



# DOD MANUAL 4160.21, VOLUME 2

## DEFENSE MATERIEL DISPOSITION: REUTILIZATION, TRANSFER AND SALE OF PROPERTY

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### Purpose:

- a. This manual is composed of two (2) Volumes, and a website, each containing its own purpose. In accordance with the authority in DoD Directive 5134.12, DoD Instruction 4140.01, DoD Manual 4160.28, and the "Establishment of the Office of the Under Secretary of Defense for Research and Engineering and the Office of the Under Secretary of Defense for Acquisition and Sustainment" Memorandum, this manual prescribes uniform procedures for the disposition of DoD personal property and establishes the sequence of processes for the disposition of personal property of the DoD Components.
- b. This Volume of the manual:

- (1) Implements policy for reutilization, transfer, excess property screening, and issue of surplus property, and foreign excess personal property (FEPP), and scrap.
- (2) Provides guidance for removing excess material through security assistance programs and foreign military sales (FMS).
- (3) Provides detailed instructions for the sale of surplus property and FEPP, and the release of scrap.
- (4) Provides guidance for Abandonment or Destruction (A/D)

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## SECTION 1: GENERAL ISSUANCE INFORMATION

### 1.1. APPLICABILITY.

- a. This volume applies to the Office of the Secretary of Defense (OSD), the Military Departments, the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities within the Department of Defense (referred to collectively in this volume as the “DoD Components”).
- b. If a procedural conflict exists, Chapters 101 and 102 of Title 41, Code of Federal Regulations (CFR), also known as the Federal Property Management Regulation and Federal Management Regulation (FPMR and FMR), and Subtitle I of Title 40, United States Code (U.S.C.), also known as “Federal Property and Administrative Services Act”, take precedence over this manual.

1.2. POLICY. It is DoD policy consistent with Chapters 101 and 102 of Title 41, CFR that excess DoD property must be screened and redistributed among the DoD Components and reported as excess to the General Services Administration (GSA). Pursuant to Section 701 of Title 40, U.S.C., to efficiently and economically dispose DoD FEPP.

1.3. INFORMATION COLLECTION REQUIREMENTS. The annual report on public sale of items on the U.S. Munitions List (USML) referenced in Section 6, paragraph 19 of this volume is submitted to Congress in accordance with Section 2582 of Title 10, U.S.C. and is coordinated with the Assistant Secretary of Defense for Legislative Affairs in accordance with DoD Instruction 5545.02.

## SECTION 2: RESPONSIBILITIES

2.1. ASSISTANT SECRETARY OF DEFENSE FOR SUSTAINMENT (ASD(S)). Under the authority, direction, and control of the Under Secretary of Defense for Acquisition and Sustainment, and in accordance with DoD Directive 5135.02, ASD(S):

- a. Provides agency-level command and control and administers the worldwide Defense Materiel Disposition Program.
- b. Develops DoD materiel disposition policies, including policies for FEPP.
- c. Oversees the effective implementation of the DoD materiel disposition program.
- d. Approves changes to FEPP procedures, as appropriate, to support contingency operations.
- e. Approved national organizations for special interest consideration as service educational activities (SEAs), and approve categories of property considered appropriate, usable and necessary for transfer to Service Education Activities (SEA).

2.2. DIRECTOR, DEFENSE LOGISTICS AGENCY (DLA). Under the authority, direction, and control of the Under Secretary of Defense for Acquisition and Sustainment, through the ASD(S), the Director, DLA:

- a. Administers the worldwide Defense Materiel Disposition Program for the reutilization, transfer, screening, issue, and sale of FEPP, excess, and surplus personal property.
- b. Implements guidance issued by the ASD(S) or other organizational elements of the OSD and establishes system concepts and requirements, resource management, program guidance, budgeting and funding, training and career development, management review and analysis, internal control measures, and crime prevention for the Defense Materiel Disposition Program.
- c. Chairs the Disposal Policy Working Group
- d. 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 Manual 4100.39. This is done to prevent the unauthorized disposition or release of items within DoD, other Federal Civilian Agencies (FCAs), or release into commerce.
- e. 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.
- f. Annually provides to ASD(S) a summary of sales proceeds from recycling transactions in accordance with Section 2582 of Title 10, U.S.C.
- g. Ensures DLA Disposition Services follows the DoD disposal hierarchy with landfill disposal as a last resort.

### 2.3. DOD COMPONENT HEADS. The DoD Component heads:

- a. Recommend Defense Materiel Disposition Program policy and procedural changes to the Director, DLA and the ASD(S).
- b. Implement the procedures prescribed in this volume and ensure that supplemental guidance and procedures are in accordance with Title 10, U.S.C.
- c. Reutilize, transfer, screen, issue, and sell FEPP, excess, and surplus personal property according to the procedures in Section 4 of this volume.
- d. 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.
- e. Furnish the Director, DLA, with mutually agreed-upon data necessary to administer the Defense Materiel Disposition Program.
- f. 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).
- g. For property not explicitly identified in this manual, 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 the DoD Instruction, 5000.64.
- h. Ensure completion of property disposition (reutilization and marketing) training courses, as appropriate.
- i. Annually provides to ASD(S) a summary of sales proceeds from recycling transactions in accordance with Section 2577 of Title 10, U.S.C.
- j. 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 property is discarded.
- k. Authorize installation commanders, as appropriate, to sell directly recyclable and other qualified recycling program materials.
- l. Improve disposal policies, training, and procedural implementation among the DoD Components and FCAs through membership on the Disposal Policy Working Group.

### 2.4. DLA DISPOSITION SERVICES. The DLA Disposition Services will:

- a. Provide Military Departments and Defense Agencies with disposition solutions and best value support for the efficient and timely Reutilization, Transfer, Donation (RTD), and Sale (RTDS) or disposal of excess, surplus, and FEPP property. This includes all required training and guidance on programs affecting disposition practices.

- b. Provide visibility and promote maximum reuse of personal property on the DLA Disposition Services managed inventory accountable record. Implement transfer and donation policies and procedures consistent with GSA regulations.
- c. Provide tailored disposal support to the DoD warfighter during contingency operations, as approved by the ASD(S).
- d. 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.
- e. 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.

## SECTION 3: DISPOSAL MANAGEMENT OF FEDERAL CIVILIAN AGENCIES AND NON-DOD ACTIVITY EXCESS BY DLA DISPOSITION SERVICES

### 3.1. AUTHORITY AND SCOPE.

- a. The provisions of this manual 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. The DoD Manual, 4160.28, and the DoD Instruction 4140.62, contain additional specific guidance for property identified as munitions list items (MLI) or commerce control list (CCL) items.
- b. The procedures in this volume will be used to the maximum extent possible in all contingency operations. As appropriate, the ASD(S) will modify policy guidance to support the mission requirements and operational tempo of contingency operations.

3.2. GENERAL. The objective of the Defense Materiel Disposition Program is to provide standardized disposition management guidance for DoD excess property, FEPP (including scrap), and hazardous property (HP). 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.

### 3.3. PROCEDURES.

- a. The procedures discussed in this Section apply to FCAs transferring excess property to DLA Disposition Services sites for disposal management. They are required to review and follow instructions provided in this manual, DoD Disposal Procedures Website ([URL](#)), and additional guidance is located on the DLA Disposition Services Website, [www.dla.mil/Disposition-Services.mil](http://www.dla.mil/Disposition-Services.mil). DLA Disposition Services will ensure FCAs:
  - (1) Comply with Section 1535 of Title 10, U.S.C. (also known as “The Economy Act”).
  - (2) Initiate an Economy Act Order with DLA Disposition Services Comptroller for establishing financial transactions. Final acceptance of the Economy Act Order constitutes authority for FCAs to use DLA Disposition Services. The Economy Act Order must be renewed on October 1 of each year. DLA Disposition Services transaction activity billing (TAB) rates, sales rates, and actual disposal rates are used for billing FCAs. TAB rates are available on the DLA Disposition Services Website. DLA Disposition Services will bill and the FCA will pay all costs for services rendered. Billing documentation will include contract line-item number, administrative, and services costs, and will be processed quarterly.
  - (3) Ensure all laws and regulations are properly met before initiating a transfer transaction. Use ,Title 41, Code of Federal Regulations, Federal Acquisition Regulation (FAR), Title 5, U.S.C., Volume 11a, Chapter 5 of DoD 7000.14-R, Office of Management and Budget Circular A-76, and DoD Instruction 4160.28, as governing documents.

- (4) Comply with the Defense Logistics Manual 4000.25, as in-transit control requirements are not applicable to FCA turn-ins.
- (5) Comply with Section 4 of Volume 1 of this manual for transferring excess DoD property, using DD Form 1348-1A or DD Form 1348-2, "Issue Release/Receipt Document with Address Label," as disposal turn in documents (DTIDs).
- (a) Schedule turn-ins with the DLA Disposition Services site and assume responsibility for delivering usable and scrap property to DLA Disposition Services sites. Non-hazardous property may be turned in using the standard disposal processes outlined in Volume 1 of this manual. Hazardous property cannot be physically accepted at the DLA Disposition Services site and will be processed as a receipt-in-place, in accordance Section 4 of Volume 1 of this manual. Property will be turned in as individual line-items.
  - (b) Identify the transaction by using their officially assigned FCA activity address code. The first position of the activity address code begins with 1 through 9.
  - (c) Annotate "XP" funding code in blocks 52 and 53 and a disposal authority code of "F" in position 64 of the DTID.
  - (d) Annotate the DLA Disposition Services Economy Act Order Assigned Number in block 27.
  - (e) Include appropriate HP documents containing the required information as identified in the special handling procedures on the DoD Disposal Procedures Website ([URL](#)).
  - (f) Ensure that no radioactive material, waste, or other excluded HP is turned in to the DLA Disposition Services site.
  - (g) Cover costs associated with substantiated sale contracts claims, if negligence or fault is established.
  - (h) Contact the appropriate DLA Disposition Services site for procedures to use when inventory discrepancies surface for property that the FCA is designated as 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.
- (6) Work with DLA Disposition Services to obtain hazardous waste (HW) disposal contract support, pursuant to the provisions of the FAR; for HP, FCAs will:
- (a) Define disposal service requirements for HW disposal and provide a yearly estimate of HW streams that may be generated and placed on DLA Disposition Services disposal service contracts.
  - (b) Cover costs associated with substantiated contracts claims, if negligence or fault is established.
  - (c) Maintain physical custody of HP.

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

(7) Comply with the following liability provisions:

- (a) Should any DLA HW disposal contractors' actions on behalf of the FCA result in a notice of potential liability to DLA or the FCA under Section 9601 et seq. of Title 42, U.S.C. (also known as the "Comprehensive Environmental Response, Compensation and Liability Act"), Section 6901 et seq. of Title 42, U.S.C. (also known as the "Resource Conservation and Recovery Act"), or any other provision of Federal or State law, immediate notification will be provided to DLA Disposition Services or the FCA. The FCA retains ultimate liability for HP.
- (b) FCAs will be responsible for environmental response costs attributable to their generated HP. FCA is considered the generator for reporting purposes in accordance with Title 42, U.S.C.
- (c) According to the terms of DLA Disposition Services HW disposal contracts, DLA Disposition Services disposal contractors are responsible for spills or leaks during the performance of their contracts, which result from the actions of the contractors' agents or employees.
- (d) At no time will the DLA Disposition Services site dispose FCA excess DoD property or any provision of a HW contract for FCA property be interpreted or construed to require that funds be obligated or paid in violation of Section 1341 of Title 31, U.S.C. or any other provisions of law.

b. FCAs will:

- (1) Work with DLA Disposition Services for demilitarization (DEMIL) required disposal support in accordance with the provisions of DoD Instruction 4160.28.
- (2) Reimburse DLA Disposition Services for A/D-related services.
- (3) Continue to turn-in precious metal (PM) bearing property at no charge in support of the DoD Precious Metals Recovery Program (PMRP) according to the procedures in Section 7, Volume 1 of this manual. These transactions are accomplished through a Memorandum of Agreement (MOA).
- (4) Pay for all services rendered, according to established requirements and fees.
- (5) Two months before the Economy Act Order's expiration, the FCA will notify the DLA Disposition Services Comptroller whether continued services are desired.
  - (a) If the Economy Act Order has not been re-established, DLA Disposition Services will continue to receive property for 60 days.

- (b) 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.
- (c) FCAs will pay at the rates established or re-established and maintain internal procedures to track DTIDs against billings for reconciliation.
- (d) The policies in Chapter 102, Subchapter B, Part 101 of Title 41, CFR will be implemented when:
  - 1. An official Economy Act Order is finalized, and the DLA Disposition Services Finance Office ensures that an officially assigned FCA activity address code is in the DLA Disposition Services Accounting System. (This will indicate to DLA Disposition Services sites that receipt of excess property from the requesting FCA is authorized.)
  - 2. A signed copy of a DD Form 1348-1A is provided at which accountability for the FCA property (non-hazardous or hazardous) is transferred to a DLA Disposition Services site. See Section 4, Vol 1 of this manual for information on the conditional receipt DD-1348-1As.
- (e) 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.
- (f) DLA Disposition Services sites will:
  - 1. Reserve the right to refuse, delay any turn-in due to workload or resource constraints if support would seriously impair the DLA mission for DoD.
  - 2. Receive and screen FCA property using the same method used for excess DoD property, except property will not be made available to those special program organizations who, because of enabling legislation, may only obtain excess DoD property, e.g., Humanitarian Assistance Program (HAP), law enforcement support offices, and Service Education Activities.
- (g) 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.
- (h) For HP, DLA Disposition Services will notify FCAs of any:
  - 1. New procedures pertaining to the disposal process or funding changes. HW contracts may be modified by mutual written consent of the parties. Modifications requiring resource changes may be given with enough advance notification for revisions or adjustments to be made during the budget formulation process and the hazardous disposal service contract process.

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

- (i) 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.
- (j) 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.

c. United States Postal Service (USPS)

- (1) USPS is not authorized to dispose excess DoD property through DLA Disposition Services without an FCA agreement.
- (2) If such an agreement is executed:
  - (a) 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 into 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.
  - (b) DoD purchased or owned postal equipment with official postal identification markings may be transferred to the USPS through DLA Disposition Services site processing, under the standard transfer policies in part 101 of Title 41, CFR. 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.
  - (c) 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.

## SECTION 4: REUTILIZATION, TRANSFER, DONATION AND ISSUE OF EXCESS AND SURPLUS DOD PERSONAL PROPERTY

### 4.1. AUTHORITY AND SCOPE.

- a. The provisions of this enclosure are based on the guidelines of Chapters 101 and 102 of Title 41, CFR.
- b. The scope of this enclosure includes the screening, requisitioning, issuing, and shipment of DoD FEPP, excess, and surplus personal property.
- c. These procedures apply to the Military Departments, eligible foreign governments and international agencies, and any other activities authorized to screen and requisition excess and surplus personal property and FEPP.

### 4.2. GENERAL.

- a. DoD policy, in accordance with Title 41, CFR, 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 screen and requisition available excess property and review referrals to satisfy valid needs. Refer to individual Military Department guidance regarding eligibility and authority to withdraw excess property from DLA Disposition Services.
- b. The following principles apply when requisitioning excess or surplus personal property:
  - (1) There must be an authorized requirement.
  - (2) 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.
  - (3) The sources of spare parts or repair and maintenance services to support the acquired item are readily accessible.
  - (4) The supply of excess parts acquired must not exceed the life expectancy of the equipment supported.
  - (5) The excess personal property will fulfill the required need with reasonable certainty without sacrificing mission or schedule.
  - (6) Excess personal property must NOT be acquired with the intent to sell or trade for other assets.
- c. Customers can create an automated Want List in RTD Web for property not currently available on DLA Disposition Services inventory. When property becomes available, an electronic notification will be sent to the customer. See of this Section 4 paragraph 6 for procedures on the automated Want Lists.
- d. The unique item identifier (UII) mark, if applicable, will not be removed from a personal property item offered for RTD.

- e. Issue of declared Military Department or Defense Agency FEPP and excess 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
  - (1) The requester will transfer funds directly to the generating activity.
  - (2) For FMS activities, special account fund citations may be required in accordance with Volume 11a, Chapter 5 of DoD 7000.14-R. For timely and accurate reimbursements, the transportation account code address in DLA Transaction Services must be correct and current.
- f. DLA Disposition Services cannot guarantee the property requisitioned meets minimum specifications and standards in terms of quality, condition, and safety.
- g. Foreign Liaison
  - (1) Authority for granting visits by foreign nationals representing foreign governments rests with DLA. Prospective official foreign visitors should submit requests 30 days in advance through their embassy in accordance with procedures in DoD Directive 5230.20. 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. Unclassified visits by foreign nationals can be approved for inspections prior to acquiring property through security assistance programs or other programs authorized by statute.
  - (2) 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 Parts 120 to 130 of Title 22, CFR and in Parts 730 through 774 of Title 15, CFR.
  - (3) 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, in Parts 120 to 130 of Title 22, CFR and the EAR in Parts 730 through 774 of Title 15, CFR.
  - (4) 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.
  - (5) Requests from foreign nationals or representatives from foreign governments of restricted parties will be referred to the appropriate security office.
  - (6) Release of MLI technical data or CCL item technology will be in accordance with DoD Manual 4100.39, DoD Instruction 5000.04, Title 10, U.S.C., Title 22, CFR, Title 15, CFR, and DoD Instruction 2030.08.

#### 4.3. SCREENING.

- a. DoD and Special Program screening is accomplished electronically through the DLA Disposition Services RTD Web.
- b. At the end of the DoD and Special Programs screening cycle, DoD excess property (excluding FEPP, scrap, and HW) is transmitted to the Personal Property Management System (PPMS), and GSA assumes control of FCA (transfer customers) and donation screening. The property remains on DLA Disposition Services accountable record.
- c. FCA Screening.
  - (1) Federal Civil Activities include any non-defense executive agency or any member of the legislative or judicial branch of the government to 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. The processes discussed in this Section apply to FCAs screening excess DoD property from DLA Disposition Services.
  - (2) FCA screening is accomplished through PPMS. GSA customers must obtain access to screen through GSA: <https://www.ppms.gov>. FCAs desiring to requisition excess DoD property from DLA Disposition Services will follow the GSA procedures for acquiring property through PPMS. Once excess DoD property is physically obtained from DLA Disposition Services, the property belongs to and must be disposed by the FCA.
  - (3) GSA policy for FCA screening and requisitioning can be found at: <https://www.gsa.gov/buy-through-us/government-property-for-sale-or-lease/personal-property-for-reuse-and-sale/personal-property-management-for-federal-agencies>.
  - (4) FCA screeners will present current employee identification as valid authorization in addition to a State/Federal issued photo ID as valid authorization. This also applies to screeners representing mixed-ownership USG corporations.
- d. Donation Screening
  - (1) Donees will screen in accordance with Chapter 102, Subchapter B, Part 102.37, Title 41, U.S.C.
  - (2) Donation screening is accomplished through PPMS. GSA customers must obtain access to screen through GSA, <https://www.ppms.gov>.
  - (3) All surplus property (including property held by working capital funds established under Section 2208, Title 10, U.S.C. or in similar funds) is available for donation to eligible recipients, in accordance with authorizing laws, except for property listed in Chapter 102, Subchapter B, Part 102-37.40 of Title 41, CFR.
  - (4) When a prospective donation recipient contacts a DLA Disposition Services site or military installation regarding possible acquisition of surplus property, the individual or organization

will be advised to contact the applicable State Agency for Surplus Property (SASP) for determination of eligibility and procedures.

(5) Donees will request property through their SASP. SASP contacts may be located on the GSA website at: <https://www.gsa.gov/buy-through-us/government-property-for-sale-or-lease/personal-property-for-reuse-and-sale/for-state-agencies-and-public-organizations/contact-a-state-agency>.

(6) Donees may physically screen surplus property at a DLA Disposition Services Site. See Section 4.7 of this Volume.

(7) Procedures for return of surplus FEPP to the United States for ultimate donation are covered in Section 6, Volume 1 of this manual.

e. CONUS Screening Timeline for Excess Personal Property

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

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

(3) FCA and Donee Screening Cycle (21 days). FCAs and GSA-authorized Donees screen property in PPMS during the following 21 days. FCA requirements have priority during this cycle, and property will not be issued to Donees until donation allocation. During this cycle, DoD will search and select property in PPMS rather than submit Military Standard Requisitioning and Issue Procedures (MILSTRIP) requisitions, except for priority designator (PD) 01-03 and Non-Mission Capable Supply (NMCS) requisitions. DoD customers will submit priority designator 01-03 and NMCS requisitions to DLA Disposition Services, who will immediately fill these requisitions and notify GSA to make the record adjustment in PPMS.

(4) GSA Allocation to Donees (5 days). The following five (5) days are set aside for GSA to allocate assets to fill Donee requests. During this allocation period, no requisitions can be made in PPMS.

(5) Final RTD Screening (2 days). RTD2 is the final two (2) days of screening and property is available to all RTD customers on a first come, first served basis.

(6) All references to days are calendar days unless otherwise specified. A summary and priority of issue for the screening timelines can be found at Table 1. "Summary of Screening and Timeline Issues" of this Volume on the DoD Disposal Procedures Website ([URL](#)).

f. OCONUS Screening Timeline (FEPP)

- (1) Accumulation Period. DLA Disposition Services accumulates property throughout the week as it is inspected and added to the inventory system. As property is added to the inventory system, it is visible for requisitioning by DoD customers only. This accumulation period ends each Friday, before the start of the official screening timeline
- (2) DoD and Special Programs Screening Cycle (21 days). DoD, Special Programs, FCAs, and FMS customers have requisitioning authority during this cycle.
- (3) Foreign Excess Personal Donation (FEPD) (Days 22-42). See Section 6, Volume 1 of this manual.
- (4) During contingency operations, DLA may waive screening requirements or approve expedited screening timelines and issue priorities.
- (5) Screening timelines and procedures for FEPP will generally follow those listed in Section 4.3.e. this Volume.
- (6) DoD customers must request access from GSA to search and request property in PPMS.

4.4. SCREENING EXCEPTIONS. Generally, property cannot be screened before it is entered on DLA Disposition Services site's accountable records. However, if property is needed to fulfill emergency requisitions (e.g., priority designator 01-03, NMCS, disaster relief), it may be processed outside of the normal screening cycle. 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.

#### 4.5. EXPEDITED PROCESSING (EP).

- a. 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.
- b. 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 and EP during the 14-day DoD screening cycle.
- c. EP property is visible on the DLA Disposition Services RTD Web and PPMS.
- d. In contingency operations the supported Combatant Command has the authority to accelerate screening timelines based on mission requirements and operational tempo.

#### 4.6. AUTOMATED WANT LISTS.

- a. Customers may submit automated searches for specific property needs through the DoD Property Search: <https://www.dla.mil/Disposition-Services/Offers/Reutilization/>. Tailored results are e-mailed to the customer to notify them if the property is in DLA Disposition Services inventory. Use of this tool does not guarantee the property will become available.
- b. Customers may also submit a Want List in PPMS, which can help them locate excess property from FCAs.

#### 4.7. PHYSICAL SCREENING FOR PROPERTY AT DLA DISPOSITION SERVICES SITES.

- a. DLA Disposition Services provides reasonable access to authorized personnel for on-site screening, inspection, and removal of excess personal property.
- b. DLA Disposition Services sites will assist customers interested in obtaining property by referring them to the DLA Disposition Services RTD Web or by providing guidance for physical inspection and location of property.
- c. Physical inspection of property may not be possible for assets at receipt-in-place or remote locations.

#### 4.8. SCREENER IDENTIFICATION AND AUTHORIZATION.

- a. Individuals visiting DLA Disposition Services sites to screen property are required to provide proper identification as authorized representatives of a valid recipient activity.
- b. Upon arrival at the DLA Disposition Services site, the individual(s) will sign the vehicle or visitor register indicating the vehicle registration number and the purpose of their visit.
- c. Visitors representing donation recipients will only be allowed to complete the tasks identified under “purpose of visit” on the vehicle or visitor register.
- d. All screeners will specify the Department of Defense Activity Address Code (DoDAAC) or activity address code for which they are inspecting.
- e. 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.
- f. FCA screeners will present current employee identification as valid authorization. This also applies to screeners representing mixed-ownership USG corporations.
- g. 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 annually or as changes occur. Other donation customers will present a valid driver’s license or other State-approved picture identification or the letter of authorization.
- h. SASP personnel must have a valid screener identification card (GSA Optional Form 92), or other suitable identification approved by GSA before screening and requesting property at holding agencies. However, SASP or Donee personnel do not need a screener ID card to inspect or remove property approved by GSA for transfer.
- i. 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.
- j. 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.

#### 4.9. ISSUES TO DOD CUSTOMERS.

- a. DoD and other authorized activities are permitted to requisition 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 RTD Web. This property may be requisitioned through DLA Disposition Services RTD Web.
- b. DoD requisitioning is accomplished electronically via MILSTRIP and DLA Transaction Services, through the DLA Disposition Services Website (<https://www.dla.mil/Disposition-Services/DDSR/Property-Search/>). Defense Logistics Manual 4000.25-1 requires requisitions for property on the DLA Disposition Services site's accountable records to be prepared on DD Forms 1348-1A or 1348-2. A separate requisition is required for each line-item on DLA Disposition Services inventory.
- c. DoD activities will only request property that is authorized by the parent Head Quarters (HQ) or Command. Activities may not request quantities of property exceeding authorized retention limits.
- d. DoD activities must request DoD excess and FEPP through servicing accountable supply officers (ASOs) or their designated representatives.
- e. The Military Department ASO who designates DoD individuals to pick up property on their behalf must provide DLA Disposition Services sites with an electronic Letter of Authorization identifying those individuals. The template for the letter is on the DLA Disposition Services Website (<https://www.dla.mil/Disposition-Services/DDSR/Property-Search/LOA/>). It will include the full name, activity, DoDAAC, telephone number, address, and signature of the individuals authorized to sign and authenticate Material Release Orders (MROs). These individuals may be different from those who are the initial screeners.
- f. U.S. Army ASOs should check with their finance accounting office before requesting items from DLA Disposition Services. Often, Army customers are billed internally for the items they have requisitioned from DLA Disposition Services.
- g. In accordance with DoD Manual 4160.28, all DoD MLI and CCL personal property, whether located within or outside the United States, will be transferred in accordance with part 120 to 130 of Title 22, CFR and parts 730-774 of Title 15, CFR.
  - (1) DoD MLI or CCL personal property will not be transferred to any foreign person or entity without a Department of State (DoS) or Department of Commerce approval authorization, license, license exception, exemption or other authorization for the transfer.
  - (2) Such property will not be transferred to prohibited or sanctioned entities identified by the DoS, Department of Commerce, and Department of Treasury. A consolidated list of prohibited entities may be found at [http://export.gov/ecr/eg\\_main\\_023148.asp](http://export.gov/ecr/eg_main_023148.asp).
  - (3) Property will not be transferred to persons or entities from countries prohibited from trade under regulations maintained by the Office of Foreign Assets Control. The agency (e.g., GSA or U.S. Air Force (USAF) Civil Air Patrol (CAP) Program Manager) approving the transaction must determine recipient eligibility before issuing the requisition to DLA Disposition Services.

- (4) 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.
- (5) Approving agencies must be involved in any subsequent re-transfer requests by the recipient. The recipient must request the agency's permission before taking any disposition action. If the approving agency authorizes the potential transfer, the recipient must then comply with Part 120 et seq. of Title 22, CFR also known as the "the International Traffic in Arms Regulations (ITAR)" or Part 730 et seq. of Title 15, CFR also known as "the Export Administration Regulations (EAR)" as appropriate.
- h. For USML and CCL property, DLA Disposition Services sites will require recipients to sign a statement acknowledging their responsibility to comply with U.S. export laws and regulations. The statement must be signed before the release of the property according to the DEMIL procedures in DoD Manual 4160.28. If property is destined for export, the recipient must get appropriate export authorizations from the DoS or Department of Commerce in accordance with DoD Instruction 2030.08.

4.10. ISSUES TO SPECIAL PROGRAMS. Certain customers are authorized under special authority to screen property in the DoD screening cycle.

- a. DLA Disposition Services sites may transfer MLI, CCL (DEMIL Code Q) and non-DEMIL required USML (DEMIL Code B/Q) property that may have special handling/destruction requirements or import and export controls to approved special programs. Before release of sensitive property from non-DoD control, DLA Disposition Services sites must obtain a written agreement from the requesting special program. Most of the special programs will have this requirement written in their agreements.
  - (1) This agreement acknowledges that the recipient will DEMIL the USML property in accordance with DoD Manual 4160.28 when the property is no longer needed.
  - (2) 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 before 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.
  - (3) 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.
  - (4) Before release of such CCL and non-DEMIL required USML property, the requesting special programs must either follow the responsibilities in their MOA or provide written notification to the DLA Disposition Services site.
  - (5) This notification confirms recipient's understanding that export or import of the CCL or non-DEMIL required USML property is regulated by the U.S. Government (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.
- b. FMS/SECURITY ASSISTANCE.

- (1) Authority for security assistance is provided primarily under Section 2751 et seq. of Title 22, U.S.C. and annual appropriation acts for foreign operations, export financing, and related programs.
- (2) Excess Defense Articles (EDA) may be made available to partner nations and international organizations designated by the DoS and DoD as eligible to purchase property in coordination and cooperation with DoS, and the Defense Security Cooperation Agency (DSCA). 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 DSCA Manual 5105.38.
- (3) For foreign purchased property, disposal initiatives and actions will be performed in accordance with Chapter 8, DSCA Manual 5105.38.
- (4) FEPP, excess, and surplus personal property may be made available to partner nations and international organizations designated as eligible to purchase property in accordance with Title 22, U.S.C. Such defense articles may be made available for grant or sales transfers under the FMS Program. Transactions under this authority are reimbursable.
- (5) Eligibility for FMS is listed in Table C4.T2 of DSCA Manual 5105.38. Eligibility to receive EDA as a grant pursuant to Title 22 U.S.C. 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.
- (6) FMS transactions are completed by DLA Disposition Services Letters of Offer and Acceptance (LOA) and the procedures specified in Chapter 6, DSCA Manual 5105.38.
- (7) Partner nations and international organizations (such as NATO) may screen and request assets during DLA Disposition Services reutilization screening cycle. Eligible partner nations may submit requests against an implemented DLA Disposition Services FMS case. Cases managed by other Implementing Agencies (IAs) may not be used to requisition assets from DLA Disposition Services inventory.
- (8) FMS Transportation. FMS customers are responsible for all transportation costs.
  - (a) The transportation costs can be written into the LOA, or the items can be shipped based on guidance provided by the partner nation or freight forwarder. The IA will identify exceptions to this rule.
  - (b) Prepare and send DD Form 1348-5, "Notice of Availability/Shipment," for all shipments managed by a 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. The customer or freight forwarder has 30 days to remove the property after the DD Form 1348-5 has been provided. If the property is not removed within 30 days, notify the DLA Disposition Services FMS Office for resolution.

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

#### (9) Restricted Property

- (a) In accordance with Section 2403 of Title 22, U.S.C. construction equipment, including but not limited to tractors, scrapers, loaders, graders, bulldozers, dump trucks, generators, and compressors are not eligible to be offered as EDA.
- (b) There may be restrictions contained in this manual or disposal policies that limit or prevent property from being provided as EDA, for example body armor, helmets, and certain uniform items.

(10) Pricing of FMS is governed by DoD 7000.14-R.

#### c. DoD HAP

- (1) DoD may donate non-lethal excess DoD supplies and property for Humanitarian Assistance purposes. DoD HAP is authorized under Section 2557, Title 10 U.S.C. The program is managed by DSCA under the Office of the Assistant Secretary of Defense for Policy.
- (2) Preparation and transportation of this property is carried out in accordance with Chapter 12 of DSCA Manual 5105.38.
- (3) In most instances, property requisitions will be from DLA Disposition Services inventory. DLA Disposition Services will issue all property destined for the HAP, except for drugs and biologicals (Federal supply classification code (FSC) 6505), which may be issued directly by the Military Departments. HAP requisitions will be documented on DD Form 1348-1A "Issue Release/Receipt Document."

#### d. LAW ENFORCEMENT ACTIVITIES (LEAs)

- (1) Section 2576a of Title 10, U.S.C. authorizes the Secretary of Defense, in consultation with the Director, Office of National Drug Control Policy, and the Department of Justice (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. DLA has established an office to permit civil police authority to acquire excess DoD property, and the website [www.dla.mil/Disposition-Services/-Offers/Law-Enforcement](http://www.dla.mil/Disposition-Services/-Offers/Law-Enforcement) provides information to assist with the process. DLA Disposition Services has managerial responsibilities in support of such transfers and will establish business relationships with participating States by MOA.
- (2) LEAs can screen and requisition property through the DLA Disposition Services RTD Web.
- (3) LEAs are required to work through their State Coordinators to requisition property and maintain accountability of sensitive or controlled property.
- (4) LEAs will return sensitive or controlled DEMIL required property originally requisitioned from DLA Disposition Services when no longer needed. DEMIL required equipment that is

the responsibility of the LEA must be DEMIL in accordance with DoD Manual 4160.28. Due to constant changes and development of new technology, some National Stock Numbers (NSNs) may contain radioactive components as identified for Army Navy night vision equipment codes. The turn-in activity will verify with FLIS and/or the DLA Disposition Services site whether equipment contains radioactive components before turning in any night vision equipment.

e. DoD or SERVICE MUSEUMS

- (1) Authority is provided by Section 2572 of Title 10, U.S.C. which allows the loan, gift, or exchange of specified historic, obsolete or condemned military property. Approval authority for museum transfers from DLA Disposition Services expressly for the purpose of exchange must be granted by the activity having staff supervision over the museum. Approval authority can be found at Table 2. "DoD and Service Museum Approval Authority Points of Contract", of this Volume on the DoD Disposal Procedures Website ([URL](#)).
- (2) The DoD and Military Department museums may obtain property from DLA Disposition Services for use, display, or exchange. Except for historical artifacts, stockpiling of property obtained from DLA Disposition Services sources for future exchange is prohibited.
- (3) The normal requisitioning procedures apply. Information and portal to screen property is at <https://www.dla.mil/Disposition-Services/Offers/Reutilization>. At a minimum, requisitions will include:
  - (a) The museum's individual DoDAAC or the DoDAAC of the Service headquarters with central responsibility for historical property.
  - (b) 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).
  - (c) Personnel requisitioning property must be military or civilian employees of the museum, not volunteers or members of the museums' private supporting organizations.
- (4) DLA Disposition Services sites will ensure authorized property requisitioned by museums for exchange is released to the requisitioning 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.
- (5) The DoD operating activities and Military Departments will 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.

- f. National Guard Units. Requisitions of excess DoD property and FEPP to National Guard units must be made under the Military Service DoDAAC and be approved by the National Guard Bureau or the U.S. Property and Fiscal Officer (USP&FO), or appointed ASO, for the State in which the National Guard unit is located. When requisitions are submitted in DLA Disposition Services RTD Web the ASO must be selected to approve the request.

- g. Senior Reserve Officer Training Corps (SROTC) Units. Military Departments' Senior ROTC units may obtain excess DoD property and FEPP from DLA Disposition Services to support supplemental proficiency training programs. Requisitions must be approved by the installation commander or appointed ASO and utilize the Military Department's DoDAAC. Additionally, the Army SROTC requires a letter from the Army Cadet Command authorizing use of the program to gain access to RTD Web. The Army Cadet Command letters should be sent to The DLA Disposition Services RTD Branch, via [DispSvcsRTD@dla.mil](mailto:DispSvcsRTD@dla.mil).
- h. DoD Contractors
- (1) Title 10, U.S.C. 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 for use as government-furnished material or government-furnished equipment to support contractual requirements.
  - (2) Requisitions will be completed in accordance with Chapter 11 of Defense Logistics Manual 4000.25-1 and include the DoDAAC assigned to the contractor. They must be processed by the MCA having oversight of the applicable contract.
  - (3) Property requisitioned must be authorized and listed in the DoD contract(s) for which the property will be used, recorded in the ICPs MCA responsible for the contract, and the use of the property approved by the Contracting Officer (KO) or contracting officer's representative (COR) for such contract(s). Each electronic or manual order (DD Form 1348-1A) must contain the signature and title of the KO or COR authorizing the withdrawal of excess DoD property from the disposal system. Each order must also contain the certification: "For use under Contract Number(s). \_\_\_\_\_." The certification should be signed by an authorized official and should indicate his or her official title.
- i. Morale Welfare Recreation Activities (MWRAs)
- (4) DoD MWRAs or Services may requisition excess DoD property and FEPP with a valid DoDAAC. Requests for small arms or light weapons must be requisitioned by servicing ASOs only and be approved by the designated DoD focal point as identified in Table 3. "DoD Designated Control Points for Small Arms and Light Weapons Ordering, Reviewing and Approving", of this Volume at the DoD Disposal Procedures Website [\(URL\)](#). Additionally, see DoD Disposal Procedures Website [\(URL\)](#) for guidelines on reutilization of small arms and light weapons.
  - (5) Property requisitioned will be used and accounted for the same as all procurements, according to applicable Military Department or Defense Agency procedures.
  - (6) Requisitions 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 requisition will include the statement that, when property that is obtained without reimbursement, and is no longer needed, it will be turned into the nearest DLA Disposition Services site for disposal.

j. Military Affiliate Radio System (MARS)

- (1) 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 screen and requisition excess property through their respective accountable officers. The accountable supply officer maintains current and valid identification of their MARS members to prevent unauthorized screening by MARS members or former members.
- (2) The property requisitioned 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 supply officer. Property requisitioned for reclamation is limited to materiel in disposal condition code X or S.
- (3) The respective Military Department may limit MARS requisitions to selected FSCs.
- (4) The release of property to MARS activities is governed by the following procedures:
  - (a) Army MARS: refer to: [www.usarmymars.org](http://www.usarmymars.org)
  - (b) USAF MARS: AF MARS is managed by the Air Force Combat Command. 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. Requisitions for property for MARS must be approved by the Chief, USAF MARS or designated representative; this approval authority cannot be delegated. All approved requisitions will be processed through the USAF MARS Accountable Property Officer or designated alternate.

k. Civil Air Patrol (CAP)

- (1) 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.
- (2) The CAP will remain accountable for all property acquired from DoD 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 DoD under any circumstances.
- (3) The CAP is not eligible to screen or receive Aerospace Maintenance and Regeneration Group (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:

- (a) Flyable Aircraft. The head of the owning Military Department will issue the aircraft to the accounts specified by the HQ CAP-USAF, ensuring that data plates and all available historical and modification records accompany the aircraft. The aircraft will be issued to the CAP upon condition that it be used by the CAP to support valid mission requirements. Before 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.
  - (b) Reclamation of Parts. If the HQ CAP-USAF elects to allow the CAP to use the aircraft for parts reclamation, the HQ CAP-USAF will contact the owning Military Department to make arrangements concerning reclamation of parts by the CAP. If the CAP declines to reclaim parts and components from the aircraft, the CAP will arrange through the HQ CAP-USAF for issue and delivery of the aircraft, data plates, and historical and modification records to AMARG.
- (4) CAP Aircraft. All CAP aircraft delivered to AMARG will be reported to the GSA for use by FCAs and authorized Donees. The CAP and its members are strictly prohibited from selling, donating, or bartering aircraft obtained from a Military Department under any circumstances.
- (5) The CAP units will use assigned DoDAACs beginning in "FG" to transfer and requisition excess personal property.
1. DoD Computers for Learning (CFL)
- (1) The DoD CFL program implements Executive Order 12999 and enables DoD to transfer excess information technology (IT) equipment to pre-kindergarten through grade 12 public, private, or parochial schools or 501c3 educational nonprofits. They must be located within the United States and its territories. Information for the DoD CFL program can be found at <https://www.dla.mil/Disposition-Services/Offers/CFL/>
  - (2) IT equipment is available on an "as-is, where is" basis, without warranties from DoD as to the condition of the equipment. Eligible IT equipment is defined as property in the Federal Supply Group 70 with a DEMIL Code "A" and DEMIL Code "Q" with an Integrity Code "6." This includes, but not limited to, mainframes, minicomputers, microcomputers, modems, disk drives, printers.
  - (3) Generating activities can specify a school for intended transfer once the property is on DLA Disposition Services inventory. From the DLA Disposition Services RTD Home Page, the user may click on Property Search for Military, Federal, State, and Special Programs, then click on "Computers for Learning." The generating activity can view the IT equipment that was turned in under their DoDAAC and designate that equipment to approved schools. The generating activity has 7 days to make the selection; otherwise, the equipment will be

available to any eligible schools. Generating activity information for special handling and processing of IT equipment (see special case # 86. on the DoD Disposal Webpage ([URL](#)).

- (4) Direct transfers are authorized by law through 3710(i) Title 15 U.S.C. Generating activities can report these transfers via the GFL Direct Transfer module on GSA Personal Property Management System [reporting requirements](#).
- (5) Schools/educational organizations must:
  - (a) Complete the MOA.
  - (b) Register in the Account Management and Provisioning System and DLA Disposition Services RTD Web.
  - (c) Ensure the IT equipment transferred will be used for student and faculty.
- (6) The school/educational organizations is responsible for coordinating the removal of equipment with the generating activity or the DLA Disposition Services site. The authorized school has 14 days after receipt of authorization to remove the equipment.

m. Firefighter Program.

- (1) DoD has authorized the U.S. Department of Agriculture (USDA) Forest Service to manage firefighting property transfers in accordance with Section 2576b of Title 10, U.S.C.
- (2) Title to DEMIL Code “A” and DEMIL Code “Q” with an Integrity Code “6” property will transfer to the state/agency after one year from the receipt.
- (3) USDA will track all equipment requiring demilitarization until final disposition and require the state to ensure that such equipment is either transferred to another Firefighter Program participating agency authorized to receive DEMIL required property or property is returned to a DLA Disposition Services site, when no longer required. USDA will require the state to coordinate any such transfers and returns with the DLA HQ Disposal Management Branch before the transfer. The recipients are responsible for funding transportation or removal.
- (4) Additional requirements for the Firefighter Program can be found at <https://www.fs.usda.gov/managing-land/fire/fepp>.

n. Veterans Affairs (VA) Homeless Programs

- (1) Section 2557 of Title 10, U.S.C. authorizes the Secretary of Defense to transfer excess clothing, shoes, sleeping bags, and related nonlethal excess supplies available to the Secretary of Veterans Affairs for distribution to homeless veterans and programs assisting homeless veterans.
- (2) Title to DEMIL Code “A” and DEMIL Code “Q” with an Integrity Code “6” property will transfer upon receipt.

4.11. ISSUES TO TRANSFER AND DONATION CUSTOMERS.

- a. Requisitions by FCAs and Donees for property in the GSA screening cycle will be submitted through PPMS and systematically transmitted to DLA Disposition Services.
- b. Issues of DoD FEPP, excess, and surplus personal property will be at no cost to FCAs and to SASPs.
- c. 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.
- d. Surplus property is allocated to Donees by GSA considering the factors listed in Chapter 102, Subchapter B, Part 102.37, Title 41, CFR.
- e. The SASP donates property to public and eligible nonprofit organizations. Eligible recipients are listed at <https://www.gsa.gov/buy-through-us/government-property-for-sale-or-lease/personal-property-for-reuse-and-sale/for-state-agencies-and-public-organizations/eligible-organizations-and-activities>. 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.
- f. Service Educational Activities. The Deputy Secretary of Defense is authorized to designate new SEAs. Approved SEAs are listed at <https://www.gsa.gov/buy-through-us/government-property-for-sale-or-lease/personal-property-for-reuse-and-sale/for-state-agencies-and-public-organizations/eligible-organizations-and-activities>. Defense Agencies should submit requests for new SEA designations to the Office of the Assistant Secretary of Defense for Sustainment, 3010 Defense Pentagon, Washington, DC 20301-3010.
- g. Upon allocation/approval, PPMS will generate the SF 122 “Transfer Order Excess Personal Property” for Transfer customers, or SF 123, “Transfer Order Surplus Personal Property” for Donation customers.
- h. Release of Government Liability. 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.
- i. Reporting. DLA will provide GSA a report of property transferred to non-federal recipients. The report will be submitted to GSA through the GSA online Personal Property Reporting Tool within 90 calendar days after the close of each fiscal year. Requirements for reporting and access to the Personal Property Reporting Tool (PPRT) is located at <https://www.property.reporting.gov/PPRT/>. If for any reason the report is delayed, the organization who possesses the property should contact the GSA Office Personal Property Asset Management, 1800 F Street, NW, Washington, D.C. 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.

#### 4.12. EMERGENCY REQUESTS.

- a. Telephone requests during non-duty hours may be made by contacting the DLA Customer Interaction Center at [dlacontactcenter@dla.mil](mailto:dlacontactcenter@dla.mil) or 1-877-DLA-CALL.
- b. If a DoD activity has an emergency need for a surplus DoD item in the possession of a Donee, it may be requested from that Donee. The acquiring DoD activity must pay any costs of care, handling, and transportation that were incurred by the Donee in acquiring this property.

4.13. LATE ORDERS. If a DoD requisition is received after the screening timeline has expired, the customer will provide justification as to the necessity for the property requested, indicating why other comparable property in the DLA Disposition Services inventory does not satisfy the need. See Section 6 of this Volume for more guidance if the property needs to be withdrawn from sale.

#### 4.14. CONDITION OF PROPERTY ORDERED.

- a. Requisitions 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.
- b. DLA Disposition Services sites will determine the property requested is in as good a condition as it was during screening. If the requested property has materially deteriorated from receipt to requisition, the DLA Disposition Services site will advise the customer. The shipment/pick-up transaction will be suspended pending notification by the customer that the property will or will not be accepted in its present condition.
- c. 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) or GSA (for transfers and donations), and agreement by the customer that the property will be accepted in its altered condition.

#### 4.15. SHIPMENT OR PICK-UP ELECTIONS BY CUSTOMERS.

- a. DoD customers.
  - (1) DLA Disposition Services has been authorized to use ground services for the movement of reutilization property to military service customers and designated DoD supported customers unless notified by the DoD Component of the intent to physically pick up the property. DoD components will physically pick up the property if co-located at same host installation as the DLA Disposition Services site.
  - (2) DoD Components have 14 calendar days (15 days from the date on the requisition) to remove property requested during the DoD screening cycles.
    - (a) Standard transportation or preferred pick up of the property requested by DoD customers who are allocated property by GSA apply.
    - (b) If DoD customers requisition from PPMS in the GSA screening cycle, they have 15 days to remove the property.

- (c) 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 request.
- (d) The DLA Disposition Services site will contact the customer and provide the property's estimated value and transportation cost to ship the property.
- (e) If a lower cost transportation mode is available, meets the requirements of the requisition, 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 requisition.
- (f) If the customer reconfirms the need for the property, the following certification information will be provided to a DLA Disposition Services site along with a customer reconfirmation statement. DoD activities must prepare, sign, and submit a justification statement for property where the transportation costs exceed 50 percent of the acquisition value of the property. The justification statement will be signed by the Property Book Officer or designated representative and will state:
  - 1. The purpose for which the item is to be used and whether the item is mission-essential to the operation of the requestor's activity.
  - 2. Any additional information deemed necessary to show criticality of the requisition. The statement should be included with the DD Form 1348. Failure to provide a statement may result in the requisition being canceled.
- (g) If the customer determines the shipment is not needed, the customer will initiate cancellation action according to the procedures in Defense Logistics Manual 4000.25-1.

b. DoD Special Programs

- (1) DoD Special Programs that are not designated DoD supported customers (LEAs, Fire-Fighter Program, CFL, CAP, FMS), are required to make their own pickup and shipment arrangements for property requests and have 14 calendar days to remove property.
- (2) MWRAs not requisitioning property through a military ASO, DoD museums, Senior ROTC units and must pay transportation costs and must provide a fund citation before shipment or pick up of the property.
- (3) Only one carrier is authorized per agency, and once the agency has designated a carrier, 30 days' notice is required to change a carrier.
- (4) Generally, FMS customers are responsible for transportation costs associated with requisitioned property.
  - (a) The DLA Disposition Services FMS Office will identify exceptions to this rule. Transportation of sensitive and other critical FMS shipments will be coordinated between the DLA Disposition Services FMS Office and the partner nations required. The DLA Disposition Services FMS Office will provide the necessary guidance.

- (b) Transportation arrangements will be made by the DLA Disposition Services site or by the supporting transportation office.
  - (c) Partner nations are authorized to pick up property requisitioned from DLA Disposition Services sites in coordination with the DLA Disposition Services FMS Office, the partner nation, and the DLA Disposition Services site.
- (5) HAP requisitions 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.

c. Transfer and Donation Customers

- (1) All transportation arrangements and costs are the responsibility of the FCA, 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.
- (2) Customers required to pick up or arrange direct pickup must do so within the allotted standard removal time frame unless it is extended by the DLA Disposition Services Site Lead/Supervisor. An example of justification for extended removal time would be because 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 requisition.
  - (a) The FCA, 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.
  - (b) 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.
- (3) DLA Disposition Services sites will release surplus property to authorized Donees upon receipt of an approved SF 123 or MRO.

d. Customer Removal Documentation Requirements

- (1) Identification Requirements. When a customer makes removal arrangements, the individuals removing the property must be properly identified. Coordinate with DLA Disposition Services before arrival to complete and transmit documents for identification.
  - (a) Upon arrival at the DLA Disposition Services site, the individuals will identify themselves, sign a DLA Disposition Services visitor log and indicate on the register the DoDAAC represented (for DoD activities) or activity address code represented (for non-DoD activities), and the purpose of the visit.

(b) Visitor and vehicle registers will be readily accessible, see Section 4.8 of this Volume.

## (2) Documentation Requirements

(a) Customers will:

1. DoD Special Programs customers must provide a completed DLA Form 2517, Letter of Authorization (LOA) to the DLA Disposition Services site before removal for verification purposes. They must also provide designated carrier or removal agents with a copy of the LOA indicating removal authority and the property in which they are authorized to pick up.
2. DoD customers must have a hard copy of the electronically transmitted DLA Form 2517 before removal, and an e-mail response from DLA Disposition Services with verification of personnel authorized to remove property. The Military Department ASO who designates DoD individuals to pick up property on their behalf must provide DLA Disposition Services sites with an electronic Letter of Authorization identifying those individuals. The template for the letter is on the DLA Disposition Services Website (<https://www.dla.mil/Disposition-Services/DDSR/Property-Search/LOA/>). 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 screeners.
3. Transfer and Donation customers must provide a completed DLA Form 2516, Letter of Authorization to Remove (LOAR) property, to the DLA Disposition Services site before removal for verification purposes. They must also provide designated carrier or removal agents with a copy of the DLA Form 2516 indicating removal authority and the property in which they are authorized to pick up.

(b) DLA Disposition Services sites will:

1. Ensure the visitor log and for each direct issue includes:
  - a. Name of the individual receiving the property.
  - b. DoDAAC or activity address code or physical location address.
  - c. Activity of the individual receiving the property.
2. Ensure each customer is issued a badge when signing in.
3. 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.
4. For DoD walk-in customers, ensure a current letter is on file in the DLA Disposition Services Centralized File identifying the accountable officer and authorized individual(s) signing and approving the requisition.
5. Fill the requisition.

6. Provide any appropriate disclaimers or certifications of usage or disposal to the customer for signature before releasing the property.
7. Furnish a copy of the completed shipping document to the respective accountable officer (record positions 30-35 of DD Form 1348-1A).
8. If being removed by anyone other than the customer, verify that the carrier has valid documentation (a copy of DD Form 1348-1A or SF 122 or 123, as appropriate) indicating removal authority. Arrange for completion of any disclaimers or certifications of usage or disposal with the customer, before releasing the property to the carrier.
9. In case of doubt as to the validity of pickup representatives, DLA Disposition Services sites should contact the accountable officer who prepared the requisition for DoD activities, or DLA Disposition Services for activities authorized to requisition as DoD special programs, or the GSA regional office for other FCAs or Donees.

4.16. PACKING, CRATING, AND HANDLING. See Section 4, Volume 1 of this manual.

4.17. SHIPMENT OR DENIAL NOTIFICATIONS.

- a. DLA Disposition Services sites will use the guidance in the Defense Logistics Manual, 4000.25 to prepare materiel release confirmations in response to MROs received from DLA Disposition Services.
- b. When shipments are complete, DLA Disposition Services sites will furnish a copy of the shipping document to the customer. This document confirms shipment. The customer will notify the DLA Disposition Services site if the property is not received within a reasonable timeframe. FCAs will only be provided a copy of the SF 122, with annotation of the transportation data, when arrangements for DLA Disposition Services sites to ship the property have been made in advance.
- c. DLA Disposition Services sites will:
  - (1) Advise the customer if the property requested is no longer available or of acceptable condition.
  - (2) Document non-availability by a materiel release denial prepared in accordance with the Defense Logistics Manual 4000.25 if item(s) for an MRO are not available.
  - (3) Issue a letter for all other non-availability notifications, with a copy to GSA if they approved the requisition. The letter will contain the following data at a minimum:
    - (a) NSN.
    - (b) Order number.
    - (c) Quantity not available.

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## SECTION 5: SPECIAL DONATIONS (GIFTS), LOANS, AND EXCHANGES OUTSIDE THE FEDERAL MANAGEMENT REGULATIONS

### 5.1. AUTHORITY AND SCOPE.

- a. In accordance with Section 2572 of Title 10, U.S.C., 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. The applicable Secretary may, without cost to the recipient, demilitarize, prepare and or transport within the continental United States for donation.
- b. Technology transfer projects and Section 2194 of Title 10, U.S.C. address educational partnership agreements.

### 5.2. GENERAL.

- a. The DoD Components:
  - (1) Comply with the specific governing statute for the type of property and ensure the limitations of the governing statute are observed
  - (2) Establish supplementary procedures governing loans, donations, and exchanges.
  - (3) May donate, loan or exchange items, as identified in Paragraph (4) of this Section if the special donation, loan, or exchange action occurs before transfer to DLA Disposition Services for disposition. It is not authorized after property has been officially declared excess and transferred to DLA Disposition Services.
  - (4) May exchange assets for:
    - (a) Similar items
    - (b) Conservation supplies, equipment, facilities, or systems
    - (c) Search, salvage, or transportation services
    - (d) Restoration, conservation, or preservation services
    - (e) Educational programs when it directly benefits the historical collection of the DoD Components
    - (f) 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.

- (g) 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 CONUS items authorized for donation to a recognized war veterans association in accordance with the DoD Manual 4160.28 if the DoD Component determines this can be accomplished as a training mission, without additional expenditures for the unit involved.
  - (h) Will maintain official records of all DoD materiel loaned, including physical inventory, record reconciliation, and management reporting specified in the inventory management procedures in the DoD Manual 4140.01. Verify annually 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.
- b. Organizations Authorized to Receive Loans and Donations
- (1) A municipal corporation
  - (2) A soldiers' monument association
  - (3) 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
  - (4) 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
  - (5) 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
  - (6) 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)
  - (7) A post of the Sons of Veterans Reserve
- c. Requirements for Veterans Organizations. To qualify, veterans' organizations must be:
- (1) Sponsored by a Military Department
  - (2) 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
- d. Requirements for museums. To qualify, museums must:
- (1) Meet State (or equivalent foreign national) criteria for not-for-profit museums.

- (2) 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.
  - (3) Have a professional staff that can care for and accept responsibility for the loaned or donated property.
  - (4) 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.
- e. Eligibility Determination. 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:
- (1) Limit donations, loans, or exchanges to property stipulated by Section 2572 of Title 10, U.S.C. Except for relevant records for aircraft and associated engines and equipment (unless authorized under DoD Instruction 2030.08, government records may not be released.
  - (2) Approve the loan, donation, or exchange; process requests for variations from the original agreement; and maintain official records of all agreements. The approval of exchanges may be delegated at the discretion of the Secretary concerned and is encouraged for low-dollar transactions.
  - (3) Establish controls for determining compliance by the recipient organization with the display, security, and usage criteria provided in the loan and donation agreements.
  - (4) Provide disposition instructions to the recipient organization when loaned or donated property is no longer needed or authorized for continued use.
  - (5) Establish conditions for making donations, loans, or exchanges that include a program for safe for display of static aircraft and spacecraft with processes and procedures to:
    - (a) Identify hazardous materials, ordnance, or other military capabilities that could cause harm upon active use.
    - (b) Clear static aircraft and spacecraft of hazardous materials before release for donations, loans, or exchanges.
  - (6) 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.
  - (7) Ensure that correspondence regarding loans, donations, or exchanges is signed by individuals authorized to obligate their organization.
  - (8) Ensure appropriate DEMIL of the property, as prescribed in DoD Manual 4160.28, 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.

- (9) 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 4. “Military Department Contact Points for Loan, Donation, or Exchange of Property”, of this Volume on DoD Disposal Procedures Website ([URL](#))
  - (a) 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.
  - (b) 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.
  - (c) 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.
- (10) Record assets on property accountability records before they are loaned, donated, or exchanged.
- (11) Coordinate with the DoS before a donation, loan, or exchange is formalized with a foreign museum.
- (12) Ensure an official authorized to obligate the organization signs a certificate of assurance. A sample can be found at Figure 1. “Sample Certificate of Assurance”, of this Volume on the DoD Disposal Procedures Website ([URL](#))
- (13) Ensure proper documentation is finalized in accordance with DoD Manual 4160.28 before the release of any property to an authorized recipient.
  - (a) A standard loan agreement will be used. A Sample can be found at Figure 2. “Sample Standard Loan Agreement”, of this Volume on the DoD Disposal Procedures Website ([URL](#))
  - (b) Accomplish property donations made under this authority by use of the conditional deed of gift agreement. This can be found at Figure 3. “Sample Conditional Deed of Gift”, of this Volume on the DoD Disposal Procedures Website ([URL](#)). A similar document providing the same data may be used.
  - (c) Accomplish property exchanges made under this authority by use of the exchange agreement in the format prescribed which can be found at Figure 4. “Sample Exchange Agreement”, of this Volume on the DoD Disposal Procedures Website ([URL](#)). 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.

- (14) 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.
  - (15) Notify exchange recipients that the DoD cannot certify aircraft, components, or parts as airworthy. Aircraft, components, or parts must be certified by the Federal Aviation Administration as airworthy before being returned to flight usage. If available, logbooks and maintenance records for Flight Safety Critical Aircraft Parts (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 before 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.
  - (16) 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.
  - (17) 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. A “sample of the Unconditional Deed of Gift” can be found at Figure 5 of this Volume on the DoD Disposal Procedures [\(URL\)](#);
- f. Military Department Loans of Bedding. Consistent with Section 2557 of Title 10, U.S.C., 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.
- g. Army Loans to Veterans’ Organizations
- (1) The Department of the Army, in accordance with Section 7683 of Title 10, U.S.C., 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.
  - (2) The Secretary of the Army, in Title 10, U.S.C. 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 h (1) 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.

h. Navy Loans and Donations

- (1) The Secretary of the Navy, in accordance with Section 8765 of Title 10, U.S.C., 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.
  - (a) Loans and donations made under this authority will be subject to the same guidelines for donations in accordance with Section 2572 of Title 10, U.S.C.
  - (b) If materiel to be loaned or donated is of historic interest, the application will be forwarded through the Navy Curator.
  - (c) Donations made under this authority must first be referred to the Congress.
  - (d) Donations and loans made under Section 8765 of Title 10, U.S.C. will be made with a conditional deed of gift (see Figure 3 of this Volume on the DoD Disposal Procedures Website [URL](#)).
- (2) In accordance with Section 8676 of Title 10, U.S.C., 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 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).
  - (a) 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.
  - (b) 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.
- (3) Each application will contain:
  - (a) Type of vessel desired, or in the case of combatant vessels, the official Navy identification of the vessel desired.
  - (b) Statement of the proposed use to be made of the vessel and where it will be located.

- (c) Statement describing and confirming availability of a berthing site and the facilities and personnel to maintain the vessel.
- (d) 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 because of such terms and conditions prescribed by the Department of the Navy.
- (e) 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.
- (f) 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.
- (g) Statement that the applicant agrees that it will return the vessel, 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.
- (h) 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:
  - 1. A properly authenticated copy of the charter.
  - 2. Certificate of incorporation.
  - 3. Articles of agreement made either by:
    - a. The Secretary of State or other appropriate officials of the State under the laws where the applicant is incorporated.
    - b. Organized or other appropriate public official having custody of such charter, certificate or articles.
- (i) 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.
- (j) 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.

- (k) 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.
  - (l) A signed copy of the assurance of compliance.
  - (m) 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.
  - (1) A statement that the galley will not be activated for serving meals.
- (4) 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 Section 8676 of Title 10, U.S.C., provided the applicant has presented evidence satisfactory to the government that the applicant has adequate financial means to accomplish all 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 7306 of Title 10, U.S.C.
- (5) All vessels, boats, and service craft, donated in accordance with Section 8676 of Title 10, U.S.C., 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 enclosure are subject to certain inspection and certification requirements. Applicants for vessels or service craft will be advised in writing by the office acting 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:
- (a) 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 Section 2101(28)(B) of Title 46, U.S.C.
  - (b) 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.
- (6) In accordance with Section 8766 of Title 10, U.S.C. 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.
- i. Donation of Excess Chapel Property. In accordance with Section 2580 of Title 10, U.S.C., the Secretary of a Military Department may donate excess personal property to religious organizations (as described in Section 501 of Title 26, U.S.C.), for the purposes of assisting such organizations in restoring or replacing property of the organization that has been damaged or destroyed because 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.
  - j. Disposition After Use of Special Donations (Gifts), Loans, and Exchanges

(1) The requirements of the recipient organization are:

- (a) 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 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 on behalf of other requests, or its estimated sale value, if sold by DoD. Repossession of property will be documented; copies of the documentation will be retained by the Donee and lender.
- (b) 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-in-place and sale in-place, when economically feasible.

(2) 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 Section 8766 of Title 10, U.S.C. 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.

5.3. ACADEMIC INSTITUTIONS AND NON-PROFIT ORGANIZATIONS. Educational partnership (or other) agreements may be established for the loan or donation of property.

- a. Under an educational partnership (or other) agreement, and consistent with Title 10, U.S.C., 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.
- b. In accordance with Section 3710(i) of Title 15, U.S.C., 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 ZI.
- c. 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.
- d. Laboratories should be aware that some property might be environmentally regulated and, if exported, may require a DoS or Commerce export license, including certain circumstances where exports to foreign parties takes 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.

#### 5.4. DISASTER ASSISTANCE FOR STATES.

- a. Sections 5121 through 5207 of Title 41, U.S.C., also known and referred to in this Volume 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.
- b. Excess personal property may be loaned or donated 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 Federal Emergency Management Agency regulations.

## SECTION 6: SALE OF SURPLUS SCRAP AND FEDERAL EXCESS PERSONAL PROPERTY

### 6.1. AUTHORITY AND SCOPE.

- a. FPMR and FMR. The provisions of this enclosure are pursuant to Parts 101 and 102 of Title 41, CFR, also known as the “FPMR” and “FMR,” respectively.
- b. Additional Guidance:
  - (1) Policy and procedures for the control of MLIs and CCL items are contained in DoD Manual 4160.28, DoD Instruction 4140.61 and incorporated in the provisions of DoD Instruction 2030.08.
  - (2) Sections 3711-3720E of Title 31, U.S.C. provide an additional statutory requirement applicable to the sale of personal property.
  - (3) Part 33 of Title 48, CFR provide additional guidance on handling disputes from the sale of personal property.
  - (4) Subpart 9.4 of the Federal Acquisition Regulation (FAR) provides direction on the debarment or suspension of individuals or entities.
  - (5) Sales of FEPP, although briefly addressed in the FMR, are managed by the agency head and must be in compliance with foreign policy of the United States and the terms and conditions of any applicable host-nation agreement. For additional information on processing FEPP, see Section 6, Volume 1 of this manual.
  - (6) DoD Directive 3230.3 allows the sale of dedicated expendable launch vehicle (ELV) equipment directly to commercial ELV vendors in consultation with the Secretary of Transportation.

6.2. EXCLUSIONS. This Volume does not govern the sale of property that is regulated by the laws or agencies identified in paragraphs 6.2a through 6.2.d of this Section. This information is included for the DoD Components to reference when commodities in their possession become excessive and disposal requires compliance with this manual.

- f. The Strategic and Critical Materials Stock Piling Act in Section 98 et seq of Title 50, U.S.C. 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.
- g. 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.
- h. Under the provisions of Section 2576 of Title 10, U.S.C., the Secretary of Defense may sell designated items (such as pistols, revolvers, shotguns, rifles of a caliber not exceeding .30, ammunition for such firearms, and other appropriate equipment) to State and local law

enforcement, firefighting, homeland security, and emergency management agencies, at fair market value if the designated items:

- (1) Have been determined to be surplus property.
  - (2) Are certified as being necessary and suitable for the operation and exclusive use of such agency by the governor (or such State official as he or she may designate) of the State in which such agency is located.
- i. Do not include used gas masks.

### 6.3. GENERAL.

- a. DLA Disposition Services is the primary agency for managing surplus and FEPP sales.
- b. DoD Components are responsible for disposing of surplus property, FEPP, scrap released by qualified recycling programs (QRPs), and other scrap through sales to the public and State and local governments through execution of an awarded contract.
- c. The Military Departments are authorized to sell eligible scrap released by their respective QRPs and non-excess property eligible for exchange or sale in accordance with their internal operating guidance, the DoD Manual 4140.01, and Parts 101 and 102 of Title 41, CFR.
- d. DoD Components advertise excess and surplus personal property for sale only after all prescribed screening actions are taken, unless screening is not required. See special handling procedures on the DoD Disposal Procedures Website ([URL](#)) for exempt items.
- e. Sales actions include planning, merchandising, pre-award surveys, bid evaluation and award, contract administration, proceeds receipt and disbursement, and releasing the property.

### 6.4. PROCEDURES.

- a. DLA Disposition Services conducts excess, surplus, and FEPP sales for DoD. In overseas locations, DLA Disposition Services conducts FEPP sales. Only DEMIL A useable property and scrap may be sold overseas. All DEMIL required property must be mutilated or demilitarized before it can be sold as scrap.
  - (1) DoD Components implement controls to mitigate security risks associated with the release or disposition of DEMIL Code B/Q MLI and DEMIL Code Q CCL items that are sensitive for reasons of national security. Certain categories of DEMIL Q items, i.e., Q3, that pose no risk to national security will be available for reutilization, transfer, or donation (RTD) and sales following normal procedures. However, only FEPP with DEMIL Code A (no export license requirements except to restricted parties) may be sold in foreign countries that are not restricted parties in accordance with Parts 730 to 774 of Title 15, CFR. DEMIL B and DEMIL Q items, including those posing no risk to national security are not permitted for sale.
  - (2) DoD Components may offer for sale any property designated as unsafe for use as originally intended, with mutilation as a condition of sale. DoD Components incorporate the method and degree of mutilation into the sales offering, as required by an official notification of the

safety defects. The sales offering must include a condition of sale stipulating that title of the property cannot pass from the Government to the purchaser until DoD representatives have certified and verified the mutilation has been satisfactorily accomplished and have documented this certification.

- (3) Supply condition code (SCC) Q materiel with Management Code S (as defined in Defense Logistics Manual, 4000.25, Volume 2, is hazardous to public health, safety, or national security. If sold, it must require mutilation as a condition of sale. Property assigned SCC Q with Management Code O may be offered for sale without mutilation as a condition of sale, but the seller must ensure that all sales include a restrictive resale provision. In addition, any sales offerings must indicate that the restrictive resale provision is to be perpetuated to all future sales to deter reentry of the materiel to the DoD supply system.
  - (4) Hazardous property may be offered for sale with appropriate terms and conditions. Prior to award, DoD Components conduct a pre-award survey to determine whether the prospective purchaser meets the responsibility criteria in Part 102 or Title 41, CFR. The prospective purchaser must display the ability to comply with applicable laws and regulations before the DoD Components can make an award.
  - (5) Only FEPP with DEMIL Code A (no export control requirements except to restricted parties) may be offered for sale in foreign countries that are not restricted parties in accordance with Title 15, CFR and with additional DoD guidance in the DoD Manual, 4160.28. The host nation must have explicitly granted DoD permission or authority to sell FEPP in an international agreement or other agreement, as the sale of FEPP will be considered an import into the host nation. 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 Section 6, Volume 1 of this manual for additional information.
- b. Other types of sales offerings for property requiring special handling must include applicable terms and conditions.
  - c. All persons or organizations are entitled to purchase property offered by DoD Components except for:
    - (1) Anyone under contract to conduct a specific sale, their agents or employees, and immediate members of their households.
    - (2) DoD military and civilian personnel and military and civilian personnel of the United States Coast Guard (USCG) whose duties include any functional or supervisory responsibilities for or within the Defense Materiel Disposition Program, their agents, employees, and immediate members of their households.
    - (3) Any persons or organizations intending to ship FEPP, excess and surplus personal property to restricted parties. See <https://www.state.gov/economic-sanctions-programs/> or [https://ofac.treasury.gov/sanctions-programs-and-country-information\\_for additional information on shipments to restricted parties.](https://ofac.treasury.gov/sanctions-programs-and-country-information_for_additional_information_on_shipments_to_restricted_parties)
    - (4) Persons under 18 years of age.

- (5) Individuals or firms who are ineligible to be awarded government contracts due to suspension or debarment. See the GSA Excluded Parties List at [www.SAM.gov](http://www.SAM.gov).
- (6) Persons or entities who wish to purchase MLI or CCL items who do not meet the requirements to receive an end user certificate as specified in Section 2778 of Title 22, U.S.C. also known as “the Arms Export Control Act,” and the implementing regulations Part 120-130 of Title 22, CFR, also known as the “International Traffic In Arms Regulations” and parts 730-774 of Title 15, CFR also known as the “Export Administration Regulations.”
- d. Disposable assets (FEPP, scrap, non-appropriated fund (NAF) property, etc.) may not be sold directly or indirectly to restricted parties or any other areas designated by DoD Manual, 4160.28.
- e. DoD Components will update the DoD Item Unique Identification (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 Section 5, Volume 1 of this manual.

#### 6.5. RESPONSIBILITIES IN SELLING DOD PERSONAL PROPERTY.

##### a. Selling Agencies:

- (1) Sales of excess and surplus personal property will only be conducted after all prescribed screening actions are taken, unless screening is not required. See Section 4 of this Volume.
- (2) Determine whether to sell as the holding agency or request another agency to sell on behalf of the holding agency.
- (3) Ensure the sale complies with the provisions of Section 549 of Title 40, U.S.C., and any other applicable laws.
- (4) Issue internal guidance for utilizing methods of sale stipulated in Subchapter B, part 102 of Title 41, CFR, and promote uniformity of sales procedures.
- (5) 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).
- (6) Ensure that all sales are made after publicly advertising for bids, except as provided for negotiated sales in Chapter 102, Subchapter B, Part 102-38, Sections 100-125 of Title 41, CFR.
- (7) Document the required terms and conditions of each sale, including but not limited to those terms and conditions specified in Chapter 102, Subchapter B, Part 102-38, Section 75 of Title 41, CFR.
- (8) 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.

- (9) Assure that only representatives designated in writing by the selling agency as selling agent representatives (SARs) are appointed to approve the sale and bind the United States in a written contractual sales agreement. The DLA Disposition Services equivalent of SARs are sales contracting officers (SCOs). The selling agency determines the requirements for approval (e.g., select the monetary thresholds for awarding sales contracts).
  - (10) Adequately train SARs in regulatory requirements and limitations of authority. Ensure SARs are cognizant in identifying and referring matters relating to fraud, bribery, or criminal collusion to the proper authorities in accordance with Sections 50 and 225 of Subpart 102 of Title 41, CFR.
  - (11) Obtain approvals as necessary before 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 Chapter 102, Subchapter B, Part 102-38.325 of Title 41, CFR.
  - (12) Be accountable for the care, handling, and associated costs of the personal property before its removal by the buyer.
  - (13) Reconcile property and financial records to reflect the final disposition.
  - (14) Subject small quantities of low dollar value property in poor condition to the A/D Economy Formula, see Section 7 of this Volume. If there is no reasonable prospect of disposing of the property by sale (including a scrap sale), dispose of the property with the A/D processes.
  - (15) Ensure that the DoD IUID Registry is updated for DoD personal property items marked with UII in accordance with Section 5, Volume 1 of this manual.
- b. Sales Conducted by DLA Disposition Services. As the major selling agency for the Department of Defense and an approved GSA Personal Property Sales Center, DLA Disposition Services must, in compliance with requirements of this enclosure:
- (1) Carefully consider all factors and determine the best method of sale for personal property utilizing identification, segregation, merchandising, advertising, bid evaluation, and award principles to protect the integrity of the sales process.
  - (2) Utilize any publicly accessible electronic media for providing information regarding upcoming sales, invitations for bid (including sales terms and conditions), acceptance of bids, and bid results.
  - (3) Provide direction to the DLA Disposition Services site through its internal operating procedures and automated systems.
  - (4) Verify that personal property items marked with a UII and offered for sale have been updated in the DoD IUID Registry in accordance with DoDI 8320.03.

c. Authorized Methods of Sale

- (1) General. Sale of personal property is authorized in Chapter 102, Subchapter B, Part 102-38 of Title 41, CFR by the methods of sale identified below.

- (a) Sealed bid.
  - (b) Spot bid.
  - (c) Auction.
  - (d) Negotiated sale. Criteria for negotiated sales are identified in Chapter 102, Subchapter B, Part 102-38.105 of Title 41, CFR. For FEPP, if the estimated fair market value is less than \$500,000; sale is managed by DLA Disposition Services and authorized by the DLA Disposition Services Director.
  - (e) Negotiated fixed price.
    - 1. The head of the selling agency or designee must determine and document that this method of sale serves the best interest of the government.
    - 2. This type of sale must include appropriate terms and conditions; must be publicized consistent with the nature and value of the property involved; and be awarded on a first-come, first-served basis.
- (2) Sales of Surplus, Foreign Excess, and Other Categories of Property. Within the constraints of the FMR-authorized methods of sale in 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:
- (a) One-time sales for disposal of property already generated. Actual deliveries may comprise several release transactions.
  - (b) Term sales for the disposal of property accumulated and in quantities that can be reasonably estimated for a specific period of time or are offered with minimum and maximum quantity provisions.
- d. Negotiated Sales Reporting. Negotiated sales reports are required by GSA within 60 calendar days after the close of each fiscal year. DoD Components include in the report a listing and description of all negotiated sales with an estimated fair market value more than \$5,000. For each sale negotiated, the report must provide criteria in Chapter 102, Subchapter B, Part 102.38-330, Title 41, CFR.
- e. GSA or DoD-Authorized Retail Method of Sale. Sales of small quantity, consumer-oriented property at negotiated, auction, or bid prices that are conducted on a first-come; first-served; and as-is, where-is basis are considered retail sales. Credit or debit cards are the only authorized payment methods. Property having a fair market value exceeding \$15,000 is subject to the limitations applicable to negotiated sales of surplus personal property.
- (1) Retail sales of surplus, FEPP, and abandoned privately owned property may be conducted whenever such a program can effectively and economically be used to supplement other methods of sale. Retail sales must be approved in writing at an agency level on a case-by-case basis, and the approval must specify the quantities and types of property and time-period

covered. These authorizations are limited to specific situations and types of property for which deviation can be fully justified. In addition:

- (a) All items must undergo screening, as appropriate, before being offered for retail sale.
- (b) Each item being sold must have a fair market value of less than \$15,000.
- (c) All property received as items, if offered for sale by retail, must be sold as items and not by weight or lot, except for scrap authorized for retail sale.
- (d) Prices established must reflect the estimated fair market value of the property and must be publicized to the extent consistent with the nature and value of the property.
- (e) Retail sales are limited to the FSCs, according to the DEMIL code assigned and GSA approval, which are in Chapter 102, Subchapter B, Part 102 of Title 41, CFR.
- (f) Property must be DEMIL Code A and have a DEMIL Integrity Code 1, 7, or 9.
- (g) The retail selling price of the property, based on the condition, may not be set below the price it would bring from a commercial vendor.
  - 1. Approval in accordance with Title 41, CFR is required to sell scrap by the retail sale method.
  - 2. 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:
- (h) 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.
- (i) An agent, employee, or immediate member of the household of personnel in paragraph e(h) of this Section.

f) Market Impact

- (1) DoD Components will consider the adverse market impact that may result from the untimely sale of large quantities of certain surplus items. Where applicable, the selling agency or partner organizations consult with organizations associated with the commodity proposed for sale to obtain advice on the market impact.
- (2) Property reporting and sale schedules are developed to ensure expeditious property disposal, maximum competition, maximum sale proceeds, good public relations, and uniform workload.
- (3) The selling agency will provide advance notice of all proposed or scheduled competitive bid sales (except negotiated) of surplus usable property. This includes property:

1. 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.
2. With a total acquisition cost of \$250,000 or more per sale.
3. With a minimum potential return of \$5,000 per sale of scrap and recyclable material.

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

- a. Bring property offered for sale to the attention of the buying public by free publicity and paid advertising.
- b. Make every effort to obtain maximum free publicity through sites such as a government-wide point of entry, [www.SAM.gov](http://www.SAM.gov).
- c. Employ the amount of paid advertising commensurate with the type and value of property being sold.
- d. Distribute sale offerings to prospective purchasers before the first day of the inspection period.

6.7. PRE-SALE ACTIVITIES.

- a. Preparation and Distribution of Sale Offerings
  - (1) Include in the offer to sell sale date and time, method of sale, description of the property being offered, selling agency, location of property, time and place for receipt of bids, acceptable forms of bid deposits and payments, and general and special terms and conditions of sale. DLA Disposition Services sale offerings are available on the DLA [www.sales.dla.mil](http://www.sales.dla.mil).
  - (2) Establish a sales offering file that contains information about the property offered for sale from initiation to bid opening (e.g., sale catalog, withdrawals before bid opening, agreements with holding activities).
  - (3) Prepare sale offerings to provide prospective purchasers with general information and instructions.
- (4) Include in each offering the specific conditions of sale, the contents of which are determined by the selling agency. The SF 114 series may be used to document the terms and conditions of a sale, but their use is not mandatory. Chapter 102, Subchapter B, Part 102.38 of Title 41, CFR Conditions of Sale include, but are not limited to:
  - (a) Inspection results
  - (b) Condition and location of property
  - (c) Eligibility of bidders

- (d) Consideration of bids
  - (e) Bid deposits and payments
  - (f) Submission of bids
  - (g) Bid price determination
  - (h) Legal title of ownership
  - (i) Delivery, loading, and removal of property
  - (j) Default, returns, or refunds
  - (k) Modifications, withdrawals, or late bids
  - (l) Requirements to comply with applicable laws and regulations
  - (m) Certificate of independent price determination
  - (n) Covenant against contingent fees
  - (o) Limitation of government liability
  - (p) Award of contract
- (5) DEMIL required MLI property or mutilation (MUT) required CCL property may not be sold unless DEMIL or MUT has been accomplished or it is offered for sale with DEMIL or MUT as a condition of sale. Incorporate the method and degree of DEMIL or MUT into the sales offering.
- (a) If DEMIL or MUT 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 or MUT and has been certified and verified in accordance with DoD Manual, 4160.28.
  - (b) The sales offering must also include a requirement for the bidder to provide an end user certificate (EUC) to the selling agency specifying the intended use and disposition of the property. The sales offering will also include an agreement by the buyer that they will obtain appropriate export authorizations from the Departments of Commerce or State before any export of the item. DLA Disposition Services uses DLA Form 1822, "End-Use Certificate." The EUC must be processed through designated approval channels before award of the property to the prospective customer.
  - (c) The EUC for scrap mutilation residue must be incorporated into the sales offering for all MLI and CCL property, including mutilation residue that may still be classified as DEMIL Code B or Q.

- b. Inspections. Each sales offering will include an electronic or physical inspection period of at least seven (7) calendar days before the bid opening.
- c. Bid Deposits. The selling agency may incorporate a requirement for bidders to provide or post a bid deposit or a bid deposit bond in lieu of cash or other acceptable forms of deposit to protect the government's interest.
- d. PM Bid Deposits. PM offerings will include a 20 percent bid deposit. A deposit bond may be used in lieu of cash or other acceptable form of deposit when permitted by the sales offering. If awarded, the bid deposit will be applied to the total contract price. Unsuccessful bid deposits will be returned. Bid deposit bonds will be returned to the bidder when no longer needed to secure the property.
- e. Payments
  - (1) Selling agencies will implement a payment policy, pursuant to Chapter 102, Subpart B of Title 41, CFR that protects the government against fraud.
  - (2) Acceptable forms of payment include but are not limited to:
    - (a) Guaranteed negotiable instruments made payable to or endorsed to the U.S. Treasury in any form (e.g., cashier's check, certified check, traveler's check, bank draft, or postal or telegraphic money order).
    - (b) Canadian postal money orders designed for payment in the United States must state specifically that they are payable in U.S. dollars in the United States.
    - (c) Electronic funds transfer. Special instructions are available through the DLA Disposition Services Website at: [www.dla.mil/disposition-services-/Offers/Public-Sales-Offerings/Payments/](http://www.dla.mil/disposition-services-/Offers/Public-Sales-Offerings/Payments/) and must be followed if this option is chosen.
    - (d) Credit or debit cards.
    - (e) Combinations of payment methods in the above paragraphs of this Section.
  - (3) Other acceptable forms of payment include:
    - (a) Uncertified personal or company check for amounts over \$25.00 accompanied by an irrevocable commercial letter of credit issued by a U.S. bank, payable to the Treasurer of the United States or to the selling agency. The check may not exceed the amount of the letter of credit. Each letter of credit must:
      - 1. Be an original or clearly state on its face that reproductions of the original document may be considered as an original document.
      - 2. Clearly state that requests for payment will be honored at any time they are presented by the selling agency. Selling agents will reject letters of credit with an expiration date. In addition, the minimum criteria required for acceptance of letters of credit are to state clearly that it is a commercial letter of credit (it need not say it is irrevocable, but it cannot say it is revocable); be on bank stationery; state the maximum amount

guaranteed; state the name and address of the company or individual submitting the bid; state the sales offering number and opening date; and be signed by the issuer (authorized signature of bank official).

- (b) Uncertified personal or company checks in the amount of \$25.00 or less when submitted for ancillary charges (e.g., debt payment, storage charge, liquidated damages, interest).
- (c) Any form of payment received from a NAF instrumentality or a State or local government.
- (4) Acceptable country currencies and information on exchange rates used must be provided in the sales offering and be incorporated into the sales offering. Generally, the exchange rate for receipt of monies or payments in designated currencies is established on the date of the deposit, which is generally the date of receipt.
- (5) FEPP buyers must pay in U.S. dollars or the equivalent in foreign currency that is readily convertible into U.S. dollars. Where U.S. dollars are not available, the acceptance of foreign currency is authorized subject to these conditions:
  - (a) Payments exceeding the equivalent of \$5,000 U.S. in individual sale transactions (that is, for the total of all items offered in a single sale, not for individual items included in a sale) may be accepted only after obtaining prior approval from the Defense Finance and Accounting Service (DFAS).
    - 1. When required, DFAS will submit the requests through the chain of command to DoS and Department of Treasury for approval.
    - 2. In countries where a considerable amount of FEPP may be available for sale and it may be necessary to accept foreign currency, the selling agency will request from DFAS an annual authorization, on a calendar year basis, to accept foreign currency.
  - (b) Payments of up to the equivalent of \$5,000 U.S. for individual transactions, at the rate of exchange applicable to the USG, may be accepted without further consultation if:
    - 1. Assurance has been obtained through the local DoS representative that such currency may be used in payment of any or all USG expenditures in the country whose currency is accepted. This provision is applicable only when annual authorizations have not been received.
    - 2. It is not feasible to sell for U.S. dollars or to ship the property to a country (other than the United States, except where property is a type authorized for return) where it may be sold for U.S. dollars or a freely convertible foreign currency.
    - 3. The currency is not that of a country whose assets in the United States are blocked by Department of Treasury regulations.
    - 4. The currency is that of a country with which the United States maintains diplomatic relations.



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.

#### 6.9. SUSPENSION AND DEBARMENT OF BIDDERS.

- a. Part 102-38 Subpart B of Title 41, CFR, Section 6101 note of Title 31, U.S.C, Executive Order 12549, and Executive Order 12689 provide the authority for the suspension or debarment of bidders or contractors purchasing personal property from the government. The selling agent must follow the procedures described in Subpart 9.4 of Federal Acquisition Regulation to debar or suspend a person or entity from the purchase of personal property. The debarring official for DLA Disposition Services sales is the DLA Special Assistant for Contracting Integrity.
- b. Appointed SARs and SCOs will:
  - (1) Prepare recommendations for suspension or debarment from the sale of Federal property and acquisition contracts.
  - (2) Forward them to their respective servicing legal offices.
  - (3) Prepare reports recommending suspension or debarment using the procedures described in Subpart 209.4 of the FAR Supplement in all cases where purchasers are recommended for suspension or debarment.
  - (4) In addition to applicable guidance in the FAR and the FAR Supplement, contractors who are suspended, debarred, or proposed for debarment are also excluded from conducting business with the government as agents or representatives of another contractor. Firms or individuals who submit bids on sale solicitations on behalf of suspended or debarred contractors, or who in any other manner conduct business with the government as agents or representatives of suspended or debarred contractors, may be treated as affiliates as described in Section 9.403 of subpart 9.4 of the FAR Supplement, and may be suspended or debarred.
  - (5) Parties who violate TSC policies may be recommended for debarment or suspension.

#### 6.10. INDEBTED BIDDERS AND PURCHASERS.

- a. No awards may be made to bidders indebted to the government. Selling agencies will coordinate with DFAS to determine if a bidder is indebted to DoD and maintain local listings containing bidder name, address, sales contract information, amount of indebtedness, and date indebted.
- b. Circumstances where the sales agency representative (SAR) or SCO must initiate action include:
  - (1) At bid opening. Bidders can bid if they cure the debt before the opening
  - (2) As the result of monies owed the contractor as a refund
  - (3) As a result of monies received for bid deposit
  - (4) As a result of failure to make payment for overages, ancillary charges, etc.

- (5) As a result of affiliation with a suspended bidder
- c. Checks received for debts will be deposited immediately and the bidder will not be notified until the check has cleared its bank. Cash or negotiable instruments will be deposited immediately.
- d. SARs or SCOs will contact the bidder and advise that the monies have been deposited to offset the specific indebtedness.
- e. If a SAR or SCO suspects affiliation, the SAR or SCO will contact the bidder and advise that the monies have been deposited according to the procedures in Section 3711 to 3720E of Title 31, U.S.C. for the collection of debts owed to the United States.

## 6.11. BID EVALUATION

### a. Responsive Bids and Responsible Bidders

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

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

### c. Bid Modification or Withdrawal

- (1) A bidder may modify or withdraw its bid before the start of the bid opening. After the start of the sale, the bidder will not be allowed to modify or withdraw its bid.
- (2) The selling agency representative may consider late bid modifications to an otherwise successful bid at any time, but only when it makes the terms of the bid more favorable to the government.

### d. Mistakes in Bids Prior to Award

- (1) The administrative procedures for handling mistakes in bids (before or after award) are contained in Chapter 102, Subpart B, Part 102-38.260 of Title 41 CFR, which utilizes the processes of Subpart 14.407 of the FAR for Federal property sales.
- (2) The selling agency head or designee may delegate the authority to make administrative decisions regarding mistakes in bid to a central authority or alternate. This delegation may not be re-delegated by the authority or alternate.
- (3) A signed copy of the administrative determination must be included in the contract file and provided to the Government Accountability Office, when requested.

- e. Bid Rejections. In the event a bid is rejected, the next most advantageous bid may be considered. If an entire sales offering is rejected, all items within that sale may be reoffered on another sale.
- f. Identical Bids. If there are multiple high bids of the same amount, the SAR or SCO must consider other factors of the sale (e.g., payment arrangements, estimated removal time) that would make one offer more advantageous to the government. Otherwise, the SAR or SCO may use random tie breakers to avoid expense of reselling or reoffering the property.
- g. Suspected Collusion. The SAR or SCO must refer any suspicion of collusion to the agency's Office of the Inspector General or the DOJ through its legal counsel.
- h. Protests. Protests by bidders regarding validity of determinations made on the sale of personal property may be submitted to the DLA Disposition Services Comptroller General or comptroller general for the selling agent.

#### 6.12. AWARDING SALES CONTRACTS.

##### a. Selling Agents. SARs or SCOs will:

- (1) Be appointed by agency heads or their designees to act as selling agents for the USG.
- (2) Enter into and administer contracts for the sale of government property pursuant to the provisions of Section 101 et seq. of Title 40, U.S.C. and other applicable statutes and regulations.
- (3) Award and distribute contracts to responsible bidders whose bids conform to the sales offering and are the most advantageous to the government.
- (4) Be authorized to reject bids in accordance with paragraph 6.11e.
- (5) Sign under the title of "Sales Agency Representative" or "Sales Contracting Officer."
- (6) Sign all contracting documentation on behalf of the USG.
- (7) Be responsible for the proper distribution of sales proceeds.

##### b. Approvals Required for Sales and Awards

- (1) Selling agencies will designate the dollar limitations of authority of their appointed SARs or SCOs. DLA Disposition Services SCOs may make awards of contracts on sales of usable property having a fair market value of less than \$100,000. Except for antitrust advice limitations, awards of scrap property do not require approval by higher authority.
- (2) Selling agencies will notify the U.S. Attorney General whenever an award is proposed for personal property with an estimated fair market value of \$3 million or more or if the sale involves a patent, process, technique, or invention per Chapter 102, Subpart B, Part 102-38.325 of Title 41, CFR. Selling agencies will otherwise comply with all requirements of Chapter 102, Subpart B, Part 102 of Title 41, CFR including but not limited to the

prohibition to dispose any such item until confirmation from the U.S. Attorney General that the proposed transaction would not violate antitrust laws.

(3) The head of a selling agency or designee must approve all negotiated sales of personal property. Selling agencies must submit explanatory statements for each sale by negotiation of any personal property with an estimated fair market value more than \$15,000 through GSA to the House and Senate Oversight Committee to obtain approval for the sale in accordance with Section 549 of Title 40, U.S.C.

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

#### 6.13. NOTIFICATION PROCESS FOR DISSEMINATION OF AWARDS INFORMATION.

- a. The selling agency may only disclose bid results after the award of any item or lot of property has been made. No information other than names may be disclosed regarding the bidder(s).
- b. Bids are disclosed as they are submitted on spot bids or auctions.

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

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

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

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

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

- e. Collection and distribution of sales proceeds

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

#### 6.15. CASHIER FUNCTIONS AND SALES AGENCY REPRESENTATIVE OR SALES CONTRACTING OFFICER RESPONSIBILITIES.

- a. Cashiers must be duly trained in the handling and processing of monies collected as payment on sales.
- b. Cashiers must credit sales proceeds in accordance with Chapter 5 of Volume 11A of DoD 7000.14-R.

#### 6.16. INQUIRIES REGARDING SUSPENDED OR DEBARRED BIDDERS. Refer all inquiries regarding suspended or debarred bidders to the office affecting the action.

#### 6.17. RELEASE REQUIREMENTS FOLLOWING SALES.

- a. Removal of property is subject to general and special conditions of sale and the loading table as set forth in the sale offering and resulting contract.
- b. Before releasing sold property, assigned personnel will:
  - (1) Verify the sale items to be delivered or shipped to purchasers against the sale documents to prevent theft, fraud, or inappropriate release of property.
  - (2) When DLA Disposition Services is managing the sale and where a receipt-in-place agreement has been executed, installation commanders will provide, by letter designation and upon request from DLA Disposition Services site, the names, telephone numbers, and titles of those non-DLA Disposition Services site personnel authorized to release property located at their activities. As changes occur, installation commanders will provide additions, deletions, and revisions in writing to DLA Disposition Services.
  - (3) Weigh property sold by weight at the time of delivery to the purchaser.
  - (4) Count or measure property sold by unit at the time of delivery.
- c. Purchasers are required to pay, before delivery, the purchase price of item(s) to be removed, based upon the quantity or weight as set forth in the sale offering, except for term sales. If prepayment of an overage quantity is not practicable or possible, payment will be due upon issuance of a statement of account after release of property. Sales of property to State and local governments do not require payment before removal.

## 6.18. WITHDRAWAL FROM SALE.

- a. Property that has been physically inspected, determined to be usable or needed, and thereby has survived screening is eligible for sale and may be requested to satisfy valid requirements within limitations specified in this paragraph. Generally, property past the screening cycle may not be withdrawn from sale. However, circumstances may require the withdrawal of property from sale to satisfy valid needs within the Department of Defense or FCAs. Donation recipients are not eligible to withdraw property from the sale unless they can provide DLA Disposition Services with documentation that an error was made by DLA Disposition Services, and they should have been issued the property, or the property was never available for electronic screening in GSA through PPMS.
- b. In many instances, the property remains at a DLA Disposition Services site after the title has been transferred. This property is ineligible for withdrawal to satisfy DoD needs. If the DoD Component intends to pursue purchasing the property from the commercial partner, transactions must be handled between the partner and the DoD Component without intervention from the DLA Disposition Services.
- c. Pursuant to Chapter 102, Subpart B, Part 102 of Title 41, CFR, due to the potential for adverse public relations, every effort will be made to keep withdrawals from sales to a minimum. These efforts will include searching for assets elsewhere in the disposal process. Exceptions to this policy will be implemented only when all efforts to otherwise satisfy a valid need have been exhausted and the withdrawal action is determined to be cost effective and in the best interest of the government. DoD Component heads will ensure that withdrawal authority is stringently controlled and applied.
- d. Make requests to the selling agency by the most expeditious means. Except for ICP or integrated materiel manager (IMM) and NMCS orders, requests will provide full justification including a statement that the property is needed to satisfy a valid requirement.
- e. Withdrawals may not be processed subject to property inspection for acceptability. Inspect property before requesting withdrawal.
- f. Orders submitted by ICPs or IMMs do not require justification statements before award.
- g. Except for ICPs and IMMs, minimum written information required in the package for withdrawal requests includes:
  - (1) Detailed justification as to why the property is required, including how the property will be used, such as applicability of materiel to active weapons systems.
  - (2) Mission impact statement from a support, procurement, and funding standpoint if property is not withdrawn from sale (e.g., the effect on operational readiness requirements within a specified timeframe).
  - (3) A summary of efforts made to find assets meeting the requirement from other sources, including consideration of substitute items.

- (4) Coordination of the service Office of Counsel should be obtained before withdrawing items included on a valid sales contract to mitigate the risks of claims potentially more than the value of the items to the requesting party.
- h. When the DLA Office of Investigations, TSC Assessment Office, determines that property was incorrectly described, and that TSC or DEMIL requirements are applicable, property will either be withdrawn or a provision made to accomplish TSC or DEMIL, as appropriate. The TSC Assessment Office may request withdrawal of property and suspend further action regarding the property until the matter is resolved in accordance with the procedures in the DoD Instruction, 2030.08.
- i. As property moves through the sales cycle, constraints are placed on requests for withdrawals from sale.
  - (1) The DLA Disposition Services 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 DLA Disposition Services area manager can also approve withdrawals before bid opening for items on authorized local sales.
  - (2) DLA Disposition Services Operations can approve withdrawal requests from date of referral until the property is awarded. DLA Disposition Services can also return requests for withdrawal after award that do not include the required written information.
- j. DLA approval, with DLA legal concurrence, is required on any withdrawal request after the award but before removal.
- k. When title has passed to the purchaser, the requestor must work directly with the purchaser. This includes commercial venture property. The SAR or SCO will provide contract information when requested.

#### 6.19. REPORTING REQUIREMENT.

- a. In accordance with Section 2583 of Title 10, U.S.C., 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 USML pursuant to Section 121 of Title 22, U.S.C. and assigned a DEMIL Code of B in accordance with DoD Manual, 4160.28. For each sale, the report will specify:
  - (1) The date of the sale
  - (2) The DoD Component conducting the sale
  - (3) The way the sale was conducted (method of sale)
  - (4) Description of the military items that were sold or offered for sale
  - (5) The purchaser of each item, if awarded
  - (6) The stated end-use of each item sold

- b. The report is submitted not later than March 31 of each year. The Secretary of Defense is required to submit to the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate the report required by this Section for the preceding fiscal year. DLA Disposition Services includes shipments made during the reporting period to its business partner.

## 6.20. SPECIAL PROGRAM SALES.

- a. Resource Recovery and Recycling Program. All DoD installations worldwide will have recycling programs as required by DoD Instruction, 4715.23 with goals for recycling as outlined in Executive Order 13514. Pursuant to Section 2577 of Title 10, U.S.C. and the FAR Supplement, 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 space.
- b. Commercial Space Launch Act.
  - (1) The purpose of the Commercial Space Launch Act (CSLA), Chapter 509 of Title 51, U.S.C., 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 before sale.
  - (2) The DoD Chief Information Officer (DoD CIO) has the primary responsibility for coordinating DoD issues or views with the Department of Treasury, other Executive department organizations, and the Congress on matters arising from private sector commercial space activities, particularly the operations of commercial expendable launch vehicles and national security interests.
  - (3) The DLA Disposition Services is the primary office to conduct CSLA sales following the direction for pricing and disposition as specified in DoD Directive, DoD 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.

## SECTION 7: ABANDONMENT OR DESTRUCTION

### 7.1. AUTHORITY AND SCOPE.

- a. The provisions of this enclosure are based on the guidelines of Chapter 102, Subchapter B, Part 102.37 of Title 41, CFR.
- b. The scope of this Section includes the abandonment, destruction, or donation to public bodies of property which has no commercial value or for which the estimated cost of continued care and handling would exceed the estimated proceeds from its sale.
- c. These procedures apply to the Military Departments, eligible foreign governments and international agencies, and any other activities authorized to screen and requisition excess and surplus personal property and FEPP.

### 7.2. GENERAL.

#### a. Required Considerations

- (1) This Section prescribes general procedures on the disposition of non-hazardous surplus and non-hazardous FEPP by abandonment or destruction (A/D) or donation. A/D may be accomplished by DLA Disposition sites in accordance with Disposition Services internal standard operating procedures after property has been received or DoD units may conduct A/D pursuant to DoD component regulations before turning into DLA Disposition Services, as this may be the only viable option at contingency or remote locations where there is no co-located Disposition Services site. DLA Disposition Services is available to provide subject matter expertise to units conducting their own A/D, regardless of location.
- (2) A/D will be accomplished in a manner that is not detrimental or dangerous to public health, safety, and the environment; will not violate Federal, State, or local laws; will comply with applicable international agreements; and, for actions taking place in foreign nations, will respect host nation laws.
- (3) DEMIL and MUT required property may not be processed through A/D unless demilitarization and/or mutilation has been performed and certification and verification has been completed and documented as required by DoD Manual, 4160.28. De-manufacturing, donation, Return to Manufacturer, or the appropriate sustainable or recycling programs. may be substituted for A/D if the property meets program or system criteria.
- (4) The DoD IUID Registry will be updated when an item of personal property that is marked with a UII is disposed by A/D. The procedures required to update the DoD IUID Registry are in Section 5, Volume 1 of this manual.

- b. Refuse and Trash. This enclosure is not applicable to refuse and trash. Generating activities are responsible for the disposition of refuse and trash in accordance with Section 3, Volume 1 of this manual.

### 7.3. DECISION FACTORS. Property is to be considered for A/D, if:

- a. Materiel has been determined to be ineligible for RTD or sale because of prohibition imposed by U.S. or host country law, DoD policy, or Military Department regulation. When host nations have not granted permission for DoD sale of useable items or scrap in their respective countries, DoD components must evaluate costs of continued handling and transportation to another country where RTD or sale may occur. When continued handling and transportation is uneconomical, A/D should be used in accordance with provisions below.
- b. When items require special handling for disposal (e.g. DEMIL required property, classified material, radioactive waste, thermal batteries, DoD inspection stamps and devices etc.) the items must be processed in accordance with the required controlled destruction or handling applicable laws and directives.
- c. Other methods of disposition, RTD, sales, or attempts to recycle through the DLA Disposition Services programs have been unsuccessful and officially documented.
- d. Donation in lieu of A/D, the QRPs, RTM, and de-manufacturing have been considered and documented as inappropriate. The A/D officer's written determination must indicate that donation is not authorized, no potential recipients have been identified, or property has no market potential or commercial sale value, etc. If at any time before actual A/D, a donation potential recipient is identified, donation action may be taken, unless otherwise specifically prohibited. Generating activities will dispose of these items with no commercial value as refuse and trash. DLA Disposition Services may process A/D under the appropriate standard scrap classification list code.
- e. Sale of the property is uneconomical, or the estimated costs of the continued care and handling of the property exceed the estimated proceeds of sale, and providing the estimated cost of disposal by A/D is less than the net sales cost. The economy feasibility is computed by using the economy formula (estimated gross sale value - (costs + overhead) = estimated net sale value).
  - (1) To provide a means of determining if the estimated cost of care and handling may exceed the estimated proceeds of sale, the economy formula will be applied to those items of property whose sale value is questionable.
    - (a) Exceptions to the application of the economy formula includes situations in which:
      - 1. All items containing significant recoverable quantities of strategic and critical materials will be processed IAW guidance located on the DoD Disposal Webpage.
      - 2. All items containing recoverable quantities of PMs will be processed IAW Section 7, Volume 1 of this manual.
      - 3. The line-item value of property proposed to be A/D at any one location or at any one time has an original acquisition cost (estimated, if unknown) of less than \$500, its immediate A/D is justified.
    - (b) To include costs for care and handling in the economy formula:
      - 1. Estimate the gross sale value of the property, based upon previous experience, advice of reliable merchants or specialists, etc.

2. Estimate collection, segregation, and processing costs.
  3. Estimate other sale preparation and sale costs, exclusive of direct supervisory and administrative overhead.
  4. Compute direct sale overhead at 15 percent of the amount established from estimate of sale preparation and sale costs, exclusive of direct supervisory and administrative overhead.
- (2) When salvageable materiel and worthless refuse can be picked up on the same load by one truck and the segregation maintained to the delivery point, the cost of collection will be considered insignificant and disregarded. Substantial differences in the cost of collection will be considered.
  - (3) When the net sale value determined because of the economy formula shows a plus amount, the items will be processed for disposition by sale. When it shows a minus amount, the net sale value will be compared with the estimated cost of disposal by A/D. If the estimated cost of disposal by A/D is less than the net sale value amount, the items will be abandoned or destroyed. If the estimated cost of disposal by A/D exceeds the net sale value amount, the items will be processed for disposition by sale, even though the net sale value shows a minus amount.
  - (4) Activities preparing the economy formula results will keep them current and on file for possible future inspection or audit requirements.

#### 7.4. PROCESSING REQUIREMENTS.

##### a. A/D Officer Appointment and Duties

- (1) The responsible Service or agency will appoint an individual to serve as the A/D officer. This individual must be knowledgeable and comply with applicable publications and local landfill stipulations, considerations for A/D, and documentation completion requirements. This individual may not be the accountable property or supply officer, the responsible property officer, or serve as a witnessing party to A/D actions.
- (2) When resource constraints or other limiting factors prevent the appointment of an A/D officer without duplication, approval to allow the accountable, supply, or responsible property officer to act as the A/D officer may be granted by the next higher authority level, on a case-by-case basis. In addition, assistance from the next higher authority level may be requested to complete these actions.

##### b. Documentation. The appointed A/D officer makes a written determination as to whether A/D is proper for considerations of health, safety, security, or the environment. The activity accountable for the property will prepare written justification and describe the process for the A/D action. The written statement will:

- (1) Cite the NSN (if applicable), nomenclature, quantity, condition code, DEMIL code, unit of issue, total cost, and the A/D location. The statement will list the UIIs (if applicable) that have been updated in the DoD IUID Registry for disposal status.

- (2) Be signed by the appointed A/D officer and a witness (which may be requested from a co-located DoD activity) and appended to the appropriate accountable property records.

c. Approval of the A/D Method (Including FEPP)

- (1) Each line-item of surplus or FEPP proposed to be disposed by an A/D officer must be approved by the installation commander or their designee, the Base Operating Support Integrator (BOS-I) commander or their designee at a contingency location, or the DLA Disposition Services Site Leadership. The approving official cannot be the A/D officer.
- (2) The approving authority will consider the quantity, condition, location, and type of property involved, market conditions, past attempts to sell similar property under similar conditions (either competitively or by negotiation), and any other factors having a bearing on the sale of such property. The composition and content of the reviewing authority document may vary to conform to local practice. However, it must indicate approval of the recommended disposal action or furnish alternate instructions as to means by which disposition of the property will be accomplished.
- (3) The A/D officer or his or her appointed designee must obtain approval from the appropriate installation official or BOS-I official at a contingency location for the method to be used when A/D is to be accomplished on the installation's real estate. The approval requirement is not necessary for cases in which the proposed A/D action involves destruction at a site off-installation, contains only Demil Code A, non-sensitive property, or the proposed method has been previously coordinated with the installation (such as by letter, ISSA, or memorandum of understanding (MOU)).
- (4) The A/D officer or their designee will obtain any necessary approvals of the host nation government prior to A/D of FEPP on foreign soil, exclusive of actions on U.S. installation authorized by any applicable basing or status of forces agreement.

d. Public Notification (Includes FEPP) Requirements and Exceptions

- (1) Property in CONUS may not be disposed by A/D until after public notice of the proposed A/D has been given. The GSA has granted DLA Disposition Services a permanent exemption to this requirement for property in the continental United States.
- (2) FEPP is to be disposed by A/D without public notice. Activities will ensure the course of action is in accordance with any applicable basing or status of forces agreements. A/D will be performed in accordance with Chapter 102, Subchapter B, Part 102.37 of Title 41, CFR.
- (3) The public notice for the A/D of surplus property may include, but is not limited to, media such as newspapers, posters in Federal buildings, local radio announcements, etc. The public notice will be posted electronically and/or physically in the area where the property is located; it will contain a general description of the property to be disposed by A/D and will include an offering of the property for sale. The notice should be posted a minimum of seven (7) calendar days before the beginning A/D. (See Table 5. "Sample Public Notice")
- (4) Exceptions to the requirement for public notice may be made when:



- c. DLA Disposition Services Sites using the RTM procedures will first contact the generating activity to ensure the activity provides funding transportation costs for the shipment to the manufacturer, in lieu of disposal costs.
- d. Remove or obliterate distinctive markings prior to returning materials to manufacturer. For distinctive marking guidance, see DoD Disposal Procedures website ([URL](#)).

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## GLOSSARY

### G.1. ACRONYMS.

A/D	abandonment or destruction
AMARG	Aerospace Maintenance and Regeneration Group
ASD(S)	Assistant Secretary of Defense for Sustainment
BOS-I	Base Operating Support Integrator
CAP	Civil Air Patrol
CCL	commerce control list
CCLI	commerce control list item
CCMD	combatant command
CFL	Computers for Learning
CFR	Code of Federal Regulations
CONUS	continental United States
CSLA	Commercial Space Launch Act
DEMIL	demilitarization
DFAS	Defense Finance and Accounting Service
DLA	Defense Logistics Agency
DoDAAC	DoD Activity Address Code
DoDD	DoD directive
DoDI	DoD instruction
DoDM	DoD manual
DoS	Department of State
DSCA	Defense Security Cooperation Agency
DTID	disposal turn-in document
EAR	Export Administration Regulations
EDA	excess defense articles
ELV	expendable launch vehicle
EP	expedited processing
FAR	Federal Acquisition Regulation
FCA	Federal civilian agency
FEPP	foreign excess personal property
FLIS	Federal Logistics Information System
FMR	Federal Management Regulation
FMS	Foreign Military Sales
FPMR	Federal Property Management Regulation
FSC	federal supply classification code (four digits)
FSCAP	flight safety critical air parts
GSA	General Services Administration
HAP	Humanitarian Assistance Program
HM	hazardous material
HP	hazardous property
HW	hazardous waste

IA	implementing activity
ICP	inventory control point
IMM	integrated materiel manager
ISSA	inter-Service support agreements
IT	information technology
ITAR	International Traffic in Arms Regulations
IUID	item unique identification
LOAR	letter of authorization to remove
MARS	Military Affiliate Radio System
MCA	management control activity
MILSTRIP	Military Standard Requisitioning and Issue Procedures
MLI	munitions list items
MOA	memorandum of agreement
MRO	materiel release order
MWRA	Morale, Welfare, Recreation Activity
NAF	non-appropriated fund
NSN	national stock number
NMCS	Non-Mission Capable Supply
OCONUS	Outside the U.S.
PM	Precious Metals
PPMS	Personal Property Management System
QRP	qualified recycling program
RTD	reutilization, transfer, or donation
RTM	return to manufacturer
SAR	sales agency representative
SASP	State agencies for surplus property
SCC	supply condition code
SCO	sales contracting officer
SEA	service educational activities
TAB	transaction activity billing
TSC	trade security control
UII	unique item identifier
U.S.C.	United States Code
USCG	U.S. Coast Guard
USDA	U.S. Department of Agriculture
USG	U.S. Government
USML	U.S. Munitions List
USP&FO	U.S. property and fiscal officer
USPS	U.S. Postal Service

ZI            zone of interior

## G.2. DEFINITIONS.

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

**accountability.** Defined in the DoD Dictionary of Military and Associated Terms.

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

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

**A/D.** A method for handling property that:

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

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

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

**ammunition/explosives.** As defined in DoD Manual 4160.28

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

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

**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.

**CCL.** Defined in Part 772.1 of Title 15, CFR.

**CCLI.** Described in Part 774 of Title 15, CFR.

**CCMD.** As defined in the DoD Dictionary of Military and Associated Terms.

**Community-based educational organizations.** As defined in the Executive Order 12999.

**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:

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 HM, waste, or substance.

**CONUS.** Defined in the DoD Dictionary of Military and Associated Terms.

**contingency.** As defined in the DoD Dictionary of Military and Associated Terms.

**DEMIL.** Defined in DoD Manual 4160.28

**disposal.** End-of-life tasks or actions for residual materials resulting from DEMIL 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.

**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.

**DODAAC.** As defined in the Defense Logistics Manual, 4000.25.

**DoD IUID Registry.** As defined in the DoD Instruction 8320.04

**donation.** As defined in Chapter 102, Subchapter B, Part 102 of Title 42

**Donee.** As defined in Chapter 102, Subchapter B, Part 102 of Title 42

**SEA.** As defined in Chapter 102, Subchapter B, Part 102 of Title 42.

**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 retarded, school for the physically handicapped, or an educational radio or television station.

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

**excess personal property.** As defined in Chapter 102, Subchapter B, Part 102 of Title 42

**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.

**firearm.** As defined in the DoD Demilitarization Manual, 4160.28

**FEPP.** U.S.-owned excess personnel property that is located outside the ZI. See excess personal property.

**FMS.** As defined in the Security Assistance Management Manual (SAMM), DSCA 5105-38.

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

**FSCAP.** As defined in Chapter 102, Subchapter B, Part 102-33, Title 41

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

**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.

**HM.** In the United States defined as a type of HP per Section 171.8 of Title 49, CFR, and hazardous substances as defined in Section 1910.120, of Title 29, CFR. Overseas, HM 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.

**HP.** 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, final governing standards, overseas environmental baseline guidance document and/or host nation laws regulate the use and disposal of HP.

**HW.** An item that is regulated pursuant to Section 6901 of Title 42, U.S.C. or by State regulation as an HW. HW is defined Federally at Part 261 of Title 40, CFR. Overseas, HW is defined in the

applicable final governing standards or overseas environmental baseline guidance document, or host nation laws and regulations.

**ICP.** As defined in the DoD Dictionary of Military and Associated Terms.

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

**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.

**installation.** Defined in the DoD Dictionary of Military Terms.

**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 for Palestine Refugees in the Near East; World Health Organization; and other international organizations approved by a U.S. diplomatic mission.

**IUID.** As defined in DoD Instruction 8320.04.

**LEA.** As defined in the DoD Dictionary of Military and Associated Terms.

**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 nomenclature, condition code, and unit cost.

**Line-item value.** Quantity of a line-item multiplied by the standard price.

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

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

**MLI.** Any item contained on the USML in Part 121 of Title 22, CFR and defined in DoD Manual 4160.28. Als

**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.** As defined in DoD Manual 4160.28.

**NAP.** As identified in the DoD Dictionary of Military and Associated Terms.

**nonprofit institution.** As defined in 15 U.S.C. Section 501 of Title 26, U.S.C.

**NSN.** As defined in the DoD Dictionary of Military and Associated Terms.

**partner nation.** As defined in the DoD Dictionary of Military and Associated Terms.

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

**PPMS.** A web-enabled platform that 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.

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

**public agency.** As defined in Chapter 102, Subchapter B, Part 102, Title 41, CFR.

**QRP.** As defined in the Integrated Recycling and Solid Waste Management Instruction, DoD Instruction 4715.23.

**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 for the purpose of restoration. Reclamation is preferable before 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, Department of Commerce, or Treasury have determined to be prohibited or sanctioned for the purpose of export, sale, transfer, or resale of items controlled on the USML or CCL. A consolidated list of prohibited entities or destinations for which transfers may be limited or barred, may be found at:  
[https://export.gov/ecr/eg\\_main\\_023148.asp](https://export.gov/ecr/eg_main_023148.asp).

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

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

**RTD Web.** A web-based platform used to screen excess DoD property. It is managed by DLA Disposition Services.

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

**salvage.** As defined in the DoD Dictionary of Military and Associated Terms.

**SASP.** As defined in Chapter 102, Subchapter B, Part 102, Title 41, CFR.

**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.

**schools.** As defined in the Executive Order 12999.

**scrap.** As defined in the DoD Instruction 4160.28. Chapter 102, Subchapter B, Part 102-36.40 of Title 41, CFR and Section 770.2 of Title 15, CFR provide additional information on scrap.

**screening.** As defined in Chapter 102, Subchapter B, Part 102 of Title 41, CFR.

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

**SEA.** As defined in Chapter 102, Subchapter B, Part 102 of Title 41, CFR.

**security assistance.** As defined in the DoD Dictionary of Military and Associated Terms.

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

**special programs.** Programs specified by legislative approval, such as FMS, LEAs, and fire fighters, identified in Section 4.10, this Volume.

**standard price.** As defined in DoD 7000.14-R.

**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.

**surplus personal property.** As defined in Chapter 102, Subchapter B, Part 102 of Title 41, CFR.

**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.

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

**TSC.** As defined by DoD Instruction 2030.08, Parts 120 through 130 of Title 22, CFR, and Parts 730 through 774 of Title 15, CFR.

**UII.** As defined in DoD Instruction 8320.02.

**UMMIPS.** As defined in the Defense Logistics Manual 4000.25. See also DoD Manual 4140.01.

**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.

**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.

## REFERENCES

- Code of Federal Regulations, Title 15  
Code of Federal Regulations, Title 22  
Code of Federal Regulations, Title 29  
Code of Federal Regulations, Title 40  
Code of Federal Regulations, Title 41  
Code of Federal Regulations, Title 48  
Code of Federal Regulations, Title 49
- Defense Logistics Manual 4000.25, “Defense Logistics Management System (DLMS),” dates vary by Volume
- Defense Security Cooperation Agency 5105.38-M, “Security Assistance Management Manual (SAMM),” current edition
- DoD 7000.14-R, “Department of Defense Financial Management Regulations (DoD FMR),” current edition
- DoD Directive 3230.3, “DoD Support for Commercial Space Launch Activities,” October 14, 1986, as amended
- DoD Directive 5135.02, “Under Secretary of Defense for Acquisition and Sustainment (USD(A&S)),” July 15, 2020
- DoD Directive 5230.20, “Visits and Assignments of Foreign Nationals,” June 22, 2005
- DoD Instruction 2030.08, “Implementation of Trade Security Controls (TSCs) for Transfers of DoD Personal Property to Parties Outside DoD Control,” February 19, 2015, as amended
- DoD Instruction 4140.01, “DoD Supply Chain Materiel Management Policy,” March 6, 2019
- DoD Instruction 4140.62, “Material Potentially Presenting an Explosive Hazard (MPPEH),” August 20, 2015, as amended
- DoD Instruction 4160.28, “DoD Demilitarization (DEMIL) Program,” November 30, 2022
- DoD Instruction 4715.23, “Integrated Recycling and Solid Waste Management,” October 24, 2016, as amended
- DoD Instruction 5000.64, “Accountability and Management of DoD Equipment and Other Accountable Property,” April 27, 2017, as amended
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- DoD Instruction 8320.03, “Unique Identification (UID) Standards for Supporting the DoD Information Enterprise,” November 4, 2015, as amended
- DoD Instruction 8320.04, “Item Unique Identification (IUID) Standards for Tangible Personal Property,” September 3, 2015, as amended
- DoD Manual 4100.39, “Federal Logistics Information System (FLIS) Procedures,” March 8, 2017, as amended
- DoD Manual 4140.01, “DoD Supply Chain Materiel Management Procedures,” dates vary by Volume
- DoD Manual 4160.21-M, “Defense Materiel Disposition,” October 22, 2015, as amended (or hereby cancelled)
- DoD Manual 4160.28, “Defense Demilitarization,” dates vary by Volume
- Executive Order 12549, “Debarment and Suspension,” February 18, 1986
- Executive Order 12689, “Debarment and Suspension,” August 16, 1989
- Executive Order 12999, “Educational Technology: Ensuring Opportunity for all Children in the Next Century,” April 17, 1996

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Office of Management and Budget Circular A-76, “Performance of Commercial Activities,” May 29, 2003

United States Code, Title 5

United States Code, Title 10

United States Code, Title 15

United States Code, Title 22

United States Code, Title 26

United States Code, Title 31

United States Code, Title 40

United States Code, Title 42

United States Code, Title 46

United States Code, Title 50

TABLES. See **Disposal Procedure Website**

<https://dla.dod.afpims.mil/What-DLA-Offers/Excess-Property-Disposal/Disposal-Manual/>

FIGURES. See **Disposal Procedure Website**

<https://dla.dod.afpims.mil/What-DLA-Offers/Excess-Property-Disposal/Disposal-Manual/>