# [***80 FR 68158***](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5H95-X670-006W-81V1-00000-00&context=)

Vol. 80, No. 212, Part V, Tuesday, November 3, 2015

Rules and Regulations

**Reporter**

80 FR 68158 \*

***Federal Register* > *2015* > *November* > *Tuesday, November 3, 2015* > *Rules and Regulations* > *DEPARTMENT OF DEFENSE (DOD) -- Office of the Secretary of Defense***

**Title:** **Defense Materiel Disposition**

**Action:**  Final rule.

**Agency**

DEPARTMENT OF DEFENSE (DOD) > Office of the Secretary of Defense > Office of the Under Secretary of Defense for Acquisition and Technology

**Identifier:** **[Docket ID: DOD-2013-OS-0145]** > **RIN 0790-AJ11**

**Administrative Code Citation**

**32 CFR Part 273**

**Synopsis**

**SUMMARY:** This final rule prescribes uniform procedures for the disposition of DoD personal property and establishes the sequence of processes for disposition of personal property of the DoD Components. Subpart A implements the statutory authority and ***regulations*** under which DoD personal property disposal takes place, as well as the scope and applicability for the program; defines the responsibilities of personnel and agencies involved in the Defense Materiel Disposition Program; provides procedures for disposal of excess property and scrap; and provides procedures for property donations, loans, and exchanges. Subpart B 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; and provides guidance for removing excess material through security assistance programs and foreign military sales (FMS).

**Text**

**SUPPLEMENTARY INFORMATION:**

**I. Executive Summary**

*A. Purpose of the Regulatory Action*

1. The Need for the Regulatory Action and How the Action Will Meet That Need

The purpose of this regulatory action is to define responsibilities of personnel and agencies involved in the Defense Materiel Disposition Program, and provide procedures for disposal of excess property and scrap, property donations, loans, and exchanges. It provides responsibilities and procedures about disposal guidance and procedures; and reutilization, transfer, and sale of property for defense materiel disposition. This regulatory action is important because of the drawdown of forces from the wars in Iraq and Afghanistan which resulted in surplus property (including hazardous property as defined in this rule) for which the proper disposition must be determined. This includes materials that could be considered hazardous waste under Resource Conservation and Recovery Act requirements in [*42 U.S.C. 6901*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GSK1-NRF4-43XW-00000-00&context=) *et seq.* upon being discarded.

2. Succinct Statement of Legal Authority for the Regulatory Action

Given the authority in:

* [*10 U.S.C. 2194*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GP81-NRF4-41PH-00000-00&context=), [*2208*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GRP1-NRF4-4047-00000-00&context=), [*2572*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GNX1-NRF4-43KV-00000-00&context=), [*2576*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GJS1-NRF4-43KX-00000-00&context=), [*2576a*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GP61-NRF4-4132-00000-00&context=), and [*2576b*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GK91-NRF4-43W0-00000-00&context=), the Secretary of Defense may:

1. Make surplus property available for donation to eligible recipients; donate, lend, or exchange without expense to the United States books, manuscripts, works of art, historical artifacts, drawings, plans, models and condemned or obsolete combat materiel that are not needed by the Military Services.
2. Sell or donate designated items to State and local law enforcement, firefighting, homeland security, and emergency management agencies.
3. [*10 U.S.C. 2557*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GHR1-NRF4-43T5-00000-00&context=), the Secretary of Defense may provide non-lethal DoD excess personal property for humanitarian purposes.
4. [*10 U.S.C. 2577*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GM41-NRF4-40XN-00000-00&context=), the Secretary of Defense may operate recycling programs at military installations and sell recyclable materials.
5. [*10 U.S.C. 4683*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GP91-NRF4-4285-00000-00&context=), the Secretary of the Army may loan to recognized veterans' organizations (or local units of national veterans' organizations recognized by the U.S. Department of Veterans Affairs) obsolete or condemned rifles or cartridge belts for use by that unit for ceremonial purposes.
6. [*10 U.S.C. 7306*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GS91-NRF4-40VS-00000-00&context=), the Secretary of the Navy, with approval of Congress, may donate to eligible recipients any vessel stricken from the Naval Vessel Register or any captured vessel for use as a museum or memorial for public display.
7. [*10 U.S.C. 7545*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GMM1-NRF4-40T6-00000-00&context=), the Secretary of the Navy may donate or loan captured, condemned, or obsolete ordnance materiel, books, manuscripts, works of art, drawings, plans, models, trophies and flags, and other condemned or obsolete materiel, as well as materiel of historical interest.
8. [*15 U.S.C. 3710(i)*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GV11-NRF4-428X-00000-00&context=), the Secretary of Defense may transfer (donate) laboratory (*e.g.,* scientific, research) equipment that is excess to the needs of that laboratory to public and private schools and nonprofit institutions in the U.S. zone of interior (ZI).
9. [*22 U.S.C. 2151*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GM21-NRF4-40DY-00000-00&context=), [*2321b*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GM01-NRF4-4552-00000-00&context=), [*2321j*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GMT1-NRF4-42WX-00000-00&context=), [*2751*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GM31-NRF4-40T2-00000-00&context=), and [*2778*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GVJ1-NRF4-42MD-00000-00&context=) *et seq.,* the Secretary of Defense with the approval of the Secretary of State, may transfer excess defense articles to eligible recipients.
10. 40 U.S.C. subtitle I and sections 101, 541 *et seq.,* and 701, the Secretary of Defense may efficiently and economically dispose of excess property.
11. [*42 U.S.C. 3015*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GPV1-NRF4-429P-00000-00&context=) and [*3020*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GK41-NRF4-423W-00000-00&context=), the Secretary of Defense may donate surplus property to State and local government agencies, or nonprofit organizations or institutions that receive federal funding to conduct programs for older individuals.
12. 42 U.S.C. Chapter 68, the Secretary of Defense may provide federal assistance to States, local governments, and relief organizations for emergency or major disaster assistance purposes.

*B. Summary of the Major Provisions of the Regulatory Action in Question*

This rule provides general guidelines and procedures for property disposition; provides guidance for budgeting for the disposal of excess, surplus, and foreign excess personal property (FEPP) property with updates via program budget decisions; ensures cost-effective disposal of precious metals bearing scrap and end items for the replenishment of valuable resources through the DoD Precious Metals Recovery Program (PMRP); outlines DoD screening methods for disposing of materiel; and describes procedures relating to foreign military sales.

*C. Costs and Benefits*

This rule benefits DoD by reducing the amount of excess property in inventory which provides savings to the Department from the associated costs of handling, transporting, and storing property. In FY 2014, DOD redistributed excess property with an acquisition value of $ 3.2 billion through reutilization by other components of DoD and special programs specified by legislative approval (such as foreign military sales, law enforcement agencies and fire fighters), transfer to other federal agencies, and donation to state approved organizations. In addition, in FY 2014, DoD returned $ 104 million to the U.S. Treasury through the sale of eligible excess property. The rule also provides environmental benefits through ensuring the disposition of property in accordance with environmental laws such as recycling materials where possible. The rule costs DoD $ 405M for 90 field offices and 1,500 people in DLA Disposition services worldwide to dispose of excess property and manage surplus useable property transfers, sales, and donations. The cost to cut, shred, and demilitarize **[\*68159]** materiel is offset by the sales and recycling of the residue.

**II. Retrospective Review**

This rule is part of DoD's retrospective plan, completed in August 2011, under Executive Order 13563, "Improving ***Regulation*** and Regulatory Review." DoD's full plan and updates can be accessed at: [*http://www.****regulations****.gov/#!docketDetail*](http://www.regulations.gov/#!docketDetail)*;dct=FR+PR+N+O+SR;rpp=10;po=0;D=DOD-2011-OS-0036.*

**III. Comments and Responses**

On December 29, 2014, the Department of Defense published an interim final rule titled "Defense Materiel Disposition" [*(79 FR 78144-78218).*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5DY8-DBY0-006W-83P8-00000-00&context=) The 60-day public-comment period expired on February 27, 2015. Two public comments were received. One of the comments expressed praise and support for the Defense Materiel Disposition program. The second comment expressed concern about the provision of excess Department of Defense property to law enforcement agencies.

Response: The congressionally authorized 1033 program provides property that is excess to the needs of the Department of Defense for use by agencies in law enforcement, counter-drug, and counter-terrorism activities. It enables first responders and others to ensure the public's safety and to save lives.

The Department is co-chairing the Law Enforcement Equipment Working Group established by executive order on January 16, 2015. The purpose of the working group is to identify agency actions that can improve Federal support for the acquisition of controlled equipment by law enforcement agencies (LEAs), including by providing LEAs with controlled equipment that is appropriate to the needs of their community; ensuring that LEAs are properly trained to employ the controlled equipment they acquire; ensuring that LEAs adopt organizational and operational practices and standards that prevent the misuse or abuse of controlled equipment; and ensuring LEA compliance with civil rights requirements resulting from receipt of Federal financial assistance.

The Department is prepared to make any changes to the program as a result of changes to the authorizing statute or based on recommendations made by the working group and approved by the President.

After the 60-day public comment period for the interim final rule, minor administrative edits were made to provide clarity or delete unnecessary, confusing language in the regulatory text. In § 273.3 and § 273.12 the definitions for hazardous waste and qualified recycling programs were modified; the web link in § 273.6(a)(3) was corrected; language in § 273.7(b)(5)(ii) was deleted; language in § 273.6(f)(4), § 273.6(f)(6), § 273.10(b)(1), § 273.10(b)(3) and § 273.15(a)(3)(i)-(iii), was modified; and the language in § 273.14(b)(3) and (4) was added.

**IV. Regulatory Procedures**

*Executive Order 12866, "Regulatory Planning and Review" and Executive Order 13563, "Improving* ***Regulation*** *and Regulatory Review"*

Executive Orders 13563 and 12866 direct agencies to assess all costs and benefits of available regulatory alternatives and, if ***regulation*** is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distribute impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This rule has been designated a "significant regulatory action," although not economically significant, under section 3(f) of Executive Order 12866. Accordingly, the rule has been reviewed by the Office of Management and Budget (OMB).

*Sec. 202, Pub. L. 104-4, "Unfunded Mandates Reform Act"*

Section 202 of the Unfunded Mandates Reform Act of 1995 (UMRA) (*Pub. L. 104-4*) requires agencies assess anticipated costs and benefits before issuing any rule whose mandates require spending in any 1 year of $ 100 million in 1995 dollars, updated annually for inflation. In 2014, that threshold is approximately $ 141 million. This final rule will not mandate any requirements for State, local, or tribal governments, nor will it affect private sector costs.

[*Public Law 96-354*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:5CD7-HSK0-01XN-S228-00000-00&context=)*, "Regulatory Flexibility Act" (5 U.S.C. 601)*

The Department of Defense certifies that this final rule is not subject to the Regulatory Flexibility Act (*5 U.S.C. 601*) because it would not, if promulgated, have a significant economic impact on a substantial number of small entities. Therefore, the Regulatory Flexibility Act, as amended, does not require us to prepare a regulatory flexibility analysis.

[*Public Law 96-511*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:5CD7-HSM0-01XN-S27W-00000-00&context=)*, "Paperwork Reduction Act" (44 U.S.C. Chapter 35)*

Sections 273.15(a)(6)(i)(E)(*2*) and 273.15(a)(6)(i)(D) of this final rule contain information collection requirements. As required by the Paperwork Reduction Act (44 U.S.C. Chapter 35), DoD has submitted an information clearance package to the Office of Management and Budget for review. In response to DoD's invitation in the Interim Final Rule to comment on any potential paperwork burden associated with this rule, no comments were received.

*Executive Order 13132, "Federalism"*

Executive Order 13132 establishes certain requirements that an agency must meet when it promulgates a proposed rule (and subsequent final rule) that imposes substantial direct requirement costs on State and local governments, preempts State law, or otherwise has Federalism implications. This final rule will not have a substantial effect on State and local governments.

***Regulations***

**List of Subjects in 32 CFR Part 273**

Defense materiel, Military arms sales, Waste treatment and disposal.

Accordingly, the interim rule adding 32 CFR part 273 which was published at [*79 FR 78144,*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5DY8-DBY0-006W-83P8-00000-00&context=) December 29, 2014, is adopted as a final rule with the following changes. Part 273 is revised to read as follows:

1. **SPOSITION**
2. **and Procedures**

Sec.

1. **scrap disposal processing.**
2. **changes.**
3. Through-life traceability of uniquely identified items.
4. **nsfer, and Sale of Property**

**Authority:** [*10 U.S.C. 2194*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GP81-NRF4-41PH-00000-00&context=), [*2208*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GRP1-NRF4-4047-00000-00&context=), [*2557*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GHR1-NRF4-43T5-00000-00&context=), [*2572*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GNX1-NRF4-43KV-00000-00&context=), [*2576*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GJS1-NRF4-43KX-00000-00&context=), [*2576a*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GP61-NRF4-4132-00000-00&context=), [*2576b*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GK91-NRF4-43W0-00000-00&context=), [*2577*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GM41-NRF4-40XN-00000-00&context=), [*4683*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GP91-NRF4-4285-00000-00&context=), [*7306*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GS91-NRF4-40VS-00000-00&context=), [*7545*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GMM1-NRF4-40T6-00000-00&context=); [*15 U.S.C. 3710(i)*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GV11-NRF4-428X-00000-00&context=); [*22 U.S.C. 2151*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GM21-NRF4-40DY-00000-00&context=), [*2321b*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GM01-NRF4-4552-00000-00&context=), [*2321j*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GMT1-NRF4-42WX-00000-00&context=), [*2751*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GM31-NRF4-40T2-00000-00&context=), and [*2778*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GVJ1-NRF4-42MD-00000-00&context=) *et seq.;* 40 U.S.C. subtitle I and sections 101, 541 *et seq.,* **[\*68160]** and 701; [*42 U.S.C. 3015*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GPV1-NRF4-429P-00000-00&context=) and [*3020*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GK41-NRF4-423W-00000-00&context=); and 42 U.S.C. Chapter 68.

1. **and Procedures**
2. This part is composed of several subparts, each containing its own purpose. In accordance with the authority in DoD Directive 5134.12, "Assistant Secretary of Defense for Logistics and Materiel Readiness (ASD(L&MR))" (available at [*http://www.dtic.mil/whs/directives/corres/pdf/513412p.pdf*](http://www.dtic.mil/whs/directives/corres/pdf/513412p.pdf)); DoD Instruction 4140.01, "Supply Chain Materiel Management Policy" (available at [*http://www.dtic.mil/whs/directives/corres/pdf/414001p.pdf*](http://www.dtic.mil/whs/directives/corres/pdf/414001p.pdf)); and DoD Instruction 4160.28, "DoD Demilitarization (DEMIL) Program" (available at [*http://www.dtic.mil/whs/directives/corres/pdf/416028p.pdf*](http://www.dtic.mil/whs/directives/corres/pdf/416028p.pdf)), this part:
3. Prescribes uniform procedures for the disposition of DoD personal property.
4. Establishes the sequence of processes for disposition of personal property of the DoD Components.
5. This subpart:
6. Implements the statutory authority and ***regulations*** under which DoD personal property disposal takes place, as well as the scope and applicability for the program.
7. Defines the responsibilities of personnel and agencies involved in the Defense Materiel Disposition Program.
8. Provides procedures for disposal of excess property and scrap.
9. Provides procedures for property donations, loans, and exchanges.
10. This subpart applies to the Office of the Secretary of Defense, 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 DoD (referred to collectively in this subpart as the "DoD Components").
11. If a procedural conflict exists, these references take precedence:
12. 41 CFR chapters 101 and 102 (also known as the Federal Property Management ***Regulations*** and Federal Management ***Regulation*** (FPMR and FMR)).
13. 40 U.S.C. subtitle I, also known as the Federal Property and Administrative Services Act.

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

*Abandonment and destruction (A/D).* A method for handling property that:

1. Is abandoned and a diligent effort to determine the owner is unsuccessful.
2. Is uneconomical to repair or the estimated costs of the continued care and handling of the property exceeds the estimated proceeds of sale.
3. 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.

*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.

*Automatic identification technology (AIT).* A suite of technologies enabling the automatic capture of data, thereby enhancing the ability to identify, track, document, and control assets (*e.g.* materiel), deploying and redeploying forces, equipment, personnel, and sustainment cargo. AIT encompasses a variety of data storage or carrier technologies, such as linear bar codes, two-dimensional symbols (PDF417 and Data Matrix), magnetic strips, integrated circuit cards, optical laser discs (optical memory cards or compact discs), satellite tracking transponders, and radio frequency identification tags used for marking or "tagging" individual items, equipment, air pallets, or containers. Known commercially as automatic identification data capture.

*Batchlot.* The physical grouping of individual receipts of low-dollar-value property. The physical grouping consolidates multiple disposal turn-in documents (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.

1. 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.

*Care and handling.* Includes packing, storing, handling, and conserving excess, surplus, and foreign excess property. In the case of property that is dangerous to public health, safety, or the environment, this includes destroying or rendering such property harmless.

*Commercial off the shelf (COTS) software.* Software that is available through lease or purchase in the commercial market. Included in COTS are the operating system software that runs on the information technology equipment and other significant software purchased with a license that supports system or customer requirements.

*Commerce control list (CCL) items* (formerly known as strategic list item). Commodities, software, and technology subject to export controls in accordance with Export Administration ***Regulations*** (EAR) in 15 CFR parts 730 through 774. The EAR contains the CCL and is administered by the Bureau of Industry and Security, Department of Commerce (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.

*Container.* Any portable device in which a materiel is stored, transported, disposed of, or otherwise handled, including those whose last content was a hazardous or an acutely hazardous material, waste, or substance.

*Continental United States (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). **[\*68161]**

*Controlled substances.* (1) Any narcotic, depressant, stimulant, or hallucinogenic drug or any other drug or other substance or immediate precursor included in [*21 U.S.C. 801*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GPM1-NRF4-404M-00000-00&context=). Exempted chemical preparations and mixtures and excluded substances are listed in 21 CFR part 1308.

1. Any other drug or substance that the United States Attorney General determines to be subject to control in accordance with 21 CFR part 1308.
2. Any other drug or substance that, by international treaty, convention, or protocol, is to be controlled by the United States.

*Counterfeit.* A counterfeit part is one whose identity has been deliberately altered, misrepresented, or is offered as an unauthorized product substitution.

*Defective property.* An item, part, or component that does not meet military, Federal, or commercial specifications as required by military procurement contracts because of unserviceability, finite life, or product quality deficiency and is determined to be unsafe for use. Defective property may be dangerous to public health or safety by virtue of latent defects. These defects are identified by technical inspection methods; or condemned by maintenance or other authorized activities as a result of destructive and nondestructive test methods such as magnetic particle, liquid penetrant, or radiographic testing, which reveal defects not apparent from normal visual inspection methods.

*Defense Logistics Agency Disposition Services Automated Information System (DAISY).* An automated property accounting management data system designed to process property through the necessary disposal steps and account for excess, surplus, and foreign excess personal property (FEPP) from receipt to final disposal.

*Demilitarization.* 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.

*Defense Logistics Agency (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 that has 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.

*DoD Activity Address Code (DoDAAC).* A 6-digit code assigned by the Defense Automatic Addressing Service 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.

*DoD Item Unique Identification (IUID) Registry.* The DoD data repository that receives input from both industry and Government sources and provides storage of, and access to, data that identifies and describes tangible Government personal property.

*Donation.* The act of providing surplus personal property at no charge to a qualified donation recipient, as allocated by the General Services Administration (GSA).

*Donation recipient.* Any of the following entities that receive federal surplus personal property through State agencies for surplus property (SASP):

1. A Service educational activity (SEA).
2. A public agency that uses surplus personal property to carry out or promote one or more public purposes. (Public airports are an exception and are only considered donation recipients when they elect to receive surplus property through a SASP, but not when they elect to receive surplus property through the Federal Aviation Administration (FAA).)
3. An eligible nonprofit tax-exempt educational or public health institution (including a provider of assistance to homeless or impoverished families or individuals).
4. A State or local government agency, or a nonprofit organization or institution, that receives funds appropriated for a program for older individuals.

*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.

*Excess personal property.*

1. 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.
2. 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.
3. ***operty (FEPP).***U.S.-owned excess personal property that is located outside the zone of interior (ZI). This property becomes surplus and is eligible for donation and sale as described in § 273.7.

*Exchange.* Replace personal property by trade or trade-in with the supplier of the replacement property. To exchange non-excess, non-surplus personal property and apply the exchange allowance or proceeds of sale in whole or in part payment for the acquisition of similar property. For example, the replacement of a historical artifact with another historical artifact by trade; or to exchange an item of historical property or goods for services based on the fair market value of the artifact.

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

1. See excess personal property.

*Firearm.* Any weapon (including a starter gun) that will or is designed to or may readily be converted to expel a projectile by the action of an explosive; the frame or receiver of any such weapon; any firearm muffler or firearm silencer; or any destructive device. The term does not include an antique firearm. **[\*68162]**

*Flight safety critical air parts (FSCAP).* Any aircraft part, assembly, or installation containing a critical characteristic whose failure, malfunction, or absence could cause a catastrophic failure resulting in loss or serious damage to the aircraft or an uncommanded engine shutdown, resulting in an unsafe condition.

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

*Friendly foreign government.* For purposes of trade security controls (TSC), governments of countries other than those designated as restricted parties.

*Generating activity ("generator").* The activity that declares personal property excess to its needs, *e.g.* DoD installations, activities, contractors, or FCAs.

*Government-furnished material (GFM).* Property provided by the U.S. 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 material provided to contractors on a cash-sale basis nor does it include 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(R).* A totally web-enabled platform that eligible customers use to access functions of GSAXcess(R) 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.

*Historical artifact.* Items (including books, manuscripts, works of art, drawings, plans, and models) identified by a museum director or curator as significant to the history of that department, acquired from approved sources, and suitable for display in a military museum. Generally, such determinations are based on the item's association with an important person, event, or place; because of traditional association with an important person, event, or place; because of traditional association with a military organization; or because it is a representative example of military equipment or represents a significant technological contribution to military science or equipment.

*Hazardous material (HM).* (1) In the United States, any material that is capable of posing an unreasonable risk to health, safety, and property during transportation. All HM appears in the HM Table at [*49 CFR 172.101*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5SM7-TJC0-008H-03YV-00000-00&context=).

1. Overseas, HM is defined in the applicable final governing standards or overseas environmental baseline guidance document, or host nation laws and ***regulations***.

*Hazardous property (HP).* (1) A composite term used to describe DoD excess property, surplus 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 hazardous property.

1. In more technical terms, HP includes property having one or more of the following characteristics:
2. Has a flashpoint below 200 degrees Fahrenheit (93 degrees Celsius) closed cup, or is subject to spontaneous heating or is subject to polymerization with release of large amounts of energy when handled, stored, and shipped without adequate control.
3. Has a threshold limit value equal to or below 1,000 parts per million (ppm) for gases and vapors, below 500 milligram per cubic meter (mg/m<3>) for fumes, and equal to or less than 30 million particles per cubic foot (mppcf) or 10 mg/m<3> for dusts (less than or equal to 2.0 fibers/cc greater than 5 micrometers in length for fibrous materials).
4. 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.
5. Is a flammable solid as defined in [*49 CFR 173.124*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5N7S-R4T0-008H-026F-00000-00&context=), or is an oxidizer as defined in [*49 CFR 173.127*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5HFT-CFY0-008H-03YN-00000-00&context=), 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.
6. Causes first-degree burns to skin in short-time exposure, or is systematically toxic by skin contact.
7. May produce dust, gases, fumes, vapors, mists, or smoke with one or more of the above characteristics in the course of normal operations.
8. Produces sensitizing or irritating effects.
9. Is radioactive.
10. Has special characteristics which, in the opinion of the manufacturer, could cause harm to personnel if used or stored improperly.
11. Is hazardous in accordance with Occupational Health and Safety Administration, 29 CFR part 1910.
12. Is hazardous in accordance with 29 CFR part 1910.
13. Is regulated by the EPA in accordance with 40 CFR parts 260 through 280.

*Hazardous waste (HW).* An item that is regulated pursuant to [*42 U.S.C. 6901*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GSK1-NRF4-43XW-00000-00&context=) or by State ***regulation*** as an HW. HW is defined federally at 40 CFR part 261. Overseas, HW is defined in the applicable final governing standards or overseas environmental baseline guidance document, or host nation laws and ***regulations***.

*Holding agency.* The Federal agency that is accountable for, and generally has possession of, the property involved.

*Hold harmless.* A promise to pay any costs or claims which may result from an agreement.

*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:

1. Requires the use of such equipment.
2. 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 TSC purposes, this term includes: Columbo 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 Children's Fund; UN Development Program; UN Educational, Scientific, and Cultural Organization; UN High Commissioner for Refugees Programs; UN Relief and Works Agency **[\*68163]** for Palestine Refugees in the Near East; World Health Organization; and other international organizations approved by a U.S. diplomatic mission.

*Interrogation.* A communication between two or more ICPs, other DoD activities, and U.S. Government agencies to determine the current availability of an item or suitable substitute for a needed item before procurement or repair.

*Interservice.* Action by one Military Department or Defense Agency 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.

*Inventory control point (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).

*Item unique identification (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. AIT is used to capture and communicate IUID information.

*Line item.* A single line entry on a reporting form or sale document that indicates a quantity of property located at any one activity having the same description, condition code, and unit cost.

*Line item value* (for reporting and other accounting and approval purposes). Quantity of a line item multiplied by the standard price.

*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.

*Material potentially presenting an explosive hazard (MPPEH).* Material owned or controlled by the Department of Defense that, prior to determination of its explosives safety status, potentially contains explosives or munitions (*e.g.,* munitions containers and packaging material; munitions debris remaining after munitions use, demilitarization, or disposal; and range-related debris) or potentially contains a high enough concentration of explosives that the material presents an explosive hazard (*e.g.,* equipment, drainage systems, holding tanks, piping, or ventilation ducts that were associated with munitions production, demilitarization, or disposal operations). Excluded from MPPEH are munitions within the DoD-established munitions management system and other items that may present explosion hazards (*e.g.,* gasoline cans and compressed gas cylinders) that are not munitions and are not intended for use as munitions.

*Metalworking machinery.* A category of plant equipment consisting of power driven nonportable machines in Federal Supply Classification Code (four digits) (FSC) 3411 through 3419 and 3441 through 3449, which are used or capable of use in the manufacture of supplies or equipment, or in the performance of services, or for any administrative or general plant purpose.

*Munitions list items (MLI).* Any item contained on the U.S. Munitions List (USML) in 22 CFR part 121. Defense articles, associated technical data (including software), and defense services recorded or stored in any physical form, controlled for export and permanent import by 22 CFR parts 120 through 130. 22 CFR part 121, which contains the USML, 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 is 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 property.* Property purchased with NAFs, by religious activities or nonappropriated morale welfare or recreational activities, post exchanges, ships stores, officer and noncommissioned officer clubs, and similar activities. Such property is not Federal property.

*Narcotics.* See controlled substances.

*National stock number (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.

*Nonappropriated fund (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.

*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 *26 U.S.C. 501*, also known as the Internal Revenue Code of 1986.

*Nonsalable materiel.* Materiel that has no reutilization, transfer, donation, or sale value as determined by the DLA Disposition Services site, but is not otherwise restricted from disposal by U.S. law or Federal or military ***regulations***.

*Obsolete combat materiel.* Military equipment once used in a primarily combat role that has been phased out of operational use; if replaced, the replacement items are of a more current design or capability.

*Ordnance.* Explosives, chemicals, pyrotechnics, and similar stores, *e.g.,* bombs, guns and ammunition, flares, smoke, or napalm.

1. Unit of concentration by volume of a specific substance.

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

*Pilferable materiel.* Materiel having a ready resale value or application to personal possession, which is especially subject to theft.

*Plant equipment.* Personal property of a capital nature (including equipment, machine tools, test equipment, furniture, vehicles, and accessory and auxiliary items) for use in manufacturing supplies, in performing services, or for any administrative or general plant purpose. It does not include special tooling or special test equipment.

*Precious metals.* Gold, silver, and the platinum group metals (platinum, **[\*68164]** palladium, iridium, rhodium, osmium, and ruthenium).

*Precious Metals Recovery Program (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 GFM.

*Pre-receipt.* Documentation processed prior to physically transferring or turning the property into a DLA Disposition Services site.

*Privacy Act property.* Any document or other information about an individual maintained by the agency, whether collected or grouped, including but not limited to, information regarding education, financial transactions, medical history, criminal or employment history, or other personal information containing the name or other personal identification number, symbol, etc., assigned to such individual.

*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 U.S. Government all right, title, and interest in the privately owned property.

*Public agency.* Any State, political subdivision thereof, including any unit of local government or economic development district; or any department, agency, instrumentality thereof, including instrumentalities created by compact or other agreement between States or political subdivisions, multi-jurisdictional substate districts established by or under State law; or any Indian tribe, band, group, pueblo, or community located on a State reservation. (See § 273.8 regarding donations made through State agencies.)

*Qualified recycling programs (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 materiel 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.

*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 supply condition codes (SCCs) listed in DLM 4000.25-2 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 items of equipment or assemblies (usually SCCs listed in DLM 4000.25-2 as SCC E for unserviceable (limited restoration) materiel, SCC F for unserviceable (reparable) materiel, and SCC G for unserviceable (incomplete) materiel). Reclamation 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 sites for such reclamation purposes.

*Restricted parties.* Those countries or entities that the Department of State (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 United States Munitions List (USML) or Commerce Control List. 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*](http://export.gov/ecr/eg_main_023148.asp)*.*

*Reutilization.* The act of re-issuing FEPP and excess property to DoD Components. Also includes qualified special programs (*e.g.,* Law Enforcement Agency (LEA), Humanitarian Assistance Program, Military Affiliate Radio System (MARS)) pursuant to applicable enabling statutes.

*Salvage.* Personal property that has some value in excess of its basic material content, but is in such condition that it has no reasonable prospect of use as a unit for the purpose for which it was originally intended, and its repair or rehabilitation for use as a unit is impracticable.

1. 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. [*41 CFR 102-36.40*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5GFW-1Y00-008H-04XF-00000-00&context=) and [*15 CFR 770.2*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5PNY-P7S0-008G-Y22B-00000-00&context=) provide additional information on scrap.

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

*Sensitive items.* Materiel that requires a high degree of protection and control due to statutory requirements or ***regulations***, such as narcotics and drug abuse items; precious metals; items of high value; items that are highly technical, or of a hazardous nature; non-nuclear missiles, rockets, and explosives; small arms, ammunition and explosives, and demolition material.

*Service educational activity (SEA).* Any educational activity that meets specified criteria and is formally designated by the Department of Defense as being of special interest to the Military Services. Includes educational activities such as maritime academies or military, naval, or Air Force preparatory schools, junior colleges, and institutes; senior high school-hosted Junior Reserve Officer Training Corps; and nationally organized youth groups. The primary purpose of such entities is to offer courses of instruction devoted to the military arts and sciences.

*Small arms/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.

1. The price customers are charged for a DoD managed item (excluding subsistence), which remains constant throughout a fiscal year. The standard price is based on various factors which include the latest acquisition price of the item plus surcharges or cost recovery elements for transportation, inventory loss, obsolescence, maintenance, depreciation, and supply operations.

*State agencies for surplus property (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 [*40 U.S.C. 549*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GN91-NRF4-42NV-00000-00&context=). **[\*68165]**

*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.

*Supply condition codes (SCC).* Code 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 Military Departments or Defense Agencies. DLA Disposition Services may change a SCC if there is an appearance of an improperly assigned code 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 SCC.

*Surplus personal property.* Excess personal property no longer required by the Federal agencies, as determined by the Administrator of General Services. Applies to surplus personal property in the United States, American Samoa, Guam, Puerto Rico, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands.

*Trade security controls (TSC).* Policy and procedures, in accordance with DoD Instruction 2030.08, 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***, the International Traffic in Arms ***Regulations*** (ITAR) in 22 CFR parts 120 through 130, and the EAR in 15 CFR parts 730 through 774.

*Transfer.* The act of providing FEPP and excess personal property to Federal civilian agencies (FCAs) as stipulated in the FMR. Property is allocated by the GSA. When a line item is less than $ 10,000, an FCA may coordinate allocation to another FCA directly.

1. Post-consumer refuse, waste and food by-products such as litter, rubbish, cooked grease, bones, fats, and meat trimmings.

*Uniform Materiel Movement and Issue Priority System (UMMIPS).* System to ensure that requirements are processed in accordance with the mission of the requiring activity and the urgency of need, and to establish maximum uniform order and materiel movement standard.

*Unique item identifier (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.

*Unsalable materiel.* Materiel for which sale or other disposal is prohibited by U.S. law or Federal or military ***regulations***.

*Usable property.* Commercial and military type property other than scrap and waste.

*Veterans' organization.* An organization composed of honorably discharged soldiers, sailors, airmen, and marines, which is established as a veterans' organization and recognized as such by the U.S. Department of Veterans Affairs.

*Zone of interior (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.

It is DoD policy consistent with 41 CFR chapters 101 and 102 that excess DoD property must be screened and redistributed among the DoD Components, and reported as excess to the GSA. Pursuant to *40 U.S.C. 701*, DoD will efficiently and economically dispose DoD FEPP.

1. The Assistant Secretary of Defense for Logistics and Materiel Readiness (ASD(L&MR)), under the authority, direction, and control of the USD(AT&L), and in accordance with DoD Directive 5134.12:
2. Develops DoD materiel disposition policies, including policies for FEPP.
3. Oversees the effective implementation of the DoD materiel disposition program.
4. Approves policy changes as appropriate to support contingency operations.
5. Approves national organizations for special interest consideration as SEAs, and approve categories of property considered appropriate, usable, and necessary for transfer to SEAs.
6. The Director, Defense Logistics Agency (DLA), under the authority, direction, and control of the Under Secretary of Defense for Acquisition, Technology, and Logistics, through the Assistant Secretary of Defense for Logistics and Materiel Readiness (ASD(L&MR)), and in addition to the responsibilities in paragraph (c) of this section:
7. Provides agency-level command and control and administers the worldwide Defense Materiel Disposition Program.
8. 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.
9. Chairs the Disposal Policy Working Group (DPWG).
10. Provides direction to the DLA Disposition Services on implementing the worldwide defense materiel disposition program.
11. Provides direction to the DLA inventory control points (ICPs) on the cataloging of items in the Federal Logistics Information System (FLIS) as outlined in DoD 4100.39-M, "Federal Logistics Information System (FLIS) Procedures Manual-Glossary and Volumes 1-16" (available at [*http://www.dtic.mil/whs/directives/corres/html/410039m.html*](http://www.dtic.mil/whs/directives/corres/html/410039m.html)). This is done to prevent the unauthorized disposition or release of items within DoD, other federal civilian agencies, or release into commerce.
12. Promotes maximum reuse of FEPP, excess, and surplus property. Pursues all possible avenues to sponsor or endorse reuse of excess DoD property and preclude unnecessary purchases.
13. Directs the DLA Disposition Services communications with the DoD Components regarding changes in service delivery processes or plans that will affect disposal support provided. In overseas locations, these communications will include geographic Combatant Commanders, U.S. Chiefs of Mission, and the in-country security assistance offices.
14. Accommodates contingency operation requirements. Directs the DLA support team to determine any needed deviations from standard disposal processing guidance and communicates approved temporary changes to the Military Departments and DLA Disposition Services.
15. Ensures maximum compatibility between documentation, procedures, codes, and formats used in materiel disposition systems and the Military Departments' supply systems.
16. Programs, budgets, funds, accounts, allocates and controls personnel, spaces, and other resources for its respective activities.
17. Annually provides to GSA a report of property transferred to non-federal recipients in accordance with [*41 CFR 102-36.295*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5GFW-1Y00-008H-04XS-00000-00&context=).
18. Assumes the worldwide disposal of all DoD HP except for those categories **[\*68166]** specifically designated to remain the responsibility of the Military Department or Defense Agency as described in DoD Manual 4160.21, Volume 4.
19. Ensures property disposal training courses are available (*e.g.*, at DLA Training Center) for all personnel associated with the disposal program.
20. Ensures DLA Disposition Services follows the DoD disposal hierarchy with landfill disposal as a last resort.
21. The DoD Components Heads:
22. Recommend Defense Materiel Disposition Program policy changes to the ASD(L&MR).
23. Recommend Defense Materiel Disposition Program procedural changes to the Director, DLA, and provide information copies to the ASD(L&MR).
24. Assist the Director, DLA, upon request, to resolve matters of mutual concern.
25. 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 each stage of the supply chain management of items and that disposal of property is a planned event at all levels of their organizations.
26. Provide the Director, DLA, with mutually agreed-upon data necessary to administer the Defense Materiel Disposition Program.
27. Participate in the DoD PMRP and promote maximum reutilization of FEPP, excess, and surplus property and fine precious metals for internal use or as GFM.
28. Nominate to the ASD(L&MR) national organizations for special interest consideration as SEAs; approve schools (non-national organizations) as SEAs; and recommend to the ASD(L&MR) categories of property considered appropriate, usable, and necessary for transfer to SEAs.
29. 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).
30. For property not explicitly identified in this part, follow Service-unique ***regulations*** to dispose of and maintain accountability of property. Ensure all accountable records associated with the disposal of FEPP, excess, and surplus property are established and updated to reflect supply status and ensure audit ability in accordance with DoD Instruction 5000.64, "Accountability and Management of DoD Equipment and Other Accountable Property" (available at [*http://www.dtic.mil/whs/directives/corres/pdf/500064p.pdf*](http://www.dtic.mil/whs/directives/corres/pdf/500064p.pdf)). This requirement also applies to modified processes that may be developed for contingency operations.
31. Ensure completion of property disposition (reutilization and marketing) training courses, as appropriate.
32. Administer reclamation programs and accomplish reclamation from excess materiel.
33. Establish and administer disposal accounts, as jointly agreed to by DLA and the Military Departments, to support the demilitarization (DEMIL) and reclamation functions performed by the Military Departments.
34. Dispose of surplus merchant vessels or vessels of 1,500 gross tons or more, capable of conversion to merchant use, through the Federal Maritime Administration, U.S. Department of Transportation, by forwarding a "Report of Excess Personal Property" Standard Form 120 to GSA, in accordance with the procedures in 41 CFR chapters 101 and 102. For vessels explicitly excluded by 41 CFR chapters 101 and 102, follow procedures in DoD 4160.28-M, Volumes 1-3, "Defense Demilitarization: Program Administration, Demilitarization Coding, Procedural Guidance" (available at [*http://www.dtic.mil/whs/directives/corres/pdf/416028m\_vol1.pdf*](http://www.dtic.mil/whs/directives/corres/pdf/416028m_vol1.pdf), [*http://www.dtic.mil/whs/directives/corres/pdf/416028m\_vol2.pdf*](http://www.dtic.mil/whs/directives/corres/pdf/416028m_vol2.pdf), [*http://www.dtic.mil/whs/directives/corres/pdf/416028m\_vol3.pdf*](http://www.dtic.mil/whs/directives/corres/pdf/416028m_vol3.pdf)), *i.e.*, battleships, cruisers, aircraft carriers, destroyers, or submarines.
35. Dispose of HP specifically designated as requiring DoD Component processing.
36. Request DLA Disposition Services provide sales services, as needed, for recyclable marketable materials generated as a result of resource recovery programs through the DoD Component QRP in accordance with the procedures in § 273.7.
37. Consider public donation if applicable before landfill disposal and monitor, with DLA Disposition Services Site personnel, all property sent to landfills to ensure no economically salable or recyclable property is discarded.
38. Report, accurately identify on approved turn in documents, and turn in all authorized scrap generations to servicing DLA Disposition Services sites.
39. Update the DoD IUID Registry upon the materiel disposition of uniquely identified items in accordance with the procedures in § 273.9.
40. Improve disposal policies, training, and procedural implementation among the DoD Components and Federal civilian agencies through membership on the DPWG.
41. ***ion.***The general guidelines and procedures for property disposition are:
42. 41 CFR chapters 101 and 102 implements 40 U.S.C. subtitle I and section 101 which established the Personal Property Disposition Program. 41 CFR chapter 101 and other laws and ***regulations*** apply to the disposition of FEPP, excess, and surplus property. In the event of conflicting guidance, 41 CFR chapters 101 and 102 takes precedence. 41 CFR chapter 102 is the successor ***regulation*** to 41 CFR chapter 101, the "Federal Property Management ***Regulation***". It updates regulatory policies of 41 CFR chapter 101.
43. All references to "days" are calendar days unless otherwise specified.
44. The Department of Defense provides guidance for budgeting for the disposal of excess, surplus, and FEPP property through DoD 7000.14-R, "Department of Defense Financial Management ***Regulations*** (FMRs): Volume 12, Special Accounts Funds and Programs'; Chapter 7, Financial Liability for Government Property Lost, Damaged, Destroyed, or Stolen' " ([*http://comptroller.defense.gov/Portals/45/documents/fmr/Volume\_12.pdf*](http://comptroller.defense.gov/Portals/45/documents/fmr/Volume_12.pdf)), with updates via program budget decisions. The Service level billing is based on the services turn-in percentage of the Disposition Services workload. As an example, if the Army constitutes 40 percent of the workload the Army will pay 40 percent of the Disposition Services Service-level bill.
45. Billings are addressed to each Military Department, Defense Agency, and FCA.
46. Billing for disposition of excess property depends on decisions made between DLA and the customer: the Military Department, Defense Agency, those sponsoring DoD-related organizations (*e.g.*, Civil Air Patrol, MARS) or FCA.
47. In conjunction with DoD 4160.28-M Volumes 1-3, the provisions of this part apply to service providers, whether they are working at a government facility or at a commercial site, and to contractors to the extent it is stipulated in the performance work statement of the contracts. DoD 4160.28-M and [*10 U.S.C. 2576*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GJS1-NRF4-43KX-00000-00&context=) contain additional specific guidance for property identified as MLI or CCL items.
48. The procedures in this subpart will be used to the extent possible in all **[\*68167]** contingency operations. As appropriate, the ASD(L&MR) will modify policy guidance to support the mission requirements and operational tempo of contingency operations.
49. This subpart does not govern the disposal of the property described in paragraphs (b)(3)(i), (ii), and (iii) of this section. However, once property in these categories has been altered to remove the inherently sensitive characteristics, it may be processed through a DLA Disposition Services site using an appropriate FSC code for the remaining components.
50. ***trol of the Defense Threat Reduction Agency in Federal Supply Group (FSG) 11.***These items include Department of Energy special design and quality controlled items and all DoD items designed specifically for use on or with nuclear weapons. These items are identified by manufacturers' codes 57991, 67991, 77991, and 87991 in the DLA Logistics Information Service FLIS. These items will be processed in accordance with Air Force Instruction 21-204, "Nuclear Weapons Maintenance Procedures" (available at [*http://static.e-publishing.af.mil/production/1/af\_a4\_7/publication/afi21-204/afi21-204.pdf*](http://static.e-publishing.af.mil/production/1/af_a4_7/publication/afi21-204/afi21-204.pdf)).
51. ***phic materiel.***This materiel must be processed in accordance with Committee on National Security Systems Instruction 4008, "Program for the Management and Use of National Reserve Information Assurance Security Equipment" (available at [*https://www.cnss.gov/Assets/pdf/CNSSI-4008.pdf*](https://www.cnss.gov/Assets/pdf/CNSSI-4008.pdf)).
52. ***Plant materiel.***This materiel must be processed in accordance with Office of the Chief of Naval Operations Instruction (OPNAVINST) N9210.3, "Safeguarding of Naval Nuclear Propulsion Information (NNPI)" (available at [*http://doni.daps.dla.mil/Directives/09000%20General%20Ship%20Design%20and%20Support/09-200%20Propulsion%20Plants%20Support/N9210.3%20*](http://doni.daps.dla.mil/Directives/09000%20General%20Ship%20Design%20and%20Support/09-200%20Propulsion%20Plants%20Support/N9210.3%20)*(Unclas%20Portion).pdf*) and 45 Manual NAVSEA S9213-45-Man-000, "Naval Nuclear Material Management Manual."
53. The objectives of the Defense Materiel Disposition Program are to:
54. Provide standardized disposition management guidance for DoD excess property and FEPP (including scrap) and HP, by using efficient internal and external processes. The expected outcome includes protecting national security interests, minimizing environmental mishaps, satisfying valid needs by extended use of property, permitting authorized donations, obtaining optimum monetary return to the U.S. Government, and minimizing abandonment or destruction (A/D) of property.
55. Migrate from legacy transactions with 80 record position formats applicable to military standard system procedures (*e.g.*, Defense Logistics Manual (DLM) 4000.25-1, "Military Standard Requisitioning and Issue Procedures (MILSTRIP)" (available at [*http://www2.dla.mil/j-6/dlmso/elibrary/Manuals/DLM/MILSTRIP/MILSTRIP.pdf*](http://www2.dla.mil/j-6/dlmso/elibrary/Manuals/DLM/MILSTRIP/MILSTRIP.pdf)) and DLM 4000.25-2, "Military Standard Transaction Reporting and Accounting Procedures (MILSTRAP)" (available at [*http://www2.dla.mil/j-6/dlmso/elibrary/Manuals/DLM/MILSTRAP/MILSTRAP.pdf*](http://www2.dla.mil/j-6/dlmso/elibrary/Manuals/DLM/MILSTRAP/MILSTRAP.pdf)) to variable length DLMS transactions as described in DLM 4000.25, "Defense Logistics Management System (DLMS)" (available at [*http://www2.dla.mil/j-6/dlmso/elibrary/Manuals/DLM/DLM\_4000.25\_DLMS\_Manual\_Combined.pdf*](http://www2.dla.mil/j-6/dlmso/elibrary/Manuals/DLM/DLM_4000.25_DLMS_Manual_Combined.pdf)) (American National Standards Institute Accredited Standards Committee (ANSI ASC) X12 or equivalent XML schema) to track items throughout the supply chain life cycle. Implementation must be consistent with DoD Directive 8320.02, "Data Sharing in a Net Centric Department of Defense" (available at [*http://www.dtic.mil/whs/directives/corres/pdf/832002p.pdf*](http://www.dtic.mil/whs/directives/corres/pdf/832002p.pdf)).
56. Ensure cost-effective disposal of precious metals bearing scrap and end items for the replenishment of valuable resources through the DoD PMRP.
57. Ensure personal property and related subcomponents are not declared excess and disposed of prior to determining the need for economic recovery.
58. Encourage Military Departments and Defense Agencies to:
59. Comply with the spirit and intent of Executive Order 12862, "Setting Customer Service Standards."
60. Set results-oriented goals, such as delivering customer value that results in improvement of overall Military Department performance.
61. Serve the tax payer's interests by ensuring tax money is used wisely and by being responsive and reliable in all dealings with the public.
62. Authority for granting visits by foreign nationals representing foreign governments rests with the International Programs Division (J-347) at DLA. Prospective official foreign visitors should submit requests 30 days in advance through their embassy in accordance with procedures in DoD Directive 5230.20, "Visits and Assignments of Foreign Nationals" (available at [*http://www.dtic.mil/whs/directives/corres/pdf/523020p.pdf*](http://www.dtic.mil/whs/directives/corres/pdf/523020p.pdf)). These requests may require a security clearance from the host Military Department. DLA processes the requests, and will provide written authority to primary-level field activity commanders or DLA Disposition Services site chiefs. Unclassified visits by foreign nationals can be approved for inspections prior to acquiring property through security assistance programs or other programs authorized by statute.
63. A commander of a DoD activity may authorize foreign nationals and representatives of foreign governments or international organizations to visit a DLA Disposition Services site, except for those foreign nationals and representatives from foreign countries designated as restricted parties in the International Traffic in Arms ***Regulations*** (ITAR) in 22 CFR parts 120 through 130 and the EAR in 15 CFR parts 730 through 774.
64. Visits by foreign nationals for public sales will be at the discretion of the host installation commander in accordance with U.S. export control laws and ***regulations***, the ITAR in 22 CFR parts 120 through 130 and the EAR in 15 CFR parts 730 through 774.
65. All requests for unclassified information, not previously approved for public release will be referred to the appropriate public affairs office. This includes requests submitted by representatives of foreign governments or representatives of international organizations.
66. Requests from foreign nationals or representatives from foreign governments of restricted parties will be referred to the appropriate security office.
67. Release of MLI technical data or CCL items technology will be in accordance with DoD 4100.39-M, DoD 4160.28-M Volumes 1-3, [*10 U.S.C. 2576*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GJS1-NRF4-43KX-00000-00&context=), 22 CFR parts 120 to 130, and 15 CFR parts 730 to 774, DoD Instruction 2040.02, and DoD Instruction 2030.08.
68. Personnel with Materiel Disposition Program responsibilities (DLA Disposition Services employees, ICP integrated materiel managers (IMMs), Reservists, etc.) as well as those DoD-related and non-DoD organizations disposing of excess, surplus, FEPP, and scrap through the Department of Defense, require applicable training in defense materiel disposition policies, procedures, and related technical areas such as safety, environmental protection, DEMIL, TSC, accounting and accountability, administration, or management of those activities. **[\*68168]** Required training will be accomplished according to DoD 4160.28-M Volumes 1-3 and DoD Instruction 2030.08, and applicable DoD, DLA, and Military Department training issuances. In addition to formal training, the DLA Disposition Services Web site ([*https://www.dispositionservices.dla.mil*](https://www.dispositionservices.dla.mil)) provides guidance on various topics related to materiel disposition.
69. The DoD Components:
70. Provide administrative and logistics support, including appropriate facilities for the segregation of material according to the established ISSAs.
71. Establish disposal facilities at suitable locations, separate from host installation active stocks. These areas should permit proper materiel segregation and be convenient to road networks and railroad sidings.
72. Approve all facility improvement projects. Identify in the ISSA reimbursable and non-reimbursable host maintenance and repair support, not exceeding that prescribed by ***regulations*** of the host activity.
73. Fence or otherwise protect the disposal yard to ensure that materiel is safeguarded against theft or pilferage. Security matters identified in ISSAs are covered by security ***regulations*** of the DoD Components.
74. Provide information security support to DLA Disposition Services field activities through ISSAs, including the retrieval, secure storage, and subsequent determination of the appropriate disposition of classified property found in disposal assets.
75. Properly containerize and ensure all property turned in to DLA Disposition Services sites is safe to handle and non-leaking to ensure environmental compliance during transport to the DLA Disposition Services site and storage during the disposal process. Drain all fluids from unserviceable vehicles prior to release to disposal and treat fluids according to environmental requirements in accordance with the procedures in Enclosure 3 of DoD Manual 4160.21, Volume 4, "Defense Materiel Disposition Manual: Instructions for Hazardous Property and Other Special Processing Materiel".
76. Ensure HW storage facilities meet all applicable environmental standards and requirements, including 40 CFR parts 262, 264, and 265.
77. Provide funds for disposal of HP failing reutilization, transfer, donation or sale (RTDS), or if the HP is not eligible for RTDS, that it is disposed of on a DLA disposal service contract. Funding for disposal by the Military Department or Defense Agency also applies in instances when non-regulated waste requires special handling for disposal via disposal service contract, or when special services are requested on the disposal service contract.
78. Comply with the Defense DEMIL Program in accordance with DoD Instruction 4160.28 and DoD 4160.28-M Volumes 1-3.
79. Provide proper instructions for DEMIL "F" property to the DLA Disposition Services site at the time of physical turn-in or immediately following electronic turn-in in accordance with procedures in Enclosure 5 of DoD Manual 4160.21, Volume 2 and Enclosure 3 of DoD Manual 4160.21, Volume 4 and the procedures on the Army's Integrated Logistics Support Center Web site [*https://tulsa.tacom.army.mil/DEMIL*](https://tulsa.tacom.army.mil/DEMIL)*.*
80. Ship small arms serialized weapons and serialized parts to the Anniston, Alabama, DEMIL Center, as identified on the DLA Disposition Services Web site ([*https://www.dispositionservices.dla.mil*](https://www.dispositionservices.dla.mil)). Contact the Anniston center for shipment instructions. All activities generating serialized weapons and serialized weapons parts must report a "ship" transaction, using the appropriate DLA Disposition Services DEMIL Center DoDAAC, to the DoD Small Arms/Light Weapons Serialization Program registry.
81. Implement DoD QRP, as directed by DoD Instruction 4715.4, "Pollution Prevention" (available at [*http://www.dtic.mil/whs/directives/corres/pdf/471504p.pdf*](http://www.dtic.mil/whs/directives/corres/pdf/471504p.pdf)). Establish QRPs to cost effectively divert or recover scrap or waste from the waste streams, as well as to identify, collect, properly segregate and maintain the integrity of recyclable materials in a way that will maintain or enhance their marketability. Indicate on the turn-in documents that QRP material is identified as such with funds to be deposited to the appropriate budget clearing account.
82. Implement TSC measures in accordance with DoD Instruction 2030.08 for USML and CCL items and comply with applicable export control ***regulations*** and laws.
83. The DLA Disposition Services will:
84. Provide Military Departments and Defense Agencies with disposition solutions and best value support for the efficient and timely RTDS or disposal of excess, surplus, and FEPP property. This includes all required training and guidance on programs affecting disposition practices.
85. Provide visibility and promote maximum reuse of DLA Disposition Services-managed inventory assets. Implement transfer and donation policies and procedures consistent with GSA ***regulations***.
86. Provide tailored disposal support to the DoD warfighter during contingency operations, as approved by the ASD(L&MR).
87. Work with the Military Departments to receive and dispose of property in the most efficient manner. If standard accountability practices are not practical, alternative processes may be established on a temporary basis. However, as time or conditions permit, prescribed processes will be established and appropriate additions, deletions, and adjustments to the official accountable record will be completed.
88. Provide comprehensive disposal services supporting customer-unique needs based on mutually developed service agreements. DLA Disposition Services, along with DLA, will work with customers of all levels, *e.g.*, generators, major commands, and Services, to define expectations and establish service delivery strategies.
89. Use the most appropriate sales method to obtain optimum return on investment for all DoD surplus property sold. Respond to inquiries, process disputes, protests, and claims pertaining to disposable property sales.
90. Implement quality control programs for the Defense Materiel Disposition Program to assure optimum reutilization; proper DEMIL; use of environmentally sound disposal practices; implementation of TSC measures for MLI and CCL items.
91. Implement TSC in accordance with DoD Instruction 2030.08 for USML and CCL items and comply with applicable export control ***regulations*** and laws.
92. Monitor DLA Disposition Services site PMRP operations and provide support to DoD Components and participating federal agencies. Manage the recovery operations of the PMRP.
93. Prepare and distribute reports for disposition.
94. Serve as the office of primary responsibility for environmentally regulated and HP as detailed in DoD Manual 4160.21, Volume 4.
95. Comply with and implement the provisions of DoD Instruction 4160.28, DoD 4160.28-M Volumes 1-3, and DoD Instruction 2030.08 in the execution of DLA Disposition Services worldwide. Coordinate procedural waivers or deviations for approval by the DoD DEMIL Program Office or DoD TSC Office in DLA-HQ (J-334). Forward policy waivers or deviations from the DoD DEMIL Program Office or DoD TSC Office to the USD(AT&L) or USD(P) respectively for approval. **[\*68169]**
96. Monitor property accountability and approve adjustments or corrections to property accounts for assigned DLA Disposition Services sites.
97. Comply with implementing guidance relative to relationships with Combatant Commanders as prescribed in DoD Directive 5105.22, "Defense Logistics Agency (DLA)" (available at [*http://www.dtic.mil/whs/directives/corres/pdf/510522p.pdf*](http://www.dtic.mil/whs/directives/corres/pdf/510522p.pdf)).
98. Support disposal of Military Assistance Program property and other foreign-owned property in accordance with DoD 5105.38-M and § 273.7 of this subpart.
99. Provide reutilization, donation, and marketing assistance and disposal service to customers.
100. Maintain liaison with generating activities to determine most efficient method of acceptance (receipt in place vs. physical turn-in), determine mutually agreed-upon schedules for property receipts, and execute memorandums of understanding (MOUs) for receipt-in-place transactions.
101. Process excess property, surplus property, FEPP, nonsalable materiel, and other authorized turn-ins from generating activities.
102. Inspect and accumulate physical receipts of property; verify identity, by UII or IUID when applicable, and quantity. DLA Disposition Services sites need not verify quantities where units of issues are: lot, assortment, board foot, cubic foot, foot, inch, length, meter, square foot, square yard, and yard. These units of issue are impractical and economically unfeasible.
103. Establish and maintain visibility of accountable property records for excess, surplus, and FEPP property.
104. Provide or arrange adequate covered storage to protect received property from the elements, maintain its value and condition, and reduce handling. Store property to prevent contamination or mixing, ensure proper identification and segregation (bins or areas are prominently marked, labeled, tagged, or otherwise readily identifiable with the property locator record), and allow inspection.
105. Fence or otherwise protect the disposal yard to ensure materiel is safeguarded against theft or pilferage. DLA Disposition Services are generally a tenant operation on a DoD installation that generates disposal property. The DLA Disposition Services must comply with the security matters identified in ISSAs established with the DoD Component regarding security ***regulations***.
106. Provide HW storage, as appropriate. Ensure HW storage facilities meet all applicable environmental standards and requirements, including those specified in 40 CFR part 264.
107. Prepare ISSAs. Coordinate with the local installation to resolve matters of mutual concern.
108. Provide information and assistance to those who are processing precious metals-bearing property into DoD PMRP.
109. Ensure periodic inventories are conducted, accountable property records updated, and required inventory adjustment documents are prepared and processed.
110. Implement reutilization, transfer, or donation (RTD) of surplus property. Promote maximum RTD of FEPP, excess property, and surplus property. Process authorized RTD requests. Ensure accountable records are updated in accordance with DoD Instruction 5000.64.
111. Provide assistance to all authorized screeners, donees, and other interested persons.
112. Facilitate the sale of property not reutilized, transferred, or donated, and appropriate for release into commerce.
113. Deposit sale proceeds and other funds received, including storage charges and transfer monies to the appropriate accounts.
114. Manage the DoD scrap recycling program (including precious metals recovery) and related financial records.
115. Assist host installations in executing their QRPs in accordance with [*10 U.S.C. 2577*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GM41-NRF4-40XN-00000-00&context=) and deliver sales revenues from eligible personal property to defray the costs incurred by operating and improving recycling programs, financing pollution abatement and environmental programs, funding energy conservation improvements, improving occupational, safety, and health programs, and funding morale, welfare, and recreation programs.
116. Ensure DEMIL, including small arms serialized weapons and serialized parts is accomplished in accordance with DoD Instruction 4160.28 and DLA Disposition Services internal direction. Provide shipment locations and instructions to generating activities, as requested.
117. Document handling and receipt of serialized weapons in accordance with the procedures in Defense Logistics Agency Instruction (DLAI) 1104, "Control of Small Arms by Serial Number" (available at [*http://www.dla.mil/issuances/Documents\_1/i1104.pdf*](http://www.dla.mil/issuances/Documents_1/i1104.pdf)) for the control of small arms by serial number.
118. Update the DoD IUID Registry upon the materiel disposition of uniquely identified items in accordance with the procedures in § 273.9.
119. The ICP Manager is responsible for the materiel management of a group of items either for a particular Military Department or for the DoD as a whole. For the Defense Materiel Disposition Program, the ICP manager will:
120. Ensure managed items are properly cataloged in the FLIS, in accordance with DoD 4100.39-M. To prevent unauthorized disposition or release within DoD, other Federal civilian agencies, or release into commerce, include required data elements such as UII (when applicable), accurate codes for DEMIL, controlled inventory items, precious metals, shelf life items, and critical items (critical safety items (CSI) or flight safety critical aircraft parts), or other applicable data elements.
121. Prepare complete instructions when property is assigned DEMIL Code "F," in accordance with life-cycle management requirements in Enclosure 5 of DoD 4160.28-M Volume 2. Additionally, load the instruction in the DoD DEMIL "F" Instruction repository hosted by the Army's Integrated Logistics Support Center Web site at [*https://tulsa.tacom.army.mil/*](https://tulsa.tacom.army.mil/).
122. Review DLA Disposition Services assets and orders, as appropriate, prior to initiating new purchases.
123. Process other ICP interrogations or orders for requirements assigned a UMMIPS priority designator:
124. Falling within Issue Priority Group 1 (Priorities 01-03).
125. In accordance with the procedures in DLM 4000.25-1.
126. Considering on-hand assets to the same extent as would be done to satisfy their own service orders.
127. Prepare data, records for accountability, and provide disposition recommendations as prescribed here and in DoD Instruction 5000.64 in order to maintain backup material for audit review.
128. Annually provide DLA Disposition Services with updates to points of contact on the DoD DEMIL program Web site [*https://demil.osd.mil/*](https://demil.osd.mil/) for operational matters, such as reutilization, donation, DEMIL, precious metals, HP, and CSIs.
129. Arrange for DEMIL of those items not authorized for DLA Disposition Services site DEMIL processing.
130. Submit available technical data needed to prepare specialized offers and reclamation requirements, when requested.
131. Identify items requiring reclamation and advise Military Department and Defense Agency ICPs or **[\*68170]** IMMs of items with reclamation potential.
132. Prepare and forward reclamation transactions for the interservice interchange of data for component parts with reclamation potential.
133. Process reclamation notifications and data interchange transactions of other ICPs.
134. **d scrap disposal processing.**
135. Military Departments and Defense Agencies will declare DoD property excess and use the DoD in-transit control system (ICS) as required by DoD Instruction 5000.64 and DLM 4000.25-2.
136. Generating activities are encouraged to retain physical custody until disposition instructions are provided to reduce processing costs; *e.g.*, packaging, crating, handling, and transportation (PCH&T).
137. Disposal of wholesale excess DoD property CONUS stocks from DLA Depot recycling control points (RCPs) is automated. This property does not require transport to a DLA Disposition Services site. Authorized excess DoD property is transferred between the RCP account and the DLA Disposition Services account (SC4402). The following FSGs, FSCs, SCCs, and DEMIL codes are ineligible for RCP:
138. FSGs: 10, 11, 12, 13, 14, 18, 26, 68, 80, 87, 88, 89, 91 and 94.
139. FSCs: 2350, 3690, 4470, 4920, 4927, 6505, 6508, 6750, and 8120.
140. SCCs: H.
141. DEMIL Codes: G and P.
142. ***d and excluded.***
143. DLA Disposition Services must accept and dispose of all authorized DoD-generated excess, surplus, FEPP, scrap, and other personal property with the exclusions in paragraph (e) of this section.
144. Property not disposed of through RTDS will be processed for disposal under an HW contract, except as specified elsewhere. For example, HP will be processed on HW disposal service contracts. Other property will be downgraded to scrap, demilitarized, processed for A/D, or disposed of through a DLA Disposition Services service contract.
145. DLA Disposition Services sites minimize processing delays as much as possible. In the event a site is unable to physically accept the property at the desired time and location due to workload, generating activities may retain the property for processing in-place, seek another DLA Disposition Services site, or hold the property until the DLA Disposition Services site is able to receive the property.
146. DLA Disposition Services sites:
147. Accept and process nonsalable materiel that has no reutilization, transfer, donation, or sale value but is not otherwise restricted from disposal by U.S. law or Federal or military ***regulations***.
148. Ensure that disposition is by the most economical and practical method; for example, donation in lieu of A/D or through a service contract that meets minimum legal requirements for disposal of the specific types of property.
149. DLA Disposition Services sites may not accept (either physically or on its account) and no reutilization or sale service will be given for:
150. Radioactive waste, items, devices, or materiel (all materiel that is radioactive).
151. Property designated for disposal by the Military Departments as identified in DoD Manual 4160.21, Volume 4.
152. Classified material, except that which is addressed by paragraph (b)(5)(v) of this section.
153. Nuclear weapons-related materiel.
154. Classified and unclassified information systems security material (cryptological (CRYPTO) or communications security (COMSEC)). Disposal of FSCs 5810 and 5811 are the responsibility of the Military Departments and may not be transferred to DLA Disposition Services in their original configuration as specified in DoD 4160.28-M Volumes 1-3.
155. Property containing information covered by *5 U.S.C. 552a*, also known as the Privacy Act of 1974.
156. DoD Components will manage the collection and disposal of installation refuse and trash. If refuse and trash, when properly segregated, possesses RTDS potential, disposition may be accomplished via DLA Disposition Services, recycling provisions of refuse collection contracts, in-house refuse operations, or QRPs as appropriate.
157. The DLA Disposition Services site operating as a tenant on an installation will notify the host activity when unauthorized shipments are received at the DLA Disposition Services site (including off-site shipments) of radioactive items, classified material, nuclear weapons-related materiel, and classified and unclassified information systems security material (CRYPTO/COMSEC). The host activity will be responsible for retrieving and securing any radioactive items, classified items and unclassified information systems security material (CRYPTO/COMSEC) immediately upon request of the DLA Disposition Services site.
158. DLA Disposition Services sites will not accept scrap accumulations that are contaminated or commingled with:
159. MPPEH.
160. MLI that require DEMIL (DEMIL Codes C, D, E and F) and MLI that require mutilation (DEMIL Code B). MLI with DEMIL Code G and P are not authorized for acceptance by DLA Disposition Services in their original state.
161. CCL items that have not undergone mutilation to the point of scrap as defined in DoD Instruction 2030.08.
162. HP FSCs.
163. Contaminated scrap should be turned in as HW.
164. ***tification.***
165. Separating material at the source simplifies scrap segregation and reduces handling. Commingling material may reduce or, in some instances, destroy the value of the scrap.
166. Generating activities are responsible for initial identification and segregation. The major basic material or content will be used in the item nomenclature block of the DTID.
167. Scrap will be segregated to ensure only authorized items are in a scrap pile.
168. DLA Disposition Services sites will provide guidance and, where possible, containers for use by scrap generators at the source.
169. The generating activity collecting the scrap or waste will maintain proper segregation of the material and determine a point at which no further material will be added. When scrap piles are being built by the DLA Disposition Services site, the same principles apply. Scrap generated from explosive and incendiary items and chemical ammunition is dangerous and will not be commingled with other types of property.
170. ***through DLA Disposition Services.***
171. Use DoD automated information systems to the extent practical to prepare documentation for excess, surplus, or scrap DoD property or FEPP. This method of submitting information is preferred, particularly for turn-in of HW. In addition to submitting the information through automated information systems, hard copies must be produced and maintained with the items during the disposal processes.
172. The generator will provide to the DLA Disposition Services site an original and three hard copies of a DD Form 1348-1A, "Issue Release/Receipt Document," or DD Form 1348-2, "Issue Release/Receipt Document with Address Label" (available at [*http://www.dtic.mil/whs/directives/infomgt/*](http://www.dtic.mil/whs/directives/infomgt/)***[\*68171]*** *forms/formsprogram.htm.*) The DTID must include a valid DoDAAC as authorized in Volume 6 of DLM 4000.25, "Department of Defense Activity Address Code (DoDAAC) Directory (Activity Address Code Sequence)" (available at [*http://www2.dla.mil/j-6/dlmso/elibrary/Manuals/DLM/V6/Volume6.pdf*](http://www2.dla.mil/j-6/dlmso/elibrary/Manuals/DLM/V6/Volume6.pdf)). All further references to DD Form 1348-1A, which also include DD Form 1348-2, will be referred to in this subpart as a DTID. Table 1 of this section provides guidance on preparation of the DD Form 1348 series documents. For scrap transfers, see paragraph (f) of this section.

| **Table 1--Transfers of Usable Property to DLA Disposition Services Sites** | | |
| --- | --- | --- |
| **(Single Line Item Turn Ins) Using DD Forms 1348-1A/2** | | |
|  |  |  |
| **Field legend** | **Record position** | **Entry and instructions** |
| Document | 1-3 | A5J/940R. Use information on the |
| Identifier (DI) |  | source document to perpetuate the |
|  |  | archived DI. For locally determined |
|  |  | excesses generated at a base, post, |
|  |  | camp, or station, assign a DI code as |
|  |  | determined by shipping activity |
|  |  | procedures. |
| Routing Identifier | 4-6 | Enter the record indicator (RI) of the |
|  |  | shipping activity or leave blank when |
|  |  | the shipping activity is not assigned |
|  |  | an RI. |
| Media and Status | 7 | Leave blank. |
| Stock or Part | 8-22 | See block 25. |
| Number |  |  |
| Unit of Issue | 23-24 | Enter the unit of issue of the stock |
|  |  | or part number being turned in. |
| Disposal Quantity | 25-29 | Enter the quantity being turned in to |
|  |  | disposal activity. See block 26. |
| Document Number | 30-43 | See block 24. |
| Alpha Suffix | 44 | Leave blank (Exception: Use if DTID |
|  |  | consists of multiple documents because |
|  |  | the 5-digit quantity field (Record |
|  |  | Positions 24-29) is insufficient.) See |
|  |  | block 24. |
| Supplementary | 45-50 | Enter DoDAAC of predesignated |
| Address |  | consignee DLA Disposition Services |
|  |  | Site. |
| A DoDAAC is the key component for using the DLA | | |
| Disposition Services property accounting disposal system | | |
| to either turn in or order excess property to and from | | |
| DLA Disposition Services. The code is required for all | | |
| DoD activities, contractors, and FCAs to order, receive, | | |
| ship, identify custody of government property, or | | |
| reflect identification in a specified military standard | | |
| logistics system. The code must be approved by the | | |
| Military Departments, Defense Agencies, and FCA | | |
| authoritative organization and be officially registered | | |
| in the DoD activity address file. The DoDAAC system | | |
| provides identification codes, plain text addresses, and | | |
| selected data characteristics of organizational | | |
| activities needed to order, mark, prepare shipping | | |
| documents, bills, etc., and only recognizes active | | |
| DoDAACs. FCAs are only authorized to turn excess | | |
| property in to DLA Disposition Services for disposal if | | |
| they have officially authorized an Economy Act Order for | | |
| reimbursement of transaction billing charges. | | |
|  |  |  |
| Signal | 51 | This code is used to designate the |
|  |  | bill-to and ship-to (or ship-from in |
|  |  | the case of DI code FT\_and FD\_records) |
|  |  | activities. Codes B, C, and L apply to |
|  |  | HM/HW transfers. |
| Fund | 52-53 | For HM and waste turn-ins, enter the |
|  |  | fund code from Military Standard |
|  |  | Billing System (MILSBILLS) designating |
|  |  | the funds to be charged. For |
|  |  | non-military activities who are not |
|  |  | users of MILSBILLS, (e.g., FCAs or |
|  |  | NAFs) using an activity address code), |
|  |  | enter "XP." |
| Distribution | 54 | Use the information on the source |
|  |  | document to perpetuate the archived |
|  |  | data or leave blank. |
| Retention Quantity | 55-61 | Enter the quantity to be retained in |
|  |  | inventory or leave quantity blank. |
| Precious Metals | 62 | Enter applicable code from Appendix |
|  |  | AP2.23 of DLM 4000.25-1. |
| Automated Data | 63 | Enter applicable code from AP2.24 of |
| Processing |  | DLM 4000.25-1. |
| Equipment |  |  |
| Identification |  |  |
| Disposal Authority | 64 | Enter applicable code from DLM |
|  |  | 4000.25-1 Appendix AP2.21. (Mandatory) |
|  |  | (FCAs use DAC "F"--not shown in |
|  |  | appendix.) |
| Demilitarization | 65 | Enter the Web-Enabled FLIS or Federal |
| Code |  | Logistics Data (FEDLOG) recorded DEMIL |
|  |  | code of record. For LSNs, Navy item |
|  |  | control numbers, or Army control |
|  |  | numbers assign DEMIL code in |
|  |  | accordance with current Volume 2 of |
|  |  | DoD 4160.28-M (Mandatory). |
| Reclamation | 66 | Enter code "Y" if reclamation was |
|  |  | performed prior to release to a DLA |
|  |  | Disposition Services site. Enter "R" |
|  |  | if reclamation is to be performed |
|  |  | after turn in to DLA Disposition |
|  |  | Services site. Enter code "N" if |
|  |  | reclamation is not required. |
| Routing Identifier | 67-69 | Generate from disposal release order. |
| Identifier | 70 | Enter applicable code or leave blank. |
| Ownership |  |  |
| SCC | 71 | Enter applicable code from DLM |
|  |  | 4000.25-2. |
| Management | 72 | Enter information from source document |
|  |  | to perpetuate archived data or leave |
|  |  | blank. If block 71 (SCC) is Q and the |
|  |  | management code is blank, DLA |
|  |  | Disposition Services will mutilate the |
|  |  | property upon receipt. |
| Criticality Code | 73 | Enter criticality code documented in |
|  |  | FLIS for the items in accordance with |
|  |  | DoD 4100.39-M which indicates when an |
|  |  | item is technically critical, by |
|  |  | reason of tolerance, fit, application, |
|  |  | nuclear hardness properties, or other |
|  |  | characteristics that affects the |
|  |  | identification of the item. |
| Unit Price | 74-80 | Enter the unit price for the NSN or |
|  |  | part number in record positions 8-22. |
| Block Entries |  |  |
| 1 | Enter the extended value of the transaction. | |
|  |  |  |
| 2 | Enter the shipping point identified by DoDAAC; if reduced | |
|  | printing is used, the clear address may be entered in | |
|  | addition to the DoDAAC. | |
|  |  |  |
| 3 | Enter the consignee DLA Disposition Services site by | |
|  | DoDAAC. This will be the predesignated DLA Disposition | |
|  | Services site and will be entered by the shipping | |
|  | activity; if reduced printing is used, the in the clear | |
|  | address may be entered in addition to the DoDAAC. | |
|  |  |  |
| 4 | Insert HM or HW, if applicable. | |
|  |  |  |
| 5 | Enter the date of document preparation, if required by | |
|  | the shipper. | |
|  |  |  |
| 6 | Enter the national motor freight classification, if | |
|  | required by the shipper. | |
|  |  |  |
| 7 | Enter the freight rate, if required by the shipper. | |
|  |  |  |
| 8 | Enter coded cargo data, if required by the shipper. | |
|  |  |  |
| 9 | Enter applicable controlled inventory item code (CIIC), | |
|  | which describes the security or pilferage classification | |
|  | of the shipment from DoD 4100.39-M. | |
|  |  |  |
| 10 | Enter the quantity actually received by the DLA | |
|  | Disposition Services site, if different from positions | |
|  | 25-29. | |
|  |  |  |
| 11 | Enter the number of units of issue in a package, if | |
|  | required by the shipper. | |
|  |  |  |
| 12 | Enter the unit weight applicable to the unit of issue, if | |
|  | required by the shipper. | |
|  |  |  |
| 13 | Enter the unit cube applicable to the unit of issue, if | |
|  | required by the shipper. | |
|  |  |  |
| 14 | Enter the uniform freight classification, if required by | |
|  | the shipper. | |
|  |  |  |
| 15 | Enter the FLIS or FEDLOG recorded shelf-life code in | |
|  | block 15, if appropriate; otherwise, leave blank. | |
|  |  |  |
| 16 | Enter in the clear freight classification nomenclature, | |
|  | if required by the shipper. | |
|  |  |  |
| 17 | Enter the item nomenclature. For non-NSN items, enter as | |
|  | much descriptive information as possible. Specified | |
|  | additive data or certification from the generating source | |
|  | for specific types of property should be entered. | |
|  |  |  |
| 18 | Enter type of container, if required by the shipper. | |
|  |  |  |
| 19 | Enter number of containers that makes up the shipment, if | |
|  | required by the shipper. | |
|  |  |  |
| 20 | Enter total weight of shipment, if required by the | |
|  | shipper. | |
|  |  |  |
| 21 | Enter total cube of shipment, if required by the shipper. | |
|  |  |  |
| 22 | Received by (for DLA Disposition Services site) signature | |
|  | of person receiving the materiel. | |
|  |  |  |
| 23 | Date received (for DLA Disposition Services site) date | |
|  | materiel was received and signed for. | |
|  |  |  |
| 24 | Document number. Generate from source document. DTID | |
|  | consists of 6-digit DoDAAC + 1-digit last number of year, | |
|  | 3-digit Julian Date + 4-digit generator-assigned serial | |
|  | number. This cannot be the same document number that was | |
|  | used to receive the materiel. For locally determined | |
|  | excesses generated at base, post, camp, or station, | |
|  | assign a document number as determined by Service or | |
|  | agency procedures. Leave suffix code blank unless needed | |
|  | to indicate additional documents to show complete | |
|  | quantity. Generating activities and ordering activities | |
|  | and their contractors must have a valid DoDAAC, as | |
|  | defined in DoD 5105.38-M to use DLA Disposition Services. | |
|  |  |  |
| 25 | NSN--Enter the stock or part number being turned-in. For | |
|  | subsistence items, enter the type of pack in record | |
|  | position 21. If an NSN is not used, FSC, part number, | |
|  | noun or nomenclature, where appropriate, to build an LSN. | |
|  |  |  |
| 26 | Leave blank. Reserved for DLA Disposition Services Site | |
|  | use. | |
|  |  |  |
| 27 | This block may contain additional data including bar | |
|  | coding for internal DLA Disposition Services use, | |
|  | generator certifications (e.g., inert certificate) or | |
|  | fund citation, FSCAP criticality code, etc. Enter data in | |
|  | this block as required by the shipping activity or the | |
|  | DLA Disposition Services Site receiving the materiel. | |
|  | When data is entered in this block, it will be clearly | |
|  | identified. For HM and waste turn ins, enter the DoDAAC | |
|  | of the bill to office, the contract line item number | |
|  | (CLIN) for the item, and the total cost of the disposal, | |
|  | (that is, CLIN cost times quantity in pounds equals cost | |
|  | of disposal). | |

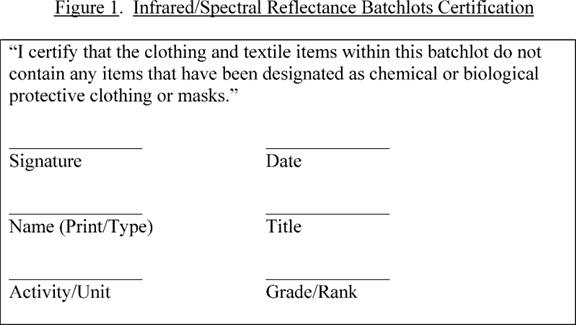
1. Generating activities may use the DLA Disposition Services web-based program electronic turn-in document (ETID) for submitting the required information electronically. ETID accommodates generators that do not have service-unique automated capabilities. ETID access and guidance are located on the DLA Disposition Services Web site. Generating activities requiring ETID access must apply for a user ID and password.
2. In addition to the data required by DLM 4000.25-1, the DTID must clearly indicate:
3. The reimbursable category (such as foreign purchased, NAF, FCA), including the reimbursement fund citation, or an appropriate indicator that reimbursement is required (*e.g.,* purchased with NAF or Disposal Authority Code "F" for FCAs). DTIDs without reimbursement data will be processed as non-reimbursable.
4. The value and a list of component parts removed from major end items or a copy of the limited technical inspection showing the nature and extent of repair required.
5. One of the SCCs listed in DLM 4000.25-2 as determined by the generator.
6. DoD Components will turn in usable property with line item designations.
7. To the extent possible, usable property will be turned in as individual line items with their assigned and valid NSN and UII (when applicable). Exceptions include property turned in as generator batchlots (see criteria in paragraph (g)(5)(ii) of this section); furniture turned in as a group on a **[\*68173]** single form; and locally purchased property without an NSN.
8. Property may be turned in without a valid NSN when the materiel cannot be identified to a valid NSN in FEDLOG (*e.g.,* locally purchased property). Prior to assigning an LSN, generating activities will match the part number or bar code number from the property against the DLA Logistics Information Service Universal Directory of Commercial Items Cross Reference Inquiry.
9. Generating activities will assign an LSN if a part number or barcode is not available; the property is lost, abandoned, or unclaimed privately owned personal property; or the property is confiscated or captured enemy materiel. In Block 25 of the DTID, annotate the FSC, NATO codification bureau code, if available, and identify the noun, nomenclature, or part number.
10. Due to national security concerns, the FSCs listed in Table 2 of this section that are clearly MLI or CCL items require a higher degree of documentation. When these items are not assigned an NSN, the DTID must include the appropriate FSC; the valid part number and manufacturer's name; nomenclature that accurately describes the item; the end item application; and a clear text statement explaining why the NSN is not included (*e.g.,* locally purchased item, found on post, lost, abandoned, privately owned property). This information may be annotated directly on the DTID or securely attached to the DTID.

| **Table 2--Federal Stock Classes Requiring Turn-In By Valid NSN** | | |
| --- | --- | --- |
| GROUP 10 | GROUP 23 | GROUP 58 |
| ALL FSCs | FSC 2305 | FSC 5810 fn2 |
|  | FSC 2355 | FSC 5811 fn2 |
| GROUP 11 | MLI or CCL items 2350 | FSC 5820 |
| ALL FSCs |  | FSC 5821 |
|  | GROUP 28 | FSC 5825 |
| GROUP 12 | FSC 2840 | FSC 5826 |
| ALL FSCs | FSC 2845 | FSC 5840 |
|  |  | FSC 5841 |
| GROUP 13 | GROUP 29 | FSC 5845 |
| ALL FSCs | FSC 2915 | FSC 5846 |
|  |  | FSC 5850 |
| GROUP 14 | GROUP 36 | FSC 5855 |
| ALL FSCs | FSC 3690 | FSC 5860 |
|  |  |  |
| GROUP 15 | GROUP 42 | GROUP 59 |
| FSC 1560 | FSC 4230 | FSC 5963 |
|  |  | FSC 5985 |
| GROUP 16 | GROUP 44 | FSC 5998 |
| FSC 1670 | FSC 4470 fn1 | FSC 5999 |
|  |  |  |
| GROUP 17 | GROUP 49 | GROUP 66 |
| FSC 1710 | FSC 4921 | FSC 6615 |
| FSC 1720 | FSC 4923 |  |
|  | FSC 4925 | GROUP 69 |
| GROUP 18 | FSC 4927 | FSC 6920 |
| FSC 1810 | FSC 4931 | FSC 6930 |
| FSC 1820 | FSC 4933 | FSC 6940 |
| FSC 1830 | FSC 4935 |  |
| FSC 1840 | FSC 4960 | GROUP 84 |
|  |  | FSC 8470 |
| GROUP 19 |  | FSC 8475 |
| FSC 1905 |  |  |

**fn1** Disposal of originally configured Navy assigned FSC 4470 items is the responsibility of the U.S. Navy.

**fn2** Disposal of FSC 5810/5811 equipment with a CIIC of 9 and that is classified (CIICs D, E, and F) or designated CCI is the responsibility of the owning Military Department and will not be received by DLA Disposition Services sites in its original configuration.

1. The DTID for any property turned in by LSN without an assigned DEMIL code must include a required clear text DEMIL statement, based on information in DoD 4160.28-M Volumes 1-3. Generating activities may request assistance of a DLA Disposition Services site, DLA, or the integrated manager for the FSC to determine the appropriate statement. DLA Disposition Services sites will assist generating activities in developing the clear text DEMIL statement and assignment of the appropriate DEMIL code. If assistance is not requested or not used, DLA Disposition Services sites may reject the turn-in of materiel which does not meet established criteria.
2. Scrap DTIDs will include:
3. DI code.
4. Unit of issue (pounds or kilograms).
5. Quantity (total weight (estimated or actual)).
6. DTID number.
7. Precious metals indicator code.
8. Disposal authority code.
9. Basic material content (Block 17).
10. Reimbursement data, if applicable.
11. For HP documentation, see DoD Manual 4160.21, Volume 4.
12. The generating activities will complete documentation for in-transit control of property (excluding scrap (SCC S)), waste, NAF, lost, abandoned, or unclaimed, privately owned, and FCA property) in accordance with DoD 4160.28-M Volume 3, for shipments or transfers to DLA Disposition Services sites of property with a total acquisition value of $ 800 or greater and all property designated as pilferable or sensitive identified by an NSN or part number. The ICS document tracks property from the time of release by generating activity (regardless whether the property is shipped to the DLA Disposition Services site or retained by the generating activity) until the DLA Disposition Services site accepts accountability. The generating activities will update the records to reflect the change in accountability and custody.
13. DoD Components will identify defective items, parts, and components containing latent defects.
14. ***ve or counterfeit property.***
15. Is identified as military or Federal Government specification property intended for use in safety critical areas of systems, as determined by the user and reported to the item manager.
16. Does not meet commercial specifications.
17. If used, would create a public health or safety concern; RTDS as usable property is prohibited.
18. Must be mutilated by the generating activity according to specific instructions provided by the item manager.
19. ***ve property.***
20. Does not meet military or Federal Government specifications, but may meet commercial specifications.
21. Cannot be used for its intended military purpose and must not be redistributed within the Department of Defense, as directed by the item manager.
22. May be used for commercial purposes and may be transferred, donated, or sold as usable property.
23. If sold, requires special terms and conditions warning purchasers that the property is CAT 2 defective and is not acceptable for resale back to the Department of Defense.
24. ICPs will list defective property with the Government-Industry Data Exchange Program (GIDEP). GIDEP is located at [*http://www.gidep.org/*](http://www.gidep.org/)*.*
25. The DLA Disposition Services Safe Alert or Latent Defect (SALD) program contains additional disposal processing information for defective property and can be viewed at [*http://www.dispositionservices.dla.mil/*](http://www.dispositionservices.dla.mil/)*.*
26. If the property has been rejected as defective due to non-conformance with U.S. Government specifications, it may be authorized for sale with a statement as to the specific reason for its rejection. DLA Disposition Services will ensure that U.S. Government identification, **[\*68174]** such as contract numbers, specification numbers, NSN, and any other printing that would identify the item with the U.S. Government is removed or obliterated. A statement to this effect will be included in the sales offering, as a condition of sale. Terms or conditions in sale offerings will warn purchasers that the property is CAT 2 defective and is not acceptable for resale to the Department of Defense.
27. Return copies of the DTID from the DLA Disposition Services site. Unless generating activities provide written notification to DLA Disposition Services sites that electronic receipt confirmations are acceptable, DLA Disposition Services sites will provide final receipt documentation for each DTID. Generating activities can use the DLA Disposition Services property accounting system to query transactions status.
28. ***tions --***
29. ***.***
30. Generating activities should consider retaining physical custody of property declared as excess to reduce handling and preclude transportation costs.
31. An MOU will be established between the servicing DLA Disposition Services site and the generating activity. Custodial and accountability responsibilities will be identified in the MOU. DLA Disposition Services sites will not take accountability until the MOU is executed and signed at the approval levels identified in the MOU.
32. Inspection(s) will be completed by the DLA Disposition Services site, where appropriate. If not accomplished by the DLA Disposition Services site, a mutually agreeable disposal condition code will be assigned.
33. Generating activities are responsible for all expenses incurred before acceptance of accountability by a DLA Disposition Services site. At the point of DLA Disposition Services accountability acceptance (not in conditional acceptance time frame as described in paragraph (g)(2) of this section), expenses (*e.g.,* PCH&T of non-hazardous excess, surplus, and FEPP) are borne by DLA Disposition Services. Exceptions may be negotiated by a DoD Component or federal agency representative at a level commensurate with DLA Disposition Services Director (Senior Executive Service level).
34. The DLA Disposition Services site will provide barcode labels to the generating activity to affix on the property. The labels will contain the DTID number, DEMIL code, and federal condition code. The label will be positioned to clearly indicate that the property accountability has passed to DLA Disposition Services (*e.g.,* "on DLA Disposition Services Site Inventory"). Property should be consolidated and protected in a designated area. The activity with physical custody is responsible for the property's care and protection until it is disposed of or moved to a DLA Disposition Services site.
35. When the generating activity decides to transport property to the DLA Disposition Services site, the care and custody of the property will be borne by the DLA Disposition Services site at the point of physical receipt.
36. ***ty and scrap to a DLA Disposition Services site.***
37. Generating activities will comply with this part, DLM 4000.25-1, and their Service or agency retention and disposal policies and procedures when preparing property for transfer for disposal. The generating service will maintain accountable records of accountable property, in accordance with DoD Instruction 5000.64, until formally relieved of accountability by DLA Disposition Services.
38. Generating activities will schedule all transfers (receipt in-place or physical) through advanced notification (*i.e.,* use of a listing or automated DTIDs.)
39. Usable property will, to the extent possible, be transferred as individual line items with their assigned valid NSN and UII (when applicable). Exceptions include property turned in as generator batchlots, furniture turned in as a group on a "tally-in" form, and locally purchased property without an NSN.
40. Scrap, properly identified with supply class by basic material content and segregated, must be transferred to a DLA Disposition Services site using a DTID.
41. If the deficiency prohibits further DoD use, the materiel will remain in SCC Q, and owners will direct transfer of the materiel to DLA Disposition Services sites following the guidance in paragraph (d)(9) of this section. Improperly documented, unauthorized source, defective, non-repairable, and time-expired aviation CSI/FSCAP materiel that is not mutilated by the holding activity will be directed to the DLA Disposition Services site in SCC Q with management code S. All such materiel will be mutilated. The ICP/IMM should identify to the DLA Disposition Services any unique instructions for disposal requiring specific methods or information regarding hazardous material, waste, or property contained in the item. When transferring such aviation CSI/FSCAP to a DLA Disposition Services site, the generating activity DTID must clearly state in block 17 that the part is defective, non-reparable, time-expired, or otherwise deficient and that mutilation is required.
42. Property capable of spilling or leaking may not be transferred to a DLA Disposition Services site in open, broken, or leaking containers. All property will be non-leaking and safe to handle.
43. For physical transfers, generating activities will be responsible for movement of the property or scrap to the nearest DLA Disposition Services location.
44. DEMIL instructions are to be provided by the ICP or IMM. DEMIL F items must have a valid and verifiable NSN. LSNs with DEMIL F are not valid. DLA Disposition Services sites will not accept DEMIL F property without the proper instructions.
45. DTIDs that do not meet the requirements in paragraph (e) of this section will be rejected and returned to the Military Departments.
46. To obtain DEMIL F instructions, please visit the Army's Integrated Logistics Support Center Web site at [*https://tulsa.tacom.army.mil/DEMIL*](https://tulsa.tacom.army.mil/DEMIL)*.*
47. ***rap --***
48. DLA Disposition Services sites are responsible for ensuring proper receipt, classification, processing, safeguarding, storing, and subsequent shipping of all property and scrap. This includes property to be accounted for as items and properly segregated scrap and waste with RTDS value, and materiel destined for disposal.
49. DLA Disposition Services sites will assist, when requested, in tracing property when an in-transit control follow-up has been received by the generating or shipping activity.
50. DLA Disposition Services sites will maintain close liaison with generating activities to ensure:
51. Informational guidance on disposal transfers is given to generating activities.
52. A DLA Disposition Services site's receiving capability and the volume of property to be transferred is taken into consideration for turn-in scheduling. Property inspections will be performed in-place if more advantageous due to the characteristics of the property, as determined by DLA Disposition Services.
53. Assistance is provided to generating activities, as needed, to assure proper segregation of scrap and HW material before transfer. If the weight generated, market conditions, or local trade practices warrant, further scrap segregation will be made.
54. All property (except unsalable materiel that is precluded from sale by **[\*68175]** law), including scrap and refuse or trash with a RTDS value, is processed as set forth in this part and will not be disposed of by dumping in landfills. If the DLA Disposition Services site has knowledge of salable materiel being dumped in a sanitary fill, the DLA Disposition Services site chief will notify the installation commander regarding the matter.
55. Property received is protected to prevent damage from unnecessary exposure to the elements. Property transferred as condemned may still be usable, and its preservation may benefit the Defense Materiel Disposal Program.
56. Instances of improper handling of government property will be brought to the attention of the generating activity or installation commander for remedial action.
57. Recurrent instances of improper care or handling will be documented for referral to DLA and the disposal focal points of the Military Departments and Defense Agencies.
58. The generating activity will assure all property and scrap is properly identified, including special handling requirements, and that automated information system or manually prepared documentation contains the required number of copies and appropriate information for property received in place or physically accepted.
59. To the maximum extent possible, DLA Disposition Services sites will validate items during pre-receipt processes with documentation preparation and receipt processes with the physical transfer of the property.
60. The generator's representative (if present) should assist with validation. Whether received in place or at a DLA Disposition Services site, a receipt copy of the DTID will be provided to the generator's representative at that time.
61. If the turn-in is not accompanied by the generator's representative, the official receipt documentation will be provided in the most efficient method available; *e.g.,* through an electronic listing of items received, an actual copy of an annotated DTID or an electronic return of an annotated DTID through a web based document management system.
62. For turn-ins accompanied by a generator representative, a conditional receipt copy will be provided at the time of delivery. DLA Disposition Services sites will initial in block 22 and date block 23 of the DTID. This copy constitutes conditional acceptance and becomes the official receipt unless property is rejected on a supply discrepancy report within 15 workdays.
63. Validation will consist of verifying property description and quantity, and assuring an authorized and appropriate SCC was assigned by the generating activity. DLA Disposition Services sites and generating activities will work together to validate and verify requirements and obtain appropriate certifications, etc., when property is received in place versus physically transported to a DLA Disposition Services site. The MOU, discussed in § 273.6, will be used for securing and documenting these requirements.
64. DLA Disposition Services site personnel may exercise discretionary authority to change and challenge SCCs (except for items in SCC Q, which will be downgraded to scrap and mutilated).
65. For items in the general hardware, clothing, tools, furniture, and other nontechnical FSCs, DLA Disposition Services sites are authorized to use their best knowledge, judgment, and discretion to change and assign the appropriate SCC when determined, through physical inspection and examination, or where an obvious error in condition coding exists. DLA Disposition Services sites are responsible for any SCC changes they make and will document the change on the DTID.
66. For specialized items such as avionics, or items that require test, measurement, or diagnostic to determine serviceability, DLA Disposition Services site should challenge the generating activity SCC assignment if it appears incorrect. Items in original pack and unopened containers that are coded condemned or unserviceable should be viewed with guarded skepticism and challenged back to the generating activity.
67. Appropriate actions will be taken for discrepancies detected during pre-receipt or receipt:
68. If property is to be physically received and the generating activity's representative is present, accountability and physical custody of the property will normally remain with the generator until reconciled. DLA Disposition Services sites, at their discretion, may retain physical custody until reconciled.
69. Discrepancies noted during the receiving process, which may be discovered after electronic or hard copy documentation is received, will be processed in accordance with DLAI 4140.55/AR 735-11-2/Secretary of the Navy Instruction (SECNAVINST) 4355.18A/Air Force Joint Manual (AFJM) 23-215, "Reporting of Supply Discrepancies" (available at [*http://www.dla.mil/issuances/Documents\_1/i4140.55%20*](http://www.dla.mil/issuances/Documents_1/i4140.55%20)*(Joint%20Pub%20-%206%20Aug%202001).pdf.*
70. DLA Disposition Services will barcode the property for identification purposes. Barcoding should include use of any UII or IUID in place when applicable.
71. ***e acceptance distinction.***Conditional and accountable acceptances are separate actions.
72. Conditional acceptance occurs when a generating activity representative accompanies a transfer. DLA Disposition Services sites will provide a conditional receipt copy at time of physical delivery. Conditional acceptance becomes official and final acceptance receipt unless property is officially rejected by the DLA Disposition Services site within 15 workdays.
73. Accountable acceptance becomes final when verification of accurate property description, valid condition code assignment, correct quantity, and UII (when applicable) is completed by the DLA Disposition Services site. Physical inspections will be conducted, as appropriate.
74. During the conditional acceptance processing, if the property is physically transferred to the DLA Disposition Services site and an inventory discrepancy surfaces, the DLA Disposition Services site will research and provide a report of the lost, damaged, or destroyed property in accordance with procedures in DoD 7000.14-R Volume 12, Chapter 7. If the property remains at the generating activity site for receipt-in-place and an inventory discrepancy surfaces, the generating activity will research and provide a report of the lost, damaged, or destroyed property in accordance with procedures in DoD 7000.14-R Volume 12, Chapter 7. The accountable organization will amend the accountable property records as appropriate upon completion of the property loss investigation.
75. DLA Disposition Services sites will use a full signature for receipts in block 22 of the DTID. The conditional acceptance date will be entered in block 23. DLA Disposition Services sites will also use this date for the accountable record receipt transaction.
76. DLA Disposition Services sites will return one hard copy on physical transfers, including generator-prepared batchlots, if required by the generating activity. DLA Disposition Services will make return receipts available to generators via a web based document management system. Generating activities may access this system via the DLA Disposition Services Web site and search, view, and **[\*68176]** download copies of turn-in documentation. DLA Disposition Services personnel should work with generating activities to encourage the use of a web-based document management system and eliminate hard copy return receipts.
77. For property physically received by a DLA Disposition Services site, generating activities will be provided a receipt copy upon delivery.
78. These receipts are considered conditional acceptance of accountability, pending completion of DLA Disposition Services site inspection and verification of the turn-in. If no follow-up report is received by the generating activity within 15 workdays, the provisional copy becomes the official receipt document, and the DLA Disposition Services Site assumes full accountability.
79. If the receipt is not recorded in a web based document management system within 30 days, the provisional copy becomes the official receipt copy and the DLA Disposition Services Site assumes full accountability.
80. If a discrepancy is found, DLA Disposition Services sites may contact the generating activity and attempt resolution. If required, the guidance shown in paragraph (g)(2)(iii) of this section will be used for inventory discrepancies.
81. When acceptance is not possible, a reject notice will be provided to the generating activity within 7 workdays. Return receipts are available to generators via a web based document management system.
82. For turn-ins made by commercial carrier, parcel post, etc., DLA Disposition Services sites will provide receipt copies no later than 5 workdays after delivery. These receipts are considered conditional acceptance of accountability pending completion of DLA Disposition Services site inspection and verification of the turn-in. If a discrepancy is found, DLA Disposition Services sites may contact and attempt resolution. When acceptance is not possible, a reject notice will be provided to the generating activity within 7 workdays.
83. ***ite batchlots.***
84. Consistent with the DoD ICS and in accordance with DLA Disposition Services operating guidance, DLA Disposition Services sites may batchlot property after receipt:
85. Batchlot property with an extended line item value of $ 800 or less, in SCCs A--H.
86. Batchlot property that does not contain pilferable or sensitive materiel.
87. Property assigned DEMIL code "A" in the critical or non-critical FSG/FSCs, excluding FSCs 5985, 5998, and 5999, is eligible for batchlotting.
88. DLA Disposition Services sites may batchlot property requiring the same type of special processing, *e.g.,* reimbursable property, same FSC.
89. DLA Disposition Services sites may batchlot clothing and textile products with infrared or spectral reflectance with a DEMIL code of "E," but the batchlots require a certification on the DTID (see Figure 1 of this section).



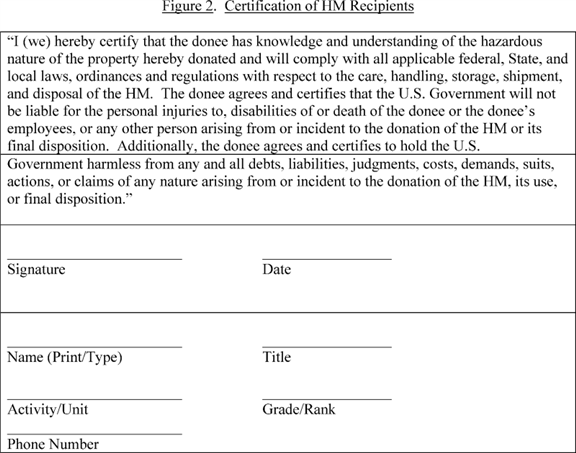
1. DLA Disposition Services sites will exclude from batchlotting:
2. Chemical, biological, radiological, and nuclear (CBRN) property and clothing (FSG 83 and 84); lab equipment such as centrifuges, biological incubators, micromilling machines, biological safety cabinets and laboratory evaporators; (FSG 66), camouflage clothing and individual equipment.
3. Low dollar property with high potential for RTDS.
4. Property defined as a special case in Enclosure 3 of DoD Manual 4160.21, Volume 4 that requires special receipt and handling requirements that cannot be met at time of receipt.
5. DEMIL required items identified in DoD 4160.28-M Volumes 1-3, DEMIL codes B, Q, and property in critical FSCs in DEMIL codes C, D, E, F, G, and P. Property in FSCs 5935, 5996, and 5999 will not be batchlotted regardless of DEMIL code.
6. Property requiring inert certification.
7. Small arms or light weapons.
8. Lasers.
9. Radioactive materiels (*e.g.,* gauges, meters, watches) not eligible for turn-in.
10. Chemical, biological, radiological, nuclear--defense (CBRN-D) equipment--These items are DEMIL F and instructions have to be followed for disposition and are NOT turned in to DLA disposition.
11. Items with a CIIC. Items determined to be pilferable or sensitive in accordance with Volume 6 of DLM 4000.25 and DLA ***Regulation*** 4145.11/AR 740.7/Navy Supply System Command Instruction (NAVSUPINST) 4440.146C/Marine Corps Order (MCO) 4450.11, "Safeguarding of DLA Sensitive Inventory Items, Controlled Substances, and Pilferable Items of Supply" (available at *http://* ***[\*68177]***[*www.dla.mil/issuances/Documents\_1/r4145.11.pdf*](http://www.dla.mil/issuances/Documents_1/r4145.11.pdf)).
12. HP.
13. Metalworking machinery and former industrial plant equipment.
14. Grade 8 fasteners and machine bolts in FSCs 5305 and 5306. Do not batchlot these items if they appear on the SALD list.
15. Property in SCC A with a total extended value, per DTID, of $ 50 or more, as shown in Table 3 of this section.

| **Table 3--FSCs in SCC A > or = $ 50 Excluded From Batchlotting** | |
| --- | --- |
|  |  |
| **FSC** | **Description** |
| 2910 | Engine Fuel System Component, |
|  | Non-Aircraft. |
| 2920 | Engine Electrical System Components, |
|  | Non-Aircraft. |
| 2940 | Engine Air and Oil Filters, Strainers |
|  | and Cleaners, Non-Aircraft. |
| 2990 | Miscellaneous Engine Accessories, |
|  | Non-Aircraft. |
| 3030 | Belting, Drive Belts, Fan Belts, and |
|  | Accessories. |
| 4730 | Fittings and Specialties; Hose, Pipe, |
|  | and Tube. |
| 5660 | Fencing, Fences and Gates and |
|  | Components. |
| 5895 | Miscellaneous Communication Equipment. |
| 5910 | Capacitors. |
| 5935 | Connectors, Electrical. |
| 5940 | Lugs, Terminals and Terminal Strips. |
| 5961 | Semi-Conductor Devices and Associated |
|  | Hardware. |
| 6530 | Hospital Furniture, Equipment, |
|  | Utensils and Supplies. |
| 6680 | Liquid/Gas Flow, Liquid |
|  | level/Mechanical Motion Measuring |
|  | Instruments. |
| 7105 | Household Furniture. |
| 7195 | Miscellaneous Furniture and Fixtures. |
| 9999 | Miscellaneous Items (cannot |
|  | conceivably be classified anywhere |
|  | else). |

1. Notwithstanding the information in paragraph (g)(5)(v) of this section, RTD customers may order individual items from a batchlot. DLA Disposition Services sites will honor these requests. Otherwise, items will not be removed from batchlots.
2. DLA Disposition Services sites are responsible for ensuring official receipt copies are returned accessible to generating activities (electronically or hard copy). They must provide tracing assistance for any DTID receipt copy not received by the generating activity.
3. ***and storage requirements.***
4. Usable property, transferred to a DLA Disposition Services site or received in original location, must be clearly identified with barcode labels. The labels will be affixed to property from time of receipt (physically or receipt-in-place) until final removal and will correspond with accountability records. For property stored at DLA Disposition Services sites, signs will be placed appropriately to identify property status (RTD, DEMIL, etc.) and to minimize confusion to customers.
5. Scrap transferred to a DLA Disposition Services site or received in original location will be accumulated and segregated to prevent commingling basic material content.
6. For use in providing the basic material content information, scrap will be identified using the standard waste and scrap classification code (SCL) contained in the DAISY codes and terms pocket reference located at the DLA Disposition Services Web page ([*https://www.dispositionservices.dla.mil/publications/index.shtml*](https://www.dispositionservices.dla.mil/publications/index.shtml)). The pocket reference is formatted alphabetically.
7. Barcoded labels are not required for scrap accumulations. However, both the generating activity and DLA Disposition Services accounting records must correspond with the scrap identifications and weights. DLA Disposition Services must use the SCL in its DAISY accounting records.
8. During storage, DLA Disposition Services will place appropriate signs to identify types of scrap and maximize visibility to customers.
9. ***the DLA Disposition Services site.***
10. Correct accounting for all excess property, surplus property, and FEPP by both the Military Departments and DLA Disposition Services sites is critical. Non-compliance can result in property being misappropriated with potentially severe consequences. Proper accounting impacts resourcing (money, equipment, and personnel) decisions.
11. Accountability records will be maintained in auditable condition, allow property to be traced from receipt to final disposition and cleared from the ICS, when appropriate. DLA Disposition Services' accountability system will incorporate the requirements of DoD Directive 8320.02, 15 CFR parts 730 through 799, and DLA ***Regulation*** 7500.1, "Accountability and Responsibility for Government Property in the Possession of the Defense Logistics Agency," (DLA ***Regulation*** 7500.1 is available at: [*http://www.dla.mil/issuances/*](http://www.dla.mil/issuances/)*.*
12. If a contingency operation requires a deviation from standard accountability practices, Military Departments and DLA Disposition Services sites will maintain spreadsheets, listings, or the most appropriate method of temporary accountable records. When the contingency operation reaches a point where prescribed accountability practices can be resumed, the temporary documents will be used for establishing, updating, or adjusting official accountability records (both Military Departments and DLA Disposition Services sites) as applicable.
13. DLA Disposition Services' property accountability records will be maintained in sufficient detail to support required sales proceeds reimbursements.
14. Materiel with different fund citation appropriations may be combined in sale lots; however, DLA Disposition Services accountability systems will retain individual disbursement information to allow appropriate reimbursements to local or departmental accounts, as designated by DoD 7000.14-R, "Department of Defense Financial Management ***Regulations*** (FMRs): Volume 11a, "Reimbursable Operations, Policy and Procedures"; Chapter 5, "Disposition of Proceeds from Department of Defense Sales of Surplus Personal Property", (available at [*http://comptroller.defense.gov/fmr/current/11a/Volume\_11a.pdf*](http://comptroller.defense.gov/fmr/current/11a/Volume_11a.pdf)). **[\*68178]**
15. Non-reimbursable scrap may be physically combined with other scrap when considered advantageous; however, accountability records will be maintained to substantiate pro-rating of the proceeds.
16. Usable and scrap determination and accounting are calculated as follows:
17. When property not requiring DEMIL is assigned SCCs F, G, or H, the DLA Disposition Services site may determine property has scrap value only and classify and process as "scrap upon receipt."
18. Personal property assigned other SCCs, which the DLA Disposition Services site determines to only have basic materiel content value, may be downgraded to scrap after the end-of-screening date (ESD) and completion of any required DEMIL.
19. DLA Disposition Services sites will minimize changing or challenging SCCs and downgrades upon receipt.
20. When an item has been offered on a ***competitive*** sale and no bid has been received, or bids received are less than the scrap value of the item, the property may be downgraded to scrap and re-offered for sale as scrap. This includes property returned to a DLA Disposition Services site from a joint commercial sales partner that has been confirmed as mis-described or as containing only basic material content value. Similar items received within a 12-month period that have a history of being nonsalable may be downgraded to scrap at ESD.
21. When a DLA Disposition Services site determines obsolete printed materials have no RTD potential and only scrap market value, these items will be downgraded to scrap upon receipt.
22. When end items are turned in as scrap and are reclaimed or disassembled for their usable components, the DLA Disposition Services site's records will be adjusted to reflect the acquisition cost (estimated, if not known) of the components removed.
23. Scrap accounting is calculated by weight.
24. Estimated weight may be used for receiving scrap if scales are not available or if weighing is impractical. Disposition of scrap for sale or demanufacturing must be weighed to provide accurate accounting and reconciliation with the DLA Disposition Services accountable record.
25. The acceptable degree of accuracy of estimation is 25 percent for property processed by the ton, and 10 percent for property processed by the pound. Overages and shortages discovered on release of property that exceed allowable tolerances will be adjusted.
26. High value scrap must be weighed at the time of receipt.
27. ***e of weigh scales.***
28. DoD activities, including DLA Disposition Services sites with scales used for receipts and disposition of scrap, will ensure weigh scales under their jurisdiction are maintained, repaired, and calibrated annually or more often if required by State or local laws.
29. Activities with scales will maintain a log or record of visits by qualified inspectors showing the date of the visit and, where appropriate, action taken to correct the accuracy of the scales. A signed copy of the inspector's findings will be maintained. The activity is responsible for obtaining the services of a qualified scale inspector and requesting repair when needed.
30. ***y.***
31. DLA Disposition Services sites will conduct physical inventories. At a minimum, a sample inventory will be conducted at each DLA Disposition Services site annually. Inventory accuracy of at least 90 percent will be maintained for all usable property, except DEMIL required property, HP, and pilferable or sensitive property. Discrepancies will be corrected in accordance with paragraph (l) of this section. If sample inventories for usable property are less than 90 percent accurate, a wall-to-wall inventory will be conducted.
32. Physical inventories for DEMIL required property, HP, and pilferable or sensitive property will be conducted at least annually. Inventory accuracy of 100 percent will be maintained. If less than 100 percent accuracy, DLA Disposition Services site will report the discrepancies in accordance with procedures in DoD 7000.14-R.
33. Usable property remaining on the DLA Disposition Services site account in excess of 6 months will be inventoried on a monthly basis and certified.
34. Inventory discrepancies will be researched as part of the inventory process and corrections documented as inventory adjustments.
35. DLA Disposition Services will provide the DLA Disposition Services sites with direction for maintaining and reconciling scrap accumulations and accountable records. Reconciliation will be performed at least monthly.
36. ***d adjustments --***
37. Item identification, quantity, condition, or price data errors discovered before official acceptance of accountability will be resolved and corrected during receipt.
38. Discrepancies discovered after acceptance of accountability; that is, differences between recorded balances and quantities on hand, will be processed as inventory adjustments. Inventory adjustment procedures are contained in DoD 7000.14-R, Volume 12, Chapter 7.
39. ***ition Services site custody.***
40. When property for which a DLA Disposition Services site has assumed accountability, but not physical custody, becomes lost, damaged, or destroyed, the custodial activity will investigate the discrepancy and provide its findings to the DLA Disposition Services site.
41. The DLA Disposition Services site will provide the custodial activity with requested item identification number, such as NSN, DTID number, or UII (when applicable) or copies of pertinent documentation for the lost, damaged, or destroyed item.
42. If the custodial activity determines the discrepancy is due to a record keeping error, it will fully document the error and inform the DLA Disposition Services site to prepare an inventory adjustment.
43. If the discrepancy is not due to a record keeping error, the custodial activity must prepare a DD Form 200, "Financial Liability Investigation of Property Loss," in accordance with criteria contained in DoD 7000.14-R, Volume 12, Chapter 7.
44. Within 30 days after notification of the loss of the property, the custodial activity must provide the DLA Disposition Services site a completed copy of the DD Form 200 as supportive documentation for the DLA Disposition Services site to process an inventory adjustment.
45. ***ling (PC&H).***PC&H for DoD orders will be arranged by the DLA Disposition Services site in most cases. When property is received in place, the generating activity will prepare the property for shipment. DLA Disposition Services will submit payment for these services according to the established ISSA or by DLA Disposition Services military interdepartmental purchase request.
46. DLA Disposition Services will directly fund transportation costs associated with reutilized property on each transaction. However, these costs are recouped as part of the Service-level annual billings for all associated disposition costs incurred by the services including all transportation costs during the year. **[\*68179]** That is, individual DoD units do not pay for reutilization transportation on each individual transaction, but their Military Service is billed on an annual basis.
47. ***t.***When it is necessary to obtain or confirm data on materiel transferred to or from disposal accounts, and this involves crossing command lines between DoD Components, the policy in DoD Instruction 7600.02, "Audit Policies" (available at [*http://www.dtic.mil/whs/directives/corres/pdf/760002p.pdf*](http://www.dtic.mil/whs/directives/corres/pdf/760002p.pdf)) will apply.
48. ***es used during audits.***The DoD Components will maintain a clear audit trail of the documentation for the disposition of property in accordance with their internal issuances for audits. The internal issuances that govern Army, Navy, and Air Force are:
49. AR 36-2, "Audit Services in the Department of the Army" (available at [*http://www.apd.army.mil/pdffiles/r36\_2.pdf*](http://www.apd.army.mil/pdffiles/r36_2.pdf)).
50. SECNAVINST 7510.7F.
51. Air Force Policy Directive 65-3, "Internal Auditing" (available at [*http://static.e-publishing.af.mil/production/1/saf\_fm/publication/afpd65-3/afpd65-3.pdf*](http://static.e-publishing.af.mil/production/1/saf_fm/publication/afpd65-3/afpd65-3.pdf)).
52. **exchanges.**
53. Provisions for donation of surplus personal property are provided in accordance with 41 CFR part 102-37.
54. [*10 U.S.C. 2576a*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GP61-NRF4-4132-00000-00&context=)permits the Secretary of Defense to transfer certain property for use for State and local law enforcement agencies. Notwithstanding 41 CFR chapters 101 and 102, donations may be made only as authorized by law; under separate statutes, the Secretaries of the Military Departments may donate certain excess materiel to authorized recipients; through GSA, the Department of Defense may donate surplus property to authorized donees. Donations are subordinate to federal agency needs, but take precedence over sale or A/D. This section also contains guidance and procedures pertaining to loans or exchanges, providing specific instructions to authorized donees.
55. 42 U.S.C. chapter 68 authorizes federal assistance to States, local government, and relief organizations based on a declaration of emergency or major disaster.
56. [*10 U.S.C. 2557*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GHR1-NRF4-43T5-00000-00&context=), [*2572*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GNX1-NRF4-43KV-00000-00&context=), [*2576*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GJS1-NRF4-43KX-00000-00&context=), and 5576a establishes the procedures for organizations participating in surplus personal property donation programs, specifically the organizations discussed in this section.
57. Technology transfer projects and [*10 U.S.C. 2194*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GP81-NRF4-41PH-00000-00&context=) address educational partnership agreements.
58. ***ination statutes requirements.***
59. All of the donation programs covered by this section must comply with:
60. [*42 U.S.C. 2000a*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GNV1-NRF4-42X0-00000-00&context=), also known as Title VI of the Civil Rights Act of 1964.
61. [*20 U.S.C. 1681*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GT61-NRF4-454S-00000-00&context=), also known as Title IX of the Education Amendments of 1972.
62. [*29 U.S.C. 701*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GPG1-NRF4-440N-00000-00&context=)also known as the Rehabilitation Act of 1973.
63. [*42 U.S.C. 6101*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GTN1-NRF4-445Y-00000-00&context=)also known as the Age Discrimination Act of 1973.
64. Any complaints alleging violations of these acts or inquiries concerning the applicability to the programs covered in this section will be handled by elevating issues through the appropriate chains of command and agency-to-agency dialog.
65. ***nal property --***
66. Surplus property is allocated by GSA considering the factors listed in 41 CFR chapters 101 and 102.
67. GSAXcess(R) is available for State agencies for surplus property (SASPs) and donees, when authorized, to search for and select property for donation. Screening is accomplished during the timeframes specified in § 273.15.
68. Upon allocation, GSAXcess(R) will generate the SF 123, "Transfer Order Surplus Personal Property" to the agency for approval and return. DoD orders for DLA Disposition Services assets with a UMMIPS Priority Designator within Issue Priority Group 1 (Priorities 01-03), and non-mission capable supply (NMCS) orders will be submitted to DLA Disposition Services as an exception. DLA Disposition Services will immediately fill these orders and notify the GSA area property officer for the Front End Data System record adjustment. Priorities 4-15 orders received during this timeframe will not be honored.
69. GSAXcess(R) screening requires an access code from GSA. To learn about GSAXcess(R) and obtain access code information, see [*https://gsaxcess.gov/*](https://gsaxcess.gov/)*.*
70. ***ility.***On a case-by-case basis, "hold harmless" clauses to protect the United States may be used, depending on the types and quantities of property. Such provisions must be written in coordination with appropriate DoD Component legal counsel.
71. DLA will provide GSA a report of property transferred to non-federal recipients. The report:
72. Will be submitted to GSA through the GSA on-line Personal Property Reporting Tool within 90 calendar days after the close of each fiscal year. The Personal Property Reporting Tool is located at [*https://gsa.inl.gov/property*](https://gsa.inl.gov/property)*.* If for any reason the report is delayed, the organization who possesses the property should contact the GSA Personal Property Asset Management (MTA), 1800 F Street NW., Washington, DC 20405, with an explanation of the delay. The report must cover personal property disposed during the fiscal year in all areas within the 50 United States, the District of Columbia, Puerto Rico, American Samoa, Guam, the Northern Mariana Islands, the Federated States of Micronesia, the Marshall Islands, Palau, and the U.S. Virgin Islands. Negative reports are required.
73. Must reference Interagency Report Control Number 0154-GSA-AN and contain:
74. Name of the non-Federal recipient.
75. Zip code of the recipient.
76. Explanation as to the type of recipient (*e.g.,* contractor, grantee, cooperative, Stevenson-Wydler recipient, licensee, permittee).
77. Appropriate 2-digit FSC group.
78. Total original acquisition cost of all personal property furnished to each recipient.
79. Appropriate comments as necessary.
80. IUID or UII equivalent.
81. All surplus property (including property held by working capital funds established under [*10 U.S.C. 2208*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GRP1-NRF4-4047-00000-00&context=) or in similar funds) is available for donation to eligible recipients, in accordance with authorizing laws, except for property in the categories in paragraphs (c)(5)(i)(A) through (M) of this section:
82. Agricultural commodities, food, and cotton or woolen goods determined from time to time by the Secretary of Agriculture to be commodities requiring special handling with respect to price support or stabilization.
83. Controlled substances.
84. Foreign purchased property (as identified in DoD 5105.38-M).
85. Naval vessels of the following categories: battleships, cruisers, aircraft carriers, destroyers, and submarines.
86. NAF property.
87. MLI, except in compliance with DoD Instruction 4160.28, DoD 4160.28-M Volumes 1-3, and DoD Instruction 2030.08.
88. CCL items, except in compliance with 15 CFR parts 730 through 774 and DoD Instruction 2030.08.
89. Property acquired with trust funds (*e.g.,* social security trust funds).
90. Records of the Federal Government. **[\*68180]**
91. Vessels of 1,500 gross tons or more, excluding specified Naval combat vessels, which the Maritime Administration determines to be merchant vessels or capable of conversion to merchant use (as defined in 41 CFR chapters 101 and 102).
92. Items as may be specified from time to time by the GSA Office of Government-wide Policy.
93. Property that requires reimbursement upon transfer (such as abandoned or other unclaimed property that is found on premises owned or leased by the Government).
94. Hazardous waste.
95. Other Hazardous property and hazardous materials not otherwise identified in the categories in paragraphs (c)(5)(i)(A) through (M) of this section that is not serviceable, for example supply condition codes (SCCs) listed in DLM 4000.25-2 as SCC E for unserviceable (limited restoration) materiel, SCC F for unserviceable (reparable) materiel, and SCC G for unserviceable (incomplete) materiel, SCC H for unserviceable (condemned) materiel, SCC P for unserviceable (reclamation) materiel.
96. Certain items require special processing for donations (in accordance with the requirements in DoD 5105.38-M. DoD Manual 4160.21, Volume 4 provides the procedures.
97. As restrictions are imposed on certain commodities, the Department of Defense, through GSA, will request a return of these items and provide guidance.
98. Known restrictions require written certification and signature by the recipient at the time of removal.
99. ***y.***GSA directly allocates property to:
100. Public airports are managed through the FAA.
101. The FAA Administrator has the responsibility for selecting property determined to be either:
102. Essential, suitable, or desirable for the development, improvement, operation, or maintenance of a public airport, as defined in [*49 U.S.C. 47102*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GTJ1-NRF4-437M-00000-00&context=).
103. Reasonably necessary to fulfill the immediate and foreseeable future needs of the grantee for the development, improvement, operation, or maintenance of a public airport.
104. Needed to develop sources of revenue from non-aviation businesses at a public airport.
105. Public airports will secure advance approval of donations by obtaining signatures of the applicable FAA airport branch chief and by the GSA regional office on the order (SF 123).
106. United States Agency for International Development.
107. SASPs are responsible for determining eligibility of applicants; fairly and equitably distributing donated property to eligible donees within their State; assuring donees comply with donation terms and conditions; and when requested by donee, arranging for or providing shipment of property from the federal holding agency, *e.g.,* DLA Disposition Services sites, directly to the recipients.
108. The SASP donates property to public and eligible nonprofit organizations. Types of eligible recipients are:
109. Medical institutions, hospitals, clinics, and health centers.
110. Drug abuse and alcohol centers.
111. Providers of assistance to homeless individuals.
112. Providers of assistance to impoverished families and individuals.
113. Schools, colleges, and universities.
114. Schools for the mentally and physically disabled.
115. Child care centers.
116. Radio and television stations licensed by the Federal Communications Commission as educational radio or television stations.
117. Museums attended by the public.
118. Libraries providing the resident public (community, district, State, or region) with free access.
119. State and local government agencies, or nonprofit organizations or institutions. [*42 U.S.C. 3015*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GPV1-NRF4-429P-00000-00&context=) and [*3020*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GK41-NRF4-423W-00000-00&context=) authorizes donations of surplus property to State and local government agencies, or nonprofit organizations or institutions that receive federal funding to conduct programs for older individuals.
120. States and territories.
121. The Deputy Secretary of Defense is authorized to designate new SEAs. Table 4 of this section includes the list of approved SEAs. SEA nominations from the Military Departments or Defense Agencies should be forwarded to the Office of the Assistant Secretary of Defense for Logistics and Materiel Readiness, 3500 Defense Pentagon, Washington, DC 20301-3500
122. Educational activities that are of special interest to the Military Services may receive surplus DoD property in accordance with 41 CFR chapter 101.

| **Table 4--SEA National Offices** | |
| --- | --- |
| American National Red Cross, 17th and | Armed Services YMCA of the USA, 6225 |
| D Streets NW., Washington, DC 20006 | Brandon Avenue, Suite 215, |
|  | Springfield, VA 22150-2510. |
| Big Brothers/Big Sisters of America, | Boys and Girls Clubs of America, 771 |
| 230 North 13th Street, Philadelphia, | First Avenue, New York, NY 10017. |
| PA 19107 |  |
| Boy Scouts of America, 1325 Walnut | Camp Fire, Inc., 4601 Madison Avenue, |
| Hill Lane, Irving, TX 75038-3096 | Kansas City, MO 64112-1278. |
| The Center for Excellence In | Girl Scouts of America, 420 5th |
| Education, 7710 Old Springhouse Road, | Avenue, New York, NY 10018-2702. |
| McLean, VA 22102 |  |
| Little League Baseball, Inc., | National Association for Equal |
| Williamsport, PA 17701 | Opportunity In Higher Education, 2243 |
|  | Wisconsin Avenue NW., Washington, DC |
|  | 20007. |
| National Ski Patrol System, Inc., 133 | U.S. Naval Sea Cadet Corps, 2300 |
| South Van Gordon Street, Suite 100, | Wilson Boulevard, Arlington, VA 22201. |
| Lakewood, CO 80228 |  |
| United Service Organizations, Inc., | United States Olympic Committee, 1 |
| 601 Indiana Avenue, Washington, DC | Olympic Plaza, Colorado Springs, CO |
| 20004 | 80909-5760. |
| National Director, Young Marines of | President--Board of Directors, Marine |
| the Marine Corps, P.O. Box 70735, | Cadets of America, USN & MC Reserve |
| Southwest Station, Washington, DC | Center, Fort Nathan Hale Park, New |
| 20024-0735 | Haven, CT 06512-3694. |
| Corporation for the Promotion of Rifle | Marine Corps League, P.O. Box 3070, |
| Practice and Firearms Safety, Erie | Merrifield, VA 22116. |
| Industrial Park, Building 650, P.O. |  |
| Box 576, Port Clinton, OH 43452 |  |

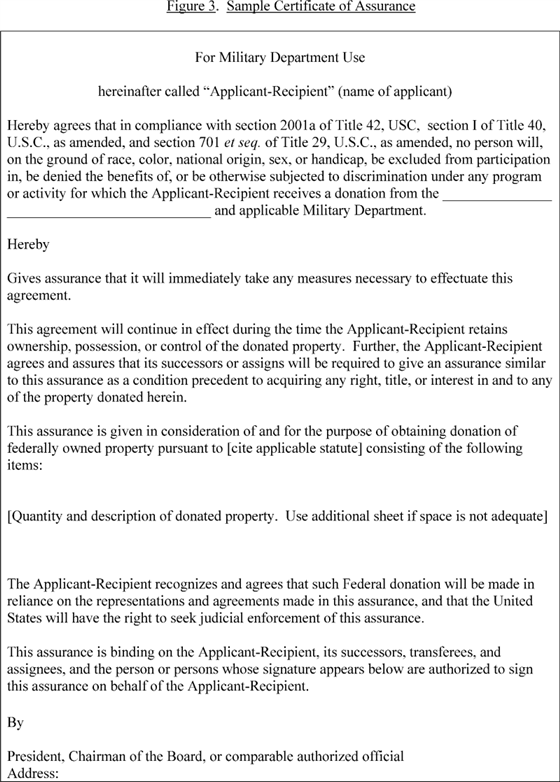
1. High schools that host a Junior Reserve Officer Training Corps (JROTC) Unit or a National Defense Cadet Corps Unit, Naval Honor Schools, and State Maritime Academies should contact **[\*68181]** their sponsoring Military Department regarding donations.
2. SEAs must maintain separate records that include:
3. Documentation verifying that the activity has been designated as eligible by the Department of Defense to receive surplus DoD property.
4. A statement designating one or more donee representatives to act for the SEA in acquiring property.
5. A listing of the types of property that are needed or have been authorized by the Department of Defense for use in the SEA program.
6. ***s.***
7. SASP personnel or donee personnel representing a SASP must have a valid screener-identification card (GSA Optional Form 92, screener's identification, or other suitable identification approved by GSA) before screening and selecting property at holding agencies. However, SASP or donee personnel do not need a screener ID card to inspect or remove property previously set aside or approved by GSA for transfer.
8. Screeners, having identified themselves and indicated the purpose of their visit, will sign the Visitor or Vehicle Register and be allowed to complete donation screening only.
9. ***cedures for DLA Disposition Services property.***
10. Section 273.15(c) outlines the screening timeframes for ZI surplus and FEPP that has reached the surplus release date.
11. When a prospective donee 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 SASP for determination of eligibility and procedures to be followed. The DLA Disposition Services sites will assist interested parties regarding availability of surplus property.
12. SASP contacts may be located on the GSA Web site at [*http://www.gsa.gov/portal/content/100851*](http://www.gsa.gov/portal/content/100851)*.*
13. Prospective donees must go to GSAXcess(R) to gain access, shop, and select property.
14. Once GSA allocates property, the SASP will receive an SF 123. The donee should then sign and return the SF 123 to the appropriate GSA office.
15. GSA will then approve the SF 123 by signature, return the SF 123 to the SASP, and notify DLA Disposition Services with an electronic order.
16. Procedures for return of surplus FEPP to the United States for ultimate donation are covered in Enclosure 4 of DoD Manual 4160.21, Volume 2.
17. DLA Disposition Services sites will require recipients of HM to sign a certification statement as shown in Figure 2 of this section.



1. After allocation and approval, if the customer no longer wants or needs the property, the customer is required to notify the SASP, GSA, and the DLA Disposition Services site.
2. GSA may reallocate the property if there is an existing request by another potential recipient. If the property is reallocated, cancellation of the existing request will be transmitted by GSA and **[\*68182]** another transmission to DLA Disposition Services is required.
3. If the property is not reallocated, GSA must cancel the existing MRO.
4. ***ed property.***
5. All transportation arrangements and costs are the responsibility of the SASP or designated donee. The DLA Disposition Services site may not act as agent packager or shipper. Until release, each holding activity is responsible for the care and handling of its property.
6. The SASP or designated donee will only pay for direct costs of care and handling incurred in the actual packing, crating, preparation for shipment, and loading. The price will be the actual or carefully estimated costs incurred by DoD traffic management activities for labor, material, or services used in donating the property.
7. Advance payment for care and handling costs will normally be required; however, State and local governmental units may be exempted from this requirement and authorized to make payment within 60 days from date of receipt of property. Advance payment may be required in any case where prompt payment after billing has been unsatisfactory.
8. Donees must schedule removal of property with the DLA Disposition Services site. Upon arrival, the individual must provide identification and must sign the DLA Disposition Services Visitor or Vehicle Register, indicating the purpose of the visit.
9. The individual must provide an approved SF123 as authorization for removal.
10. DLA Disposition Services sites will release surplus property to authorized donees upon receipt of a properly completed and approved SF 123 or MRO.
11. ***loans, and exchanges outside the FMR --***
12. The DoD Components:
13. Comply with the specific governing statute for the type of property and ensure the limitations of the governing statute are observed. In accordance with [*10 U.S.C. 2572*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GNX1-NRF4-43KV-00000-00&context=) and DoD issuances, the Secretary of a Military Department or the Secretary of the Treasury is permitted to donate, lend, or exchange, as applicable, without expense to the United States, books, manuscripts, works of art, historical artifacts, drawings, plans, models and condemned or obsolete combat materiel that are not needed by the Military Services.
14. Establish supplementary procedures governing loans, donations, and exchanges.
15. May donate, loan or exchange items as identified in paragraph (d)(1) of this section, if the special donation, loan, or exchange action occurs prior to transfer to DLA Disposition Services for disposition. It is not authorized after property has been officially declared excess and transferred to DLA Disposition Services.
16. May exchange assets for:
17. Similar items;
18. Conservation supplies, equipment, facilities, or systems;
19. Search, salvage, or transportation services;
20. Restoration, conservation or preservation services; or
21. Educational programs when it directly benefits the historical collection of the DoD Components.
22. May not make an exchange unless the monetary value of the property transferred or services provided to the United States under the exchange is not less than the value of the property transferred by the United States. The Secretary concerned may waive this limitation in the case of an exchange for property in which the Secretary determines the item to be received by the United States will significantly enhance the historical collection of the property administered by the Secretary.
23. Will not incur costs in connection with loans or gifts. However, the DoD Component concerned may, without cost to the recipient, DEMIL, prepare, and transport within the CONUS items authorized for donation to a recognized war veterans' association in accordance with DoD 4160.28-M Volumes 1-3 if the DoD Component determines this can be accomplished as a training mission, without additional expenditures for the unit involved.
24. Will maintain official records of all DoD materiel loaned including physical inventory, record reconciliation, and management reporting specified in the inventory management procedures in DoD Manual 4140.01, "DoD Supply Chain Materiel Management Procedures" (available at [*http://www.dtic.mil/whs/directives/corres/pdf/414001m/414001m\_vol01.pdf*](http://www.dtic.mil/whs/directives/corres/pdf/414001m/414001m_vol01.pdf)). Verify yearly that property is being used for approved purposes, is being maintained and protected according to the agreement, and that the recipient organization still desires to retain the property. The DoD Component may perform this annual check by any method that provides reasonable assurance the recipient organization is fulfilling its responsibilities. DoD Components may request assistance from qualified DoD organizations.
25. ***o receive loans and donations.***
26. A municipal corporation.
27. A soldiers' monument association.
28. An incorporated museum or memorial that is operated by a historical society, a historical institution of a State or foreign nation, or a nonprofit military aviation heritage foundation or association incorporated in a State.
29. An incorporated museum that is operated and maintained for educational purposes only and the charter of which denies it the right to operate for profit.
30. A post of the Veterans of Foreign Wars of the United States or the American Legion or a unit of any other recognized war veterans' association.
31. A local or national unit of any war veterans' association of a foreign nation recognized by the national government of that nation (or by the government of one of the principal political subdivisions of that nation).
32. A post of the Sons of Veterans Reserve.
33. ***organizations.***To qualify, veterans' organizations must be:
34. Sponsored by a Military Department.
35. Evaluated based on its size, purpose, the type and scope of services it renders to veterans, and composed of honorably discharged American soldiers, sailors, airmen, marines, or coastguardsmen.
36. To qualify, museums must:
37. Meet State (or equivalent foreign national) criteria for not-for-profit museums.
38. Have an existing facility suitable for the display and protection of the type of property desired for loan or donation. If the requester has a facility under construction that will meet those requirements, interim eligibility may be granted.
39. Have a professional staff that can care for and accept responsibility for the loaned or donated property.
40. Have assets that, in the determination of the loaning or donating service, indicate the capability of the loaner and the borrower to provide the required care and security of historical property.
41. The DoD Components will determine the eligibility of organizations for gifts and loans. The DoD Components may establish eligibility requirements dependent upon the unique nature of the specific historical item; however, the minimum requirements are:
42. Limit donations, loans, or exchanges to property stipulated by [*10* ***[\*68183]*** *U.S.C. 2557*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GHR1-NRF4-43T5-00000-00&context=), [*2572*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GNX1-NRF4-43KV-00000-00&context=), [*2576*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GJS1-NRF4-43KX-00000-00&context=), and [*2576a*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GP61-NRF4-4132-00000-00&context=). Except for relevant records for aircraft and associated engines and equipment (unless authorized under DoD 4160.28-M Volumes 1-3 and DoD Instruction 2030.08), government records may not be released.
43. Approve the loan, donation, or exchange; process requests for variations from the original agreement; and maintain official records of all donation, loan, and exchange agreements. The approval of exchanges may be delegated at the discretion of the Secretary concerned, and is encouraged for low-dollar transactions.
44. Establish controls for determining compliance by the recipient organization with the display, security, and usage criteria provided in the loan and donation agreements.
45. Provide disposition instructions to the recipient organization when loaned or donated property is no longer needed or authorized for continued use.
46. Establish conditions for making donations, loans, or exchanges.
47. Establish a process (*e.g.,* a council or other means suitable to the loan and donation organization) to review and approve proposed exchanges incorporating legal and financial review independent of the museum involved. Personnel directly involved in museum operations will not act as sole approving authority for any exchange transactions.
48. Ensure that correspondence regarding loans, donations, or exchanges is signed by individuals authorized to obligate their organization.
49. Ensure appropriate DEMIL of the property as prescribed in DoD 4160.28-M Volumes 1-3 before release. If standard DEMIL criteria cannot be applied without destroying the display value, specific DEMIL actions (such as aircraft structural cuts) may be delayed. The recipient organization must agree to assume responsibility for the property DEMIL action, at no cost to the Government, when the item is no longer desired or authorized for display purposes. The recipient organization may also return the property to the Government via the donating Military Department for full DEMIL action.
50. Loan, donate, or exchange property on an "as is, where is" basis and ensure that the recipient organization agrees to pay all costs incident to preparation, handling, and movement of the property. Military Department contact points for the loan, donation, or exchange of property are at Table 5 of this section.
51. Property may not be repaired, modified, or changed at government expense over and above normal preparation for handling and movement, even if reimbursement is offered for services rendered.
52. Property may not be moved at government expense to a recipient's location or to another location closer to the recipient to prevent or lessen the recipient organization's processing or transportation costs.
53. No charge will be made for the property itself, but all physical processing of the property for the loan or donation will be the responsibility of the recipient organization. The recipient organization will pay all applicable charges before release of the property.

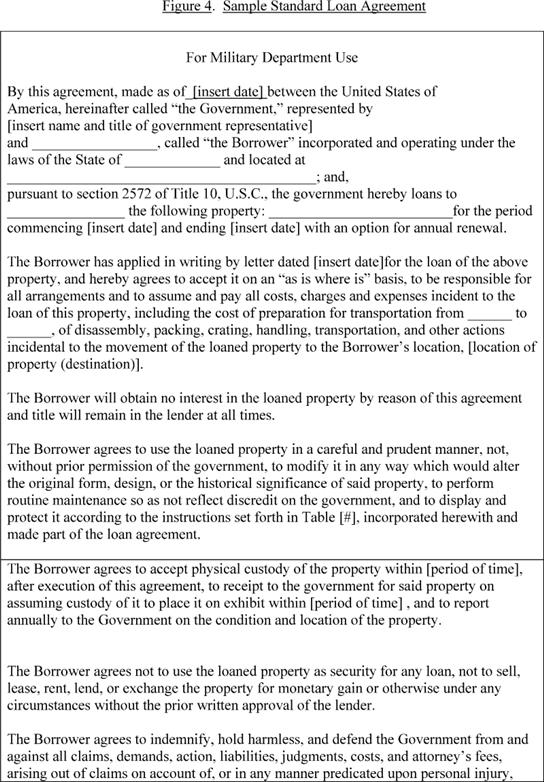
| **Table 5--Military Department Contact Points for Loan, Donation, or Exchange** |
| --- |
| **of Property** |
| ARMY: (all commodities) |
| Commander |
| U.S. Army Tank Automotive and Armament Command |
| ATTN: AMSTA-IM-OER |
| Warren, MI 48397-5000 |
| Email: [*donations@cc.tacom.mil*](mailto:donations@cc.tacom.mil) |
| Telephone: 1-800-325-2920 extension 48469 |
| NAVY: |
| Navy and Marine Corps aircraft, air launched missiles, aircraft engines, and |
| aviation related property: |
| Commanding Officer |
| NAVSUP Weapon Systems Support |
| ATTN: Code-03432-06 |
| 700 Robbins Ave. |
| Philadelphia, PA 19111-5098 |
| Obsolete or condemned Navy vessels for donation as memorials; Navy major |
| caliber guns and ordnance; and shipboard materiel: |
| Commander |
| ATTN: NAVSEA-OOD, NC |
| Naval Sea Systems Command |
| 2531 Jefferson Davis Highway |
| Arlington, VA 22242-5160 |
| AIR FORCE: |
| Air Force aircraft, missiles or any other items authorized for donation for |
| display purposes to a museum recipient: |
| NMUSAF/MUX |
| 1100 Spaatz St. |
| Wright-Patterson AFB, OH 45433-7102 |
| The USAF Museum operates a loan program only. Donations are not offered. |
| Any other Air Force item authorized for donation for display purposes (to |
| recipients other than a museum): |
| HQ AFMC/A4RM |
| 4375 Chidlaw Rd., Building 262 |
| Wright-Patterson AFB, OH 45433-5006 |
| MARINE CORPS: |
| Marine Corps assault amphibian vehicles (to recipients other than a museum): |
| Commandant of the Marine Corps |
| ATTN: LPC-2 |
| HQ U.S. Marine Corps |
| 3000 Marine Corps, Pentagon, RM 2E211 |
| Washington, DC 20350 |
| Marine Corps historical property (all other inquiries): |
| Commandant of the Marine Corps |
| ATTN: History and Museum Division (HD) |
| Marine Corps Historical Center |
| 1254 Charles Morris Street SE |
| Washington Navy Yard, DC 20374-5040 |
| U.S. Coast Guard |
| For U. S. Coast Guard historical assets contact COMDT (CG-09224) at mail stop |
| 7031: |
| Commandant (CG-09224) |
| U. S. Coast Guard Headquarters, Douglas A. Munro Building |
| 2703 Martin Luther King Jr. Ave. South East, Stop 7031 |
| Washington, DC 20593-7031 |
| For all other assets contact Commandant (CG-844) at mail stop 7618: |
| Commandant (CG-844) |
| U. S. Coast Guard Headquarters, Douglas A. Munro Building |
| 2703 Martin Luther King Jr. Avenue South East, Stop 7618 |
| Washington, DC 20593-7618 |

1. Record assets on property accountability records before they are loaned, donated, or exchanged.
2. Coordinate with the DoS before a donation, loan, or exchange is formalized with a foreign museum.
3. Ensure an official authorized to obligate the organization signs a certificate of assurance, as shown at Figure 3 of this section. **[\*68185]**

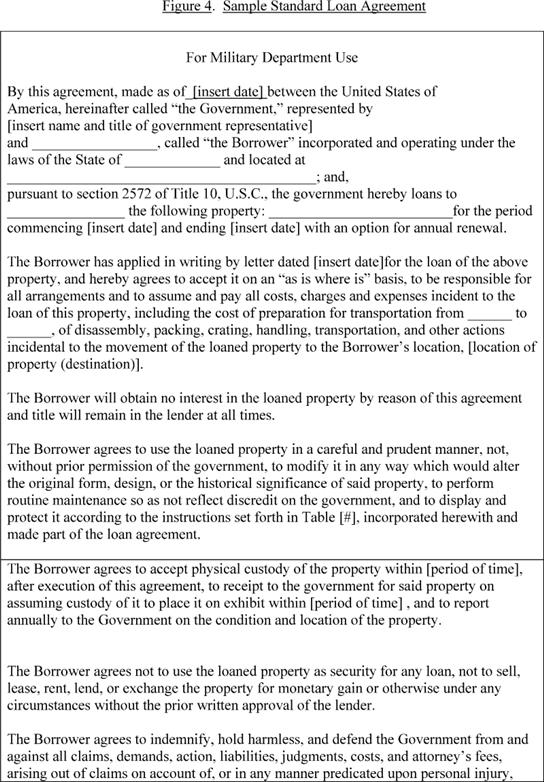


1. Ensure proper documentation is finalized in accordance with DoD 4160.28-M Volumes 1-3 before the release of any property to an authorized recipient. **[\*68186]**
2. Use the standard loan agreement in the format prescribed by Figure 4 of this section or a similar document providing the same data for accomplishing property loans. **[\*68187]**

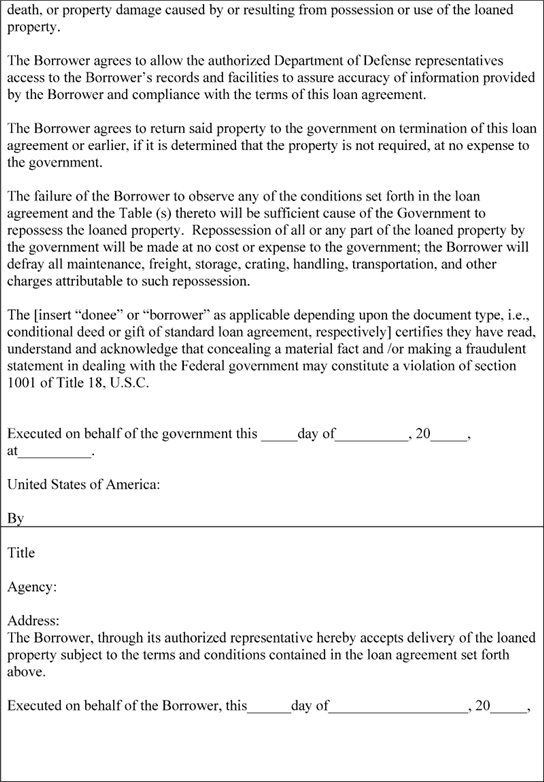
**[\*68188]**



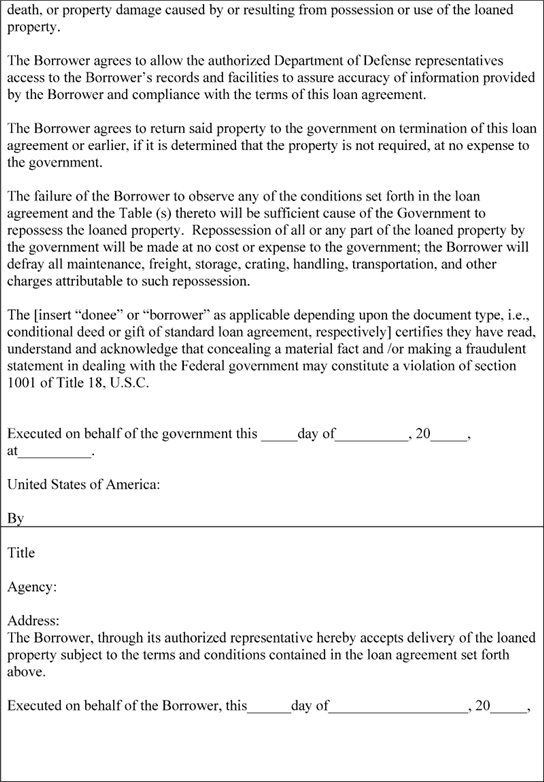
**[\*68188]**



**[\*68189]**

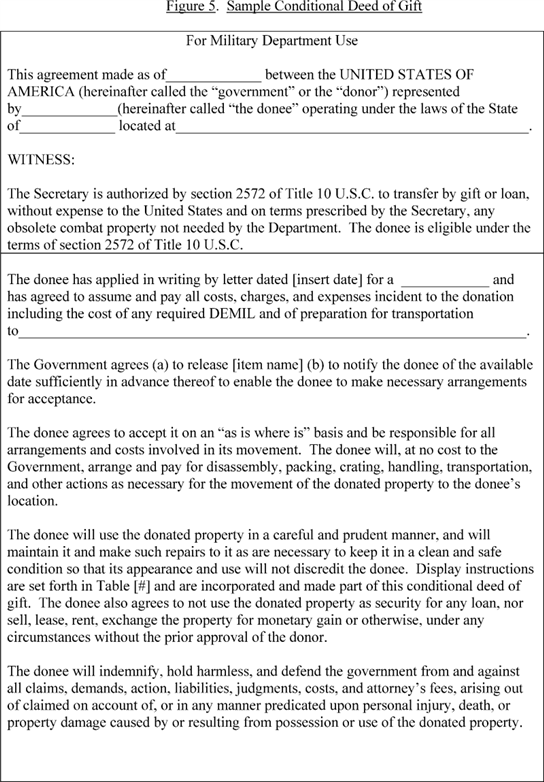


**[\*68189]**

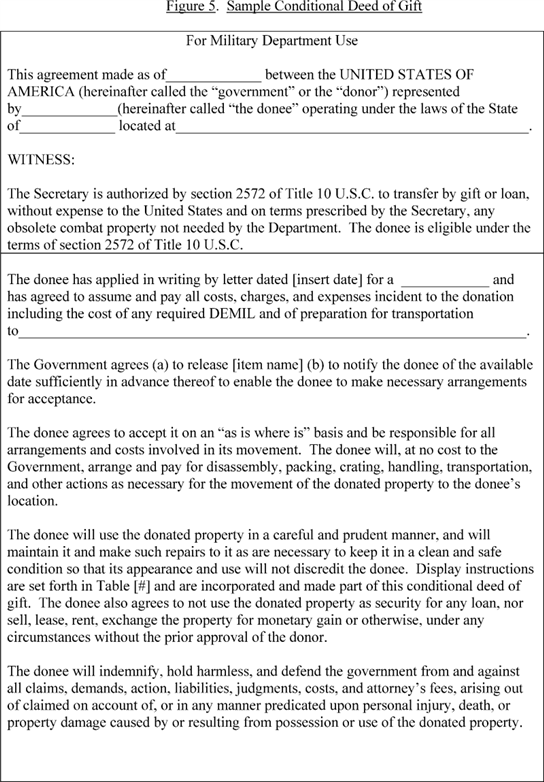


1. Accomplish property donations made under this authority by use of the conditional deed of gift agreement in the format prescribed in Figure 5 of this section or a similar document providing the same data. **[\*68190]**

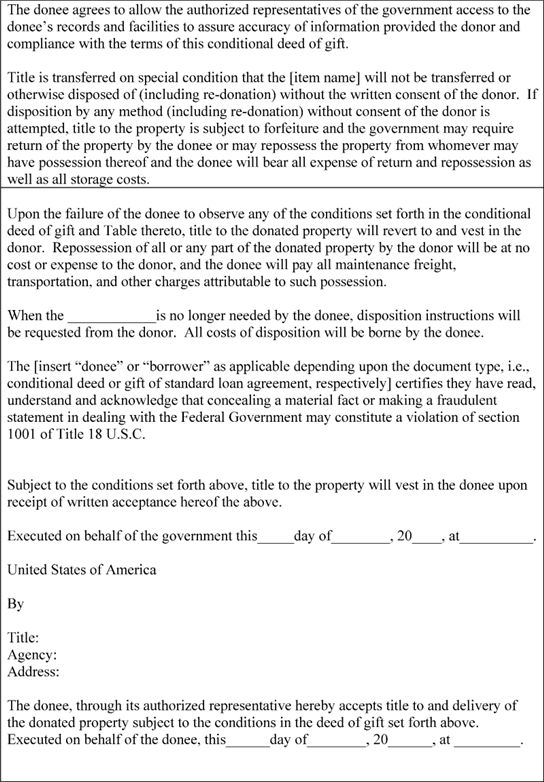
**[\*68191]**



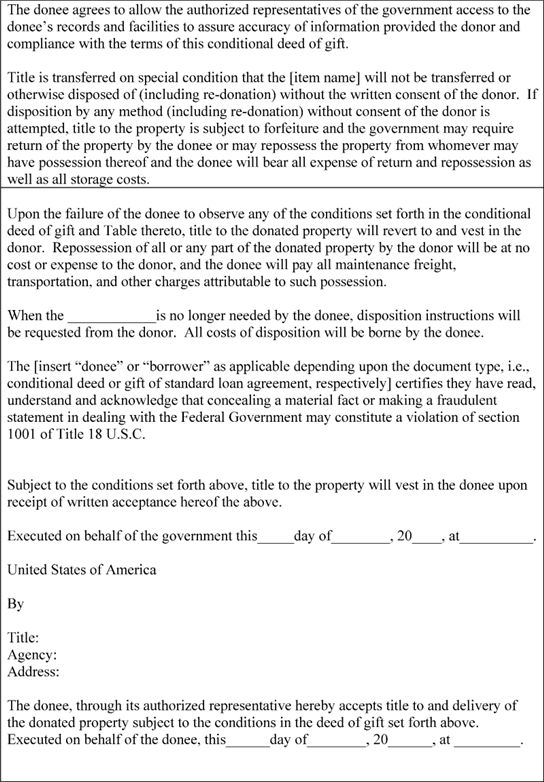
**[\*68191]**



**[\*68192]**

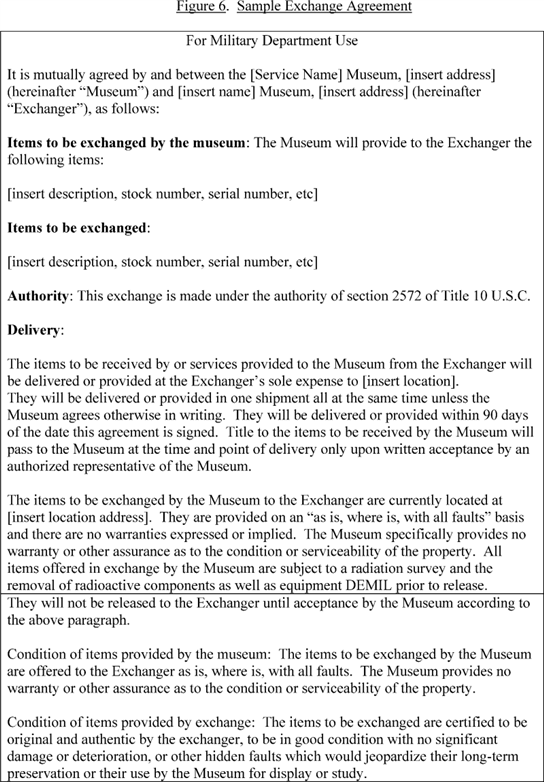


**[\*68192]**

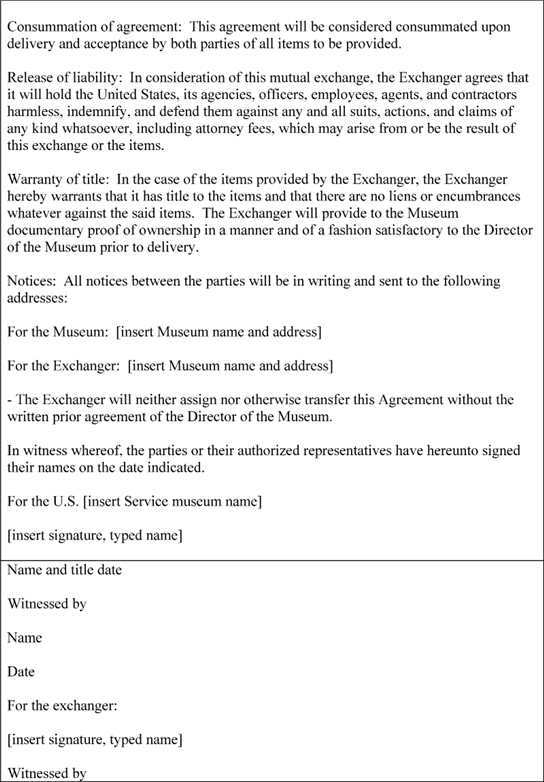
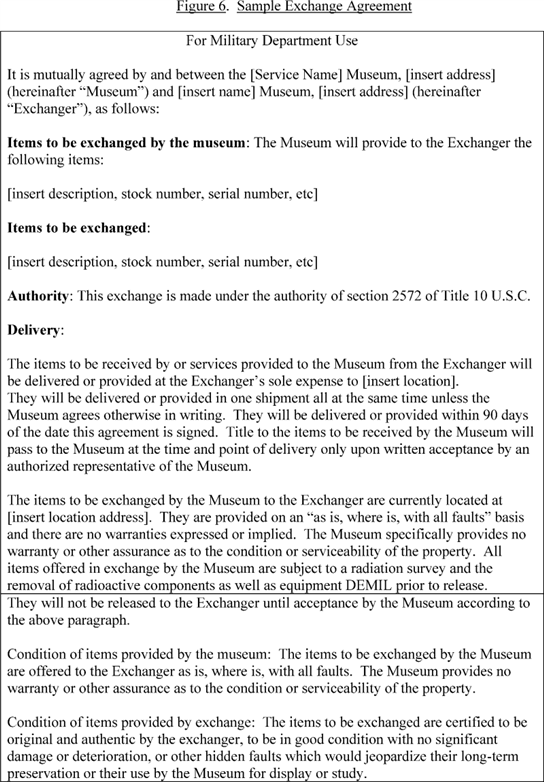


1. Accomplish property exchanges made under this authority by use of the exchange agreement in the format prescribed in Figure 6 of this section or a similar document providing the same data. Items may not be exchanged until a determination is made that the item is not needed for operational requirements by another Military Department. If the council or similar staff review process considers it unlikely the item in question will be needed by another Military Department, screening may be omitted. A museum of one Military Department may not acquire for the purpose of exchanging historical items being screened by another Military Department museum. **[\*68193]**

**[\*68194]**

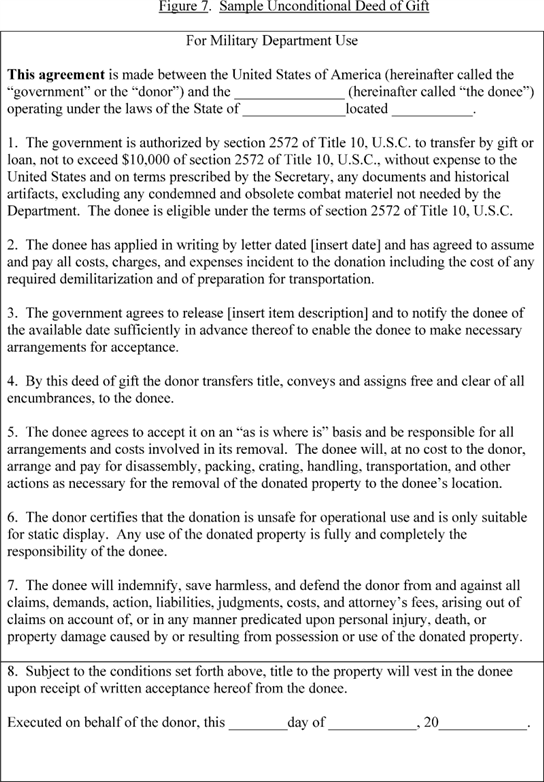


**[\*68194]**

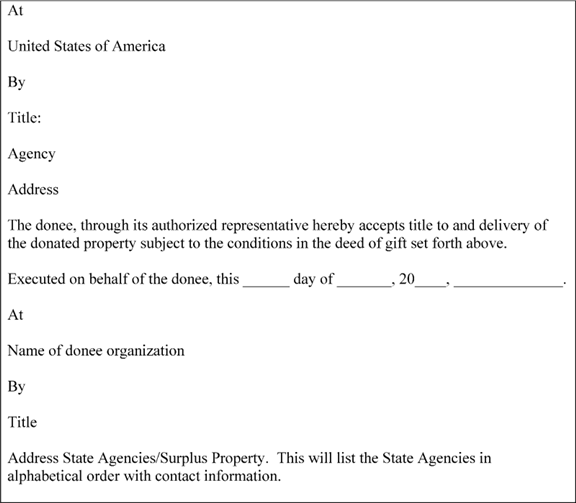
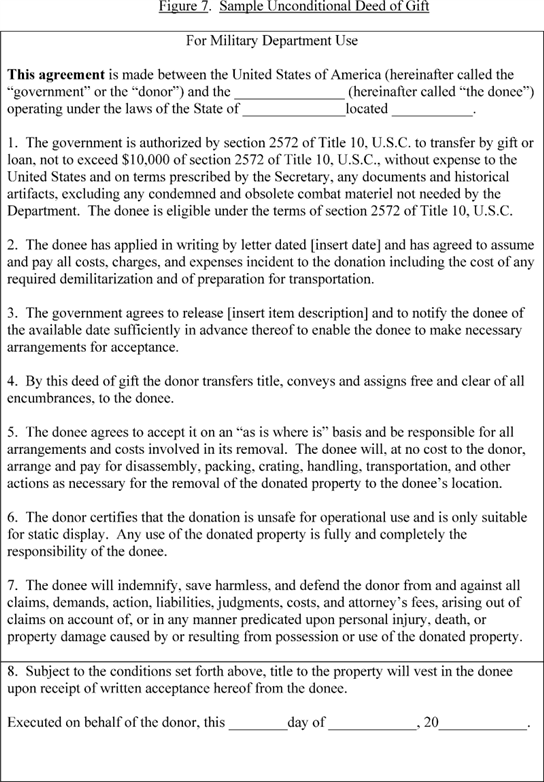


1. Avoid stockpiling condemned or obsolete combat materiel in anticipation of future exchanges. Items that cannot be exchanged within a 2-year period should be processed for disposal. **[\*68195]**
2. Notify exchange recipients that the Department of Defense cannot certify aircraft, components, or parts as airworthy. Aircraft, components, or parts must be certified by the FAA as airworthy before being returned to flight usage. If available, logbooks and maintenance records for FSCAP must accompany the aircraft and FSCAP. If such documentation is not available, or if the aircraft or FSCAP have been crash-damaged or similarly compromised, the aircraft, components, or parts may not be exchanged, unless the FSCAP parts have been removed from the aircraft or component prior to the exchange. Waivers to this FSCAP documentation requirement may be considered on a case-by-case basis and are restricted to "display only" property (not parts); waivers will apply only to the exchange of the whole aircraft, aircraft engines, and aircraft components. The exchange agreement must explicitly cite the lack of documentation.
3. Consider any adverse market impact that may result from the exchange of certain items. The Military Department should consult with outside organizations for market impact advice, as appropriate.
4. Elect to donate property without conditions; for example, when the administrative costs to the Military Department to perform yearly checks would exceed the value of the property. Unconditional donations are restricted to books, manuscripts, works of art, drawings, plans and models, and historical artifacts valued at less than $ 10,000 that do not require DEMIL (see Figure 7 of this section). **[\*68196]**

**[\*68197]**



**[\*68197]**



1. ***of bedding.***Consistent with [*10 U.S.C. 2557*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GHR1-NRF4-43T5-00000-00&context=), the Secretary of a Military Department may provide bedding in support of homeless shelters that are operated by entities other than the Department of Defense. Bedding may be provided to the extent that the Secretary determines the donation will not interfere with military requirements.
2. ***ganizations.***
3. The Department of the Army, in accordance with [*10 U.S.C. 4683*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GP91-NRF4-4285-00000-00&context=), may loan to recognized veterans' organizations (or local units of national veterans' organizations recognized by the U.S. Department of Veterans Affairs) obsolete or condemned rifles or cartridge belts for use by that unit for ceremonial purposes. Rifle loans to any one post, local unit, or municipality are limited by statute to not more than 10 rifles.
4. The Secretary of the Army, in accordance with [*10 U.S.C. 4683*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GP91-NRF4-4285-00000-00&context=) and Service-unique ***regulations*** prescribed by the Secretary, may conditionally lend or donate excess M-1 rifles (not more than 15), slings, and cartridge belts to any eligible organization for use by that organization for funeral ceremonies of a member or former member of the Military Services, and for other ceremonial purposes. If the loaned or donated properties under paragraph (d)(8)(i) of this section are to be used by the eligible organizations for funeral ceremonies of a member or former member of the Military Services, the Secretary may issue and deliver the rifles, together with the necessary accoutrements and blank ammunition, without charge.
5. The Secretary of the Navy, in accordance with [*10 U.S.C. 7545*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GMM1-NRF4-40T6-00000-00&context=), may donate or loan captured, condemned, or obsolete ordnance materiel, books, manuscripts, works of art, drawings, plans, models, trophies and flags, and other condemned or obsolete materiel, as well as materiel of historical interest. The Secretary of the Navy may donate this material to any State, territory, commonwealth, or possession of the United States and political subdivision or municipal corporation thereof, the District of Columbia, libraries, historical societies, and educational institutions whose graduates or students were in World War I or World War II.
6. Loans and donations made under this authority will be subject to the same guidelines for donations in accordance with [*10 U.S.C. 2572*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GNX1-NRF4-43KV-00000-00&context=).
7. If materiel to be loaned or donated is of historic interest, the application will be forwarded through the Navy Curator.
8. Donations made under this authority must first be referred to the Congress.
9. Donations and loans made under [*10 U.S.C. 7545*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GMM1-NRF4-40T6-00000-00&context=) will be made with a conditional deed of gift (see Figure 5 of this section for sample wording).
10. In accordance with [*10 U.S.C. 7306*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GS91-NRF4-40VS-00000-00&context=), the Secretary of the Navy, with approval of Congress, may donate obsolete, condemned, or captured Navy ships, boats, and small landing craft to the States, territories, or possessions of **[\*68198]** the United States, and political subdivisions or municipal corporations thereof, the District of Columbia, or to associations or corporations whose charter or articles of agreement denies them the right to operate for profit. The Navy restricts the use of donated vessels for use in static display purposes only (*i.e.,* as memorials or museums).
11. Applications for ships, boats, and small landing craft will be submitted to the Commander, Naval Sea Systems Command (NSEA 00DG), 2531 Jefferson Davis Highway, Arlington, VA 22240-5160.
12. Before submission of an application, the applicant must locate obsolete, condemned, or captured Navy ships, boats, and small landing craft which are available for transfer.
13. Each application will contain:
14. Type of vessel desired, or in the case of combatant vessels, the official Navy identification of the vessel desired.
15. Statement of the proposed use to be made of the vessel and where it will be located.
16. Statement describing and confirming availability of a berthing site and the facilities and personnel to maintain the vessel.
17. Statement that the applicant agrees to maintain the vessel, at its own expense, in a condition satisfactory to the Department of the Navy, in accordance with instructions that the Department may issue, and that no expense will result to the United States as a consequence of such terms and conditions prescribed by the Department of the Navy.
18. Statement that the applicant agrees to take delivery of the vessel "as is, where is" at its berthing site and to pay all charges incident to such delivery, including without limitation preparation of the vessel for removal or tow, towing, insurance, and berthing or other installation at the applicant's site.
19. Statement of financial resources currently available to the applicant to pay the costs required to be assumed by a donee. The statement should include a summary of sources, annual income, and annual expenditures exclusive of the estimated costs attributable to the requested vessel to permit an evaluation of funds available for upkeep of the vessel. In the event the applicant will rely on commitments of donated services and materials for maintenance and use of the vessel, such commitments must be described in detail.
20. Statement that the applicant agrees that it will return the vessel, if and when requested to do so by the Department of the Navy, during a national emergency, and will not, without the written consent of the Department, use the vessel other than as stated in the application or destroy, transfer, or otherwise dispose of the vessel.
21. If the applicant asserts it is a corporation or association whose charter or articles of agreement denies it the right to operate for profit, their application must also contain a copy of the organization's bylaws and either:
22. A properly authenticated copy of the charter.
23. Certificate of incorporation.
24. Articles of agreement made either by:
25. The Secretary of State or other appropriate officials of the State under the laws where the applicant is incorporated.
26. Organized or other appropriate public official having custody of such charter, certificate or articles.
27. If the applicant is not incorporated, their application must also include the citation of the law and a certified copy of the association's charter stating it is empowered to hold property and to be bound by the acts of the proposed signatories to the donation agreement.
28. If the applicant is not a State, territory, or possession of the United States, a political subdivision or municipal corporation thereof, or the District of Columbia, the application must also include a copy of a determination by the Internal Revenue Service that the applicant is exempt from tax under the Internal Revenue Code.
29. A notarized copy of the resolution or other action of its governing board or membership authorizing the person signing the application to represent the organization and to sign on its behalf to acquire a vessel.
30. A signed copy of the assurance of compliance.
31. A statement that the vessel will be used as a static display only as a memorial or museum and no system aboard the vessel will be activated or permitted to be activated for the purpose of navigation or movement under its own power.
32. A statement that the galley will not be activated for serving meals.
33. Upon receipt, the Navy will determine the eligibility of the applicant to receive a vessel by donation. If eligible, the formal application will be processed and notice of intention to donate presented to the Congress as required by [*10 U.S.C. 7306*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GS91-NRF4-40VS-00000-00&context=), provided the applicant has presented evidence satisfactory to the government that the applicant has adequate financial means to accomplish all of the obligations required under a donation contract. The Navy will have authority to donate only after the application has been before the Congress for a period of 60 days of continuous session without adverse action by the Congress in accordance with [*10 U.S.C. 7306*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GS91-NRF4-40VS-00000-00&context=).
34. All vessels, boats, and service craft, donated in accordance with [*10 U.S.C. 7306*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GS91-NRF4-40VS-00000-00&context=), will be used as static displays only for use as memorials and cannot be activated for the purpose of navigation or movement under its own power. Donations of vessels under any other authority of this section are subject to certain inspection and certification requirements. Applicants for vessels or service craft will be advised in writing by the office taking action on the applications that, should their request be approved and before operation of the vessel or service craft, one of the following stipulations will apply:
35. The donee agrees that if the vessel is 65 feet in length or less, it may not be operated without a valid certificate of inspection issued by the U.S. Coast Guard, while carrying more than six passengers, as defined in *46 U.S.C. 2101(21)(B)*.
36. The donee agrees that if the vessel is more than 65 feet in length, it may not be operated without a valid certificate of inspection issued by the U.S. Coast Guard.
37. In accordance with [*10 U.S.C. 7546*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GNG1-NRF4-44D9-00000-00&context=) and subject to the approval of the Navy Museum Curator, the nameplate or any small article of a negligible or sentimental value from a ship may be loaned or donated to any individual who sponsored that ship provided that such loan or donation will be at no expense to the Navy.
38. ***property.***In accordance with [*10 U.S.C. 2580*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GW71-NRF4-43YY-00000-00&context=), the Secretary of a Military Department may donate excess personal property to religious organizations (as described in *26 U.S.C. 501*), for the purposes of assisting such organizations in restoring or replacing property of the organization that has been damaged or destroyed as a result of arson or terrorism. The property authorized for donation will be limited to ecclesiastical equipment, furnishings and supplies that fall within FSC 9925, and furniture.
39. ***special donations (gifts), loans, and exchanges.***
40. The requirements of the recipient organization are:
41. For materiel no longer desired or authorized for continued use by a recipient organization, the Military Department will advise the recipient organization if it wants to repossess the property. Regardless of the **[\*68199]** determination made, care will be taken to ensure the recipient organization fulfills its responsibility to finalize the disposition action at no cost to the government. Repossession of the property will be governed by the property's historical significance, its potential for use in behalf of other requests, or its estimated sale value, if sold by the Department of Defense. Repossession of property will be documented; copies of the documentation will be retained by the donee and lender.
42. Based on type of property, its location, etc., it is not always feasible to require the physical movement of the property to the nearest DLA Disposition Services site. In these cases, the owning Military Department may elect to work with DLA Disposition Services for receipt and sale in-place, when economically feasible.
43. Return of property donated to the Navy is subject to the approval of the Curator for the Department of the Navy. Any article, materiel, or equipment, including silver service, loaned or donated to the naval service by any State, group, or organization may be returned to the lender or donee in accordance with [*10 U.S.C. 7546*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GNG1-NRF4-44D9-00000-00&context=). When the owner cannot be located after a reasonable search, or if, after being offered the property, the owner states in writing that the return of the property is not desired, the property will be disposed of in the same manner as other surplus property.
44. ***ates.***42 U.S.C. chapter 68 allows for disaster assistance to States.
45. 42 U.S.C. chapter 68, also known and referred to in this rule as "The Stafford Act" authorizes federal assistance to States, local governments, and relief organizations. Upon declaration by the President of an emergency or a major disaster, under, the Stafford Act, the State receiving the declaration is notified immediately and a notice of the declaration is published in the **Federal Register** by the Federal Emergency Management Agency (FEMA).
46. Excess personal property may be loaned to State and local governments for use or distribution for emergency or major disaster assistance purposes. Such uses may include the restoration of public facilities that have been damaged as well as the essential rehabilitation of individuals in need of major disaster assistance. The availability of Federal assistance under the Stafford Act is subject to the time periods prescribed in FEMA ***regulations***.
47. ***non-profit organizations.***Educational partnership (or other) agreements may be established for the loan or donation of property.
48. Under an educational partnership (or other) agreement, and consistent with [*10 U.S.C. 2194*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GP81-NRF4-41PH-00000-00&context=), the Secretary of Defense authorized the director of each defense laboratory to enter into one or more educational partnership agreements with U.S. educational institutions for the purpose of encouraging and enhancing study in scientific disciplines at all levels of education. The educational institutions will be local educational agencies, colleges, universities, and any other nonprofit institutions that are dedicated to improving science, mathematics, and engineering education. The point of contact is the DoD Technology Transfer Program Manager, Suite 1401 Two Skyline Place, 5203 Leesburg Pike, Falls Church, VA 22041-3466.
49. In accordance with [*15 U.S.C. 3710(i)*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GV11-NRF4-428X-00000-00&context=), the director of a DoD laboratory may directly transfer (donate) laboratory (*e.g.,* scientific, research) equipment that is excess to the needs of that laboratory to public and private schools and nonprofit institutions in the U.S. zone of interior (ZI).
50. Determinations of property suitable for donation will be made by the head of the laboratory. Property will be screened within the DoD laboratory and scientific community prior to release.
51. Laboratories should be aware that some property might be environmentally regulated and, if exported, may require a U.S. DoS or Commerce export license, including certain circumstances where exports to foreign parties take place in the U.S. Moreover, some property may require DEMIL. Standard eligibility criteria must be ensured and a screening process for determining trade and security control risk are mandatory.
52. **ity of uniquely identified items.**
53. The accountability of property will be enabled by IUID for identification, tracking, and management in accordance with DoD Instruction 5000.64 and DoD Directive 8320.03, "Unique Identification (UID) Standards for a Net-Centric Department of Defense" ([*http://www.acq.osd.mil/dpap/UID/attachments/832003p1-20070420.pdf*](http://www.acq.osd.mil/dpap/UID/attachments/832003p1-20070420.pdf)). DoD Component heads post changes to the property records for all transactions as required (*e.g.,* loan, loss, damage, disposal, inventory adjustments, item modification, transfer, sale) pursuant to DoD Instruction 5000.64.
54. IUID provides a standards-based approach to establish a UII encoded in a machine-readable two-dimensional data matrix barcode that serves to distinguish a discrete item from other items. Qualifying items as defined by DoD Instruction 8320.04, "Item Unique Identification (IUID) Standards for Tangible Personal Property" ([*http://www.dtic.mil/whs/directives/corres/pdf/832004p.pdf*](http://www.dtic.mil/whs/directives/corres/pdf/832004p.pdf)) will be marked with a two-dimensional Data Matrix barcode in accordance with Military Standard 130N, "Department of Defense Standard Practice Identification Marking of U.S. Military Property" (available at [*http://www.acq.osd.mil/dpap/pdi/uid/docs/mil-std130N\_ch1.pdf*](http://www.acq.osd.mil/dpap/pdi/uid/docs/mil-std130N_ch1.pdf)) and registered in the IUID Registry.
55. ***U.S. military property.***Military Standard 130N provides the item marking criteria for development of specific marking requirements and methods for identification of items of military property produced, stocked, stored, and issued by or for the DoD. It also provides the criteria and data content for both free text and machine-readable information applications of item identification two-dimensional data matrix marking and includes the IUID requirements of DoD Instruction 8320.04.
56. Enclosure 3 of DoD Instruction 8320.04 provides procedures for the registration of UIIs in the DoD IUID Registry.
57. ***stry --***
58. Authorized Government users may add items, update, and add events to existing items. Generating activities and DLA Disposal Services can register for access by following the instructions for the Business Partner Network Support Environment Registration System at [*https://iuid.logisticsinformationservice.dla.mil/BRS*](https://iuid.logisticsinformationservice.dla.mil/BRS).
59. ***riel disposition.***When an item leaves DoD inventory, its status, or life-cycle event, must be changed in the DoD IUID. A drop-down menu in the registry contains the possible life-cycle events: abandoned, consumed, destroyed by accident, destroyed by combat, donated, exchanged--repair, exchanged--sold, exchanged--warranty, expended--experimental/target, expended--normal use, leased, loaned, lost, reintroduced, retired, scrapped, sold--foreign government, sold--historic, sold--nongovernment, sold--other federal, sold--state/local, and stolen.
60. When an item that is marked with a UII enters the **[\*68200]** materiel disposition process through a transfer between Components or if the item leaves DoD inventory, an update to the IUID Registry is required. Procedures for performing required updates to the IUID Registry can be found in the IUID registry user manual available at [*https://iuid.logisticsinformationservice.dla.mil*](https://iuid.logisticsinformationservice.dla.mil).
61. **nsfer, and Sale of Property**
62. This part is composed of several subparts, each containing its own purpose. In accordance with the authority in DoD Directive 5134.12, "Assistant Secretary of Defense for Logistics and Materiel Readiness (ASD(L&MR))," DoD Instruction 4140.01, "DoD Supply Chain Materiel Management Policy," and DoD Instruction 4160.28, "DoD Demilitarization (DEMIL) Program," this part establishes the sequence of processes for the disposition of personal property of the DoD Components.
63. This subpart:
64. 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.
65. Provides guidance for removing excess material through security assistance programs and foreign military sales (FMS).
66. Provides detailed instructions for the sale of surplus property and FEPP, scrap released by QRPs, and non-QRP scrap.
67. This subpart applies to the Office of the Secretary of Defense, 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 (hereinafter referred to collectively as the "DoD Components").
68. 41 CFR chapters 101 and 102, also known as the Federal Property Management ***Regulation*** and Federal Management ***Regulation*** (FPMR and FMR), and 40 U.S.C. subtitle I, also known as the Federal Property and Administrative Services, take precedence over this part if a procedural conflict exists.

Unless otherwise noted, these terms and their definitions are for the purpose of this subpart:

*Abandonment and destruction (A/D).* A method for handling property that:

1. Is abandoned and a diligent effort to determine the owner is unsuccessful.
2. Is uneconomical to repair or the estimated costs of the continued care and handling of the property exceeds the estimated proceeds of sale.
3. 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 materiel release orders (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 disposal turn-in documents (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.

1. 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.

*Commerce control list (CCL) items (formerly known as strategic list item).* Commodities, software, and technology subject to export controls in accordance with Export Administration ***Regulations*** (EAR) in 15 CFR parts 730 through 774. 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.

*Continental United States (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).

*Contractor inventory.* (1) 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 U.S. Government (USG) and in excess of the amounts needed to complete full performance under the entire contract.

1. 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.

*Defense Logistics Agency (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 that has 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 **[\*68201]** Government installation and applies to both Government and contractor employees performing the disposal mission.

*Demilitarization (DEMIL) Code A.* DEMIL not required.

1. 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.

*DoD Activity Address Code (DoDAAC).* A 6-digit code assigned by the Defense Automatic Addressing System (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.

*DoD Item Unique Identification (IUID) Registry.* The DoD data repository that receives input from both industry and Government sources and provides storage of, and access to, data that identifies and describes tangible Government personal property.

*Donation.* The act of providing surplus personal property at no charge to a qualified donation recipient, as allocated by the General Services Administration (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 reutilization, transfer, and donation 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.* (1) *Domestic excess.* 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.

1. 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.
2. ***operty (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 § 273.15(b).

*Federal civilian agency (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 (DCC) in the second digit. A combination of the supply condition code and the DCC, which most accurately describes the materiel's physical condition.

1. ***CC).***Codes assigned by the DLA Disposition Services site based upon inspection of materiel at time of receipt.
2. 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.
3. See excess personal property.

*Foreign military sales (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 DoD 5105.38-M.

*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.

*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 U.S. 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 material provided to contractors on a cash-sale basis nor does it include military property, which are government-owned components, contractor acquired property, government furnished equipment, or major end items being repaired by commercial contractors for return to the government.

*GSAXcess(R).* A totally web-enabled platform that eligible customers use to access functions of GSAXcess(R) 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.

*Hazardous property (HP).* A composite term to describe DoD excess property, surplus 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 having one or more of the following characteristics:

1. Has a flashpoint below 200 [degrees] F (93 [degrees] C) closed cup, or is subject to spontaneous heating or is subject to polymerization with release of large amounts of energy when handled, **[\*68202]** stored, and shipped without adequate control.
2. 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/m<3>) for fumes, and equal to or less than 30 million particles per cubic foot or 10 mg/m<3> for dusts (less than or equal to 2.0 fibers per cubic centimeter greater than 5 micrometers in length for fibrous materials).
3. 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.
4. Is a flammable solid as defined in [*49 CFR 173.124*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5N7S-R4T0-008H-026F-00000-00&context=), or is an oxidizer as defined in [*49 CFR 173.127*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5HFT-CFY0-008H-03YN-00000-00&context=), 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.
5. Causes first-degree burns to skin in short-time exposure or is systematically toxic by skin contact.
6. May produce dust, gases, fumes, vapors, mists, or smoke with one or more of the characteristics in the course of normal operations.
7. Produces sensitizing or irritating effects.
8. Is radioactive.
9. Has special characteristics which, in the opinion of the manufacturer, could cause harm to personnel if used or stored improperly.
10. Is hazardous in accordance with 29 CFR part 1910, also known as the Occupational Safety and Health Standards.
11. Is hazardous in accordance with 49 CFR parts 171 through 179.
12. Is regulated by the Environmental Protection Agency in accordance with 40 CFR parts 260 through 280.

*Hazardous waste (HW).* An item that is regulated pursuant to [*42 U.S.C. 6901*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GSK1-NRF4-43XW-00000-00&context=) or by State ***regulation*** as an HW. HW is defined federally at 40 CFR part 261. Overseas, HW is defined in the applicable final governing standards or overseas environmental baseline guidance document, or host nation laws and ***regulations***.

*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:

1. Requires the use of such equipment.
2. 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: Columbo 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 Military Department or Defense Agency 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.

*Inventory control point (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).

*Item unique identification (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.

*Law enforcement agencies (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 reutilization, transfer, and donation.

*MAP property.* U.S. security assistance property provided under [*22 U.S.C.2151*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GM21-NRF4-40DY-00000-00&context=), 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.

*Material potentially presenting an explosive hazard (MPPEH).* Material owned or controlled by the Department of Defense that, prior to determination of its explosives safety status, potentially contains explosives or munitions (*e.g.,* munitions containers and packaging material; munitions debris remaining after munitions use, demilitarization, or disposal; and range-related debris) or potentially contains a high enough concentration of explosives that the material presents an explosive hazard (*e.g.,* equipment, drainage systems, holding tanks, piping, or ventilation ducts that were associated with munitions production, demilitarization, or disposal operations). Excluded from MPPEH are munitions within the DoD-established munitions management system and other items that may present explosion hazards (*e.g.,* gasoline cans and compressed gas cylinders) that are not munitions and are not intended for use as munitions.

*Munitions list item (MLI).* Any item contained on the USML in 22 CFR part 121. Defense articles, associated technical data (including software), and defense services recorded or stored in any physical form, controlled by 22 CFR parts 120 through 130. 22 CFR part 121, which contains the USML, 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 **[\*68203]** civilian public at regularly scheduled hours, and is 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.

*National stock number (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.

*Nonappropriated funds (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 activities or nonappropriated morale 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 *26 U.S.C. 501*, also known as the Internal Revenue Code of 1986.

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

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

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

*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.

*Qualified recycling programs (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, 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 Supply condition codes (SCCs), H, P, and R) 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 (usually SCCs E, F, and G). Reclamation 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 41 CFR chapter 102 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 Department of State (DoS), Department of Commerce (DOC), or Treasury have determined to be prohibited or sanctioned for the purpose of export, sale, transfer, or resale of items controlled on the United States Munitions List (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*](http://export.gov/ecr/eg_main_023148.asp)*.*

*Reutilization.* The act of re-issuing FEPP and excess property to DoD Components. Also includes qualified special programs (*e.g.,* LEA, Humanitarian Assistance Program (HAP), Military Affiliate Radio System (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.

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

1. 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. [*41 CFR 102-36.40*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5GFW-1Y00-008H-04XF-00000-00&context=) provides additional information on scrap.

*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 reutilization, transfer, or surplus donation 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, **[\*68204]** 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.

*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 (HW), 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 Web site ([*https://www.dispositionservices.dla.mil/rtd03/miscprograms.shtml*](https://www.dispositionservices.dla.mil/rtd03/miscprograms.shtml)).

*State agency for surplus property (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 [*40 U.S.C. 549*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GN91-NRF4-42NV-00000-00&context=).

*State or local government.* A State, territory, or possession of the United States, the District of Columbia, and any political subdivision or instrumentality thereof.

*Transfer.* The act of providing FEPP and excess personal property 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.

*Trade security control (TSCs).* Policy and procedures, in accordance with DoD Instruction 2030.08, 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***, the International Traffic in Arms ***Regulations*** (ITAR) in 22 CFR parts 120 through 130, and the EAR in 15 CFR parts 730 through 774.

*Unique item identifier (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.

*Zone of interior (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.

It is DoD policy consistent with 41 CFR chapters 101 and 102 that excess DoD property must be screened and redistributed among the DoD Components, and reported as excess to the GSA. Pursuant to *40 U.S.C. 701*, DoD will efficiently and economically dispose DoD FEPP.

1. The Assistant Secretary of Defense for Logistics and Materiel Readiness (ASD(L&MR)), under the authority, direction, and control of the USD(AT&L), and in accordance with DoD Directive 5134.12:
2. Develops DoD materiel disposition policies, including policies for FEPP.
3. Oversees the effective implementation of the DoD materiel disposition program.
4. Approves changes to FEPP procedures as appropriate to support contingency operations.
5. The Director, Defense Logistics Agency (DLA), under the authority, direction, and control of the Under Secretary of Defense for Acquisition, Technology, and Logistics, through the Assistant Secretary of Defense for Logistics and Materiel Readiness (ASD(L&MR)):
6. Administers the worldwide Defense Materiel Disposition Program for the reutilization, transfer, screening, issue, and sale of FEPP, excess, and surplus personal property.
7. 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.
8. Annually provides to ASD(L&MR) a summary of sales proceeds from recycling transactions in accordance with [*10 U.S.C. 2577*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GM41-NRF4-40XN-00000-00&context=).
9. Ensures prompt processing of monthly sales proceeds under the QRP to DoD Components for reconciliation of sales proceeds and transactions.
10. The DoD Component Heads:
11. Implement the procedures prescribed in this subpart and ensure that supplemental guidance and procedures are in accordance with 41 CFR chapters 101 and 102.
12. Reutilize, transfer, screen, issue and sell FEPP, excess and surplus personal property according to the procedures in § 273.15(a) and (c).
13. 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.
14. Furnish the Director, DLA, with mutually agreed-upon data necessary to administer the Defense Materiel Disposition Program.
15. 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).
16. Dispose HP specifically designated as requiring Military Department processing.
17. Request DLA Disposition Services provide sales services, as needed, for recyclable marketable materials generated as a result of resource recovery programs.
18. Monitor, with DLA Disposition Services Site personnel, all property sent to landfills to ensure no economically salable property is discarded.
19. Report, accurately identify on approved turn in documents, and turn in all authorized scrap generations to servicing DLA Disposition Services Sites.
20. Authorize installation commanders, as appropriate, to sell directly recyclable and other QRP materials, or to consign them to the DLA Disposition Services for sale.
21. ***scrap generated from QRPS, and non-QRP scrap --***
22. The provisions of this section are pursuant to 41 CFR chapters 101 and 102, also known as the FPMR and FMR, respectively. **[\*68205]**
23. Policy and procedures for the control of MLIs and Commerce Control List (CCL) items are contained in DoD Instruction 4160.28, DoD 4160.28-M Volumes 1-3, DoD Instruction 4140.62, "Materiel Potentially Presenting an Explosive Hazard" (available at [*http://www.dtic.mil/whs/directives/corres/pdf/414062p.pdf*](http://www.dtic.mil/whs/directives/corres/pdf/414062p.pdf)), the International Traffic in Arms ***Regulations*** (ITAR) in 22 CFR parts 120 through 130, and the EAR in 15 CFR parts 730 through 774, and incorporated in the provisions of DoD Instruction 2030.08.
24. [*31 U.S.C. 3711*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GJV1-NRF4-44G6-00000-00&context=)-[*3720E*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GW01-NRF4-4181-00000-00&context=) provides an additional statutory requirement applicable to the sale of personal property.
25. 48 CFR part 33 provide additional guidance on handling disputes from the sale of personal property.
26. 48 CFR subpart 9.4 of the Federal Acquisition ***Regulation*** (FAR), current edition, provides direction on the debarment or suspension of individuals or entities.
27. 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 DoD Manual 4160.21, Volume 2.
28. DoD Directive 3230.3, "DoD Support for Commercial Space Launch Activities" (available at [*http://www.dtic.mil/whs/directives/corres/pdf/323003p.pdf*](http://www.dtic.mil/whs/directives/corres/pdf/323003p.pdf)) allows the sale of dedicated expendable launch vehicle (ELV) equipment directly to commercial ELV vendors in consultation with the Secretary of Transportation.
29. This subpart does not govern the sale of property that is regulated by the laws or agencies identified in paragraphs (a)(2)(i) through (iv) of this section. The information in paragraphs (a)(2)(i) through (iv) is included for the DoD Components to reference when commodities in their possession become excess and disposal requires compliance with this part.
30. The Strategic and Critical Materials Stock Piling Act ([*50 U.S.C. 98*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GK31-NRF4-41NY-00000-00&context=) *et seq.*) 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."
31. 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.
32. Under the provisions of [*10 U.S.C. 2576*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GJS1-NRF4-43KX-00000-00&context=), 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:
33. Have been determined to be surplus property.
34. 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.
35. Do not include used gas masks and any protective body armor.
36. DLA Disposition Services provides a sales service to the DoD pursuant to the exchange or sale according to the procedures in DoD Manual 4140.01 that implement the authority in 41 CFR part 102-39; however, general and specific provisions through this method of sale are not addressed in this subpart. More information may be obtained from the DLA Disposition Services Exchange Sale Web site at [*http://www.dispositionservices.dla.mil/sales/typesale.shtml*](http://www.dispositionservices.dla.mil/sales/typesale.shtml)*.*
37. ***FEPP, scrap generated by QRPs, and other scrap.***
38. 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.
39. 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.
40. 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, DoD Manual 4140.01, and 41 CFR chapters 101 and 102.
41. DoD Components advertise excess and surplus personal property for sale only after all prescribed screening actions are taken, unless screening is not required. See DoD Manual 4160.21 Volume 4 for exempt items.
42. Sales actions include planning, merchandising, pre-award reviews, bid evaluation and award, contract administration, proceeds receipt and disbursement, and releasing the property.
43. 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 Web site at [*https://www.dispositionservices.dla.mil/sales/index.shtml*](https://www.dispositionservices.dla.mil/sales/index.shtml).
44. Within the 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.
45. 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.
46. DoD Components implement controls to mitigate security risks associated with the release or disposition of DEMIL Code B 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 15 CFR parts 730 through 774. DEMIL B and DEMIL Q items, including those posing no risk to national security are not permitted for sale.
47. 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).
48. 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 **[\*68206]** screening by DoD and approved Special Programs customers.
49. LTS property can be screened electronically on the DLA Disposition Services Web site at [*https://www.DispositionServices.dla.mil/asset/govegeo1.html*](https://www.DispositionServices.dla.mil/asset/govegeo1.html). No physical screening is permitted at the LTS facility.
50. 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.
51. SCC Q materiel with Management Code S (as defined in DLM 4000.25-1 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.
52. Hazardous property may be offered for sale with appropriate terms and conditions. Prior to award, DoD Components conduct a pre-award review to determine whether the prospective purchaser meets the responsibility criteria in 41 CFR chapter 102. The prospective purchaser must display the ability to comply with applicable laws and ***regulations*** before the DoD Components can make an award.
53. 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 15 CFR parts 730 through 774 and with additional DoD guidance in DoD 4160.28-M Volumes 1-3. 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 DoD Manual 4160.21, Volume 2 for additional information.
54. Other types of sales offerings for property requiring special handling must include applicable terms and conditions.
55. All persons or organizations are entitled to purchase property offered by DLA Disposition Services except for:
56. Anyone under contract to conduct a specific sale, their agents or employees, and immediate members of their households.
57. 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.
58. Any persons or organizations intending to ship FEPP, excess and surplus personal property to restrictedparties. See [*http://pmddtc.state.gov/embargoed\_csuountries/index.html*](http://pmddtc.state.gov/embargoed_csuountries/index.html) or [*https://demil.osd.mil/*](https://demil.osd.mil/) or [*http://treas.gov/offices/enforcement/ofac/programs*](http://treas.gov/offices/enforcement/ofac/programs) for additional information on shipments to restricted parties.
59. Persons under 18 years of age.
60. 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*](http://epls.gov) or [*https://demil.osd.mil/*](https://demil.osd.mil/) or [*http://treas.gov/offices/enforcement/ofac/sdn/*](http://treas.gov/offices/enforcement/ofac/sdn/) or [*http://bis.doc.gov/complianceandenforcement/liststocheck.htm*](http://bis.doc.gov/complianceandenforcement/liststocheck.htm)*.*
61. Persons or entities who wish to purchase MLI or CCL items who do not meet the requirements to receive an end user certificate (EUC) as specified in [*22 U.S.C. 2778*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GVJ1-NRF4-42MD-00000-00&context=) *et seq.,* also known as the Arms Export Control Act, and the implementing ***regulations*** 22 CFR parts 120 through 130, also known as the International Traffic In Arms ***Regulations*** and 15 CFR parts 730 through 774, also known as the Export Administration ***Regulations***. Information on demilitarized materiel is provided at [*https://demil.osd.mil/*](https://demil.osd.mil/). A consolidated list of prohibited entities or destinations may be found at [*http://export.gov/ecr/eg\_main\_023148.asp*](http://export.gov/ecr/eg_main_023148.asp)*.*
62. Disposable assets (FEPP, scrap, NAF property, disposable (MAP property, etc.) may not be sold directly or indirectly to restricted parties or any other areas designated by DoD 4160.28-M Volumes 1-3.
63. DoD Components will update the DoD IUID Registry when an item of personal property with a 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 § 273.9.
64. ***g personal property --***
65. Selling agencies:
66. Determine whether to sell as the holding agency or request another agency to sell on behalf of the holding agency.
67. Ensure the sale complies with the provisions of [*40 U.S.C. 549*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GN91-NRF4-42NV-00000-00&context=), and any other applicable laws.
68. Issue internal guidance for utilizing methods of sale stipulated in subchapter B of 41 CFR chapter 102, and promote uniformity of sales procedures.
69. 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).
70. Ensure that all sales are made after publicly advertising for bids, except as provided for negotiated sales in [*41 CFR 102-38.100*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5GFW-1XH0-008H-0094-00000-00&context=) through [*102-38.125*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5GFW-1XH0-008H-0098-00000-00&context=).
71. Document the required terms and conditions of each sale, including but not limited to those terms and conditions specified in [*41 CFR 102-38.75*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5GFW-1Y60-008H-02KJ-00000-00&context=).
72. 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.
73. 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 SCOs. The selling agency determines the requirements for approval (*e.g.,* select the monetary thresholds for awarding sales contracts).
74. 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 [*41CFR 102-38.50*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5GFW-1Y60-008H-02KD-00000-00&context=) and [*102-38.225*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5GFW-1XJ0-008H-00B0-00000-00&context=).
75. 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 [*41 CFR 102-38.325*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5GFW-1XJ0-008H-00BM-00000-00&context=).
76. Be accountable for the care, handling, and associated costs of the **[\*68207]** personal property prior to its removal by the buyer.
77. Reconcile property and financial records to reflect the final disposition.
78. Make the property available to 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.
79. Subject small quantities of low dollar value property in poor condition to the A/D Economy Formula (see Enclosure 3 to DoD Manual 4160.21, Volume 2). 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.
80. Ensure that the DoD IUID Registry is updated for DoD personal property items marked with a UII in accordance with § 273.6.
81. ***sposition 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 (a)(4)(i) of this section:
82. 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.
83. 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.
84. Provide direction to the DLA Disposition Services site through its internal operating procedures and automated systems.
85. Verify that personal property items marked with a UII and offered for sale have been updated in the DoD IUID Registry.
86. ***le --***
87. Sale of personal property is authorized in 41 CFR part 102-38 by the methods of sale identified in paragraphs (a)(4)(iii)(A)(*1*) through (*4*) of this section. (See § 273.12 for definitions.)
88. Sealed bid.
89. Spot bid.
90. Auction.
91. Negotiated sale. Criteria for negotiated sales include:
92. 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 USG. Large quantities of materiel were not divided nor disposed through multiple sales in order to avoid these requirements.
93. 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.
94. 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.
95. Bid prices after advertising are not reasonable and re-advertising would serve no useful purpose.
96. 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).
97. The sale promotes public health, safety, or national security.
98. 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.
99. 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).
100. The sale is otherwise authorized by 41 CFR chapter 102 or other law.
101. Negotiated fixed price.
102. The head of the selling agency or designee must determine and document that this method of sale serves the best interest of the government.
103. 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.
104. ***excess, and other categories of property.***Within the constraints of the FMR-authorized methods of sale in paragraphs (a)(4)(iii)(A)(*1*) through (*5*) of this section, 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:
105. One-time sales for disposal of property already generated. Actual deliveries may comprise several release transactions.
106. 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.
107. ***g.***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:
108. A description of the property.
109. The acquisition cost and date. If not known, an estimate of the acquisition cost, identified as such.
110. The estimated fair market value, including the date of the estimate and name of the estimator.
111. The name and address of purchaser.
112. The date of sale.
113. The gross and net sales proceeds.
114. A justification for conducting the negotiated sale.
115. ***il 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.
116. 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:
117. All items must undergo screening, as appropriate, before being offered for retail sale.
118. Each item being sold must have a fair market value of less than $ 15,000.
119. 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.
120. 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.
121. Retail sales are limited to the Federal Supply Classification Codes (FSCs), according to the DEMIL code **[\*68208]** assigned and GSA approval, which are in 41 CFR chapter 102.
122. Property must be DEMIL Code A and have a DEMIL Integrity Code 1, 7, or 9.
123. 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.
124. Approval in accordance with 41 CFR chapters 101 and 102 is required to sell scrap by the retail sale method.
125. 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:
126. 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.
127. An agent, employee, or immediate member of the household of personnel in paragraph (a)(4)(v)(C)(*1*) of this section.
128. 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.
129. Property reporting and sale schedules are developed to ensure expeditious property disposal, maximum ***competition***, maximum sale proceeds, good public relations, and uniform workload.
130. The selling agency will provide advance notice of all proposed or scheduled ***competitive*** bid sales (except negotiated) of surplus usable property. This includes property:
131. 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.
132. With a total acquisition cost of $ 250,000 or more per sale.
133. With a minimum potential return of $ 5,000 per sale of scrap and recyclable material.
134. ***e and open competition.***DoD Components will:
135. Bring property offered for sale to the attention of the buying public by free publicity and paid advertising.
136. Make every effort to obtain maximum free publicity through sites such as a Government-wide point of entry, [*https://www.fedbizopps.gov*](https://www.fedbizopps.gov)*.*
137. Employ the amount of paid advertising commensurate with the type and value of property being sold.
138. Distribute sale offerings to prospective purchasers before the first day of the inspection period.
139. ***on of sale offerings --***
140. 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 Web site ([*www.dispositionservices.dla.mil*](http://www.dispositionservices.dla.mil)).
141. 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).
142. Prepare sale offerings to provide prospective purchasers with general information and instructions.
143. 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:
144. Inspection results.
145. Condition and location of property.
146. Eligibility of bidders.
147. Consideration of bids.
148. Bid deposits and payments.
149. Submission of bids.
150. Bid price determination.
151. Legal title of ownership.
152. Delivery, loading, and removal of property.
153. Default, returns, or refunds.
154. Modifications, withdrawals, or late bids.
155. Requirements to comply with applicable laws and ***regulations***.
156. Certificate of independent price determination.
157. Covenant against contingent fees.
158. Limitation of government liability.
159. Award of contract.
160. 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.
161. 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 DoD 4160.28-M Volumes 1-3.
162. The sales offering must also include a requirement for the bidder to provide an 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.
163. The EUC for scrap mutilation residue must be incorporated into the sales offering for all MLI and CCL items property, including mutilation residue that may still be classified as DEMIL Code B or Q.
164. Each sales offering will include an electronic or physical inspection period of at least 7 calendar days before the bid opening.
165. 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.
166. 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.
167. Selling agencies will implement a payment policy, pursuant to 41 CFR chapter 102 that protects the government against fraud.
168. Acceptable forms of payment include but are not limited to:
169. 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).
170. 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.
171. Electronic funds transfer. Special instructions are available through the DLA Disposition Services Web site and **[\*68209]** must be followed if this option is chosen.
172. Credit or debit cards.
173. Combinations of payment methods in paragraphs (a)(6)(v)(B)(*1*) through (*5*) of this section.
174. Other acceptable forms of payment include:
175. 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 be an original or clearly state on its face that reproductions of the original document may be considered as an original document, and 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).
176. 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).
177. Any form of payment received from a NAF instrumentality or a State or local government.
178. 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.
179. 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:
180. 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). When required, DFAS will submit the requests through the chain of command to DoS and Department of Treasury for approval. 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.
181. 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 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; 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; the currency is not that of a country whose assets in the United States are blocked by Department of Treasury ***regulations***; the currency is that of a country with which the United States maintains diplomatic relations; and 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.
182. Selling agencies must document the transfer of title of the property from the government to the purchaser:
183. By providing to the purchaser a bill of sale.
184. By notification within a contract clause stipulating when the transfer is affected. For instance:
185. Upon removal from the exact location specified in the sales offering.
186. Upon certification and signature by the government that all required demilitarization has been accomplished in accordance with DoD Instruction 4160.28.
187. 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*](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.
188. 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.
189. 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.
190. 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.
191. All sales offers will include the disputes clause contained in [*48 CFR 52.233-1*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5SM7-TJ10-008H-014H-00000-00&context=) of the FAR.
192. ***a.***
193. 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 Web site at [*http://epls.gov*](http://epls.gov) or the OSD DEMIL Web site at [*https://demil.osd.mil/*](https://demil.osd.mil/)*.*
194. 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.
195. ***f bidders.***
196. [*41 CFR 102-38.170*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5GFW-1XH0-008H-009K-00000-00&context=), [*31 U.S.C. 6101*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GHN1-NRF4-4342-00000-00&context=) note, Executive Order 12549, "Debarment and Suspension" (February 18, 1986), and Executive Order 12689, "Debarment and Suspension" (August 16, 1989) 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 48 CFR subpart 9.4 of the FAR 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. **[\*68210]**
197. Appointed SARs and SCOs will:
198. Prepare recommendations for suspension or debarment from the sale of Federal property and acquisition contracts.
199. Forward them to their respective servicing legal offices.
200. Prepare reports recommending suspension or debarment using the procedures described in 48 CFR subpart 209.4 of the Defense FAR Supplement, current edition, in all cases where purchasers are recommended for suspension or debarment.
201. In addition to applicable guidance in 48 CFR subpart 9.4 and [*48 CFR 45.602-1*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5SM7-TJ20-008H-01C0-00000-00&context=), [*52.233-1*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5SM7-TJ10-008H-014H-00000-00&context=), and 14.407 of the FAR and 48 CFR subpart 209.4 of the Defense FAR Supplement, current edition, 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 [*48 CFR 9.403*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5SM7-TJ00-008H-00W8-00000-00&context=) of the FAR, and may be suspended or debarred.
202. Parties who violate trade security control (TSC) policies may be recommended for debarment or suspension.
203. ***asers.***
204. 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.
205. Circumstances where the SAR or SCO must initiate action include:
206. At bid opening. Bidders can bid if they cure the debt prior to the opening.
207. As the result of monies owed the contractor as a refund.
208. As a result of monies received for bid deposit.
209. As a result of failure to make payment for overages, ancillary charges, etc.
210. As a result of affiliation with suspended bidder.
211. 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.
212. SARs or SCOs will contact the bidder and advise that the monies have been deposited to offset the specific indebtedness.
213. 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 [*31 U.S.C. 3711*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GJV1-NRF4-44G6-00000-00&context=)-[*3720E*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GW01-NRF4-4181-00000-00&context=) for the collection of debts owed to the United States.
214. ***sible bidders.***
215. Only responsive bids (as defined in the § 273.12) may be considered for award.
216. 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.
217. The selling agency must determine that the bidder is a responsible person or represents a responsible entity.
218. 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.
219. ***drawal.***
220. 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.
221. 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.
222. ***award.***
223. The administrative procedures for handling mistakes in bids (prior to or after award) are contained in [*41 CFR 102-38.260*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5GFW-1XJ0-008H-00B7-00000-00&context=), which utilizes the processes of 48 CFR 14.407 of the FAR for federal property sales.
224. 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.
225. A signed copy of the administrative determination must be included in the contract file and provided to the Government Accountability Office, when requested.
226. 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.
227. 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.
228. 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.
229. 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.
230. ***--***
231. SARs or SCOs will:
232. Be appointed by agency heads or their designees to act as selling agents for the USG.
233. Enter into and administer contracts for the sale of government property pursuant to the provisions of *40 U.S.C. 101* *et seq.* and other applicable statutes and ***regulations***.
234. Award and distribute contracts to responsible bidders whose bids conform to the sales offering and are the most advantageous to the government.
235. Be authorized to reject bids in accordance with paragraph (a)(10)(v) of this section.
236. Sign under the title of "Sales Agency Representative" or "Sales Contracting Officer."
237. Sign all contracting documentation on behalf of the USG.
238. Be responsible for the proper distribution of sales proceeds.
239. ***les and awards.***
240. 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.
241. 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 [*41 CFR 102-38.325*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5GFW-1XJ0-008H-00BM-00000-00&context=). Selling agencies will otherwise comply with all requirements of 41 CFR chapter 102 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.
242. The head of a selling agency or designee must approve all negotiated sales of personal property. Selling **[\*68211]** 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 [*40 U.S.C. 549*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GN91-NRF4-42NV-00000-00&context=).
243. ***id 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.
244. ***dissemination of awards information.***
245. 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).
246. Bids are disclosed as they are submitted on spot bids or auctions.
247. Selling agencies will prescribe contract administration procedures for the various methods of sale, to include procedures for:
248. Disseminating award information.
249. Billing.
250. Default and liquidation.
251. Establishing contract folders, including file maintenance and disposition.
252. Contract administration files will consist of a sale folder, financial folder, individual contract folder(s), and an unsuccessful bids folder for each sale.
253. Selling agencies will develop procedures for maintaining, completing, reviewing, and auditing these files. All pertinent documentation, including EUC, licenses, pre-award reviews, etc., must be included in the files.
254. Documentation found in these files may be subject to *5 U.S.C. 552*, 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.
255. Collection and distribution of sales proceeds.
256. Ensuring all requirements of the contract (*e.g.,* non-payment, required licenses) are met prior to releasing the property.
257. Making modifications to contracts resulting from changes to the original contract.
258. Handling public requests for information.
259. Timely review and closure of each contract.
260. Timely review and closure of each sale.
261. ***or SCO responsibilities.***
262. Cashiers must be duly trained in the handling and processing of monies collected as payment on sales.
263. Cashiers must credit sales proceeds in accordance with chapter 5 of Volume 11A of DoD 7000.14-R, "Department of Defense Financial Management ***Regulations*** (FMRs)" (available at [*http://comptroller.defense.gov/fmr/current/11a/11a\_05.pdf*](http://comptroller.defense.gov/fmr/current/11a/11a_05.pdf)).
264. ***nded or debarred bidders.***Refer all inquiries regarding suspended or debarred bidders to the office effecting the action.
265. ***owing sales.***
266. 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.
267. Prior to releasing sold property, assigned personnel will:
268. Verify the sale items to be delivered or shipped to purchasers against the sale documents to prevent theft, fraud, or inappropriate release of property.
269. 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.
270. Weigh property sold by weight at the time of delivery to the purchaser.
271. Count or measure property sold by unit at the time of delivery.
272. 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.
273. 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(R).
274. 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.
275. Pursuant to 41 CFR chapter 102, 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.
276. Make requests to the selling agency by the most expeditious means. With the exception of ICP or IMM and NMCS orders, requests will provide full justification including a statement that the property is needed to satisfy a valid requirement.
277. Withdrawals may not be processed subject to property inspection for acceptability. Inspect property before requesting withdrawal.
278. Orders submitted by ICPs or IMMs do not require justification statements before award.
279. With the exception of ICPs and IMMs, minimum written information **[\*68212]** required in the package for withdrawal requests includes:
280. 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.
281. 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).
282. A summary of efforts made to find assets meeting the requirement from other sources, including consideration of substitute items.
283. 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 DoD Instruction 2030.08.
284. As property moves through the sales cycle, constraints are placed on requests for withdrawals from sale.
285. 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.
286. 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.
287. DLA approval, with DLA legal concurrence, is required on any withdrawal request after the award but before removal.
288. 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.
289. In accordance with [*10 U.S.C. 2583*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GJM1-NRF4-429J-00000-00&context=), 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 [*22 U.S.C. 121*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GJM1-NRF4-422R-00000-00&context=) and assigned a DEMIL Code of B in accordance with DoD 4160.28-M Volumes 1-3. For each sale, the report will specify:
290. The date of the sale.
291. The DoD Component conducting the sale.
292. The manner in which the sale was conducted (method of sale).
293. Description of the military items that were sold or offered for sale.
294. The purchaser of each item, if awarded.
295. The stated end-use of each item sold.
296. 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.
297. ***cling program.***
298. All DoD installations worldwide will have recycling programs as required by DoD Instruction 4715.4 with goals for recycling as outlined in Executive Order 13514.
299. Pursuant to [*10 U.S.C. 2577*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GM41-NRF4-40XN-00000-00&context=) and 48 CFR subpart 209.4 of the DFARS, 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.
300. 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.
301. Each DoD Component will designate a coordinator for each QRP and ensure the GOCO facilities participate in QRP.
302. 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 section and those that cannot be recycled through QRP are provided in Table 2 of this section, both from the complete list in DoD Instruction 4715.4.
303. 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 the Department of Defense in disposal costs, or when diversion 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.

| **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 | Expended 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 DoD Instruction 4715.4, except overseas. |
| 4 | Storage and beverage containers (metal, glass, and |
|  | plastic). |
| 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 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 | PM-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. |
| 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 DoD 4160.28-M Volumes 1-3 and |
|  | DoDI 4140.62. |
| 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.). |

1. Installation commanders authorized by their DoD Component head, as appropriate, may sell directly recyclable and other QRP materials, or consign them to the DLA Disposition Services for sale. If selling directly, installations will:
2. Maintain operational records for annual reporting requirements, review, and program evaluation purposes.
3. Manage processes, reports, and proceeds distribution in accordance with 41 CFR chapters 101 and 102 and DoD 7000.14-R.
4. Excluded material is identified in Attachment 2 to DoD Instruction 4715.4, which provides a guide of eligible and ineligible materials.
5. 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.
6. 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 DoD Instruction 4715.4.
7. ***ct (CSLA).***
8. The purpose of the CSLA, 51 U.S.C. Chapter 509, 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.
9. 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 ELVs and national security interests.
10. The DLA Disposition Services is the primary office to conduct CSLA sales following the direction for pricing and disposition as specified in DoD Directive 3230.3 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.
11. ***--***
12. Authority for security assistance is provided primarily under [*22 U.S.C. 2751*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GM31-NRF4-40T2-00000-00&context=) *et seq.* (also known as the Arms Export Control Act) and annual appropriation acts for foreign operations, export financing, and related programs.
13. ***m requirements.***
14. 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.
15. 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 DoD 5105.38-M.
16. ***.***Disposal initiatives and actions will be in accordance with DoD 5105.38-M or guidance provided by security assistance implementing agencies on a case-by-case basis.
17. ***ry --***
18. FEPP, **[\*68214]** 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 [*22 U.S.C. 2151*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GM21-NRF4-40DY-00000-00&context=), [*2321b*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GM01-NRF4-4552-00000-00&context=), [*2321j*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GMT1-NRF4-42WX-00000-00&context=), 2443, [*2751*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GM31-NRF4-40T2-00000-00&context=), and [*2778*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GVJ1-NRF4-42MD-00000-00&context=) *et seq.* Such defense articles may be made available for sale under the FMS Program. Transactions under this authority are reimbursable.
19. FMS transactions are completed by use of letters of offer and acceptance and the procedures specified in DoD 5105.38-M.
20. ***defense articles (EDAs).***[*22 U.S.C. 2321j*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GMT1-NRF4-42WX-00000-00&context=) 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 [*22 U.S.C. 2321j(e)*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GMT1-NRF4-42WX-00000-00&context=).
21. As a general rule, FMS customers are responsible for all transportation costs.
22. 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.
23. Sensitive and some other FMS shipments may be made via the Defense Transportation System (DTS).
24. Sensitive shipments not going through the DTS must be routed through a DoD-controlled port (Delivery Term Codes 8, B, or C). See Appendix E, paragraph H.1, Part II of the Defense Transportation ***Regulations*** 4500.9-R, "Defense Transportation ***Regulations***", current edition (available at [*http://www.transcom.mil/dtr/part-ii/dtr\_part\_ii\_app\_e.pdf*](http://www.transcom.mil/dtr/part-ii/dtr_part_ii_app_e.pdf)).
25. 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.
26. Unless otherwise directed by the implementing agency or DLA Disposition Services FMS Office:
27. Send small items collect via Federal Express or other parcel service to designated freight forwarder.
28. Send less than truckload shipments collect via common carrier to designated freight forwarder.
29. 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.
30. For sensitive Delivery Term Code 8 property, in accordance with Part II of the Defense Transportation ***Regulation*** 4500.9-R, 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.
31. 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.
32. In accordance with [*22 U.S.C. 2403*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GTK1-NRF4-43GS-00000-00&context=), 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 section.
33. Eligibility for FMS is listed in Table C4.T2 of DoD 5105.38-M. Eligibility to receive excess property as a grant pursuant to [*22 U.S.C. 2151*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GM21-NRF4-40DY-00000-00&context=), 2321, [*2751*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GM31-NRF4-40T2-00000-00&context=), [*2778*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GVJ1-NRF4-42MD-00000-00&context=) *et seq.* 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.
34. Foreign countries and international organizations may screen and request DLA Disposition Services assets during DLA Disposition Services reutilization screening periods.
35. [*10 U.S.C. 2562*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GNY1-NRF4-43Y7-00000-00&context=)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.
36. DSCA will provide guidance for the transfer of items.
37. Pricing of FMS is governed by DoD 7000.14-R.
38. ***excess screening, and issue (includes donation of DLA Disposition Services assets) --***
39. The provisions of this section are based on the guidelines of 41 CFR chapters 101 and 102.
40. The scope of this section includes the RTD screening, ordering, issuing, and shipment of DoD FEPP, excess, and surplus personal property.
41. 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.
42. See § 273.8 for additional guidance on the DoD HAP, LEAs, DoD or Service museums, National Guard units, Senior Reserve Officer Training Corps (ROTC) units, morale, welfare, recreational activities (MWRAs), the MARS, Civil Air Patrol (CAP), and DoD contractors.
43. See § 273.8 and paragraph (b) of this section for additional information on foreign governments and international organizations.
44. DoD policy, in accordance with 41 CFR chapters 101 and 102, 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.
45. Customers can electronically request specific 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 (c)(3)(vii) of this section for procedures on the automated want lists.
46. The UII mark, if applicable, will not be removed from a personal property item offered for RTD.
47. ***perty --***
48. DoD reutilization is accomplished electronically via MILSTRIP and DLA Transaction Services, through the DLA Disposition Services Web site.
49. At the end of the DoD exclusive internal screening cycle, DoD excess property (excluding FEPP, scrap and HW) is transmitted to the GSAXcess(R), and GSA assumes control of federal agency transfer and donation screening. The property remains in DLA **[\*68215]** Disposition Services accounts and can be viewed on their Web site.
50. GSA federal screening is accomplished through the GSAXcess(R) platform that is a customer interface to the Federal Disposal System (FEDS). DoD personnel may shop in GSAXcess(R) 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(R) and includes the transportation costs in the cost of the item.
51. Enclosure 7 to DoD Manual 4160.21, Volume 2 and Enclosure 3 to DoD Manual 4160.21, Volume 4 provides additional information on screening for excess personal property by category.
52. All references to days are calendar days unless otherwise specified.
53. 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.
54. DLA Disposition Services provides reasonable access to authorized personnel for inspection and removal of excess personal property.
55. ***for excess personal property --***
56. 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.
57. ***creening Cycle (14 days).***DoD and the Special Programs identified in § 273.8 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.
58. ***ycle (21 days).***FCAs and GSA-authorized donees screen property in GSAXcess(R) 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(R) 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(R).
59. ***5 days).***The following 5 days are set aside for GSA to allocate assets to fill donee requests. During this allocation period, no GSAXcess(R) ordering can be made.
60. ***er/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.
61. Table 3 of this section 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 | Days 1-14 | Days 15-42. |
|  | Programs |  |  |
| Transfer | All Federal | Days 15-35 | Days 15-42. |
|  | Agencies |  |  |
| Donation | Authorized GSA | Days 15-35 | Days 36-42. |
|  | Donees |  |  |
| RTD2 | All RTD | Days 41-42 | Days 41-42. |
|  | Customers |  |  |
| Sale | General Public | N/A | N/A. |

1. Screening timeline and procedures for FEPP will generally follow those listed in paragraph (c)(3)(ii) of this section.
2. During contingency operations, the ASD (L&MR) may approve expedited screening timelines and changes to issue priorities.
3. DoD reutilization screening is accomplished electronically via MILSTRIP and DLA Transaction Services through the DLA Disposition Services Web site. If the electronic method is unsuccessful, please fax the following on agency letterhead: Name, phone number, point of contact, internet provider (IP) address, and two signatures of authorized individuals to DLA Disposition Services Reutilization Office at fax commercial 269-961-7348 or DSN 661-7348.
4. 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.
5. Users must obtain an access code from GSA to screen through GSAXcess(R). To learn about GSAXcess(R) and obtain access code information, see: [*http://apps.fss.gsa.gov/Manuals/Feds\_Users\_guide*](http://apps.fss.gsa.gov/Manuals/Feds_Users_guide)*.*
6. DoD customers must obtain access from GSAXcess(R) to search and select property. The DoD Accountable (Supply) Property Officer must provide GSA a letter (on official letterhead) or email (from a ".mil" address) requesting access for their representatives and include addresses, phone numbers, email addresses, and DoDAAC of those authorized to select property from GSAXcess(R). Customers may select items once the access is granted.
7. DoD customers who only want to search for available property in GSAXcess(R) can also register for search only access at [*www.gsaxcess.gov*](http://www.gsaxcess.gov)*.*
8. 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:
9. 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 DTID is returned to the generating activity.
10. 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.
11. 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 **[\*68216]** [*https://www.dispositionservices.dla.mil/rtd03/index.shtml*](https://www.dispositionservices.dla.mil/rtd03/index.shtml)*.*
12. Customers may submit automated searches for recurring NSNs through the DoD Property Search Web site at [*https://www.dispositionservices.dla.mil/rtd03/index.shtml*](https://www.dispositionservices.dla.mil/rtd03/index.shtml)*.* Results are emailed to the customer.
13. Customers may also submit a "Want List" in GSAXcess(R), which can help them locate excess property from civilian agencies.
14. ***or ICPs.***
15. DLA Disposition Services will electronically report to designated ICPs those assets with valid NSNs meeting dollar value and condition code criteria established by each 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 IMMs 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.
16. 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.
17. Orders for property during the internal screening periods will be prepared according to MILSTRIP and submitted to DLA Disposition Services.
18. ***special programs and activities --***
19. The DoD HAP is authorized to dispose excess property through DoD DLA Disposition Services site channels.
20. Providing non-lethal DoD excess personal property for humanitarian purposes is authorized pursuant to [*10 U.S.C. 2557*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GHR1-NRF4-43T5-00000-00&context=). Preparation and transportation of this property is carried out in accordance with [*10 U.S.C. 2661*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GRS1-NRF4-40MJ-00000-00&context=). 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.
21. 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 (Federal Supply Classification Code (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."
22. In accordance with [*10 U.S.C. 2576a*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GP61-NRF4-4132-00000-00&context=), DLA has established an office to permit civil police authority to acquire excess DoD property, and the Web site [*https://www.dispositionservices.dla.mil/rtd03/leso/index.shtml*](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.
23. [*10 U.S.C. 2576a*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GP61-NRF4-4132-00000-00&context=)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).
24. 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 demilitarized in accordance with DoD 4160.28-M Volumes 1-3. Due to constant changes and development of new technology, Table 4 of this section is only a partial list of NSNs that may contain radioactive components as identified for Army Navy (AN) night vision equipment codes in DoD 4160.28-M, Volume 2. 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 No.** | **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 |
| 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 |

1. Legal authority is provided by [*10 U.S.C. 2572*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GNX1-NRF4-43KV-00000-00&context=), 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:
2. U.S. Army: Chief of Military History (DAMH-MD), 1099 14th Street NW., Washington, DC 20005-3402.
3. U.S. Navy: Curator for the Navy, Naval Historical Center, Building 108, Washington Navy Yard, Washington, DC 20374-0571.
4. U.S. Air Force: Director, National Museum of the United States Air Force, HQAFMC, 1100 Spaatz Street, Wright-Patterson AFB, Ohio 45433-7102.
5. U.S. Marine Corps: Marine Corps History Division, 3079 Moreel Avenue, Quantico, Virginia 22134.
6. U.S. Coast Guard: Coast Guard Historian, Commandant (CG-09224), U.S. Coast Guard Headquarters, Douglas A. Munro Building, 2703 Martin Luther King Jr., Avenue, South East Stop 7031, Washington, DC 20593-7031.
7. The DoD or Military Department museums will use standard DoD processes to dispose excess property using DoDAACs.
8. 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, **[\*68217]** stockpiling of property obtained from DLA Disposition Services sources for future exchange is prohibited.
9. The normal ordering procedures apply. The DD Form 1348-1A, in addition to routine information, will include:
10. The museum's individual DoDAAC or the DoDAAC of the Service headquarters with central responsibility for historical property.
11. 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).
12. 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.
13. DLA Disposition Services sites will:
14. 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.
15. 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.
16. The DoD operating activities and Military Departments will:
17. 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.
18. 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.
19. National Guard Units will use the standard DoD processes to dispose excess DoD property through the use of DoDAACs.
20. 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.
21. Senior ROTCs will use standard DoD processes to dispose excess DoD property using DoDAACs.
22. 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.
23. 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 paragraph (c)(3)(i) through (viii) of this section apply.
24. 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.
25. Property physically turned in to the DLA Disposition Services site does not qualify for reimbursement.
26. 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.
27. 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.
28. 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.
29. ***rs (COE) civil works property.***
30. 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 hazardous property through a service contract.
31. 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(R).
32. ***for FMS.***DoD Directive 5105.22 and paragraph (b) of this section provide additional procedures for MAP property or for property that can be purchased by eligible organizations through FMS.
33. 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).
34. 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 DLM 4000.25-1, the generating activity will include the following data on the electronic turn-in document or DTID for MAP items.
35. Country.
36. DTID number, to include at a minimum, in the first position, a service code (B, D, K, P, or T); in the second position, a country or activity code in accordance with DoD Directive 5230.20, **[\*68218]** and in the third position, the Julian date.
37. Identification of MAP Address Directory Security Assistance Offices initiating turn-in.
38. MAP account fund citation.
39. 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.
40. Process MAP property used for any purpose other than to meet approved DoD needs for RTD or sale on a reimbursable basis.
41. 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.
42. All other excess DoD property will be processed through DLA Disposition Services on a first-come, first-served basis.
43. ***ctor inventory.***
44. The disposal of DoD contractor inventory is generally the contractor's responsibility in accordance with [*48 CFR 45.602-1*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5SM7-TJ20-008H-01C0-00000-00&context=) of the Federal Acquisition ***Regulation***, unless the contract specifies that excess DoD property be returned to the government, as a result of a determination by the 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.
45. 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.
46. DLM 4000.25-1 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.
47. Orders will be completed in accordance with Chapter 11 of DLM 4000.25-1 and include the DoDAAC assigned to the contractor. These orders must be processed by the MCA having cognizance of the applicable contract.
48. 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 CO'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 No(s).\_\_\_." The certification should be signed by an authorized official and should indicate his or her official title.
49. DLA Disposition Services sites cannot guarantee the property withdrawn meets minimum specifications and standards in terms of quality, condition, and safety.
50. 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.
51. 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 DoD Manual 4160.21, Volume 4 for disposal of these assets.
52. 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.
53. The generating activity will provide a statement on the DTID that the property was purchased with NAF to obtain appropriate reimbursement. If the DTID does not contain this citation, the property will be processed as normal excess DoD property.
54. 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.
55. 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 DoD 7000.14-R (unless otherwise directed or superseded).
56. DoD MWRAs or Services may order excess DoD property and FEPP through the MWRAs/Services that have a DoDAAC on file with the 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 subpart. See DoD Manual 4160.21 Volume 4 for guidelines on reutilization of small arms and light weapons.
57. 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.
58. 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.
59. 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.
60. 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.
61. 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.
62. 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:
63. 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 section. **[\*68219]**
64. 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 DCC X or S.
65. 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.
66. The accountable officer will maintain accountability for all property acquired and issued to MARS members and MARS member stations. The property remains government property.
67. 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 DoD Manual 4160.21, Volume 2.
68. The respective Military Department may limit MARS orders to selected FSCs.
69. The release of property to MARS activities is governed by the following procedures:
70. 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. 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.
71. ***AVMARCORMARS).***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. 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.
72. 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. 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. The accountable officer maintains current and valid identification of their MARS members to prevent unauthorized screening by MARS members or former members.
73. 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.
74. 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.
75. 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:
76. 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.
77. 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.
78. 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.
79. The CAP units will use assigned DoDAACs beginning in "FG" to transfer and order excess personal property. **[\*68220]**
80. CAP members will identify themselves for pickup of property as stated in this section.
81. ***(FCAs).***
82. These organizations include any non-defense executive agency or any member of the legislative or judicial branch of the government.
83. The processes discussed in this section apply to FCAs transferring to and ordering excess DoD property from DLA Disposition Services sites.
84. 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 Web site and to:
85. Comply with [*31 U.S.C. 1535*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GKB1-NRF4-449J-00000-00&context=) (also known as the Economy Act).
86. 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 Web site. 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.
87. Ensure all laws and ***regulations*** are properly met prior to initiating a transfer transaction. Use DoD Instruction 4160.28; 41 CFR chapters 101 and 102; 48 CFR subpart 9.4 and [*48 CFR 45.602-1*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5SM7-TJ20-008H-01C0-00000-00&context=), [*52.233-1*](https://advance.lexis.com/api/document?collection=administrative-codes&id=urn:contentItem:5SM7-TJ10-008H-014H-00000-00&context=), and 14.407 of the FAR, current edition; and *5 U.S.C. 552*, Volume 11a, Chapter 5 of DoD 7000.14-R, and Office of Management and Budget Circular A-76, "Performance of Commercial Activities" (available at [*http://www.whitehouse.gov/omb/circulars\_a076\_a76\_incl\_tech\_correction*](http://www.whitehouse.gov/omb/circulars_a076_a76_incl_tech_correction)) as governing documents.
88. Comply with DLM 4000.25-1, since in-transit control requirements are not applicable to FCA turn-ins.
89. Comply with § 273.7(d), (e), and (f) for transferring excess DoD property, using DD Form 1348-1A or DD Form 1348-2, "Issue Release/Receipt Document with Address Label," as DTIDs. 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 (c)(3)(viii)(M)(*3*)(*vi*) and (*vii*) of this section. 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. Identify the transaction by using their officially assigned FCA activity address code (AAC). The first position of the AAC begins with 1 through 9. Annotate "XP" funding code in blocks 52 and 53 and a disposal authority code of "F" in position 64 of the DTID. Annotate the DLA Disposition Services Economy Act Order Assigned Number in block 27. Include appropriate hazardous property documents containing the required information found in Volume 4 of DoD 4160.21-M. Ensure that no radioactive material, waste, or other excluded hazardous property is turned in to the DLA Disposition Services site. Cover costs associated with substantiated sale contracts claims, if negligence or fault is established. 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 DoD 7000.14-R.
90. Work with DLA Disposition Services to obtain HW disposal contract support, pursuant to the provisions of the FAR; for hazardous property, FCAs will 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; cover costs associated with substantiated contracts claims, if negligence or fault is established; maintain physical custody of hazardous property; provide a designated FCA representative to act as a CO's technical representative during pickup of hazardous property, and identify who will be trained and authorized to release the property for shipment, including signing shipping documents according to the procedures provided in 49 CFR part 172, subpart H.
91. Comply with the following liability provisions. 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 [*42 U.S.C. 9601*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GN41-NRF4-40W5-00000-00&context=) *et seq.* (also known as the Comprehensive Environmental Response, Compensation and Liability Act), [*42 U.S.C. 6901*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GSK1-NRF4-43XW-00000-00&context=) *et seq.* (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 hazardous property; FCAs will be responsible for environmental response costs attributable to their generated hazardous property. FCA is considered the generator for reporting purposes in accordance with [*42 U.S.C. 6901*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GSK1-NRF4-43XW-00000-00&context=) *et seq.* and [*9601*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GN41-NRF4-40W5-00000-00&context=) *et seq.;* 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; 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 [*31 U.S.C. 1341*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GNM1-NRF4-4096-00000-00&context=) or any other provisions of law.
92. FCAs will:
93. Work with DLA Disposition Services for DEMIL-required disposal support in accordance with the provisions of DoD Instruction 4160.28.
94. Reimburse DLA Disposition Services for A/D-related services.
95. Continue to turn in PM-bearing property at no charge in support of the DoD PMRP according to the procedures in Enclosure 5 to DoD Manual 4160.21, Volume 2. These transactions are accomplished through an ISSA.
96. Pay for all services rendered, according to established requirements and fees.
97. Two months prior to the Economy Act Order's expiration, the FCA will notify the DLA Disposition Services Comptroller whether continued services are desired.
98. If the Economy Act Order has not been re-established, DLA Disposition Services will continue to receive property for 60 days.
99. 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.
100. FCAs will pay at the rates established or re-established and maintain internal procedures to track DTIDs against billings for reconciliation.
101. The policies in 41 CFR chapter 101 will be implemented when:
102. An official Economy Act Order is finalized and the DLA Disposition Services Finance Office ensures that an officially assigned FCA AAC is in the **[\*68221]** DLA Disposition Services Accounting System. (This will indicate to DLA Disposition Services sites that receipt of excess property from the requesting FCA is authorized.)
103. 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.
104. 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.
105. DLA Disposition Services sites will:
106. Reserve the right to refuse any turn-in due to workload or resource constraints if support would seriously impair the DLA mission for the DoD.
107. 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 SEAs.
108. 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.
109. For hazardous property, DLA Disposition Services will notify FCAs of any:
110. 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.
111. Proposed changes to administrative support costs at least 60 days in advance of a change.
112. 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.
113. FCAs desiring to order excess DoD property from DLA Disposition Services sites will follow the GSA procedures for acquiring property through GSAXcess(R). 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.
114. FCAs may continue to participate in the DoD PMRP at no charge, in accordance with Enclosure 5 to DoD Manual 4160.21, Volume 2. These transactions are accomplished via an ISSA between DLA Disposition Services and FCAs.
115. ***.***
116. USPS is not authorized to dispose excess DoD property through DLA Disposition Services without an FCA intragovernmental agreement.
117. If such an agreement is executed:
118. 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.
119. 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 41 CFR chapter 101. 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.
120. 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.
121. Excess DoD postal equipment loaned to DoD Components by the USPS will be returned to the USPS.
122. ***s.***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.
123. ***(CFL).***The DoD CFL program implements Executive Order 12999, "Educational Technology: Ensuring Opportunity for All Children in the Next Century" 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.
124. 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.
125. Schools must register in the DLA Disposition Services web-based CFL program and complete all point of contact and profile information.
126. 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.
127. 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.
128. 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.
129. 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 **[\*68222]** within the FSG 70 and are appropriate for use in CFL.
130. After the DoD excess screening is completed, providing there are no DoD requests, DLA Disposition Services will:
131. Make provisions for schools to receive information concerning DoD IT equipment that is available for transfer.
132. Notify the schools of available equipment that matches the profile submitted by the school.
133. "Freeze" the equipment when the school verifies a need so that other schools cannot be offered the same equipment.
134. Review, approve, and notify generating activities to transfer to a school by generating a MRO from DLA Disposition Services system for accounting for excess surplus property in DoD to decrement quantity and preclude transmission to the FEDS.
135. While holding for transfer to schools, the following applies: 7-day accumulation (DoD can order anytime) and 14-day DoD screening (DoD can order anytime).
136. 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.
137. The IT equipment not designated to schools during the DoD CFL timeframe will be transmitted to GSAXcess(R) for FCAs and donees.
138. 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.
139. 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.
140. The authorized school is responsible for coordinating with the generating activity for the removal of equipment.
141. The authorized school has 14 days after receipt of authorization to remove the equipment.
142. 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.
143. Upon receipt of notification, the DLA Disposition Services site will notify DLA Disposition Services to cancel the order.
144. ***am.***The DoD has authorized the U.S. Department of Agriculture Forestry Service (USDA FS) to manage DoD firefighting property transfers provided for in accordance with [*10 U.S.C. 2576b*](https://advance.lexis.com/api/document?collection=statutes-legislation&id=urn:contentItem:4YF7-GK91-NRF4-43W0-00000-00&context=). Title to all Firefighter Property Transfer Program property will pass to the State upon:
145. The State taking possession of the equipment (such as removing or having the equipment removed from a DLA Disposition Services site).
146. 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).
147. 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.
148. 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.
149. 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.
150. Current automation technology allows items going through EP to be visible on the DLA Disposition Services Web site and GSAXcess(R).
151. In contingency operations the supported Combatant Command has the authority to accelerate screening timelines based on mission requirements and operational tempo.
152. ***nd authorization.***
153. 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.
154. 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.
155. Visitors representing donation recipients will only be allowed to complete the tasks identified under "purpose of visit" on the vehicle or visitor register.
156. All screeners will specify the DoDAAC or AAC for which they are inspecting.
157. 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.
158. FCA screeners will present current employee identification as valid authorization. This also applies to screeners representing mixed-ownership USG corporations.
159. 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.
160. All SEA screeners will present a valid driver's license or other State-approved picture identification or the letter of authorization.
161. 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.
162. ***t DLA Disposition Services sites.***
163. DLA Disposition Services sites will assist customers interested in obtaining property by referring them to the DLA Disposition Services Web site 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.
164. 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 SASP for determination of eligibility and procedures.
165. ***nd surplus property from DLA Disposition [\*68223]*** *Services and GSA* --(i) *General.* (A) 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 Web site. This property may be ordered through DLA Disposition Services or GSA.
166. DLM 4000.25-1 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 Web site 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.
167. Orders for property in the GSA screening cycle will be submitted through GSAXcess(R). 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.
168. DoD activities (other than MWRAs or Services, which are covered in § 273.6) must request Military Department or Defense Agency excess and FEPP through servicing accountable officers or their designated representatives.
169. See § 273.6 for special guidance affecting USCG ordering.
170. 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.
171. The following principles apply to acquiring property from these sources, including Federal ***regulations***, which apply to the Department of Defense, special programs and activities, FCAs, and donees when acquiring excess or surplus personal property:
172. There must be an authorized requirement.
173. 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.
174. The sources of spare parts or repair and maintenance services to support the acquired item are readily accessible.
175. The supply of excess parts acquired must not exceed the life expectancy of the equipment supported.
176. The excess personal property will fulfill the required need with reasonable certainty without sacrificing mission or schedule.
177. Excess personal property must NOT be acquired with the intent to sell or trade for other assets.
178. 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.
179. 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.
180. 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 Web site. 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.
181. 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.
182. 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.
183. 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 DoD Manual 4160.21, Volume 4.
184. 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 paragraph (a) of this section for more guidance if the property needs to be withdrawn from sale.
185. Orders for property received during the GSAXcess(R) screening period must be submitted according to GSA ordering procedures.
186. ***nd light weapons.***Small arms and light weapons (see § 273.12) will be processed according to the guidance in DoD Manual 4160.21, Volume 4. Table 5 of this section 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. |
| 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 Bldg., 2703 Martin |
|  | Luther King Jr. Ave, SE, Stop 7331, Washington, DC |
|  | 20593-7331, (202) 372-2030. |
| National Security | National Security Agency, Item Accounting Branch, ATTN: |
| Agency | L112, Fort George Meade, MD 20755 6000. |
| Defense | Defense Intelligence Agency, ATTN: RLE 2, Washington, DC |
| Intelligence | 20340 3205. |
| Agency |  |
| Defense Threat | Headquarters, Defense Threat Reduction Agency, 8725 John |
| Reduction Agency | J. Kingman Road MSC 6201, Fort Belvoir, VA 22060-6201, |
|  | ATTN: BDLL, Telephone: DSN 427-0785, Commercial (703) |
|  | 767-0785. |

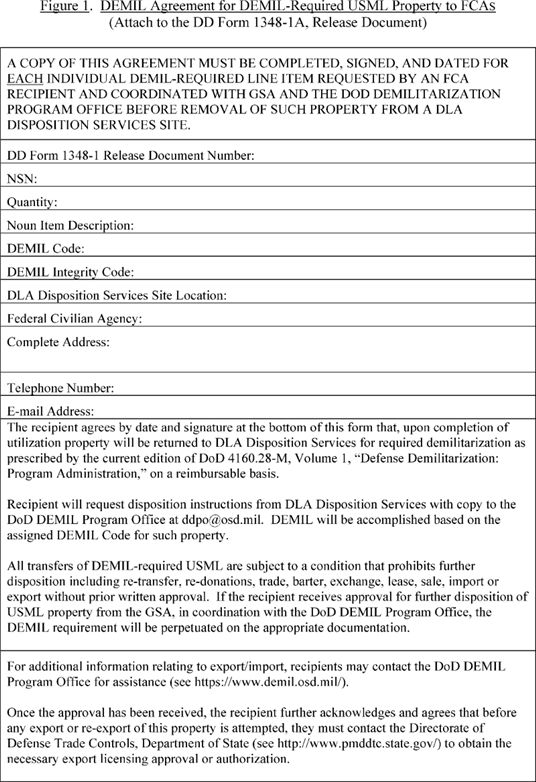
1. ***red.***Orders authorized by DLA Disposition Services or GSA regional offices will be processed as expeditiously as possible and according to the Uniform Materiel Movement and Issue Priority System priority on the requisition.
2. DLA Disposition Services sites will determine the property requested is in as good a condition as it was during screening.
3. 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.
4. 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.
5. ***.***
6. 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.
7. 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.
8. The requester will transfer funds to the generating activity without DLA Disposition Services site involvement.
9. The DLA Disposition Services site will provide the name of the property requiring reimbursement when it is requested by the 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.
10. 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.
11. 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.
12. Public law may prohibit FCAs from obtaining certain property.
13. 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.
14. Foreign purchased property reimbursements will be at the acquisition value.
15. 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 DoD 7000.14-R. For DLA Disposition Services to provide timely and accurate reimbursements, the transportation account code address in DLA Transaction Services must be correct and current.
16. In accordance with DoD 4160.28-M Volumes 1-3, all DoD MLI and Commerce Control List (CCL) personal property, whether located within or outside the United States, will be transferred in accordance with 22 CFR parts 120 through 130 and 15 CFR parts 730 through 774.
17. DoD MLI or CCL personal property will not be transferred to any foreign person or entity without DoS or DOC approval, authorization, license, license exception, exemption, or other authorization for the transfer.
18. 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*](http://export.gov/ecr/eg_main_023148.asp).
19. 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.
20. 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.
21. 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 22 CFR parts 120 through 130, also known as the International Traffic in Arms ***Regulations*** (ITAR), or 15 CFR parts 730 through 780, also known as the Export Administration ***Regulations*** (EAR), as appropriate.
22. 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 regarding ***regulations***. The statement must be signed prior to the release of the **[\*68225]** property according to the DEMIL procedures in DoD 4160.28-M Volumes 1-3. If property is destined for export, the recipient must get appropriate export authorizations from the DoS or DOC in accordance with DoD Instruction 2030.08.
23. DLA Disposition Services sites may issue DEMIL-required property to approved special programs or GSA eligibility-approved FCAs without DEMIL being accomplished.
24. Prior to release from DoD control, DLA Disposition Services sites must obtain a written agreement (see Appendixes 1 and 2 of this section) from the requesting special program or FCA.
25. This agreement acknowledges that the recipient will DEMIL the USML property in accordance with DoD 4160.28-M Volumes 1-3, when the property is no longer needed.
26. 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.
27. 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.
28. The DLA Disposition Services site will provide a completed copy of the certification to the GSA and retain a copy with the issue documentation.
29. 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. 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 section). 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.
30. GSA reviews and approves each order, each in its respective screening cycle (transfer or donation).
31. ***ons by customers --***
32. ***rty.***
33. 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.
34. 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.
35. 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(R) screening cycle.
36. Standard transportation or preferred pick up of the property requested by DoD customers who are allocated property by GSA apply.
37. If DoD transfers customers order from the GSAXcess(R), they also have 21 days to remove the non-RCP property.
38. 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.
39. ***.***
40. DLA Disposition Services will arrange for shipment of RCP property from Military Department and special program orders.
41. FCAs will designate the method of transportation for RCP property ordered using one of the following options:
42. The FCA arrange with carriers of their choice to remove the property from a designated staging area at the depot; or
43. 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*](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.
44. FCAs must arrange with the carriers of their choice for shipments in excess of 150 pounds.
45. Donee (State agency) customers are always required to make their own pickup or shipment arrangements for RCP property orders from designated staging areas.
46. ***ling.***See § 273.7.
47. ***nsportation). --***
48. ***ported customers.***
49. 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 CO, Senior ROTC, and MWRA/Services when ordered through the Military Department accountable officer and DLA Disposition Services.
50. 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.
51. The DLA Disposition Services site will contact the customer and provide the property's estimated value and transportation cost to ship the property.
52. 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.
53. 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 section. 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:
54. 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.
55. 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. **[\*68226]**
56. If the customer determines the shipment is not needed, the customer will initiate cancellation action according to the procedures in DLM 4000.25-1.
57. The shipper will finance parcel post shipments between DoD agencies without reimbursement.
58. ***g transfer and donation customers).***
59. LEAs are responsible for removing or making arrangements for shipments.
60. 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 for transportation costs and must provide a fund citation prior to shipment or pick up of the property.
61. Only one carrier is authorized per agency, and once the agency has designated a carrier, 30 days notice is required to change a carrier.
62. FMS customers are responsible for most transportation costs associated with the movement of ordered property.
63. 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.
64. Transportation arrangements will be made by the DLA Disposition Services site or by the supporting transportation office.
65. 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.
66. ***cations.***
67. DLA Disposition Services sites will use the guidance in DLM 4000.25-1 to prepare materiel release confirmations in response to MROs received from DLA Disposition Services.
68. 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.
69. DLA Disposition Services sites will:
70. Advise the customer if the property requested is no longer available or of acceptable condition.
71. Document non-availability by a materiel release denial prepared in accordance with DLM 4000.25-1, if item(s) for an MRO are not available.
72. 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:
73. NSN.
74. Order number.
75. Quantity not available.
76. ***ed property --***
77. ***s.***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.
78. 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 AAC represented (for non-DoD activities), and the purpose of the visit.
79. Visitor and vehicle registers will be readily accessible (see paragraph (c) of this section).
80. ***s.***
81. Customers will:
82. Present an approved and authenticated DD Form 1348-1A, SF 122, or 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.
83. Provide designated carrier or removal agents with a copy of DD Form 1348-1A or SFs 122 or 123, as appropriate, indicating removal authority.
84. DoD customers must have a hard copy of the electronically transmitted letter of authorization prior to removal, and an email response from DLA Disposition Services with verification of personnel authorized to remove property.
85. 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.
86. DLA Disposition Services sites will:
87. Ensure the visitor and vehicle register for each direct issue includes:
88. Name of the individual receiving the property.
89. DoDAAC or AAC or physical location address.
90. Activity of the individual receiving the property.
91. Ensure each customer is issued a badge when signing in.
92. 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.
93. 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.
94. Fill the order.
95. Provide any appropriate disclaimers or certifications of usage or disposal to the customer for signature prior to releasing the property.
96. Furnish a copy of the completed shipping document to the respective accountable officer (record positions 30-35 of DD Form 1348-1A).
97. If being removed by anyone other than the customer, verify that the carrier has valid documentation (a copy of DD Form 1348-1A or SFs 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.
98. 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.

**Appendix** 1 to § 273.15

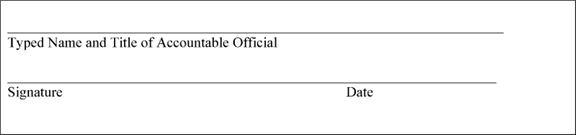
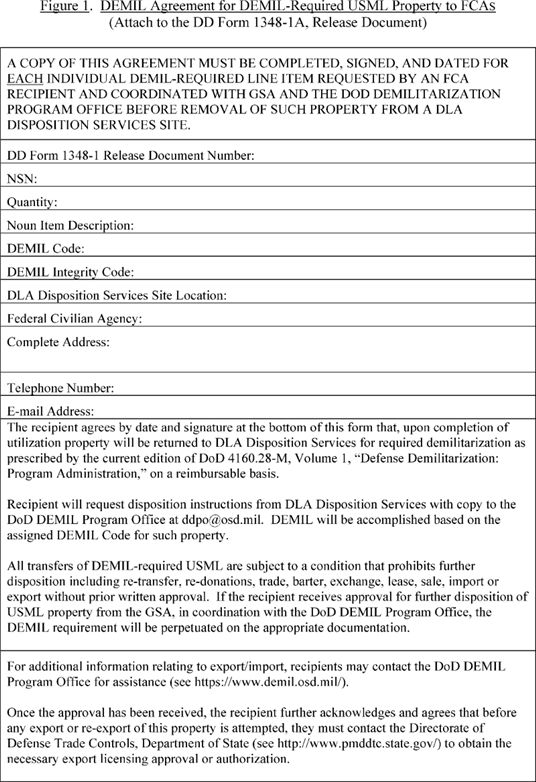
**DEMIL Agreement for DEMIL-Required USML Property to FCAs (DEMIL Codes C, D, E, OR F)**

BILLING CODE 5001-06-P **[\*68227]**

**[\*68228]**



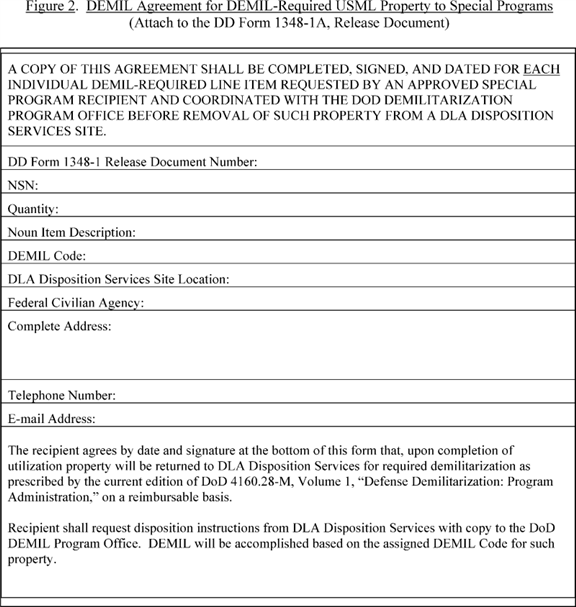
**[\*68228]**



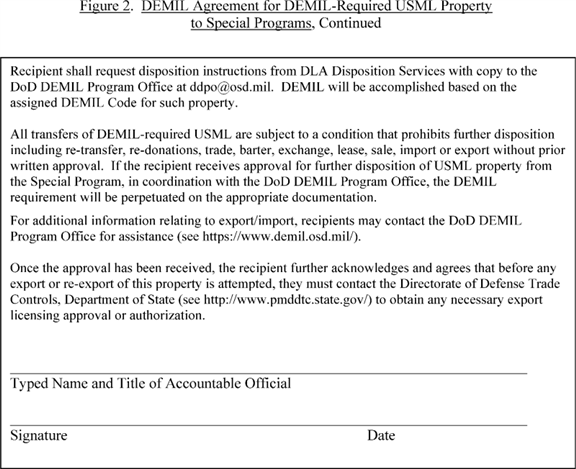
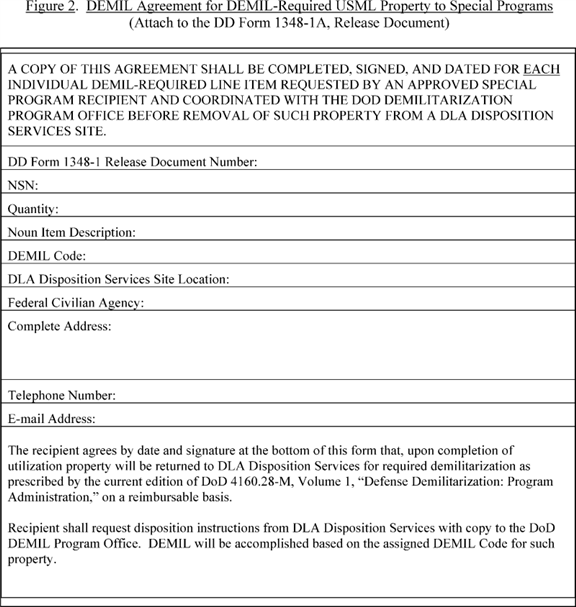
**Appendix** 2 to § 273.15

**DEMIL Agreement for DEMIL-Required USML Property to Special Programs (DEMIL Codes C, D, E, or F)**

**[\*68229]**



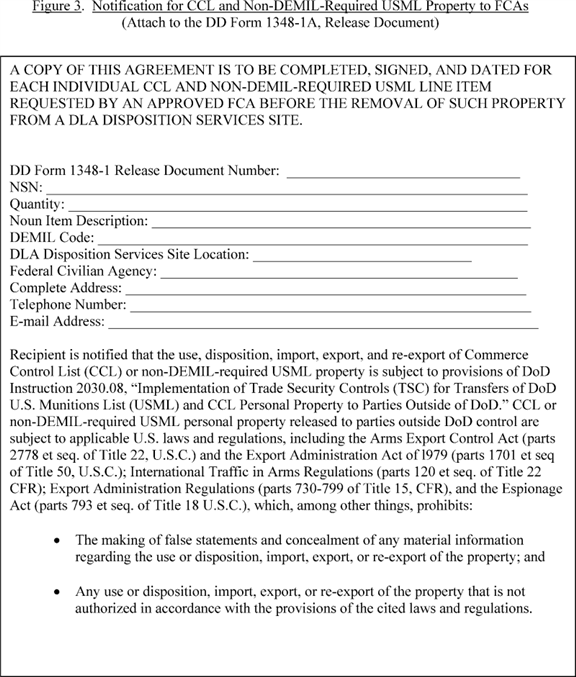
**[\*68229]**



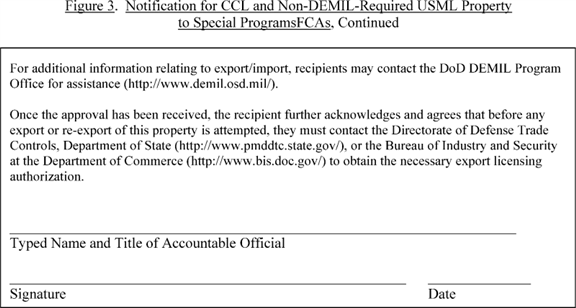
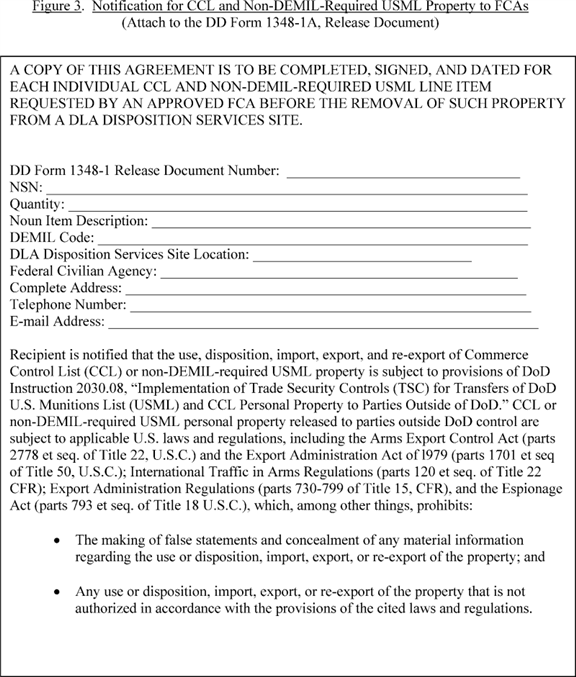
**Appendix** 3 to § 273.15

**Notification for CCL and Non-DEMIL-Required USML Property to FCAS (DEMIL Codes B and Q)** **[\*68230]**

**[\*68231]**



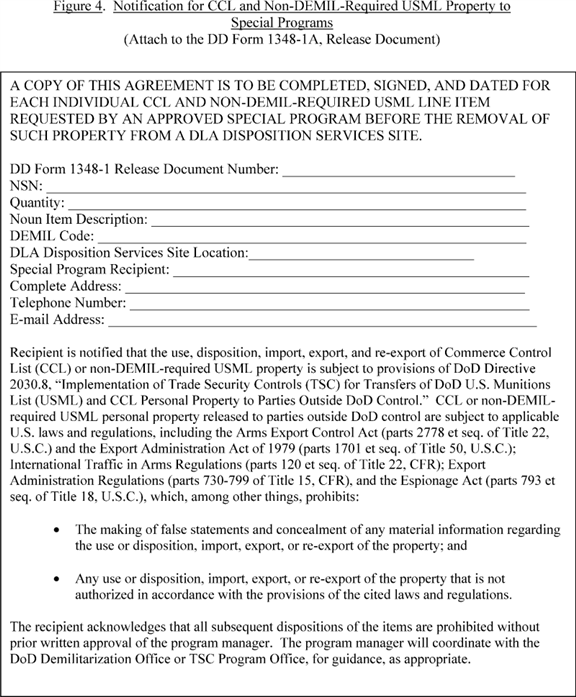
**[\*68231]**



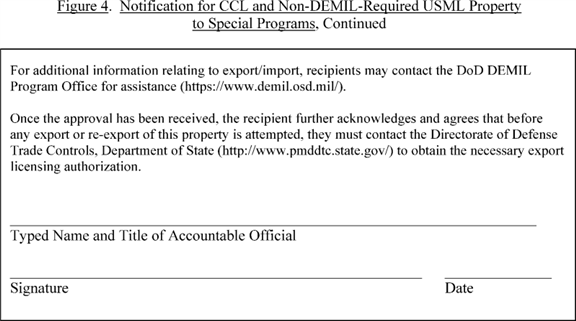
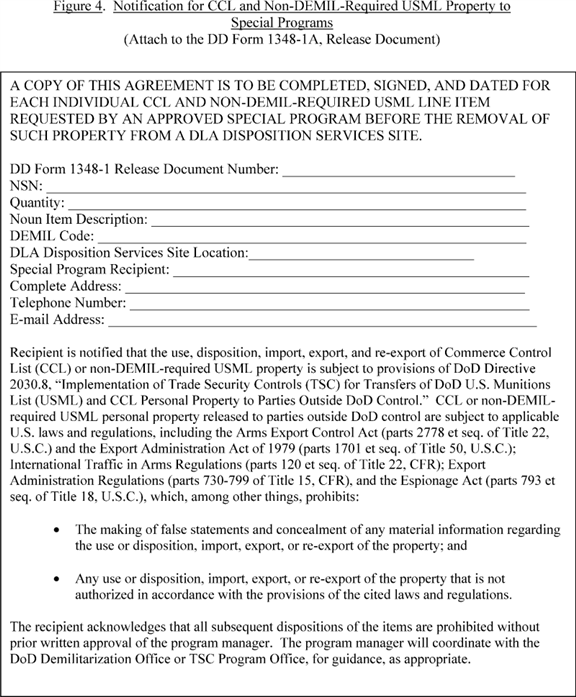
**Appendix** 4 to § 273.15

**Notification for CCL and Non-DEMIL-Required USML Property to Special Programs (DEMIL Codes B and Q)** **[\*68232]**

**[\*68233]**

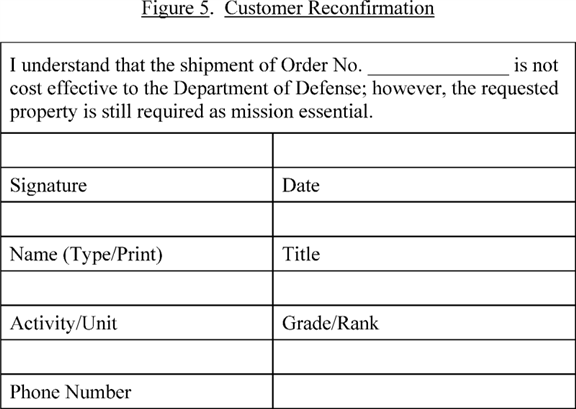


**[\*68233]**



**Appendix** 5 to § 273.15

**Customer Reconfirmation**



Dated: October 22, 2015.

**Aaron Siegel,**

*Alternate OSD Federal Register Liaison Officer, Department of Defense.*

[FR Doc. 2015-27397 Filed 11-2-15; 8:45 am]

BILLING CODE 5001-06-C

**Dates**

**DATES:** Effective December 3, 2015.

**Contacts**

**FOR FURTHER INFORMATION CONTACT:** Randal Kendrick, 571-372-5202.

FEDERAL REGISTER

**End of Document**