

Colonel DAVID. We don't normally sell an item other than through formal competitive-type bidding, and the highest bidder, as you know, would be the successful bidder, and that would be the price that we got for the items. It may be below or above the market price.

Mr. ROMNEY. But before you proceed into the competitive bid sale, determinations had to be made, evaluations had to be made of this proposed exchange/sale disposal as to whether it would warrant the cost and effort involved. I still don't see how this determination is going to be made.

Colonel DAVID. You have a booklet up there which tells us what we have been getting for property in the past.

Mr. ROMNEY. Yes.

Colonel DAVID. And I believe as an example it shows that the average return for a bus is 3.9 percent of acquisition cost. Now, the property that we have sold as exchange/sale in that booklet was property that had gone completely through the donation program and the Federal utilization program. No one wanted it, in other words. So based upon past experience, we know that the average return on buses is 3.9 percent. Now, we may have gotten as much as 20-percent return on specific buses that are in fair condition. In the future we will be able to know the return on buses that have gone through the offering stage to other Federal agencies and have not been made available to the donees. Based upon this information, we will know in the future the fair price for a reasonably conditioned bus. Now, I am not saying it is going to be more than 3.9 percent, but it could very well be.

Mr. ROMNEY. I would like to proceed now to the matter of coordination.

Colonel David, in your capacity as military staff, Assistant Secretary of Defense Office, did you receive advance copies of the implementation instructions by the Air Force, Army, and Navy before they were issued?

Colonel DAVID. I did not.

Mr. ROMNEY. When did you receive these copies?

Colonel DAVID. After your staff visit over to my office.

Mr. ROMNEY. Who has the responsibility within the Department for coordinating these various implementing instructions to see whether the Department's policies, GSA's regulations, are being carried out effectively and appropriately?

Colonel DAVID. The responsibility to see that DOD directives and DOD instructions as they pertain to exchange/sale or utilization or disposal are properly implemented is the responsibility of my office. The responsibility for the implementation to the field activities is a military and Defense Supply Agency responsibility.

Now, we have two situations here. The implementing instructions for DOD instruction 4160.1 as they relate to common functions are being developed by the Defense Supply Agency in conjunction with the military departments. The second situation—the military departments have put out necessary internal implementing instructions. The overall DOD implementing instruction being put out by the General Services Administration obtains our coordination after they have been coordinated with the military departments.

Do I make myself clear?

Mr. ROMNEY. How is GSA putting these out?