



DEPUTY UNDER SECRETARY OF DEFENSE FOR  
LOGISTICS AND MATERIEL READINESS  
3500 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3500

AUG 4 2006

MEMORANDUM FOR CHAIRMAN JOINT CHIEFS OF STAFF  
DIRECTOR, DEFENSE LOGISTICS AGENCY

SUBJECT: Increase in Donation Threshold for Foreign Excess Personal Property (FEPP) in Iraq

This responds to a June 23, 2006 request from the Director of Logistics Operations, Defense Logistics Agency, to increase the threshold for donation of foreign excess personal property (FEPP) located in Iraq. 40 United States Code 704(b)(3), as promulgated in Chapter 8, paragraph D. of the Defense Materiel Disposition Manual (DoD 4160.21-M), authorizes the heads of executive agencies to dispose of property through donation when the estimated costs of care and handling exceed the estimated proceeds from sale.

Based on the request dated June 16, 2006 by the Multi-National Forces Iraq (MNF-I) to the DLA and the cost benefit analysis dated June 9, 2006 conducted by the Defense Reutilization Marketing Service (DRMS), I hereby grant an exception to increase the threshold for donation for FEPP in Iraq with the following conditions:

- Property being donated had an acquisition cost of less than \$5,000
- Property being donated does not require demilitarization and is not subject to trade security control (i.e. items appearing on the U.S. Munitions List of the International Traffic in Arms Regulation or "dual-use" items under the Commerce Control List of the Export Administration Regulations)
- Property being donated is not environmentally regulated or hazardous
- Property is donated to only those entities that are approved by the Department of State
- MNF-I shall retain a list of items and recipients for property donated under this amended authority and a copy shall be provided to the DLA, J-3 and to the Deputy Chief of Staff for Logistics for the Military Service that previously had the items on its property books (or in the case of the Army, the Deputy Chief of Staff G-8) on a monthly basis
- Authority to abandon or destroy property is not changed

A separate request, including a listing of specific items, quantities, intended recipients, value of property to be donated, and justification supporting the donation request, must be made to DUSD(L&MR) or designee for each Forward Operating Base (FOB) for approval to donate property with an acquisition value of \$5,000 or greater. This exception authority will remain in effect for 12 months. Six months from the date of this memorandum, DLA J-3 will recommend adjustment to and/or continuation of this threshold increase. DLA must review the lists of items and recipients as supporting documentation of its recommendation.



The authority for up to 53 closing FOBs to donate property for substantial benefit to the Iraqi Security Forces and defined Iraqi Ministries up to a total value of \$2 million per FOB, which I authorized by memorandum dated June 2005 and amended in December 2005 and March 2006, remains in effect. No other authorities are affected.

If you have any questions or require additional information, you may contact Debra Bennett, on my staff, at 703-604-0098 x137 or [debra.bennett@osd.mil](mailto:debra.bennett@osd.mil).

  
Jack Bell

cc:  
Director, Joint Staff  
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MNF-I