

been properly reported as excess and disposed of as excess or surplus under the Federal Property Act.

We have a continuing dialog with the Department of Defense. Very few examples have been brought to our attention of abuses of the program. As you know, for the rest of the departments of the Government, we sell actually more than 90 percent of the personal property, surplus property and exchange/sale property, of other departments of the Government. So that we are reviewing on a first-hand basis the practices in other departments and agencies and what they interpret to be properly exchange/sale property. In addition, we coordinate with DOD, and we discuss these things on a regular basis.

In fact, the communications between the two departments have never been more effective and more free than they are now.

I, and my associate Mr. Tuttle, know of very few instances of abuses in this program. We have not really had any cause either through our own reviews or through matters being brought to our attention, either through HEW or the State agencies, who are normally quite willing to suggest improvements or changes. No categories have been added because we have not seen the need to add any categories to the excluded categories of property to be handled under this regulation.

Incidentally, Mr. Chairman, we do have copies of the complete exchange/sale summary reports for these 2 years, agency by agency, which we will submit to you either now or for inclusion in the record or for your information.

Mr. MONAGAN. Well, we are, of course, very much interested in having them. That was one of the questions I was going to ask you, because in 1966 both the Department of Defense and you indicated a belief that the impact of this would not be particularly strong. And what you say here, if there's nothing else involved, would tend to indicate that that was the case.

Mr. GRIFFIN. And we believe the same trend will persist for this year.

In fact, since the instructions which DOD has put out to their field requiring what is practically a cost-benefit study before they put something into exchange/sale, there is no inclination that we can see on the part of the field installations of the DOD, various military departments, to use the exchange/sale authority in any greater frequency than they have been using it. In fact, there's some indication it may be less.

Mr. MONAGAN. Well, there have been—of course, you have heard what we have been talking about here. There have been some indications in certain categories that this is not exactly the case, and because of the desirability of certain of these items for the donable program we have naturally been sensitive to it. And it has appeared here that the way in which the decisions have been made has been without coordination between the services, between the military and the civilians in DOD, and now apparently between you and the Department of Defense.

Mr. GRIFFIN. Oh, I haven't said that.

Mr. MONAGAN. Pardon me?

Mr. GRIFFIN. I haven't said that.

Mr. MONAGAN. No, you didn't say it. I said it.