

76 AID'S MISMANAGEMENT OF THE EXCESS PROPERTY PROGRAM

other types of items need not be cataloged to be utilized; a phone call or two will suffice. Finally, if an item is on an agency's "want" list, presumably there is little need to catalog it.

GSA effects transfers of excess by "authorizing," that is, approving, them for transfer. Ordinarily, the transfer is initiated by an informal freeze,⁵ which often is followed by a physical inspection of the subject property, and which, with few exceptions, is followed up by transfer (GSA Form 122). Property not transferred within the normal 60-day utilization screening is automatically declared surplus and immediately becomes subject to a 15-day donation screening period. During these 15 days, and even thereafter, the property may still be claimed by a federal agency, and, if still available, may yet be utilized by reversion from surplus to excess status. However, any item already transferred or donated normally lies beyond later reach. Moreover, only rarely (and reluctantly) will any item be withdrawn from sale for utilization as excess. Unclaimed civil excess is sold by GSA; the DOD sells its own.

Whereas Exhibit II shows the general flow of excess from generation to utilization by a federal agency, it does not reflect the various additional factors peculiarly involved in any AID mission acquisition of domestic excess. Exhibit III endeavors to present these considerations. Specifically, it analyzes the particulars of the two systems, Direct Acquisition (DA) and Advance Acquisition (AA or 608) initially brought to attention in Exhibit I. Throughout, Exhibit III assumes AID-financed transactions only.⁷

a. *The Domestic Advance Acquisition System.*—Until 1963, when Congress established the Advance Acquisition (608) program, Direct Acquisition (DA) was the only system available to AID for other declared domestic excess. Direct Acquisition remains the nominal system for satisfying missions' known needs. The Advance Acquisition program was established to enable AID to do it alone gets, and with which it deals exclusively. Transfer of the item on GSA Form 122 may or may not be preceded by its cataloging. If not, the EPRO is informally notified of its availability. In any event, in all likelihood the EPRO freezes the item before perfecting its transfer. Typically, the EPRO freezes the item orally, probably by telephone but perhaps in person at the GSA office. The freeze may merely cover the paperwork time lag. More probably, however, it is made to give EPRO personnel an opportunity to inspect the item, especially if the item is an equipment item.

⁵ Minus, for DOD-generated items under \$3,000, the 15 days of DOD utilization screening.

⁶ Most, but not all, GSA regions honor freezes, treating them as almost inviolate reservations to be set aside only for drastic reasons. Nevertheless, to GSA claimants, freezes are privileges, not rights.

⁷ In both FY 65 and FY 66, total Non-AID-Financed (607) transactions were less than 10 percent of AID's total utilization each year. In FY 65, less than 4 percent of total Far East excess utilization was 607; in FY 66, the percentage was less than 6 percent; in FY 65, Vietnam's 607 utilization was zero. For these reasons, 607 transactions are given little consideration throughout this report.