

74 AID'S MISMANAGEMENT OF THE EXCESS PROPERTY PROGRAM

it from the EPRO. In other words, EPRO 608 acquisitions go into inventory and EPRO shipments to missions come out of that inventory.²

Turning from flow to size, the first point to be made is that these figures are expressed, as excess property figures almost universally are, in terms of original acquisition cost (OAC). What stands out in scanning the dollars reflected in Exhibit I is the minute percentage of total excess generations that wind up as AID utilizations. All told, in FY66, only 1.7 percent of excess property generations were utilized by AID.

C. *The excess property flow*

Familiarity with the flow of excess is a prerequisite to understanding the reference to AID, that is, as it affects any federal agency engaged in utilizing excess. Roughly 95 percent of all domestic excess property is generated by the DOD, thus the flow presented herein assumes DOD origin.

An understanding of the flow begins with an understanding of "reportable" or "nonreportable" excess property. Weapons and other items of a specialized military nature are generally nonreportable, as are salvage and scrap and, in general, those items whose condition, though better than salvage, is exceedingly poor. GSA handles many, and AID acquires a few, nonreportable items of domestic excess; but since the overwhelming bulk of AID acquired items is reportable, Exhibit II presupposes reportable excess.

The DOD has three categories of long supply: economic reserves, contingency reserves, and potential excess. The excess flow begins with the DOD determination that an item is potential excess. Later on, it may become "declared excess." After having been found to be potential excess, the item undergoes nearly four months of intensive DOD internal screening, both intraservice and interservice. During this 120-day DOD utilization screening period, items are cross-screened, largely by automatic data processing methods.

At the end of the 120 days, the item will take either of two paths in accordance with its original acquisition cost (OAC). If an item's OAC is \$3,000 or over, and it is not a major item,³ it remains potential excess and is publicized in a listing made up weekly by the Defense Logistics Service Center, Battle Creek, Michigan. The listing provides DOD utilization screening supplementary to that effected by ADP. Within the DOD, the listing is widely distributed. Copies are not generally available outside the DOD, but they do go to three domestic AID EPRO's and to Saigon, alerting their recipients to possible excess availabilities. If, at the end of 30 days, no DOD activity has claimed the item, it is declared "unavailable." ⁴ That is, GSA Form 120 is sent to the GSA. Excess property does not physically leave the holding agency unless and until an acquiring agency removes it.

³ So called "major" items are published separately in "flyers" and are declared excess by OSD.

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