

Mr. LUMAN. Except the General Accounting Office makes the point that this is really a decision that ought to be made by the commodity manager who has to go out and perhaps let a new contract. If he knows, then he can discuss this with someone whether this action should be taken.

GENERAL MILLER. I would pass this to General Klingenhagen because he is the functional manager in the supply and maintenance areas which, at the Department of the Army level, is the comptroller of this.

General KLINGENHAGEN. The Army does have visibility on a quarterly basis for about 80 percent of the dollar value of its items down through the depot level overseas. Now the case that you are talking about was 7th Army depots. Those have since been eliminated under the reorganization.

The Army has given in March of this year authority to the NICP's to redistribute serviceable and unserviceable assets under the intensive management, and this includes about 70 to 80 percent of the dollar value of our inventory.

Mr. LUMAN. These are the 35,000 items?

General KLINGENHAGEN. That is right. They have full authority to direct an overseas commander to send those parts back to the States or to redirect them to another theater.

However, this has only been given to AMC in March. I would say in answer to your question, "what are the trends?" the trends are for more centralization of authority and giving AMC NICP's more visibility.

The degree to which we can give additional authority is dependent of course upon the degree to which we are able to give them visibility.

Mr. DAHLIN. If you gave them power to redistribute, how do they get the information on which to base a redistribution?

General KLINGENHAGEN. I say at the present time they get it through a quarterly report that we get on these items, and each NICP then can match what the assets are worldwide one against the other, and can redirect.

Mr. DAHLIN. So each depot overseas has to do the same kind of operation that DSA is doing back here in the States as far as matching and checking items of excess; is that the case?

General KLINGENHAGEN. That is right.

Mr. LUMAN. This is what I did not understand.

You say there are two reasons why you cannot have more visibility and perhaps overseas control. One reason is that AMC is not prepared to do it now. The other is that you have a wait and see attitude on your test.

Can you state that the Army is this day progressing toward where they are going to have unlimited visibility?

General KLINGENHAGEN. Yes, sir. I think we have varying degrees—

Mr. LUMAN. That is your doctrine now, that you want to get complete visibility?

General KLINGENHAGEN. We have varying degrees of visibility, dependent proportionate upon the criticality of the item and the dollar value of the item.