... quantity of property being requested, fix responsibility for it, and establish accountability.

2. Verify each shipment received with the covering documentation, and report and reconcile any shortages or overages.

3. Submit a report, not later than 6 months after the date of transfer, to the Mission describing the status of the property.

4. Notify the Mission if and when the property should became excess to the originally stated requirements so that it may be allocated.

Many of the proposed allocation forms received by the Mission were so vague that it would not have been possible to adequately evaluate the requesting agency's operational requirements for the property. Ne noted that, in many instances, the proposed allocations stated that the excess property was for use only in the services of the GOT agency or municipality.

For example, an oxygen generating and charging plant, which had an original acquisition cost of $231,415, was acquired by GOT as excess property at a cost of $34,712, or 15 percent of the original acquisition cost, plus transportation costs. The proposed allocation form submitted by GOT ...

percent, of the items had mechanical deficiencies when received which made the equipment unsatisfactory for use until repaired. For example, a telephone maintenance truck allocated to the P.T.T. Genel Md. (state telephone department) in Istanbul, Turkey, had two 14 centimeter cracks along the manifold side of the engine block when it arrived at the GOT customs. In another case, a sedan allocated to the Ministry of Finance in Ankara had such limited power when received that the recipient had to overhaul the engine at a cost of about $220.

The inoperable equipment, noted above, for the most part, had not been reported to the Mission by the recipients because most of the recipients were unaware of the AID procedures for inspection and reporting of equipment condition. Mission responsibilities for ensuring that serviceable equipment is provided are contained in ... should report all facts to AID/W * * * for guidance and determining appropriate action."

On July 20, 1965, the Mission advised AID/Washington (AID/W) of its inability to determine the condition of excess property and stated that the transfer was contingent on inspection and acceptance by GOT. Further evidence of the Mission's attitude that the recipient should bear the responsibility for inspection and acceptance of the property was found in the transfer agreements between AID and GOT, which contain the provision that AID makes no warranty as to the condition or to the suitability for proposed use of any excess property which may be furnished and that the recipient bears full responsibility for inspection, selection, and acceptance.

During our review, we were told by a Mission official that the Mission did not have adequate staff to comply with the AID/W inspection requirements. However, we were informed that an employee had been recently assigned by the Mission the responsibility for inspection of excess property when it is received in Turkey.

OIEC advised us that instructions would be issued to recipients of excess property in Turkey, covering the requirements under the transfer agreements for furnishing statements of intended use, receiving reports, and 6-month status reports on the use of the equipment. An analysis of these ...