… would make fundamental changes in the basic policies set forth in both the Foreign Assistance Act and the Federal Property and Administrative Services Act which we believe would be undesirable. If additional limitations on the use of excess property in the Foreign Assistance program are considered desirable, we believe a more appropriate means of accomplishing them would be by amending the Foreign Assistance Act.

We also would be opposed to enactment of this type of legislation because of the administrative problems posed, especially with respect to foregn excess property. Participation by State agencies for surplus property in the disposition of foreign excess property would involve additional delays in disposal with resulting increases in storage and handling costs and further deterioration of the property.

For these reasons, we recommend against enactment of S. 1974.

Sincerely,

WILFRED H. ROMMEL,
*Assistant Director for Legislative Reference.*

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## EXHIBIT 30

LETTERS TO SENATOR ERNEST G[illegible] summaries of our findings relating to the utilization of excess property by the Agency for International Development.

Enclosed for your information is a copy of our letter dated September 29, 1967, to Mr. Griffin transmitting the foregoing data.

We plan in the future to furnish the General Services Administration for its information and use copies of our reports on the administration of the excess property program of the Agency for International Development under section 608 of the Foreign Assistance Act of 1961, as amended.

Sincerely yours,

FRANK H. WEITZEL,
*Assistant Comptroller General of the United States.*

GENERAL ACCOUNTING OFFICE,
INTERNATIONAL DIVISION,
*Washington, D.C., September 29, 1967.*

Mr. ROBERT T. GRIFFIN,
*Assistant Administrator,*
*General Services Administration.*

DEAR MR. GRIFFIN: The Chairman, Subcommittee on Foreign Aid Expenditures, Senate Committee on Government Operations, advised us that in your testimony on September 21, 1967, before the Subcommittee you stated that re-



tomers is normally 100 percent of the original acquisition cost or inventory price of the material concerned. Accessorial charges should be computed upon a percentage of the acquisition cost, however, in some instances this did not occur and the accessorial charges were based upon an AID Billing Price which was considerably less than the acquisition cost. As a result the following differences occurred between DOD costs and billings to AID for the period FY 1964 through FY 1967:

| Fiscal year | Volume in | DOD costs | DOD billings | Difference [1] |
|---|---|---|---|---|