; 80 - brushes and paints. Orders of property for exchange will reflect the DoDAAC of the DoD Military Department museums. An exception to this procedure applies to M151 series, M561, and M792 (Gamma Goat) vehicles. Although coded as DEMIL Code A, exchange of the vehicles is prohibited.

(e) DLA Disposition Services sites will:

1. Ensure DEMIL Code A property ordered by a museum for exchange purposes has no current challenges to that code. This applies to all items whether recorded in the DLA Logistic Information Service Federal Logistics Information System Master Item File or not, including scrap and captured military items. Excluded are the M151 series vehicles, hazardous property, and MLI and CCL items, which are not authorized for museum exchanges.

2. Ensure authorized property ordered by museums for exchange is released to the ordering museum personnel only. Identification of the individual is required. These personnel must be military or civilian employees of the museum, not volunteers or members of the museums' private supporting organizations.

(f) The DoD operating activities and Military Departments will:

1. Maintain accountable records according to appropriate DoD and Service regulations of all items withdrawn from DLA Disposition Services sites, to include all materiel transactions, receipts from the DLA Disposition Services site, and transfer and exchange documents.

2. Provide to DLA Disposition Services a list of all the DoD museums and Service museums authorized to negotiate with DLA Disposition Services sites, including the name of the institution, address, telephone number, and the DoDAAC of the museum.

(4) National Guard Units

(a) National Guard Units will use the standard DoD processes to dispose excess DoD property through the use of DoDAACs.

(b) Issues of excess DoD property and FEPP to National Guard units must be approved by the National Guard Bureau or the U.S. Property and Fiscal Officer (USP&FO), or their authorized representative, for the State in which the National Guard unit is located. Requests received from National Guard units that do not contain the signature of the USP&FO, their authorized representative, or the National Guard Bureau, will not be honored.

(5) Senior ROTC Units

(a) Senior ROTCs will use standard DoD processes to dispose excess DoD property using DoDAACs.

(b) Military Departments' Senior ROTC units may obtain excess DoD property and FEPP from DLA Disposition Services sites to support supplemental proficiency training programs. Orders to DLA Disposition Services sites must be approved by the installation commander or designee normally responsible for providing logistical support to the instructors group. Property will be issued to the accountable officer of the school concerned.

(6) USCG. As a recognized military service and a branch of the U.S. Armed Forces, and due to the association of the USCG to the U.S. Navy, DLA Disposition Services will accept

USCG (DHS) excess property, USCG excess DoD property and FEPP for disposal. The principles outlined in paragraphs 3a through 3h of this enclosure apply.

(a) USCG excess DoD property may be transferred to the nearest DLA Disposition Services site after internal USCG screening. Physical retention of the property by the USCG is preferred, especially if size or economics prevent physical transfer.

(b) Property physically turned in to the DLA Disposition Services site does not qualify for reimbursement.

(c) After the USCG completes all RTD screening for aircraft and vessels, DLA Disposition Services may provide sales services through an in-place MOU that outlines all USCG and DLA Disposition Services responsibilities.

(d) USCG aircraft may be transferred to the Aerospace Maintenance and Regeneration Group (AMARG), Davis-Monthan Air Force Base, Arizona, according to the ISSA between the USCG and the USAF.

(e) USCG orders must include a citation as to the USCG directive authorizing the unit to obtain the property listed on the order. In addition, the fund citation for transportation must be included on the DTID. Individual floating and shore units of the USCG may be delegated authority to order excess DoD property without Commandant, USCG approval. Indicate the delegating authority on all orders. The DLA Disposition Services site need not validate the authenticity of the authority, but only the fact that such authorization appears on the order.

(7) U.S. Army Corps of Engineers (COE) Civil Works Property

(a) Based on the association of Civil Works with the U.S. Army, the COE will use Department of the Army DoDAACs to transfer personal property through DLA Disposition Services for disposal, including HP through a service contract.

(b) COE civil works activities may order property through DLA Disposition Services as a DoD activity, using an assigned Army DoDAAC or as an FCA, using an address activity code through GSAXcess®.

(8) MAP Property and Property for FMS. DoD Directive 5105.22 (Reference (ag)) and Enclosure 4 of this volume provide additional procedures for MAP property or for property that can be purchased by eligible organizations through FMS.

(a) Following the country decision to dispose through DLA Disposition Services, the country and Security Assistance Office will determine, in coordination with DLA Disposition Services, the proper disposal method (e.g., DEMIL or mutilation requirements, security classification, reimbursement decisions).

(b) DLA Disposition Services, in coordination with the country and Security Assistance Office will make provision for in-country U.S. personnel, with assistance from local personnel, as appropriate, to act as DLA Disposition Services agent where turn-in by the generating activity and physical handling by the DLA Disposition Services site is impractical. In addition to MILSTRIP documentation requirements of Reference (t), the generating activity will include the following data on the electronic turn-in document or DTID for MAP items.

1. Country

2. DTID number, to include at a minimum:

a. In the first position, a service code (B, D, K, P, or T).

b. In the second position, a country or activity code in accordance with DoDD 5230.20 (Reference (ah)).

c. In the third position, the Julian date.

3. Identification of MAP Address Directory Security Assistance Offices initiating turn-in.

4. MAP account fund citation

(c) Screen disposable MAP property for reutilization, FMS, and transfer to fill known federal needs. Process disposable MAP property surviving reutilization, FMS screening, and other transfers to sale.

(d) Process MAP property used for any purpose other than to meet approved DoD needs for RTD or sale on a reimbursable basis.

(e) The allocation of weapons, ammunition, flyable aircraft (rotary and fixed-wing) and selected property will be accomplished by DLA, as coordinated with the Office of Deputy Assistant Secretary of Defense for Supply Chain Integration.

(f) All other excess DoD property will be processed through DLA Disposition Services on a first-come, first-served basis.

(9) DoD Contractors and Contractor Inventory

(a) The disposal of DoD contractor inventory is generally the contractor's responsibility in accordance with subpart 45.602-1 of Reference (o), unless the contract specifies that excess DoD property be returned to the government, as a result of a determination by the contracting officer (CO) at contract expiration that DLA Disposition Services disposal would be in the best interests of the government. Property physically turned in to the DLA Disposition Services site does not qualify for reimbursement to the generating activity.

(b) If property is purchased and retained by a DoD contractor, net proceeds from the sale of the property will be deposited into the generating activity's suspense account.

(c) Reference (u) permits the Military Department or Defense Agency management control activity (MCA) to withdraw or authorize the withdrawal of specified excess DoD property from DLA Disposition Services sites for use as government-furnished material or government-furnished equipment to support contractual requirements.

(d) Orders will be completed in accordance with Chapter 11 of Reference (t) and include the DoDAAC assigned to the contractor. These orders must be processed by the MCA having cognizance of the applicable contract.

(e) Property ordered must be authorized and listed in the DoD contract(s) for which the property will be used, recorded in the ICP's MCA responsible for the contract, and the use of the ordered property approved by the CO or contracting officer's representative (COR) for such contract(s). Each electronic or manual order (DD Form 1348-1A) must contain the signature and title of the CO or COR authorizing the withdrawal of excess DoD property from the disposal system. Each order must also contain the certification: "For use under Contract Number(s)._____." The certification should be signed by an authorized official and should indicate his or her official title.

(f) DLA Disposition Services sites cannot guarantee the property withdrawn meets minimum specifications and standards in terms of quality, condition, and safety.

(10) NAF Activities

(a) Includes expense items and NAF resale goods procured by NAF activities such as military exchanges and MWRAs or Services, but excludes commissary store trust fund account equipment.

(b) DLA Disposition Services will not process property typically reclaimed from customers by the military exchanges such as used batteries, tires, oils, etc., as a part of their normal business. The NAF must process property in accordance with the guidance shown under Army and Air Force Exchange Service in Volume 4 of this manual for disposal of these assets.

(c) Acceptable types of property will be processed for federal screening only and are not eligible for donation. They are eligible for reutilization or transfer provided the generating NAF activities waive reimbursement or negotiate reimbursement with the ordering activity.

1. The generating activity will provide a statement on the DTID that the property was purchased with nonappropriated funds to obtain appropriate reimbursement. If the DTID does not contain this citation, the property will be processed as normal excess DoD property.

2. In addition to standard entries, documentation will contain the unit cost (in lieu of the Federal Logistics Data acquisition cost) recorded in the financial and accounting records

of the NAF activity. DLA Disposition Services sites will use this value for inventory, reporting, reutilization, transfer, and sale purposes.

3. Reimbursement will be completed between the generating activity and the order for property reutilized or transferred. Sales proceeds will be deposited in accordance with Volume 11a, chapter 5 of Reference (aa) (unless otherwise directed or superseded).

(d) DoD MWRAs or Services may order excess DoD property and FEPP through the MWRAs/Services that have a DoDAAC on file with the Defense Automatic Addressing System (DAAS). Requests for small arms or light weapons must be ordered by servicing accountable officers only and be approved by the designated DoD focal point as identified in Table 4 of this volume. See Volume 4 of this manual for guidelines on reutilization of small arms and light weapons.

(e) NAF property ordered by or through a servicing accountable officer will be used and accounted for the same as all procurements, according to applicable Military Department or Defense Agency procedures.

(f) Orders received by DLA Disposition Services sites directly from an MWRA or Military Department accountable officer will be for administrative and other purposes from which individuals will realize no direct benefits.

(g) Orders will contain the MWRA or Service account number, the signature of the MWRA or Service accountable officer, and a statement that the property obtained without reimbursement will be identified separately in accounting records from property for which reimbursement was made. The order will include the statement that, when such property is obtained without reimbursement is no longer needed, it will be turned in to the nearest DLA Disposition Services site and that no part of the proceeds from sale or other disposition will be returned to the MWRAs or Services. Perpetuate this information from the order in follow-on documentation.

(h) If the property is not reutilized, transferred, or sold, DLA Disposition Services will notify the NAF activity that accountability will revert to the NAF activity and further disposal processing will be the responsibility of the NAF activity. If the DLA Disposition Services site has taken physical custody, the NAF activity will be responsible for retrieving the property.

(11) MARS

(a) MARS is an appropriated fund activity that operates under the jurisdiction of the Military Departments and is an integral part of the DoD communication system. MARS units will use standard DoD processes to dispose excess DoD property using DoDAACs.

(b) The Military Departments responsible for MARS are authorized to order excess DoD property and FEPP through their respective accountable officers. The following ordering stipulations apply:

1. Designation of accountable officers and representatives authorized to screen and obtain excess DoD property and FEPP at DLA Disposition Services sites is described in this enclosure.

2. The property ordered is for immediate use by a MARS member or member station for its intended purpose; property may not be acquired for storage. When property requested is to be used for reclamation, written approval for such action must be obtained in advance from the Military Department MARS chief in coordination with the accountable officer. Property ordered for reclamation is limited to materiel in disposal condition code X or S.

3. Excess DoD property and FEPP ordered from a DLA Disposition Services site for MARS may be shipped to a DoD activity or picked up at a DLA Disposition Services site by personnel who are appropriately identified and approved. Property ordered for reclamation is designated for local pickup only at the DLA Disposition Services site. Maintain accountability of residue in accordance with Military Department directives.

(c) The accountable officer will maintain accountability for all property acquired and issued to MARS members and MARS member stations. The property remains government property.

(d) When the property is no longer needed for use by the MARS, the accountable officer arranges for the equipment to be turned in to the nearest DLA Disposition Services site, if economically feasible. If it is not economically feasible to turn in the property, the accountable officer will employ A/D procedures according to Enclosure 4 of Volume 2 of this manual.

(e) The respective Military Department may limit MARS orders to selected FSCs.

(f) The release of property to MARS activities is governed by the following procedures:

1. Army MARS

a. In CONUS, the authority to order and obtain excess DoD property and FEPP to fill valid requirements is vested in the accountable MARS Program Manager (MPM) appointed by the Chief, Army MARS.

b. Outside the CONUS, the authority to order and obtain excess DoD property and FEPP for the Army MARS program is vested in the 5th Signal Command MARS Director (Europe); 1st Signal Brigade U.S. Army Information System Command (USAISC) (Korea); USAISC Japan; and USAISC Western Command (Hawaii). The MPM who is the accountable officer appointed by the Chief, Army MARS will originate and sign all orders. Process orders through the applicable accountable officer for MARS equipment.

2. Navy/Marine Corps MARS (NAVMARCORMARS)

a. In CONUS, the authority to originate orders for excess DoD property and FEPP to fill valid requirements in the NAVMARCORMARS program is vested in the Chief, NAVMARCORMARS; Deputy Chief, NAVMARCORMARS; Directors of the 1st, 2nd, 3rd, 4th, 5th, and 7th MARS Regions; and the Officer in Charge, Headquarters Radio Station. All orders must be signed by the Chief, NAVMARCORMARS, or the Deputy Chief, NAVMARCORMARS. Process orders through the applicable accountable officer.

b. Outside the CONUS, the authority to originate orders comes from Chief, NAVMARCORMARS; the Deputy Chief, NAVMARCORMARS; or a regional director or a specific designee of the Chief, NAVMARCORMARS. Process orders through the applicable accountable officer.

3. USAF MARS

a. The Office of the Chief, USAF MARS, and staff, active duty Installation MARS Directors (IMDs), and active MARS affiliates are authorized to screen and identify property for USAF MARS use. MARS affiliates are identified by a valid AF Form 3666, "Military Affiliate Radio System Station License and Identification Card," signed by the Chief, USAF MARS. The IMD is appointed in writing by the installation commander or a designated representative; this appointment constitutes authority for screening and identification of property.

b. Orders for property for MARS reutilization must be approved by the Chief, USAF MARS or designated representative; this approval authority cannot be delegated. All approved orders will be processed through the USAF MARS Accountable Property Officer or designated alternate, who will initiate and sign a DD Form 1348-1A to authorize release of identified property. Authority to sign release documents will not be delegated.

c. The accountable officer maintains current and valid identification of their MARS members to prevent unauthorized screening by MARS members or former members.

(12) CAP

(a) The CAP is the official auxiliary of the USAF and is eligible to receive excess DoD property and FEPP without reimbursement subject to the approval of the Headquarters USAF, CAP (HQ CAP-USAF). Title to the property is transferred to the CAP upon the condition that the property be used by the CAP to support valid mission requirements. Authority for the CAP members to screen and obtain excess DoD property will be in writing and signed by an authorized official of the CAP-USAF. HQ CAP-USAF retains the authority to approve and control the types and amounts of items obtained by the CAP.

(b) The CAP will remain accountable for all property acquired from the DoD disposal system and will maintain and safeguard the property from loss or damage. The CAP and its members are strictly prohibited from selling, donating, or bartering property previously obtained from the DoD disposal system under any circumstances.

(c) The CAP is not eligible to screen or receive AMARG aircraft reported by the Military Departments and other governmental agencies. If flyable non-AMARG category “A” aircraft made available for screening by an owning Military Department are selected for issue and approved by the HQ CAP-USAF to fulfill valid CAP mission needs, the following procedures apply:

1. Flyable Aircraft. The head of the owning Military Department will issue the aircraft to the accounts specified by the HQ CAP-USAF, ensuring that data plates and all available historical and modification records accompany the aircraft. The aircraft will be issued to the CAP upon condition that it be used by the CAP to support valid mission requirements. Prior to issuance, the appropriate CAP corporate officer (wing commander or higher) will execute a conditional gift agreement that specifies that the aircraft (parts, etc.) be issued and delivered to AMARG when it becomes excess to CAP’s mission needs. When the aircraft is no longer needed by the CAP, or as otherwise directed by the HQ CAP-USAF, the CAP will make arrangements through the HQ CAP-USAF for issue and delivery of the aircraft, data plates, and historical and modification records to AMARG.

2. Reclamation of Parts. If the HQ CAP-USAF elects to allow the CAP to use the aircraft for parts reclamation, the HQ CAP-USAF will contact the owning Military Department to make arrangements concerning reclamation of parts by the CAP. If the CAP declines to reclaim parts and components from the aircraft, the CAP will arrange through the HQ CAP-USAF for issue and delivery of the aircraft, data plates, and historical and modification records to AMARG.

3. CAP Aircraft. All CAP aircraft delivered to AMARG will be reported to the GSA for use by FCAs and authorized donees. The CAP and its members are strictly prohibited from selling, donating, or bartering aircraft obtained from a Military Department under any circumstances.

(d) The CAP units will use assigned DoDAACs beginning in “FG” to transfer and order excess personal property.

(e) CAP members will identify themselves for pickup of property as stated in this enclosure.

(13) FCAs

(a) These organizations include any non-defense executive agency or any member of the legislative or judicial branch of the government.

(b) The processes discussed in this section apply to FCAs transferring to and ordering excess DoD property from DLA Disposition Services sites.

(c) FCAs that want to use DLA Disposition Services for disposition management instead of GSA are required to review and follow instructions provided on the DLA Disposition Services Website at <http://www.dispositionservices.dla.mil> and to:

1. Comply with section 1535 of Reference (m)) (also known as “The Economy Act”).

2. Initiate an Economy Act Order with DLA Disposition Services Comptroller for establishing financial transactions. Final acceptance of the Economy Act Order constitutes authority for FCAs to use DLA Disposition Services. The Economy Act Order must be renewed on October 1 of each year. DLA Disposition Services transaction activity billing (TAB) rates, sales rates, and actual disposal rates are used for billing FCAs. TAB rates are available on the DLA Disposition Services Website. DLA Disposition Services will bill and the FCA will pay all costs for services rendered. Billing documentation will include contract line item number, administrative, and services costs, and will be processed quarterly.

3. Ensure all laws and regulations are properly met prior to initiating a transfer transaction. Use References (c), (d), (o), and (z), Volume 11a, Chapter 5 of Reference (aa), and Office of Management and Budget Circular A-76 (Reference (ai)) as governing documents.

4. Comply with Reference (t), since in-transit control requirements are not applicable to FCA turn-ins.

5. Comply with sections 4, 5, and 6 of Enclosure 4 of Volume 1 of this manual for transferring excess DoD property, using DD Form 1348-1A or DD Form 1348-2, “Issue Release/Receipt Document with Address Label,” as DTIDs.

a. Schedule turn-ins with the DLA Disposition Services site and assume responsibility for delivering usable and scrap property to DLA Disposition Services sites. Non-hazardous property may be received in-place using the standard DoD receipt in-place processes. Hazardous property cannot be physically accepted at the DLA Disposition Services site and will be processed in-place only, in accordance with paragraphs 3.h.(13)(c)6 and 3.h.(13)(c)7 of this enclosure. Property will normally be turned in as individual line items; however, batchlotting by FSC of non-hazardous items with a combined acquisition value of up to \$800 is permitted.

b. Identify the transaction by using their officially assigned FCA activity address code. The first position of the activity address code begins with 1 through 9.

c. Annotate “XP” funding code in blocks 52 and 53 and a disposal authority code of “F” in position 64 of the DTID.

d. Annotate the DLA Disposition Services Economy Act Order Assigned Number in block 27.

e. Include appropriate hazardous property documents containing the required information found in Volume 4 of this manual.

f. Ensure that no radioactive material, waste, or other excluded HP is turned in to the DLA Disposition Services site.

g. Cover costs associated with substantiated sale contracts claims, if negligence or fault is established.

h. Contact the appropriate DLA Disposition Services site for procedures to use when inventory discrepancies surface for property that the FCA is designated the custodian. The FCA will research and provide a report of the lost, damaged, or destroyed property. Procedures are contained in accordance with Volume 12, Chapter 7 of Reference (aa).

6. Work with DLA Disposition Services to obtain HW disposal contract support, pursuant to the provisions of the FAR; for hazardous property, FCAs will:

a. Define disposal service requirements for HW disposal and provide a yearly estimate of HW streams that may be generated and placed on DLA Disposition Services disposal service contracts.

b. Cover costs associated with substantiated contracts claims, if negligence or fault is established.

c. Maintain physical custody of HP.

d. Provide a designated FCA representative to act as a contracting officer's technical representative during pickup of HP, and identify who will be trained and authorized to release the property for shipment, including signing shipping documents according to the procedures provided in section 172, subpart H of Title 49, CFR (Reference (aj)).

7. Comply with the following liability provisions:

a. Should any DLA HW disposal contractors' actions on behalf of the FCA result in a notice of potential liability to DLA or the FCA under section 9601 et seq. of Title 42, U.S.C. (Reference (ak)) (also known as the "Comprehensive Environmental Response, Compensation and Liability Act"), section 6901 et seq. of Reference (ak) (also known as the "Resource Conservation and Recovery Act"), or any other provision of federal or State law, immediate notification will be provided to DLA Disposition Services or the FCA. The FCA retains ultimate liability for HP.

b. FCAs will be responsible for environmental response costs attributable to their generated HP. FCA is considered the generator for reporting purposes in accordance with Reference (ak).

c. According to the terms of DLA Disposition Services HW disposal contracts, DLA Disposition Services disposal contractors are responsible for spills or leaks during the performance of their contracts, which result from the actions of the contractors' agents or employees.

d. At no time will the DLA Disposition Services site dispose FCA excess DoD property or any provision of a HW contract for FCA property be interpreted or construed to require that funds be obligated or paid in violation of section 1341 of Reference (m) or any other provisions of law.

(d) FCAs will:

1. Work with DLA Disposition Services for DEMIL-required disposal support in accordance with the provisions of Reference (c).

2. Reimburse DLA Disposition Services for A/D-related services.

3. Continue to turn in PM-bearing property at no charge in support of the DoD Precious Metals Recovery Program (PMRP) according to the procedures in Enclosure 5 to Volume 2 of this manual. These transactions are accomplished through an ISSA.

4. Pay for all services rendered, according to established requirements and fees.

(e) Two months prior to the Economy Act Order's expiration, the FCA will notify the DLA Disposition Services Comptroller whether continued services are desired.

1. If the Economy Act Order has not been re-established, DLA Disposition Services will continue to receive property for 60 days.

2. FCAs will continue payments until all property that was received within the fiscal year has been processed, even if the Economy Act Order has expired.

3. FCAs will pay at the rates established or re-established and maintain internal procedures to track DTIDs against billings for reconciliation.

(f) The policies in part 101 of Reference (d) will be implemented when:

1. An official Economy Act Order is finalized and the DLA Disposition Services Finance Office ensures that an officially assigned FCA activity address code is in the DLA Disposition Services Accounting System. (This will indicate to DLA Disposition Services sites that receipt of excess property from the requesting FCA is authorized.)

2. A provisional copy or signed copy of a DD Form 1348-1A is the instant at which accountability for the FCA property (non-hazardous or hazardous) is transferred to a DLA Disposition Services site.

(g) If at any time any issue requires resolution, a team approach will be used at the turn-in activity and DLA Disposition Services site level. Disputes that cannot be resolved will be elevated to the next corresponding level of the FCA and the DLA Disposition Services. If necessary, alternative dispute resolution will be used.

(h) DLA Disposition Services sites will:

1. Reserve the right to refuse any turn-in due to workload or resource constraints if support would seriously impair the DLA mission for DoD.

2. Receive and screen FCA property using the same method used for excess DoD property, except property will not be made available to those special program organizations who, because of enabling legislation, may only obtain excess DoD property; e.g., HAP, law enforcement support offices, and Service Education Activities (SEAs).

(i) Sales proceeds, if any, will be deposited into the U.S. Treasury as miscellaneous receipts, unless otherwise specified by law. No reimbursement of proceeds will be made to the FCA. Contract claims resulting from the sale of federal property may be the responsibility of the FCA.

(j) For HP, DLA Disposition Services will notify FCAs of any:

1. New procedures pertaining to the disposal process or funding changes. HW contracts may be modified by mutual written consent of the parties. Modifications requiring resource changes may be given with enough advance notification for revisions or adjustments to be made during the budget formulation process and the hazardous disposal service contract process.

2. Proposed changes to administrative support costs at least 60 days in advance of a change.

(k) DLA Disposition Services will ensure DEMIL-required property and property that may require export controls are processed appropriately. Property requiring DEMIL may be shipped to an alternate location either by DLA Disposition Services or by an FCA. These charges are included in the TAB rates.

(l) FCAs desiring to order excess DoD property from DLA Disposition Services sites will follow the GSA procedures for acquiring property through GSAXcess®. Once excess DoD property is physically obtained from DLA Disposition Services, the property belongs to and must be disposed by the FCA. This includes property that is DEMIL or mutilation required. Turn-in of previously ordered property from the DLA Disposition Services will be accepted from only those FCAs that have established an Economy Act Order.

(m) FCAs may continue to participate in the DoD PMRP at no charge, in accordance with Enclosure 5 to Volume 2 of this manual. These transactions are accomplished via an ISSA between DLA Disposition Services and FCAs.

(15) U.S. Postal Service (USPS)

(a) USPS is not authorized to dispose excess DoD property through DLA Disposition Services without an FCA intragovernmental agreement.

(b) If such an agreement is executed:

1. Items of a strictly postal nature, such as a carrier satchel embossed “U.S. Mail,” postal scales, or other equipment so similar in nature or design to official USPS equipment as to cause confusion may not be turned in to DLA Disposition Services sites, sold, or disposed to the general public until the USPS has been notified of the intended disposition and offered an opportunity to inspect the equipment. DLA Disposition Services sites will notify local post office inspectors of the existence of this property and arrange for its inspection if the USPS wants to prevent it from falling into the hands of unauthorized persons.

2. DoD purchased or owned postal equipment with official postal identification markings may be transferred to the USPS through DLA Disposition Services site processing, under the standard transfer policies in part 101 of Reference (d). If transferred from DoD Components without going through an official DLA Disposition Services site, the DoD activity will negotiate with USPS for fair market reimbursement.

3. Property not transferred that contains markings that would tend to confuse this property with official USPS equipment will have the markings removed before release for DLA Disposition Services site processing.

4. Excess DoD postal equipment loaned to DoD Components by the USPS will be returned to the USPS.

(16) American National Red Cross. Property that was processed or donated by the American National Red Cross to a Military Department and becomes excess DoD property may not be disposed without notice to and consultation with the American National Red Cross. This property will be returned without reimbursement to the American National Red Cross upon request, if that organization pays packing and shipping costs.

(17) DoD Computers for Learning (CFL). The DoD CFL program implements Executive Order 12999 (Reference (al)) and enables DoD to transfer excess IT equipment to pre-kindergarten through grade 12 schools and educational non-profit organizations through a DLA Disposition Services web-based program. The DLA Disposition Services program replaces the DoD Computers for School, Educational Institution Partnership Program that was overseen by the Defense Information Systems Agency.

(a) Eligible educational organizations serve pre-kindergarten through grade 12 students and are public, private, or parochial schools or educational nonprofits classified as tax-exempt under section 501c of the United States tax code. Schools and educational nonprofits must be located within the United States and its territories.

1. Schools must register in the DLA Disposition Services web-based CFL program and complete all point of contact and profile information.

2. Schools must ensure that IT equipment transferred will be used for student and faculty training to augment existing IT equipment, to strengthen their infrastructure, or for other academic-related programs.

3. All costs incurred in connection with the transfer of equipment through the CFL will be the responsibility of the school and include: expenses in connection with the school's inspection of the IT equipment at DoD sites; cost of packing, crating, marking, and loading the equipment on the carrier's conveyance for transportation; and cost of transportation from DoD sites.

(b) DoD IT equipment FSG 70 with a DEMIL Code of A and DEMIL Code of Q with an Integrity Code of 6 that is located in CONUS and has been accepted to a DLA Disposition Services site's accountability records is eligible for transfer within DoD CFL once DoD screening is complete and the inventory is not requisitioned by DoD.

(c) IT equipment is available on an "as-is" basis, without warranties from DoD as to the condition of the equipment. Eligible equipment includes mainframes, minicomputers, microcomputers, modems, disk drives, printers, and items that are defined within the FSG 70 and are appropriate for use in CFL.

(d) After the DoD excess screening is completed, providing there are no DoD requests, DLA Disposition Services will:

1. Make provisions for schools to receive information concerning DoD IT equipment that is available for transfer.

2. Notify the schools of available equipment that matches the profile submitted by the school.

3. "Freeze" the equipment when the school verifies a need so that other schools cannot be offered the same equipment.

4. Review, approve, and notify generating activities to transfer to a school by generating a materiel release order (MRO) from DLA Disposition Services system for accounting for excess surplus property in DoD to decrement quantity and preclude transmission to the FEDS.

5. While holding for transfer to schools, the following applies:

a. 7-day accumulation (DoD can order anytime).

b. 14-day DoD screening (DoD can order anytime).

6. On day 14, if still available, DLA Disposition Services will freeze the property and create a MILSTRIP initiating a transfer to school transaction. DLA Disposition Services will send MILSTRIP to the generating activity, who will arrange for the school to remove the

item. Schools authorized a transfer are responsible for arranging the pickup or shipping of IT equipment.

7. The IT equipment not designated to schools during the DoD CFL timeframe will be transmitted to GSAXcess® for FCAs and donees.

8. Generating activities can specify a school for intended transfer once DLA Disposition Services has accountability of the equipment, through the DLA Disposition Services web-based CFL program. From the DLA Disposition Services Home Page, the user may click on Property Search for Military, Federal, State, and Special Programs, then click on “Computers for Learning.” The CFL Program enables the generating activity to view the IT equipment that was turned in under their DoDAAC and then designate that equipment to approved schools. The generating activity has 7 days to make this selection; otherwise, the equipment can be viewed by any eligible educational activity

9. Equipment not identified by a generating activity for a specific school will be made available to schools and educational non-profit organizations that are approved within CFL.

10. The authorized school is responsible for coordinating with the generating activity for the removal of equipment.

11. The authorized school has 14 days after receipt of authorization to remove the equipment.

12. If the school does not remove the equipment within the 14 days, the generating activity will notify the DLA Disposition Services site of the non-removal.

13. Upon receipt of notification, the DLA Disposition Services site will notify DLA Disposition Services to cancel the order.

(18) Firefighter Transfer Program. DoD has authorized the U.S. Department of Agriculture Forestry Service (USDA FS) to manage DoD firefighting property transfers provided for in accordance with section 2576b of Reference (f). Title to all Firefighter Property Transfer Program property will pass to the State upon:

(a) The State taking possession of the equipment (such as removing or having the equipment removed from a DLA Disposition Services site).

(b) The State receiving a DD 1348, “DoD Single Line Item Requisition System Document (Manual),” or SF 97 or both for the equipment. The DD Form 1348 or SF 97 will indicate which property requires DEMIL (DEMIL Codes C, D, and F).

(c) The USDA FS will track all equipment requiring DEMIL until final disposition and require the State to ensure that such equipment is either transferred to another DoD agency authorized to receive it or is returned to a DLA Disposition Services site when no longer

required. USDA FS will require the State coordinate any such transfers and returns with the Distribution Reutilization Policy Directorate at DLA prior to the transfer. The recipients are responsible for funding shipment or removal.

j. Expedited Processing (EP)

(1) EP is the approved reduction of screening timeframes. In the zone of interior (ZI), EP may be used on a case-by-case basis. Situations where EP may be considered include backlog situations, potential deterioration from outside storage, or other compelling reasons.

(2) GSA is the approving authority for EP for non-DEMIL required property within the ZI. DLA Disposition Services is the approving authority for DEMIL-required property within the ZI.

(3) Current automation technology allows items going through EP to be visible on the DLA Disposition Services Website and GSAXcess®.

(4) In contingency operations the supported Combatant Command has the authority to accelerate screening timelines based on mission requirements and operational tempo.

k. Screeners Identification and Authorization

(1) Individuals visiting DLA Disposition Services sites to view, order, or remove property or for any other reason are required to provide proper identification as authorized representatives of a valid recipient activity.

(a) Upon arrival at the DLA Disposition Services site, the individuals will sign the vehicle or visitor register indicating the vehicle registration number and the purpose of their visit.

(b) Visitors representing donation recipients will only be allowed to complete the tasks identified under “purpose of visit” on the vehicle or visitor register.

(c) All screeners will specify the DoDAAC or activity address code for which they are inspecting.

(2) DoD screeners will further identify themselves as authorized representatives of a DoD Component by means of a current employee or military personnel identification issued by the DoD activity.

(3) FCA screeners will present current employee identification as valid authorization. This also applies to screeners representing mixed-ownership USG corporations.

(4) Non-federal screeners will present an authorization on the letterhead of the sponsoring activity identifying the bearer and indicating the nature of the authorization. This letter of authorization will be updated at least annually or as changes occur

(5) All SEA screeners will present a valid driver's license or other State-approved picture identification or the letter of authorization.

(6) DLA Disposition Services sites will refer problems in identifying screeners to the activity commander. For FCA and donation screeners, refer to the proper GSA regional office.

1. Screening for Property at DLA Disposition Services Sites

(1) DLA Disposition Services sites will assist customers interested in obtaining property by referring them to the DLA Disposition Services Website or by providing guidance for physical inspection and location of property. Assistance may also include use of a customer-designated personal computer to screen assets worldwide and establish a pre-defined customer want list.

(2) When a prospective donation recipient contacts a DLA Disposition Services site or military installation regarding possible acquisition of surplus property, the individual or organization will be advised to contact the applicable State agency for surplus property (SASP) for determination of eligibility and procedures.

4. ORDERS FOR FEPP, EXCESS, AND SURPLUS PROPERTY FROM DLA DISPOSITION SERVICES AND GSA

a. General

(1) DoD activities, FCAs, and other authorized activities are permitted to order DoD FEPP, excess, and surplus personal property based on the property status at the time the authorized screener identifies its availability from the DLA Disposition Services Website. This property may be ordered through DLA Disposition Services or GSA.

(2) Reference (t) requires orders for property on the DLA Disposition Services site's accountable records to be prepared on DD Forms 1348-1A or 1348-2. The use of the DLA Disposition Services Website allows orders to be processed without hard copies of DD Forms 1348-1A or 1348-2. A separate order is required for each line item on a DLA Disposition Services site's inventory (except batchlots that are grouped together). The shopper will furnish the appropriate information either electronically or by hard copy.

(3) Orders for property in the GSA screening cycle will be submitted through GSAXcess®. Customers are required to complete and submit the SF 122 "Transfer Order Excess Personal Property" to GSA. GSA will then transmit the order to DLA Disposition Services.

(4) DoD activities (other than MWRA's or Services, which are covered in Enclosure 3 to Volume 1 of this manual) must request Military Department or Defense Agency excess and FEPP through servicing accountable officers or their designated representatives.

(5) See Enclosure 3 to Volume 1 of this manual for special guidance affecting USCG ordering.

(6) U.S. Army accountable supply officers should check with their finance accounting office prior to requesting items from DLA Disposition Services. Often, Army customers are billed internally for the items they have ordered from DLA Disposition Services.

(7) The following principles apply to acquiring property from these sources, including federal regulations, which apply to DoD, special programs and activities, FCAs, and donees when acquiring excess or surplus personal property:

(a) There must be an authorized requirement.

(b) The cost of acquiring and maintaining the excess personal property (including packaging, shipping, pickup, and necessary repairs) does not exceed the cost of purchasing and maintaining new materiel and does not exceed the value of property requested.

(c) The sources of spare parts or repair and maintenance services to support the acquired item are readily accessible.

(d) The supply of excess parts acquired must not exceed the life expectancy of the equipment supported.

(e) The excess personal property will fulfill the required need with reasonable certainty without sacrificing mission or schedule.

(f) Excess personal property must NOT be acquired with the intent to sell or trade for other assets.

(g) DoD activities will request only that property that is authorized by the parent HQ or command. Activities may not request quantities of property exceeding authorized retention limits.

(8) The special screening programs will request only property that is authorized by the program or activity accountable officer or program manager, whichever is applicable. If the special screening programs want DLA Disposition Services site to verify the FSC has been authorized before release, the accountable officer or program manager must provide a current authorized FSC list to the DLA Disposition Services site. The removal agent must sign any certification required, acknowledging understanding of rules of disposal, prior to removal of the property.

(9) The Military Department accountable officer who designates DoD individuals to sign orders on their behalf must provide DLA Disposition Services sites with an electronic letter of authorization identifying those individuals. The template for the letter is on the DLA Disposition Services Website. It will include the full name, activity, DoDAAC, telephone number, address,

and signature of the individuals authorized to sign and authenticate MROs. These individuals may be different from those who are the initial shoppers or those picking up the property.

b. Emergency Requests

(1) Telephone requests during non-duty hours may be made by contacting the DLA Disposition Services staff duty officer (SDO) (DSN 661-4233, Commercial 269-961-4233). Under these circumstances, the SDO will record the request and will contact the DLA Disposition Services program manager to initiate proper action.

(2) If a DoD activity has an emergency need for a surplus DoD item in the possession of a SASP, it may be requested from that SASP. The acquiring DoD activity must pay any costs of care, handling, and transportation that were incurred by the SASP in acquiring this property.

(3) For requests for property to fill training aid and target need orders, see “Training Aids and Target Requirements” in paragraph 147 of Enclosure 3 of Volume 4 of this manual.

c. Late Orders

(1) If a DoD order is received after the screening timeline has expired, the customer will provide justification as to the true necessity for the property requested, indicating why other comparable property in the DLA Disposition Services inventory does not satisfy the need. See Enclosure 3 of this volume for more guidance if the property needs to be withdrawn from sale.

(2) Orders for property received during the GSAXcess® screening period must be submitted according to GSA ordering procedures.

d. Requests for Small Arms and Light Weapons. Small arms and light weapons (see Glossary) will be processed according to the guidance in Volume 4 of this manual. Table 5 of this enclosure contains a list of Military Department and Defense Agency designated control points authorized to initiate orders or through which orders must be routed for review and approval before issue can be effected.

Table 5. DoD Designated Control Points for Small Arms and Light Weapons Ordering, Reviewing, and Approving

| SERVICE/AGENCY | CONTROL POINT |
|----------------|--|
| Army | Director of Armament and Logistics Activity Chemical Acquisition ATTN: AMSTA-AC-ASI Rock Island, IL 61299-7630 Telephone: DSN 793-7531 Commercial: (309) 782-7531 |

Table 5. DoD Designated Control Points for Small Arms and Light Weapons
Ordering, Reviewing, and Approving (Continued)

| | |
|---------------------------------|--|
| Air Force | WR-ALC/GHGAM, 460 Richard Ray Blvd. Suite 221 Robins AFB, GA 31098-1640 Telephone: DSN 497-2877 Commercial: (478) 327-2877 |
| Marine Corps | Commandant of the Marine Corps ATTN: LPC Headquarters, U.S. Marine Corps 3000 Marine Corps, Pentagon, RM 2E211 Washington, DC 20350 Telephone: DSN 225-8900 Commercial: (703) 695-8900 |
| Coast Guard | Commandant, ATTN: CG-7211 Commandant (CG-7211) U.S. Coast Guard HQ, Douglas A. Munro Building 2703 Martin Luther King Jr. Ave. SE Stop 7331 Washington, DC 20593-7331 Telephone: (202) 372-2030 |
| National Security Agency | National Security Agency Item Accounting Branch ATTN: L112 Fort George Meade, MD 20755 6000 |
| Defense Intelligence Agency | Defense Intelligence Agency ATTN: RLE 2 Washington, DC 20340 3205 |
| Defense Threat Reduction Agency | Headquarters Defense Threat Reduction Agency 8725 John J. Kingman Road MSC 6201 Fort Belvoir, VA 22060-6201 ATTN: BDLL Telephone: DSN 427-0785 Commercial (703) 767-0785 |

5. CONDITION OF PROPERTY ORDERED. Orders authorized by DLA Disposition Services or GSA regional offices will be processed as expeditiously as possible and according to the Uniform Materiel Movement and Issue Priority System priority on the requisition.

a. DLA Disposition Services sites will determine the property requested is in as good a condition as it was during screening.

b. If the ordered property has materially deteriorated from screening or receipt to inspection for shipment, the DLA Disposition Services site will advise the customer before shipment. The shipment will be suspended pending agreement by the customer that the property will be accepted in its present condition.

c. Once ordered, and pending receipt of an approved transfer document or removal of the property, no parts may be removed without prior approval of DLA Disposition Services (for DoD orders) or GSA (for transfers and donations), and agreement by the customer that the property will be accepted in its altered condition.

6. REIMBURSEMENT REQUIREMENTS

a. The generating activity will identify reimbursement requirements on the DTID when transferring property to the DLA Disposition Services site. Although not specifically a DLA Disposition Services responsibility, DLA Disposition Services sites may contact the generating activity when they suspect the generator may be eligible for reimbursement but has not noted it on the DTID.

b. Issue of declared Military Department or Defense Agency FEPP, excess, and surplus personal property to DoD users will be on a non-reimbursable basis except when the customer is prohibited by law from acquiring FEPP, excess, and surplus property without reimbursement or where reimbursement is required by annotations on the receipt DTID. Issues to the USPS require fair-market value reimbursement.

c. The requester will transfer funds to the generating activity without DLA Disposition Services site involvement.

d. The DLA Disposition Services site will provide the name of the property requiring reimbursement when it is requested by DoD or an FCA. The requesting activity and the generating activity must agree on the appropriate amount of funds, and how they will be transferred. When this is accomplished, the generating activity must give the DLA Disposition Services site a letter indicating what property is to be transferred and to whom. The DLA Disposition Services site will file a copy of this letter with the issue document to create an audit trail.

e. Issues of DoD FEPP, excess, and surplus personal property, other than foreign purchased property and other property identified as reimbursable, will be at no cost to FCAs and to SASPs.

(1) Property purchased with working capital funds is not eligible for reimbursement in the transfer or donation program. GSA may direct transfers be made with reimbursement at fair market value.

(2) Public law may prohibit FCAs from obtaining certain property.

(3) FCAs, for the purpose of issue of excess property, include federal executive agencies other than the DoD; wholly owned government corporations; the Senate; the House of Representatives; the Architect of the Capitol and any activities under their direction; the municipal government of the District of Columbia; or non-federal agencies for whom GSA procures.

f. Foreign purchased property reimbursements will be at the acquisition value.

g. For special programs and activities, DLA Disposition Services sales to special account fund citations may be required in accordance with Volume 11a, Chapter 5 of Reference (aa). For DLA Disposition Services to provide timely and accurate reimbursements, the transportation account code address in DLA Transaction Services must be correct and current.

(1) In accordance with References (h), (i), and (j), all DoD MLI and Commerce Control List (CCL) personal property, whether located within or outside the United States, will be transferred in accordance with part 120 to 130 of Reference (v) and parts 730-774 of Reference (s).

(a) DoD MLI or CCL personal property will not be transferred to any foreign person or entity without a DOS or Department of Commerce (DOC) approval authorization, license, license exception, exemption or other authorization for the transfer.

(b) Such property will not be transferred to prohibited or sanctioned entities identified by the Departments of State, Commerce, and Treasury. A consolidated list of prohibited entities by these Departments may be found at http://export.gov/ecr/eg_main_023148.asp.

(c) Property will not be transferred to persons or entities from countries proscribed from trade under regulations maintained by the Office of Foreign Assets Control. The agency (e.g., GSA or USAF CAP Program Manager) approving the transaction must determine recipient eligibility prior to issuing the requisition to DLA Disposition Services.

(d) If the agency approving the requisition cannot determine that a U.S. person or entity is involved with the property transaction, the recipient must obtain and provide the appropriate license or approval to the agency approving the transaction.

(e) Approving agencies must be involved in any subsequent re-transfer requests by the recipient. The recipient must request the agency's permission prior to taking any disposition action. If the approving agency authorizes the potential transfer, the recipient must then comply with parts 120 et seq. of Reference (v) also known as the "the International Traffic in Arms Regulations (ITAR)" or parts 730 et seq of Reference (s) also known as "the Export Administration Regulations (EAR)" as appropriate.

(2) For USML and CCL property, DLA Disposition Services sites will require recipients to sign a statement acknowledging their responsibility to comply with U.S. export laws and regulations. The statement must be signed prior to the release of the property according to the

DEMIL procedures in References (h), (i), and (j). If property is destined for export, the recipient must get appropriate export authorizations from the Department of State or Commerce in accordance with Reference (l).

(3) DLA Disposition Services sites may issue DEMIL-required property to approved special programs or GSA eligibility-approved FCAs without DEMIL being accomplished.

(a) Prior to release from DoD control, DLA Disposition Services sites must obtain a written agreement (see Appendixes 1 and 2 of this enclosure) from the requesting special program or FCA.

(b) This agreement acknowledges that the recipient will DEMIL the USML property in accordance with References (h), (i), and (j), when the property is no longer needed.

(c) The agreement further states that if the property is to be re-transferred, the recipient must obtain approval from its program manager (approving agency) and in coordination with the DoD DEMIL program manager prior to further disposition or before releasing the USML property outside their control. The representative of the recipient is required to sign the DEMIL agreement before release of any USML property.

(d) If the recipient requests DLA Disposition Services to perform final disposition, an MOA must be executed or in place with DLA Disposition Services for such services.

(e) The DLA Disposition Services site will provide a completed copy of the certification to GSA and retain a copy with the issue documentation.

(4) DLA Disposition Services sites may transfer CCL (DEMIL Code Q) and non-DEMIL-required USML (DEMIL Code B) property that may have import and export controls to approved special programs or FCAs.

(a) Prior to release of such CCL and non-DEMIL-required USML property, the requesting special program or FCA must provide written notification to the DLA Disposition Services site (see Appendixes 3 and 4 of this enclosure).

(b) This notification confirms recipient's understanding that export or import of the CCL or non-DEMIL-required USML property is regulated by the USG and in many cases, cannot be transferred (exported, imported, sold, etc.) to a foreign person, entity, or foreign country without valid USG license or other authorization.

h. GSA reviews and approves each order, each in its respective screening cycle (transfer or donation).

7. SHIPMENT OR PICK-UP ELECTIONS BY CUSTOMERS

a. Criteria for Non-RCP Property

(1) DLA Disposition Services will make arrangements for shipment of non-RCP property from Military Department orders unless notified by the DoD Component of the intent to physically pick up the property. DLA Disposition Services has been authorized to use ground services for the movement of reutilization property. The DLA Disposition Services Transportation Office will notify DLA Disposition Services sites of the authorized carrier.

(2) The DoD Component and special programs have 14 calendar days (15 days from the date on the order) to remove the non-RCP property ordered during the DoD screening cycles.

(3) Transfer (FCA) and donee (State agency) customers are always required to make their own pickup and shipment arrangements for non-RCP property orders and have 21 calendar days to remove non-RCP property ordered during the GSAXcess® screening cycle.

(4) Standard transportation or preferred pick up of the property requested by DoD customers who are allocated property by GSA apply.

(a) If DoD transfers customers order from the GSAXcess®, they also have 21 days to remove the non-RCP property.

(b) Customers required to pick up or arrange direct pickup must do so within the allotted standard removal time period unless it is extended by the DLA Disposition Services site chief. An example of justification for extended removal time would be as a result of a natural disaster (flood, snow, etc.). DLA Disposition Services site personnel may refuse MILSTRIPs or walk-in removals for customers who fail to pick up their property within the removal period and request cancellation of the order.

b. Criteria for RCP Property

(1) DLA Disposition Services will arrange for shipment of RCP property from Military Department and special program orders.

(2) FCAs will designate the method of transportation for RCP property ordered using one of the following options:

(a) The FCA arranges with carriers of their choice to remove the property from a designated staging area at the depot; or

(b) The FCAs requests the DLA Disposition Services RCP Office to use an approved carrier under the DoD blanket purchase agreement awarded carrier for Domestic Express Small Package Service under the GSA Multiple Award Schedule for shipments of 150 pounds or less at <http://private.amc.af.mil/a4/domexpress/spsindex.html>. Use of this option for the smaller shipments requires a one-time notification to DLA Disposition Services of the preferred carrier and account number in the format.

(3) FCAs must arrange with the carriers of their choice for shipments in excess of 150 pounds.

(4) Donee (State agency) customers are always required to make their own pickup or shipment arrangements for RCP property orders from designated staging areas.

8. PACKING, CRATING, AND HANDLING. See Enclosure 4 to Volume 1 of this manual.

9. SHIPMENT OR REMOVALS (TRANSPORTATION)

a. DoD and Designated DoD-Supported Customers

(1) Prudence in transportation services benefits the Military Departments, Defense Agencies, MARS, CAP, National Aeronautics and Space Administration (Space Shuttle Support), National Guard Units, Reserve Units, DoD contractor when approved by the contracting officer, Senior ROTC, and MWRA/Services when ordered through the Military Department accountable officer and DLA Disposition Services.

(2) In cases where the cost of the transportation exceeds the acquisition value of the property, DLA Disposition Services sites will evaluate the commodity and its actual value; make a judgment as to its true condition and the priority of the order.

(a) The DLA Disposition Services site will contact the customer and provide the property's estimated value and transportation cost to ship the property.

(b) If a lower cost transportation mode is available, meets the requirements of the order, and the customer and DLA Disposition Services site agree, the DLA Disposition Services site will arrange for the alternate shipment mode. If it would not be cost effective to ship the property as requested, the customer will be asked to cancel the order.

(c) If the customer reconfirms the need for the property, the following certification information will be provided to a DLA Disposition Services site along with the customer reconfirmation statement found in Appendix 5 of this enclosure. DoD activities must prepare, sign, and submit a justification statement for property where the transportation costs exceed 50 percent of the acquisition value of the property. The justification statement will be signed by the Property Book Officer or designated representative and will state:

1. The purpose for which the item is to be used and whether the item is mission-essential to the operation of the requestor's activity.

2. Any additional information deemed necessary to show criticality of the requisition. The statement should be included with the DD Form 1348. Failure to provide a statement may result in the requisition being canceled.

(3) If the customer determines the shipment is not needed, the customer will initiate cancellation action according to the procedures in Reference (t).

(4) The shipper will finance parcel post shipments between DoD agencies without reimbursement.

b. Other Customers (Excluding Transfer and Donation Customers)

(1) LEAs are responsible for removing or making arrangements for shipments.

(2) MWRAs not ordering property through a military accountable supply officer, DoD museums, academic institutions, and non-profit organizations for educational purposes, Senior ROTC units and FCAs must pay transportation costs and must provide a fund citation prior to shipment or pick up of the property.

(3) Only one carrier is authorized per agency, and once the agency has designated a carrier, 30 days notice is required to change a carrier.

(4) FMS customers are responsible for most transportation costs associated with the movement of ordered property.

(a) The DLA Disposition Services FMS Office will identify exceptions to this rule. Transportation of sensitive and other critical FMS shipments will be coordinated between the DLA Disposition Services FMS Office, the purchasing country, and other DoD agencies, as required. For these shipments, the DLA Disposition Services FMS Office will provide separate instructions and fund citations.

(b) Transportation arrangements will be made by the DLA Disposition Services site or by the supporting transportation office.

(5) HAP orders are shipped by DLA Disposition Services by surface to the central point using the most cost-effective mode (and must remain within the assigned theater). At no time will HAP property be shipped by air unless directed by DLA Disposition Services.

10. SHIPMENT OR DENIAL NOTIFICATIONS

a. DLA Disposition Services sites will use the guidance in Reference (t) to prepare materiel release confirmations in response to MROs received from DLA Disposition Services. .

b. When shipments are complete, DLA Disposition Services sites will furnish a copy of the shipping document to the customer. This document confirms shipment. The customer will notify the DLA Disposition Services site if the property is not received within a reasonable period of time. FCAs will only be provided a copy of the SF 122, with annotation of the transportation data, when arrangements for DLA Disposition Services sites to ship the property have been made in advance.

c. DLA Disposition Services sites will:

(1) Advise the customer if the property requested is no longer available or of acceptable condition.

(2) Document non-availability by a materiel release denial prepared in accordance with Reference (t), if item(s) for an MRO are not available.

(3) Issue a letter for all other non-availability notifications, with a copy to GSA if they approved the order. The letter will contain the following data at a minimum:

a. NSN.

b. Order number.

c. Quantity not available.

11. CUSTOMER REMOVAL OF ORDERED PROPERTY

a. Identification Requirements. When a customer (DoD election to pick up property ordered from the DLA Disposition Services site or an FCA or donee) makes removal arrangements, the individuals removing the property must be properly identified. Coordinate with DLA Disposition Services prior to arrival to complete and transmit documents for identification.

(1) Upon arrival at the DLA Disposition Services site, the individuals will identify themselves, sign a DLA Disposition Services visitor and vehicle register and indicate on the register the DoDAAC represented (for DoD activities) or activity address code represented (for non-DoD activities), and the purpose of the visit.

(2) Visitor and vehicle registers will be readily accessible (see section 3 of this enclosure).

b. Documentation Requirements

(1) Customers will:

(a) Present an approved and authenticated DD Form 1348-1A, SF 122, or SF 123 “Transfer Order Surplus Personal Property,” as appropriate, for specific property. The accountable officer or authorized individual(s) listed in the previously provided authentication letter must sign the DD Form 1348-1A, SF 122, or SF 123.

(b) Provide designated carrier or removal agents with a copy of DD Form 1348-1A or SFs 122 or 123, as appropriate, indicating removal authority.

1. DoD customers must have a hard copy of the electronically transmitted letter of authorization prior to removal, and an e-mail response from DLA Disposition Services with verification of personnel authorized to remove property.

2. Transfer and donation customers must provide a completed letter of authorization to remove property to the DLA Disposition Services site prior to removal for verification purposes.

(2) DLA Disposition Services sites will:

(a) Ensure the visitor and vehicle register for each direct issue includes:

1. Name of the individual receiving the property.

2. DoDAAC or activity address code or physical location address.

3. Activity of the individual receiving the property.

(b) Ensure each customer is issued a badge when signing in.

(c) Ensure that DD Form 1348-1A or SF 122 or 123 is complete according to MILSTRIP and disposal requirements and is signed by the applicable accountable officer or authorized representative.

(d) For DoD walk-in customers, ensure a current letter is on file at the DLA Disposition Services site identifying the accountable officer and authorized individual(s) signing and approving the order.

(e) Fill the order.

(f) Provide any appropriate disclaimers or certifications of usage or disposal to the customer for signature prior to releasing the property.

(g) Furnish a copy of the completed shipping document to the respective accountable officer (record positions 30-35 of DD Form 1348-1A).

(h) If being removed by anyone other than the customer, verify that the carrier has valid documentation (a copy of DD Form 1348-1A or SF 122 or 123, as appropriate) indicating removal authority. Arrange for completion of any disclaimers or certifications of usage or disposal with the customer, prior to releasing the property to the carrier.

(i) In case of doubt as to the validity of pickup representatives, DLA Disposition Services sites should contact the accountable officer who prepared the order for DoD activities, or DLA Disposition Services for activities authorized to order as DoD special programs, or the GSA regional office for other FCAs or donees.

Appendixes:

1. DEMIL Agreement for DEMIL-Required USML Property to FCAs (DEMIL Codes C, D, E, or F)
2. DEMIL Agreement for DEMIL-Required USML Property to Special Programs (DEMIL Codes C, D, E, or F)
3. Notification for CCL and Non-DEMIL-Required USML Property to FCAs (DEMIL Codes B and Q)
4. Notification for CCL and Non-DEMIL-Required USML Property to Special Programs (DEMIL Codes B and Q)
5. Customer Reconfirmation

APPENDIX 1 TO ENCLOSURE 5

DEMIL AGREEMENT FOR DEMIL-REQUIRED USML PROPERTY TO FCAs
(DEMIL CODES C, D, E, OR F)

Figure 1. DEMIL Agreement for DEMIL-Required USML Property to FCAs
 (Attach to the DD Form 1348-1A, Release Document)

| |
|--|
| A COPY OF THIS AGREEMENT MUST BE COMPLETED, SIGNED, AND DATED FOR <u>EACH</u> INDIVIDUAL DEMIL-REQUIRED LINE ITEM REQUESTED BY AN FCA RECIPIENT AND COORDINATED WITH GSA AND THE DOD DEMILITARIZATION PROGRAM OFFICE BEFORE REMOVAL OF SUCH PROPERTY FROM A DLA DISPOSITION SERVICES SITE. |
| DD Form 1348-1 Release Document Number: |
| NSN: |
| Quantity: |
| Noun Item Description: |
| DEMIL Code: |
| DEMIL Integrity Code: |
| DLA Disposition Services Site Location: |
| Federal Civilian Agency: |
| Complete Address: |
| Telephone Number: |
| E-mail Address: |
| <p>The recipient agrees by date and signature at the bottom of this form that, upon completion of utilization property will be returned to DLA Disposition Services for required demilitarization as prescribed by the current edition of DoD 4160.28-M, Volume1, "Defense Demilitarization: Program Administration," on a reimbursable basis.</p> <p>Recipient will request disposition instructions from DLA Disposition Services with copy to the DoD DEMIL Program Office at ddpo@osd.mil. DEMIL will be accomplished based on the assigned DEMIL Code for such property.</p> <p>All transfers of DEMIL-required USML are subject to a condition that prohibits further disposition including re-transfer, re-donations, trade, barter, exchange, lease, sale, import or export without prior written approval. If the recipient receives approval for further disposition of USML property from the GSA, in coordination with the DoD DEMIL Program Office, the DEMIL requirement will be perpetuated on the appropriate documentation.</p> |

Figure 1. DEMIL Agreement for DEMIL-Required USML Property to FCAs, Continued

For additional information relating to export/import, recipients may contact the DoD DEMIL Program Office for assistance (see <https://www.demil.osd.mil/>).

Once the approval has been received, the recipient further acknowledges and agrees that before any export or re-export of this property is attempted, they must contact the Directorate of Defense Trade Controls, Department of State (see <http://www.pmddtc.state.gov/>) to obtain the necessary export licensing approval or authorization.

Typed Name and Title of Accountable Official

Signature

Date

APPENDIX 2 TO ENCLOSURE 5

DEMIL AGREEMENT FOR DEMIL-REQUIRED USML PROPERTY
TO SPECIAL PROGRAMS (DEMIL CODES C, D, E, OR F)

Figure 2. DEMIL Agreement for DEMIL-Required USML Property to Special Programs
(Attach to the DD Form 1348-1A, Release Document)

| |
|--|
| A COPY OF THIS AGREEMENT SHALL BE COMPLETED, SIGNED, AND DATED FOR <u>EACH</u> INDIVIDUAL DEMIL-REQUIRED LINE ITEM REQUESTED BY AN APPROVED SPECIAL PROGRAM RECIPIENT AND COORDINATED WITH THE DOD DEMILITARIZATION PROGRAM OFFICE BEFORE REMOVAL OF SUCH PROPERTY FROM A DLA DISPOSITION SERVICES SITE. |
| DD Form 1348-1 Release Document Number: |
| NSN: |
| Quantity: |
| Noun Item Description: |
| DEMIL Code: |
| DLA Disposition Services Site Location: |
| Federal Civilian Agency: |
| Complete Address: |
| Telephone Number: |
| E-mail Address: |
| The recipient agrees by date and signature at the bottom of this form that, upon completion of utilization property will be returned to DLA Disposition Services for required demilitarization as prescribed by the current edition of DoD 4160.28-M, Volume 1, "Defense Demilitarization: Program Administration," on a reimbursable basis. |
| Recipient shall request disposition instructions from DLA Disposition Services with copy to the DoD DEMIL Program Office. DEMIL will be accomplished based on the assigned DEMIL Code for such property. |

Figure 2. DEMIL Agreement for DEMIL-Required USML Property to Special Programs, Continued

Recipient shall request disposition instructions from DLA Disposition Services with copy to the DoD DEMIL Program Office at ddpo@osd.mil. DEMIL will be accomplished based on the assigned DEMIL Code for such property.

All transfers of DEMIL-required USML are subject to a condition that prohibits further disposition including re-transfer, re-donations, trade, barter, exchange, lease, sale, import or export without prior written approval. If the recipient receives approval for further disposition of USML property from the Special Program, in coordination with the DoD DEMIL Program Office, the DEMIL requirement will be perpetuated on the appropriate documentation.

For additional information relating to export/import, recipients may contact the DoD DEMIL Program Office for assistance (see <https://www.demil.osd.mil/>).

Once the approval has been received, the recipient further acknowledges and agrees that before any export or re-export of this property is attempted, they must contact the Directorate of Defense Trade Controls, Department of State (see <http://www.pmddtc.state.gov/>) to obtain any necessary export licensing approval or authorization.

Typed Name and Title of Accountable Official

Signature

Date

APPENDIX 3 TO ENCLOSURE 5

NOTIFICATION FOR CCL AND NON-DEMIL-REQUIRED USML PROPERTY
TO FCAS (DEMIL CODES B AND Q)

Figure 3. Notification for CCL and Non-DEMIL-Required USML Property to FCAs
(Attach to the DD Form 1348-1A, Release Document)

A COPY OF THIS AGREEMENT IS TO BE COMPLETED, SIGNED, AND DATED FOR EACH INDIVIDUAL CCL AND NON-DEMIL-REQUIRED USML LINE ITEM REQUESTED BY AN APPROVED FCA BEFORE THE REMOVAL OF SUCH PROPERTY FROM A DLA DISPOSITION SERVICES SITE.

DD Form 1348-1 Release Document Number: _____

NSN: _____

Quantity: _____

Noun Item Description: _____

DEMIL Code: _____

DLA Disposition Services Site Location: _____

Federal Civilian Agency: _____

Complete Address: _____

Telephone Number: _____

E-mail Address: _____

Recipient is notified that the use, disposition, import, export, and re-export of Commerce Control List (CCL) or non-DEMIL-required USML property is subject to provisions of DoD Instruction 2030.08, "Implementation of Trade Security Controls (TSC) for Transfers of DoD U.S. Munitions List (USML) and CCL Personal Property to Parties Outside of DoD"

CCL or non-DEMIL-required USML personal property released to parties outside DoD control are subject to applicable U.S. laws and regulations, including the Arms Export Control Act (parts 2778 et seq. of Title 22, U.S.C.) and the Export Administration Act of 1979 (parts 1701 et seq of Title 50, U.S.C.); International Traffic in Arms Regulations (parts 12 et seq. of Title 22 CFR); Export Administration Regulations (parts 730-799 of Title 15, CFR), and the Espionage Act (parts 793 et seq. of Title 18 U.S.C.), which, among other things, prohibits:

- The making of false statements and concealment of any material information regarding the use or disposition, import, export, or re-export of the property; and
- Any use or disposition, import, export, or re-export of the property that is not authorized in accordance with the provisions of the cited laws and regulations.

Figure 3. Notification for CCL and Non-DEMIL-Required USML Property to FCAs, Continued

For additional information relating to export/import, recipients may contact the DoD DEMIL Program Office for assistance (<http://www.demil.osd.mil/>).

Once the approval has been received, the recipient further acknowledges and agrees that before any export or re-export of this property is attempted, they must contact the Directorate of Defense Trade Controls, Department of State (<http://www.pmddtc.state.gov/>), or the Bureau of Industry and Security at the Department of Commerce (<http://www.bis.doc.gov/>) to obtain the necessary export licensing approval or authorization.

Typed Name and Title of Accountable Official

Signature

Date

APPENDIX 4 TO ENCLOSURE 5

NOTIFICATION FOR CCL AND NON-DEMIL-REQUIRED USML PROPERTY TO
SPECIAL PROGRAMS (DEMIL CODES B AND Q)

Figure 4. Notification for CCL and Non-DEMIL-Required USML Property to Special Programs
(Attach to the DD Form 1348-1A, Release Document)

A COPY OF THIS AGREEMENT IS TO BE COMPLETED, SIGNED, AND DATED FOR EACH INDIVIDUAL CCL AND NON-DEMIL-REQUIRED USML LINE ITEM REQUESTED BY AN APPROVED SPECIAL PROGRAM BEFORE THE REMOVAL OF SUCH PROPERTY FROM A DLA DISPOSITION SERVICES SITE.

DD Form 1348-1 Release Document Number: _____
NSN: _____
Quantity: _____
Noun Item Description: _____
DEMIL Code: _____
DLA Disposition Services Site Location: _____
Special Program Recipient: _____
Complete Address: _____
Telephone Number: _____
E-mail Address: _____

Recipient is notified that the use, disposition, import, export, and re-export of Commerce Control List (CCL) or non-DEMIL-required USML property is subject to provisions of DoD Directive 2030.8, "Implementation of Trade Security Controls (TSC) for Transfers of DoD U.S. Munitions List (USML) and CCL Personal Property to Parties Outside DoD Control." CCL or non-DEMIL-required USML personal property released to parties outside DoD control are subject to applicable U.S. laws and regulations, including the Arms Export Control Act (parts 2778 et seq. of Title 22, U.S.C.) and the Export Administration Act of 1979 (parts 1701 et seq. of Title 50, U.S.C.); International Traffic in Arms Regulations (parts 120 et seq. of Title 22, CFR); Export Administration Regulations (parts 730-799 of Title 15, CFR), and the Espionage Act (parts 793 et seq. of Title 18, U.S.C.), which, among other things, prohibits:

- The making of false statements and concealment of any material information regarding the use or disposition, import, export, or re-export of the property; and
- Any use or disposition, import, export, or re-export of the property that is not authorized in accordance with the provisions of the cited laws and regulations.

The recipient acknowledges that all subsequent dispositions of the items are prohibited without prior written approval of the program manager. The program manager will coordinate with the DoD Demilitarization Office or TSC Program Office for guidance, as appropriate.

Figure 4. Notification for CCL and Non-DEMIL-Required USML Property to Special Programs, Continued

For additional information relating to export/import, recipients may contact the DoD DEMIL Program Office for assistance (<https://www.demil.osd.mil/>).

Once the approval has been received, the recipient further acknowledges and agrees that before any export or re-export of this property is attempted, they must contact the Directorate of Defense Trade Controls, Department of State (<http://www.pmdtcc.state.gov/>) to obtain the necessary export licensing authorization.

Typed Name and Title of Accountable Official

Signature

Date

APPENDIX 5 TO ENCLOSURE 5

CUSTOMER RECONFIRMATION

Figure 5. Customer Reconfirmation

| | |
|---|------------|
| I understand that the shipment of Order No. _____ is not cost effective to the Department of Defense; however, the requested property is still required as mission essential. | |
| | |
| Signature | Date |
| | |
| Name (Type/Print) | Title |
| | |
| Activity/Unit | Grade/Rank |
| | |
| Phone Number | |

GLOSSARY

PART I. ABBREVIATIONS AND ACRONYMS

| | |
|-----------|---|
| A/D | abandonment and destruction |
| AMARG | Aerospace Maintenance and Regeneration Group |
| AN | Army Navy |
| ASD(L&MR) | Assistant Secretary of Defense for Logistics and Materiel Readiness |
| CAP | Civil Air Patrol |
| CCL | commerce control list |
| CFL | computers for learning |
| CFR | Code of Federal Regulations |
| CO | contracting officer |
| COE | Corps of Engineers |
| CONUS | continental United States |
| COR | contracting officer's representative |
| CSLA | Commercial Space Launch Act |
| DAAS | Defense Automatic Addressing System |
| DEMIL | demilitarization |
| DFAS | Defense Finance and Accounting Service |
| DLA | Defense Logistics Agency |
| DOC | Department of Commerce |
| DoDAAC | DoD Activity Address Code |
| DoD CIO | DoD Chief Information Officer |
| DoDD | DoD Directive |
| DoDI | DoD Instruction |
| DOJ | Department of Justice |
| DOS | Department of State |
| DSCA | Defense Security Cooperation Agency |
| DTID | disposal turn-in document |
| DTS | Defense Transportation System |
| EAR | Export Administration Regulation |
| EDA | excess defense articles |
| ELV | expendable launch vehicle |
| EP | expedited processing |
| ETID | electronic turn-in document |
| EUC | end-user certificate |
| FAR | Federal Acquisition Regulation |
| FCA | federal civilian agency |
| FEDS | Federal Disposal System |
| FEPP | foreign excess personal property |

| | |
|---------------|---|
| FMR | Federal Management Regulation |
| FMS | foreign military sales |
| FPMR | Federal Property Management Regulation |
| FSC | Federal Supply Classification Code (four digits) |
| FSG | Federal Supply Classification Group (two digits) |
| GOCO | government owned-contractor operated |
| GSA | General Services Administration |
| HAP | Humanitarian Assistance Program |
| HP | hazardous property |
| HQ CAP-USAF | Headquarters USAF for CAP |
| HW | hazardous waste |
| ICP | inventory control point |
| IMD | installation MARS Director |
| IMM | integrated materiel manager |
| ISSA | inter-Service support agreement |
| IUID | item unique identification |
| LEA | law enforcement agency |
| MAP | Military Assistance Program |
| MARS | Military Affiliate Radio System |
| MCA | management control activity |
| MILSTRIP | Military Standard Requisitioning and Issue Procedures |
| MLI | munitions list item |
| MOA | memorandum of agreement |
| MOU | memorandum of understanding |
| MPM | MARS Program Manager |
| MRO | materiel release order |
| MWRA | Morale, Welfare, Recreational Activity |
| NAF | nonappropriated fund |
| NAVMARCORMARS | Navy/Marine Corps MARS |
| NMCS | not mission capable supply |
| NSN | national stock number |
| PD | priority designator |
| PM | precious metal |
| PMRP | Precious Metals Recovery Program |
| QRP | qualified recycling program |
| RCP | recycling control point |
| ROTC | Reserve Officer Training Corps |
| RTD | reutilization, transfer, or donation |

| | |
|-----------|--|
| SAR | selling agent representative |
| SASP | State agency for surplus property |
| SCC | supply condition code |
| SCO | sales contracting officer |
| SDO | staff duty officer |
| SEA | Service Education Activity |
| SF | standard form |
| | |
| TAB | transaction activity billing |
| TSC | trade security control |
| | |
| UII | unique item identifier |
| UN | United Nations |
| USAF | U.S. Air Force |
| USAISC | U.S. Army Information System Command |
| U.S.C. | U.S. Code |
| USCG | U.S. Coast Guard |
| USDA FS | U.S. Department of Agriculture Forestry Service |
| USD(AT&L) | Under Secretary of Defense for Acquisition, Technology and Logistics |
| USG | U.S. Government |
| USML | U.S. Munitions List |
| USP&FO | U.S. Property and Fiscal Officer |
| USPS | U.S. Postal Service |
| | |
| ZI | zone of interior |

PART II. DEFINITIONS

Unless otherwise noted, these terms and their definitions are for the purpose of this volume.

A/D. A method for handling property that:

Is abandoned and a diligent effort to determine the owner is unsuccessful.

Is uneconomical to repair or the estimated costs of the continued care and handling of the property exceeds the estimated proceeds of sale.

Has an estimated cost of disposal by A/D that is less than the net sales cost.

accountability. The obligation imposed by law, lawful order, or regulation accepted by a person for keeping accurate records to ensure control of property, documents, or funds with or without possession of the property. The person who is accountable is concerned with control, while the person who has possession is responsible for custody, care, and safekeeping.

accountable officer. The individual responsible for acquiring and maintaining DoD items of supply (physical property and records), approving property orders (including reutilization of excess property requests), and authenticating MROs. Comparative terms are: Army Supply Support Accountable Officer, Navy Accountable Officer, Air Force Accountable Officer/Chief of Supply Materiel Support Division, Marine Corps Unit Supply Officer.

acquisition cost. The amount paid for property, including transportation costs, net any trade and cash discounts. Also see standard price.

ammunition. Generic term related mainly to articles of military application consisting of all kinds of bombs, grenades, rockets, mines, projectiles, and other similar devices or contrivances.

batchlot. The physical grouping of individual receipts of low dollar value property. The physical grouping consolidates multiple DTIDs under a single cover DTID. The objective of batchlotting is to reduce the time and costs related to physical handling and administrative processes required for receiving items individually. The cover DTID establishes accountability in the accountable record, and individual line items lose their identity.

bid. A response to an offer to sell, that, if accepted, would bind the bidder to the terms and conditions of the contract (including the bid price).

bidder. Any entity that is responding to or has responded to an offer to sell.

CCL items (formerly known as strategic list item). Commodities, software, and technology subject to export controls in accordance with Reference (d). The EAR contains the CCL and is administered by the Bureau of Industry and Security, DOC.

component. An item that is useful only when used in conjunction with an end item. Components are also commonly referred to as assemblies. For purposes of this definition an assembly and a component are the same. There are two types of components: major components and minor components. A major component includes any assembled element which forms a portion of an end item without which the end item is inoperable. For example, for an automobile, components will include the engine, transmission, and battery. If you do not have all those items, the automobile will not function, or function as effectively. A minor component includes any assembled element of a major component. Components consist of parts. References in the CCL to components include both major components and minor components.

contractor inventory.

Any property acquired by and in the possession of a contractor or subcontractor (including government-furnished property) under a contract, terms of which vest title in the USG and in excess of the amounts needed to complete full performance under the entire contract.

Any property for which the USG is obligated to or has an option to take over under any type of contract resulting from changes in the specifications or plans or termination of such contract

(or subcontract) before completion of the work, for the convenience of or at the option of the USG.

CONUS. Territory, including the adjacent territorial waters, located within the North American continent between Canada and Mexico (comprises 48 States and the District of Columbia.).

DEMIL Code A. Demilitarization not required.

DEMIL. The act of eliminating the functional capabilities and inherent military design features from DoD personal property. Methods and degree range from removal and destruction of critical features to total destruction by cutting, crushing, shredding, melting, burning, etc. DEMIL is required to prevent property from being used for its originally intended purpose and to prevent the release of inherent design information that could be used against the United States. DEMIL applies to material in both serviceable and unserviceable condition.

disposal. End-of-life tasks or actions for residual materials resulting from demilitarization or disposition operations.

disposition. The process of reusing, recycling, converting, redistributing, transferring, donating, selling, demilitarizing, treating, destroying, or fulfilling other end of life tasks or actions for DoD property. Does not include real (real estate) property.

diversion. Includes collection, separation, and processing of material for use as raw material in the manufacture of goods sold or distributed in commerce or the reuse of material as substitutes for goods made of virgin material.

DLA Disposition Services. The organization provides DoD with worldwide reuse, recycling and disposal solutions that focus on efficiency, cost avoidance and compliance.

DLA Disposition Services site. The DLA Disposition Services office having accountability for and control over disposable property. May be managed in part by a commercial contractor. The term is applicable whether the disposal facility is on a commercial site or a Government installation and applies to both Government and contractor employees performing the disposal mission.

DoDAAC. A 6-digit code assigned by the DAAS to provide a standardized address code system for identifying activities and for use in transmission of supply and logistics information that supports the movement of property.

donation. The act of providing surplus personal property at no charge to qualified donation recipient, as allocated by the GSA.

educational institution. An approved, accredited, or licensed public or nonprofit institution or facility, entity, or organization conducting educational programs, including research for any such programs, such as a childcare center, school, college, university, school for the mentally handicapped, school for the physically handicapped, or an educational radio or television station.

end of screening date. The date when formal RTD screening time expires.

estimated fair market value. The selling agency's best estimate of what the property would be sold for if offered for public sale.

excess personal property.

domestic excess. Government personal property that the United States and its territories and possessions, applicable to areas covered by GSA (i.e., the 50 States, District of Columbia, Puerto Rico, American Samoa, Guam, Northern Mariana Islands, the Federated States of Micronesia, the Marshall Islands, Palau, and the U.S. Virgin Islands), consider excess to the needs and mission requirements of the United States.

DoD Component excess. Items of DoD Component owned property that are not required for their needs and the discharge of their responsibilities as determined by the head of the Service or Agency.

FEPP. U.S.-owned excess personal property that is located outside the ZI. This property becomes surplus and is eligible for donation and sale as described in Enclosure 4 to this volume.

FCA. Any non-defense executive agency (e.g., DOS, Department of Homeland Security) or any establishment in the legislative or judicial branch of the USG (except the Senate, the House of Representatives, and the Architect of the Capitol and any activities under his or her direction).

federal condition code. A two-digit code consisting of an alphabet supply condition code in the first digit, and a numeric or alphabet disposal condition code in the second digit. A combination of the supply condition code and the disposal condition code, which most accurately describes the materiel's physical condition.

disposal condition codes. Codes assigned by the DLA Disposition Services site based upon inspection of materiel at time of receipt.

supply condition codes. Codes used to classify materiel in terms of readiness for issue and use or to identify action underway to change the status of materiel. These codes are assigned by the DoD Components. DLA Disposition Services may change a supply condition code if the code was assigned improperly and the property is of a non-technical nature. If change is not appropriate or property is of a technical nature, DLA Disposition Services sites may challenge a suspicious supply condition code.

FEPP. See excess personal property.

FMS. A process through which eligible foreign governments and international organizations may purchase defense articles and services from the USG. A government-to-government agreement, documented in accordance with Reference (ae).

foreign purchased property. Property paid for by foreign countries, but where ownership is retained by the United States.

generating activity (“generator”). The activity that declares personal property excess to its needs, e.g. DoD installations, activities, contractors, or FCAs.

government furnished equipment. An item of special tooling, special test equipment, or equipment in the possession of or directly acquired by the government and subsequently furnished to the contractor for the performance of a contract.

government furnished materiel. Property provided by the government for the purpose of being incorporated into or attached to a deliverable end item or that will be consumed or expended in performing a contract. Government-furnished materiel includes assemblies, components, parts, raw and process material, and small tools and supplies that may be consumed in normal use in performing a contract. Government-furnished materiel does not include materiel provided to contractors on a cash sale basis nor does it include agency peculiar or military property which are government-owned components, contractor acquired property (as specified in the contract), government furnished equipment, or major end items being repaired by commercial contractors for return to the government.

GSAXcess®. A totally web-enabled platform that eligible customers use to access functions of GSAXcess® for reporting, searching, and selecting property. This includes the entry site for the Federal Excess Personal Property Utilization Program and the Federal Surplus Personal Property Donation Program operated by the GSA.

HP. A composite term to describe DoD excess and surplus personal property, and FEPP, which may be hazardous to human health, human safety, or the environment. Various federal, State, and local safety and environmental laws regulate the use and disposal of HP. In more technical terms, HP includes property with one or more of the following characteristics:

Has a flashpoint below 200° F (93° C) closed cup, or subject to spontaneous heating or subject to polymerization with release of large amounts of energy when handled, stored, and shipped without adequate control.

Has a threshold limit value equal to or below 1,000 parts per million for gases and vapors, below 500 milligrams per cubic meter (mg/m³) for fumes, and equal to or less than 30 million particles per cubic foot or 10 mg/m³ for dusts (less than or equal to 2.0 fibers per cubic centimeter greater than 5 micrometers in length for fibrous materials).

Causes 50 percent fatalities to test animals when a single oral dose is administered in doses of less than 500 mg per kilogram of test animal weight.

Is a flammable solid as defined in section 173.124 of Reference (aj), or is an oxidizer as defined in section 173.127 of Reference (aj), or is a strong oxidizing or reducing agent with a half cell potential in acid solution of greater than +1.0 volt as specified in Latimer’s table on the oxidation-reduction potential.

Causes first-degree burns to skin in short-time exposure or is systematically toxic by skin contact.

May produce dust, gases, fumes, vapors, mists, or smoke with one or more of the characteristics in the course of normal operations.

Produces sensitizing or irritating effects.

Is radioactive.

Has special characteristics which, in the opinion of the manufacturer, could cause harm to personnel if used or stored improperly.

Is hazardous in accordance with part 1910 of Title 29, CFR (Reference (am)), also known as “Occupational Health and Safety Administration.”

Is hazardous in accordance with section 171-179 of Reference (aj).

Is regulated by the Environmental Protection Agency in accordance with parts 260 to 280 of Title 40, CFR (Reference (an)).

HW. An item that is regulated pursuant to section 6901 of Reference (ak) or by State regulation as an HW. HW is defined federally at of part 261 of Reference (an). Overseas, HW is defined in the applicable final governing standards or overseas environmental baseline guidance document, or host nation laws and regulations.

ICP. An organizational unit or activity within the DoD supply system that is assigned the primary responsibility for the materiel management of a group of items either for a particular Military Department or for the DoD as a whole. In addition to materiel manager functions, an ICP may perform other logistics functions in support of a particular Military Department or for a particular end item (e.g., centralized computation of retail requirements levels and engineering tasks associated with weapon system components).

identical bid. Bids for the same item of property having the same total price.

industrial scrap. Consists of short ends, machinings, spoiled materials, and similar residue generated by an industrial-funded activity.

information technology. Any equipment or interconnected system or subsystem of equipment that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission or reception of data or information by the DoD Component. Includes computers, ancillary equipment, software, firmware, and similar procedures, services (including support services), and related sources. Does not include any equipment that is acquired by a Federal contractor incidental to a Federal contract. Equipment is

“used” by a DoD Component if the equipment is used by the DoD Component directly or is used by a contractor under a contract with the DoD Component that:

Requires the use of such equipment.

Requires the use to a significant extent of such equipment in the performance of a service or the furnishing of a product.

installation. A military facility together with its buildings, building equipment, and subsidiary facilities such as piers, spurs, access roads, and beacons.

international organizations. For trade security control purposes, this term includes: Colombo Plan Council for Technical Cooperation in South and Southeast Asia; European Atomic Energy Community; Indus Basin Development; International Atomic Energy; International Red Cross; NATO; Organization of American States; Pan American Health Organization; United Nations (UN); UN Children’s Fund; UN Development Program; UN Educational, Scientific, and Cultural Organization; UN High Commissioner for Refugees Programs; UN Relief and Works Agency for Palestine Refugees in the Near East; World Health Organization; and other international organizations approved by a U.S. diplomatic mission.

interservice. Action by one DoD Component ICP to provide materiel and directly related services to another Military Department or Defense Agency ICP (either on a recurring or nonrecurring basis).

inventory adjustments. Changes made in inventory quantities and values resulting from inventory recounts and validations.

IUID. A system of establishing globally widespread unique identifiers on items of supply within the DoD, which serves to distinguish a discrete entity or relationship from other like and unlike entities or relationships. Automatic identification technology is used to capture and communicate IUID information.

LEAs. Government agencies whose primary function is the enforcement of applicable federal, State, and local laws, and whose compensated law enforcement officers have powers of arrest and apprehension.

local screening. The onsite review of excess, surplus, and FEPP for RTD.

MAP property. U.S. security assistance property provided under section 2151 of Reference (u) also known as “The Foreign Assistance Act,” generally on a non-reimbursable basis.

marketing. The function of directing the flow of surplus and FEPP to the buyer, encompassing all related aspects of merchandising, market research, sale promotion, advertising, publicity, and selling.

MLI. Any item contained on the U.S. munitions list in part 121 of Reference (v). Defense articles, associated technical data (including software), and defense services recorded or stored in any physical form, controlled by Reference (v). Reference (v), which contains the U.S. munitions list, is administered by the DOS Directorate of Defense Trade Controls.

museum, DoD or Service. An appropriated fund entity that is a permanent activity with a historical collection, open to both the military and civilian public at regularly scheduled hours, and in the care of a professional qualified staff that performs curatorial and related historical duties full time.

mutilation. A process that renders materiel unfit for its originally intended purposes by cutting, tearing, scratching, crushing, breaking, punching, shearing, burning, neutralizing, etc.

NAF. Funds generated by DoD military and civilian personnel and their dependents and used to augment funds appropriated by Congress to provide a comprehensive, morale building, welfare, religious, educational, and recreational program, designed to improve the well-being of military and civilian personnel and their dependents.

NAF property. Property purchased with NAFs, by religious or nonappropriated moral welfare or recreational activities, post exchanges, ships stores, officer and noncommissioned officer clubs, and similar activities. Such property is not federal property.

nonprofit institution. An institution or organization, no part of the net earnings of which inures or may lawfully inure to the benefit of any private shareholder or individual, and which has been held to be tax exempt under the provisions of section 501 of Title 26, U.S.C. (Reference (ao)), also known as the Internal Revenue Code of 1986.

NSN. The 13-digit stock number replacing the 11-digit federal stock number. It consists of the 4-digit federal supply classification code and the 9-digit national item identification number. The national item identification number consists of a 2-digit National Codification Bureau number designating the central cataloging office (whether North Atlantic Treaty Organization or other friendly country) that assigned the number and a 7-digit (xxx-xxxx) nonsignificant number. Arrange the number as follows: 9999-00-999-9999.

personal property. Property except real property. Excludes records of the Federal Government, battleships, cruisers, aircraft carriers, destroyers, and submarines.

PM. Gold, silver, and the platinum group metals (platinum, palladium, iridium, rhodium, osmium, and ruthenium).

PMRP. A DoD program for identification, accumulation, recovery, and refinement of precious metals from excess and surplus end items, scrap, hypo solution, and other precious metal bearing materiel for authorized internal purposes or as government furnished materiel.

privately owned personal property. Personal effects of DoD personnel (military or civilian) that are not, nor will ever become, government property unless the owner (or heirs, next of kin, or

legal representative of the owner) executes a written and signed release document unconditionally giving the USG all right, title, and interest in the privately owned property.

QRP. Organized operations that require concerted efforts to cost effectively divert or recover scrap or waste, as well as efforts to identify, segregate, and maintain the integrity of recyclable material to maintain or enhance its marketability. If administered by a DoD Component other than DLA, a QRP includes adherence to a control process providing accountability for all materials processed through program operations.

radioactive material. Any material or combination of materials that spontaneously emits ionizing radiation and which is subject to regulation as radioactive or nuclear material under any federal law or regulation.

reclamation. A cost avoidance or savings measure to recover useful (serviceable) end items, repair parts, components, or assemblies from one or more principal end items of equipment or assemblies (usually SCCs listed in DLM 4000.25-2 (Reference (ap)) as SCC H for unserviceable (condemned) materiel, SCC P for unserviceable (reclamation) materiel, and SCC R for suspended (reclaimed items, awaiting condition determination) materiel) for the purpose of restoration to use through replacement or repair of one or more unserviceable, but repairable principal end item of equipment or assemblies (listed in Reference (ap) as SCC E for unserviceable (limited restoration) materiel, SCC F for unserviceable (reparable) materiel, and SCC G for unserviceable (incomplete) materiel). Reclamation action is preferable prior to disposition (e.g., DLA Disposition Services site turn-in), but end items or assemblies may be withdrawn from DLA Disposition Services site for reclamation purposes.

responsibility criteria. The situations outlined in part 102 of Reference (d) that require some certifications from buyers; either that the buyer knows they need to take care of the property because of its characteristics, or because the buyer must meet certain professional or licensing criteria.

responsive bid. A bid that meets all the terms, conditions, and specifications necessary.

restricted parties. Those countries or entities that the DoS, DOC, or Treasury have determined to be prohibited or sanctioned for the purpose of export, sale, transfer, or resale of items controlled on the USML or CCL. A consolidated list of prohibited entities or destinations for which transfers may be limited or barred, may be found at: http://export.gov/ecr/eg_main_023148.asp.

reutilization. The act of re-issuing excess and FEPP to DoD Components. Also includes qualified special programs (e.g., LEA, HAP, MARS) pursuant to applicable enabling statutes.

reutilization screening. The act of reviewing, either by automated or physical means, available FEPP, excess, or surplus personal property to meet known or anticipated requirements.

sales contract. An agreement between two parties, binding upon both, to transfer title of specified property for a consideration.

SASP. The agency designated under State law to receive federal surplus personal property for distribution to eligible donation recipients within the States as provided for in subsection 549 of Reference (e).

SCO. An individual who has been duly appointed and granted the authority conferred by law according to the procedures in this manual to sell surplus and FEPP by any of the authorized and prescribed methods of sale. Also referred to as the SAR.

scrap. Recyclable waste and discarded materials derived from items that have been rendered useless beyond repair, rehabilitation, or restoration such that the item's original identity, utility, form, fit and function have been destroyed. Items can be classified as scrap if processed by cutting, tearing, crushing, mangling, shredding, or melting. Intact or recognizable USML or CCL items, components, and parts are not scrap. See section 102-36.40 of the FPMR for more information on scrap material.

screening. The process of physically inspecting property or reviewing lists or reports of property to determine whether it is usable or needed.

screening period. The period in which excess and surplus personal property is made available for RTD to eligible recipients.

security assistance. A group of programs, authorized by law, that allows the transfer of military articles and services to friendly foreign governments.

small arms and light weapons. Man-portable weapons made or modified to military specifications for use as lethal instruments of war that expel a shot, bullet, or projectile by action of an explosive. Small arms are broadly categorized as those weapons intended for use by individual members of armed or security forces. They include handguns; rifles and carbines; sub-machine guns; and light machine guns. Light weapons are broadly categorized as those weapons designed for use by two or three members of armed or security forces serving as a crew, although some may be used by a single person. They include heavy machine guns; hand-held under-barrel and mounted grenade launchers; portable anti-aircraft guns; portable anti-tank guns; recoilless rifles; man-portable launchers of missile and rocket systems; and mortars. References (h), (i), and (j) provide additional information.

solid waste. Includes garbage, refuse, and other discarded materials, including solid waste materials resulting from industrial, commercial, and agricultural operations, and from community activities. Includes solids, liquid, semi-solid or contained gaseous material which is discarded and not otherwise excluded by statute or regulation. Mining and agricultural solid wastes, hazardous wastes, sludge, construction and demolition wastes, and infectious wastes are not included in this category.

special programs. Programs specified by legislative approval, such as FMS, LEAs, and fire fighters, identified on DLA Disposition Services website www.dispositionservices.dla.mil/rtd03/miscprograms.shtml.

State or local government. A State, territory, or possession of the United States , the District of Columbia, American Samoa, Guam, Puerto Rico, Commonwealth of Northern Mariana Islands, the U. S. Virgin Islands, and any political subdivision or instrumentality thereof.

transfer. The act of providing excess and FEPP to FCAs as stipulated in the FMR. Property is allocated by the GSA.

transfer order. Document (SF 122 and SF 123) issued by DLA Disposition Services or the headquarters or regional office of GSA directing issue of excess personal property.

TSCs. Policy and procedures, in accordance with Reference (l), designed to prevent the sale or shipment of USG materiel to any person, organization, or country whose interests are unfriendly or hostile to those of the United States and to ensure that the disposal of DoD personal property is performed in compliance with U.S. export control laws and regulations, parts 120 through 130 of Reference (v), and parts 730 through 774 of Reference (s).

UII. A set of data elements marked on an item that is globally unique and unambiguous. The term includes a concatenated UII or a DoD recognized unique identification equivalent.

usable property. Commercial and military type property other than scrap and waste.

wash-post. A methodology for transfer of accountability to the DLA Disposition Services site whereby the DLA Disposition Services site only accepts accountability at the time they also document a release from the account, through reutilization, transfer, donation, sales, or disposal.

ZI. The United States and its territories and possessions, applicable to areas covered by GSA and where excess property is considered domestic excess. Includes the 50 States, District of Columbia, Puerto Rico, American Samoa, Guam, Northern Mariana Islands, and the U.S. Virgin Islands.