



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

JUN 6 2008

MEMORANDUM FOR CHAIRMAN OF THE JOINT CHIEFS OF STAFF  
COMMANDING GENERAL, MULTI-NATIONAL  
FORCES-IRAQ

SUBJECT: Authority to Transfer U.S. Property in Iraq

This memorandum responds to your April 4, 2008, memorandum, subject, "Delegation of Donation Authority for Foreign Excess Personal Property (FEPP) in Iraq," requesting an expansion of MNF-I's authority for donation of foreign excess personal property (FEPP) in Iraq. In lieu of granting the specific authority requested I hereby approve transfers of FEPP with an acquisition value of up to \$15,000 to any Iraqi Government entity approved by the Department of State in exchange for substantial benefits.

I also grant approval authority for transfer of commercial passenger and utility vehicles with an acquisition value of up to \$45,000. Tiered approval authority is also approved according to your request. Attachment (1) identifies the tiered approval authority and the categories of equipment authorized for transfer. Use of the authority granted in this memorandum is subject to the conditions specified in Attachment (2).

Recipient Iraqi entities must assume any transportation costs. Screening for GSA transfer and donation is waived, with respect to property transferred pursuant to this memorandum. The authority granted for tiered transfer approval, after confirmation of no higher priority need, is not restricted to transfers to the Iraqi Security Forces and the Government of Iraq, but may also include other Iraqi federal, provincial, or local governmental entities.

Any transfer under this memorandum must be accomplished through a memorandum of understanding or similar document that identifies, at a minimum, the items and their estimated acquisition value, as well as their ultimate destination, use and disposition. If the local Embassy identifies potential U.S. Government activities with an interest in receiving the property, those activities shall be given priority over components of the Government of Iraq.



Transferred property must be accompanied by a spares package and, as necessary, a tooling package to ensure continuing use to the recipient. Spares and any tooling must already be in the inventory, and must be included in determining the cost of the property to be transferred. Any equipment transferred for use in a maintenance training program, or for use by an entity with an adequate maintenance and parts-acquisition capability, is exempt from this requirement.

Restrictions for transfer of certain categories of materiel are contained in the Attachments. In addition, the procedures in paragraph 3, of your April 4, 2008 request set out at Attachment 3, must be implemented.

All other stipulations contained in my memoranda pertaining to forward operating bases, dated December 2, 2005, March 14, 2006 and December 22, 2006 subject as above, and the Defense Disposition Manual (DoD 4160.21-M) remain in effect except as modified by this memorandum. Previous memoranda dated August 4, 2006, and October 10, 2007, subject "Increase in Donation Threshold for Foreign Excess Personal Property (FEPP) in Iraq" are hereby rescinded.

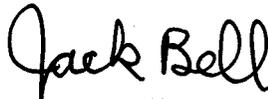
I hereby determine, for the reasons set out in Attachment 2, that it is in the interest of the United States that foreign excess personal property identified in this memorandum be exchanged for substantial benefits, in accordance with 40 U.S.C. 704(b)(2)(B).

Approval is not granted for transfers of water purification units and computers. Approval for transfer of computers may be reconsidered if MNF-I can demonstrate that computers will be first sanitized and made usable and reliable again prior to transfer.

If the acquisition value of property recommended to be transferred exceeds \$15,000 (or exceeding \$45,000 for commercial passenger and utility vehicles) but is otherwise qualified for transfer, a formal request for exception to policy can be submitted separately to the DUSD(L&MR) for approval. The request must include the date, quantity, item description, original acquisition value, property value at the time of proposed transfer, transferring unit, and recipient.

Policy pertaining to transfers from any of the 79 closing or transferring forward operating bases (FOBs) remains in effect and continues to be restricted to the Iraqi Security Forces and other approved Iraqi ministries. Authority to transfer up to \$5M for any closing or transferring FOB is not limited or modified by this memorandum.

I continue to support MNF-I's critical assessment of potential ways to optimize the transfer and donations process. If you have any questions or require additional information, contact Paul Blackwell, on my staff, at (703) 604-0098, ext 202, or [Paul.Blackwell@osd.mil](mailto:Paul.Blackwell@osd.mil).

  
Jack Bell

Attachments:  
As stated

## Tiered Approval Levels and Equipment Authorized for Transfer

The Commanding General, Multi-National Forces-Iraq, is authorized to implement tiered and expanded approval authority for transfers in accordance with stipulations outlined in the transmittal memorandum to which this is Attachment (1) and the other attachments as follows:

<u>Individual Acquisition Authority</u>	<u>Approval Authority</u>
\$0- \$4,999.99	0-6 Level Commander
\$5,000.00 - \$9,999.99	First GO in Chain of Command
\$10,000.00 - \$14,999.99	MNF-I DCS R&S
\$15,000.00 – Above	DUSD(L&MR)

Exception: MNF-I DCS R&S is authorized to approve transfer of commercial passenger and utility vehicles up to individual acquisition value of \$45,000.00, subject to conditions specified in Attachment (2). The acquisition values specified may be applied to transfers of a single item or multiple items, as long as the acquisition value of all the items to be transferred at any one place at one time (i.e. “per transaction”) does not exceed the values specified above.

### Equipment Categories Authorized for Transfer (Demilitarization and Trade Security Control Requirements Continue to Apply)

- a. Hand Shop and Industrial Tools
- b. Air Conditioning Units
- c. Personal Protective Equipment, Fire, Safety, Medical (except Psycho diagnostic Test Sets) and Spill Response Items and Equipment based on further stipulations outlined in the DUSD(L&MR) Transmittal Memorandum and Attachment 2
- d. Communication Equipment based on stipulations outlined in the DUSD (L&MR) Transmittal Memorandum and Attachments
- e. Furniture
- f. Food Service Equipment
- g. Morale, Welfare and Recreational Equipment not purchased with non appropriated funds. See Attachment (2) for explanation.
- h. Base Support Equipment, Incinerators, Tanks, Pumps, Fuel Bladders, Washers/Dryers, Dumpsters (Water Purification Units are NOT authorized for tiered approval authority)
- i. Containers, Shipping Storage, Refrigeration Units and Material Handling Equipment
- j. Power Distribution Equipment, Light Sets, Transformers, Substations, Distribution Panels

Attachment (1)

- k. Vehicles and Trailers, subject to conditions outlined in the DUSD (L&MR) Transmittal Memorandum and Attachments
- l. Structures, Living Containers, Ablution Units, Chain Shelters, Building Modules, and Other Building Equipment
- m. Generators, subject to conditions outlined in the DUSD(L&MR) Transmittal Memorandum and Attachments
- n. Construction, Material Handling, and Excavating Equipment, and Sweepers

## General Considerations and Policy Modifications for Transfers to Other than Forward Operating Bases in Iraq

This is intended to ensure proper execution of the five step process outlined in paragraph 3 of your 4 April memorandum, referenced in the accompanying transmittal memorandum to which this is Attachment (2). While intended to address donation procedures, those procedures must be applied to the limited and restricted tiered transfer authority granted in this memo.

An exception to "as is" policy is applied to transfers in Iraq. All property must be inspected to ensure usability and reliability prior to transfer. Transferred property must be non-leaking and safe to handle. Inspection of property can be performed in place if it is more advantageous to do so because of size, weight or category of property. Inspection shall consist of verifying property description and quantity and assuring that a valid supply condition code is assigned prior to transfer.

Provision of spare parts and tooling packages with transfers remains in effect. Transferred property must be accompanied by a spares package and, as necessary, a tooling package to ensure continuing use to the recipient. Spares and any tooling must already be in the inventory, and must be included in determining the cost of the property to be transferred. Any equipment transferred for use in a maintenance training program or for use by an entity with an adequate maintenance and parts-acquisition capability is exempt from this requirement.

Screening for transfer and donation is waived, as allowed pursuant to DoD 4160.21-M, Chapter 9, with respect to property transferred pursuant to this memorandum, with the understanding that transfers of property pursuant to this memo shall be subject to coordination and approval by the local Embassy. If the Embassy identifies other potential U.S. Government activities with an interest in receiving the property, those activities shall be given priority over transfers to components of the Government of Iraq.

Under this limited transfer authority for equipment items with individual acquisition values of up to \$15,000, MNF-I is not restricted to actions based on costs of care and handling exceeding estimated proceeds from sale. The acquisition values specified may be applied to transfers of a single item or multiple items, as long as the acquisition value of all the items to be transferred at any one place at one time (i.e. "per transaction") does not exceed the values specified above.

Attachment (2)

Unless otherwise indicated, all executed transfers must continue to comply with policy guidance outlined in DoD 4160.21-M. Specifically, demilitarization and trade security control requirements continue to apply. Only equipment items coded with Demilitarization Code of A may be transferred. This policy modification provides no exceptions for equipment listed on the USML and CCL. Equipment identified on those lists continues to be restricted from transfer. Property that is environmentally regulated or hazardous cannot be transferred.

Property can only be transferred to those entities approved by the Department of State. Transfers of equipment items with individual acquisition values of less than \$15,000, using the restricted tiered approval authority are not limited to Iraqi Security Forces and the Government of Iraq, but may also include other Iraqi federal, provincial, or local governmental entities. Any transfer under this memorandum must be accomplished through an MOU or similar document that identifies, at a minimum, the items and their estimated acquisition value, as well as their ultimate destination, use and disposition.

MNF-I shall retain a list of items and recipients for property transferred 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 property recorded on its property books (or in the case of the Army, the Deputy Chief of Staff, G8) on a monthly basis. Authority to abandon and destroy has not changed.

A separate request, including a listing of specific items, quantities, intended recipients, value of property to be transferred, and justification supporting transfer request, must be submitted to the DUSD(L&MR) or designee for recommended transfer of equipment items with acquisition values of \$15,000 or more under the authority granted with this policy change.

#### Applicability and Restrictions on Tiered Delegation of Transfer Authority

Tiered authority is not approved for donation of property. However, authority for tiered approval is granted for property that is transferred for substantial benefit with restrictions and conditions. This expanded authority replaces donation authority granted in previous memoranda. Specifically, transfers of property for substantial benefit will be allowed to any entity approved by the Department of State; however, transfer authority granted with tiered approval authority is restricted to items with an individual acquisition value up to \$14,999.99, including the value of spares and any tooling. Tiered approval authority is only applicable to transfers from other than closing or transferring FOBs. This authority may not be delegated further.

Policy pertaining to equipment transferred from any of the 79 closing or transferring forward operating bases (FOBs) remain in effect and continue to be restricted to the Iraqi Security Forces and other approved Iraqi ministries. Transfers up to \$5M from any single closing or transferring FOB are not limited by this policy change. Tiered approval authority does not apply to provisions from transferring or closing FOBs to the Iraqi Security Force.

The authority for determining an item's status remains with the Military Service that owns the item. Such determinations will be made using currently effective policies and regulations.

### Determination of Substantial Benefits

The previous delegation(s) of authority referenced in paragraph 1 of your memorandum, dated April 4, 2008, were granted pursuant to 40 USC 704(b)(3), which authorizes donations to foreign nations where the costs of selling or handling property exceed the value of proceeds anticipated from its sale. While in many cases the proceeds from sales of FEPP with acquisition values of less than \$15K would be less than the costs of handling the property and conducting the sales, in certain cases there may be some net proceeds, especially where such property might be accumulated and sold in lots. Since the DUSD(L&MR) has determined that there are substantial benefits to the Department of Defense in allowing transfers of property up to the values noted in your request, these policy changes are authorized on this basis, in accordance with 40 U.S.C. 704(b)(2)(B).

Specifically, the DUSD(L&MR) has found that authorizing the transfers described herein will streamline the retrograde process by relieving departing military units of the expense and administrative burden of managing significant accumulations of excess low valued property for transfer, donation, and sale, thus allowing them to focus on higher priority aspects of their missions. Allowing such transfers will also tend to mitigate the risks of improper disposition by units facing considerable mission demands and time constraints prior to departing the theatre. Furthermore, allowing these transfers will substantially benefit the Government's interest in fostering favorable relations between the U.S. and Iraqis at the federal, provincial, and local levels by enhancing institutional development at all levels of the Iraqi government. Allowing such transfers, in which the recipient Iraqi institution assumes any transportation costs, will also alleviate undue burden upon DoD transportation assets ensuring their continued focus on higher priority missions.

## Conditions for Approval of Transfers of Vehicles

Approval authority is applicable to vehicles only after a process is instituted, by MNF-I, to ensure that force protection is applied to transferred vehicles, when applicable. Exceptions will be considered for vehicles used as Forward Operating Base runners. In addition, a process must be established to ensure that transferred vehicles are distinguishable from vehicles in possession of and in use by U.S. Military Forces. Restrictions against transfer of vehicles in their original configuration apply. Vehicles must be inspected prior to transfer. If a fuel tank is known to be leaking, it should be repaired before transfer. Provision of spare parts and tooling packages with transfer of vehicles remains in effect. Exceptions apply as stated in the DUSD(L&MR Transmittal Memorandum to which this is Attachment 2.

After all policy requirements have been met, revalidation of usability and reliability apply for transfer of vehicles in Iraq. Unless otherwise indicated, all executed transfers of vehicles must continue to comply with policy guidance outlined in DoD 4160.21-M. Specifically, demilitarization and trade security control requirements continue to apply. Only equipment items coded with Demilitarization Code of A may be transferred. This policy modification provides no exceptions for equipment listed on the USML and CCL. Equipment identified on those lists continues to be restricted from transfer.

## Conditions for Approval of and Restrictions on Transfer of Fire, Safety, Medical and Spill Response Items Equipment

Restrictions as outlined in DoD 4160.21M apply. All medical equipment must be cleaned and sanitized. Survival and Protective Equipment is not authorized for transfer without instruction to recipients regarding proper application.

Restrictions on prescription safety and surgical devices and prescription, surgical telescopes apply. Psycho diagnostic test sets are not authorized for transfer.

Special Markings are required for radiation emitting products (includes noncertified color and black and white television receivers, noncertified microwave ovens, certified and noncertified diagnostic x-ray systems and their major components, certified and noncertified cabinet x-ray systems, noncertified laser products, noncertified cold-cathode gas discharge tubes under conditions of scrap or salvage, and any other noncertified electronic product for which FDA may issue a performance standard.

Authorizations for ambulances, fire rescue crash trucks, and other emergency vehicles, in general, are under the umbrella of authorization of transfer of vehicles. Medical components of those vehicles must adhere to conditions outlined in this section of the instructions.

After all policy requirements have been met, revalidation of usability and reliability apply for transfers in Iraq. Unless otherwise indicated, all executed transfers of this equipment must continue to comply with policy guidance outlined in DoD 4160.21-M. Specifically, demilitarization and trade security control requirements continue to apply. Only equipment items coded with Demilitarization Code of A may be transferred. This policy modification provides no exceptions for equipment listed on the USML and CCL. Equipment identified on those lists continues to be restricted from transfer.

#### Conditions for Approval of Transfers of and Restrictions on Transfer of Morale, Welfare and Recreational Equipment

Normally MWR equipment is purchased with non appropriated funds (NAF). NAF property is currently only processed for Federal screening and is not eligible for transfer. NAF property is eligible for reutilization or transfers provided that the NAF activity waives reimbursement or negotiates reimbursement with the recipient. Therefore, MWR equipment can only be transferred if purchased with appropriated funds. After all policy requirements have been met, revalidation of usability and reliability apply for transfers in Iraq.

Unless otherwise indicated, all executed transfers of MWR equipment must continue to comply with policy guidance outlined in DoD 4160.21-M. Specifically, demilitarization and trade security control requirements continue to apply. Only equipment items coded with Demilitarization Code of A may be transferred. This policy modification provides no exceptions for equipment listed on the USML and CCL. Equipment identified on lists continues to be restricted from transfer.

#### Restrictions and Conditions for Transfer Authority for Communications Equipment

Approval authority, as outlined, for Communications equipment is granted within legal and regulatory limitations, as described below, based on MNF-I's assurance of compliance with policies, which require cleansing of personally identifiable information (PII) prior to transfer. This approval authority does not apply to communications equipment on the USML and CCL. Communications

equipment that requires special handling cannot be transferred in Iraq without meeting specified conditions.

According to the Director of Administration and Management, Department of Defense Senior Privacy Official Memorandum, "Safeguarding Against and Responding to the Breach of Personally Identifiable Information," September 21, 2007, PII is information about an individual that identifies, links, relates, or is unique to or describes him or her. Examples of PII include but are not limited to Social Security number; age; military rank; civilian grade; marital status; race; salary; home/office phone number; and other demographic, biometric, personnel, and medical information.

Although PII does not meet the strict definition of sensitive information in DoD Instruction 5000.64, the Director of the Defense Privacy Office considers PII to be sensitive information. In addition, DoD Memorandum, "Department of Defense (DoD) Guidance on Protecting Personally Identifiable Information (PII), August 18, 2006, provided that "DoD Components are directed to ensure that all PII not explicitly cleared for public release is protected according to the Confidentiality Level Sensitive", as established in DoD 8500.2, "Information Assurance (IA) Implementation," February 6, 2003.

OMB has also recognized this PII as a critical area in OMB-M-006, "Protection of Sensitive Agency Information", 23 June 2006, and OMB-M-06-19, "Reporting Incidents Involving Personally Identifiable Information and Incorporating the Cost for Security in Agency Information Technology Investments", July 12, 2006.

The Security Management Act of 2002 requires all incidents involving breaches of PII to be reported to the U.S. Computer Emergency Readiness Team (US-CERT), an organization within the Department of Homeland Security, within 1 hour of discovering them. Notification must be provided in electronic or physical form, and distinction between suspected or confirmed breaches is not required. US-CERT will forward all reports to the Identity Theft Task Force within one hour notice by DoD.

Transfer of these items must comply with 47 U.S.C. 302, which restricts out of band emissions and use of devices that interfere with radio reception. Transfers of radio frequency devices require special markings in that regard. 47 U.S.C. 501 and 502 cites general penalties for violations.

To mitigate risk, the MNF-I must provide to DUSD(L&MR) its process that ensures policy compliance prior to exercising authority to transfer at risk communication equipment (e.g., cell phones, personal digital assistants (PDAs),

networking devices (e.g., routers), copy machines, fax machines, magnetic disks (floppies, ATA Hard Drives, USB Removable Media (Pen Drives, Thumb Drives, Flash Drives, Memory Sticks with hard Drives), Zip Disks, etc.). The MNF-I procedures must contain the process to be used to respond to breaches involving PII to minimize unauthorized disclosures and decrease potential for identity theft. MNF-I procedures must also ensure compliance with this policy and procedure. Upon receipt of procedures, the C3I communities in DoD, OMB, NSA, Commerce Department and other Agencies with an interest must review and approve the effectiveness of those procedures. Under no circumstance will classified or unclassified information systems, material containing classified or security material be transferred with this modified and expanded authority. Restrictions for radio frequency devices also apply.

After all requirements have been met to ensure no unauthorized disclosure of information, revalidation of usability and reliability requirements applies prior to transfers in Iraq. Unless otherwise indicated, all executed transfers of communications equipment must continue to comply with policy guidance outlined in DoD 4160.21-M. Specifically, demilitarization and trade security control requirements will continue to apply. Only equipment items coded with Demilitarization Code of A may be transferred. This policy modification provides no exceptions for equipment listed on the USML and CCL. Equipment identified on those lists continues to be restricted from transfer.

#### Restrictions and Conditions for Re-consideration of Transfer Approval for Computers, Printers, Scanners, Copiers, and Other Office Equipment

Authority for transfers of computers, printers, scanners, copiers, and other office equipment is not granted but may be re-considered based on assurance of a process in place to restore usability and reliability after sensitive information and data are removed prior to transfer. Computers and ancillary equipment require special handling and cannot be transferred in Iraq. This decision will not be revisited without meeting specified conditions. This includes any equipment or interconnected system or subsystem of equipment that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information by an executive agency, which is broadly described as computers, ancillary equipment, and commercial off-the-shelf (COTS) software.

For reconsideration, it would be important for a process to be in place to inspect all computer equipment and property prior to transfer for any “**Secret**”, “**Classified**”, “**Confidential**”, and “**Tempest or Hazardous**” indicators. Some of the necessary procedures include but are not limited to: (1) Screening by or obtaining screening waiver from DISA; (2) Removal of memory sticks from other

forms of computer equipment, i.e., handheld computers (e.g. palm pilots, organizers, etc.). Internal devices, i.e., graphic, sound, network or controller cards, may remain in the CPU. (3) Removal of the following media and cards from transferred computers: secure data cards, micro-drives, memory sticks, backup tapes, compact flash cards, smart card media, multi-media cards, CD-ROM media, PCMCIA cards, zip media and floppy disks. (4) Removal of toner cartridges from printers and plotters. (5) Sanitizing hard drives by degaussing prior to transfer. The sanitizing process destroys the inherent software. As a result, computers are not usable unless software can be replaced prior to transfer.

Therefore, the condition for reconsideration of transfer authority would require a process that ensures that computer equipment is sanitized and made usable again thereafter and prior to transfer. Procedures must be provided to DUSD(L&MR) before approval authority is reconsidered. Practices would also include an operational statement or letter stating CPU contains no classified, confidential or hazardous material. Stipulations cited for communications equipment apply to computers and peripherals as well. Upon receipt of your procedures, the C3I community in DoD, OMB, NSA, Commerce Department and other Agencies with an interest must review and approve the effectiveness of those procedures.

Guidance for computers leaving the possession of DoD was provided in a Deputy Secretary of Defense Memorandum, "Disposition of Unclassified DoD Hard Drives" dated May 29, 2001. The Assistant Secretary of Defense, C3I, followed up as directed with issuance of detailed guidance in a memorandum with same subject on June 4, 2001.

Under no circumstances will classified or unclassified information systems, material containing classified or security material be transferred with this modified and expanded authority. Validation of usability and reliability requirements applied for transfers in Iraq. After all requirements have been met to ensure no unauthorized disclosure of information, revalidation of usability and reliability requirements applies prior to transfers in Iraq. No transfers of computers and ancillary equipment is permitted IAW policy guidance outlined in DoD 4160.21-M. This policy modification provides no exceptions for this equipment at this time.



REPLY TO  
ATTENTION OF

HEADQUARTERS  
MULTI-NATIONAL FORCE-IRAQ  
BAGHDAD, IRAQ  
APO AE 09342-1400

MNF-I R&S

4 April 2008

MEMORANDUM FOR: Deputy Under Secretary of Defense for Logistics and Materiel  
Readiness, 3500 Defense Pentagon, Washington, DC 20301-3500

SUBJECT: Delegation of Donation Authority for Foreign Excess Personal Property (FEPP)  
in Iraq

1. Request your support to expand the current delegation of authority for donations of Foreign Excess Personal Property (FEPP) in Iraq, granted in enclosure (1), to O-6 level commanders. Per enclosure 1, the MNF-I DCS for Resources and Sustainment (R&S) currently has authority to approve donations of FEPP with an individual acquisition value of \$10K or less (for items that are more than \$10K, approval authority remains with the DUSD L&MR).

2. Accordingly, request a tiered delegation of authority for donations of FEPP in Iraq as follows:

<u>Individual Acquisition Value</u>	<u>Approval Authority</u>
\$0 - \$4,999.99	O-6 Level Commander
\$5,000.00 - \$9,999.99	First GO in the Chain of Command
\$10,000.00 - \$14,999.99	MNF-I DCS R&S
\$15,000.00 - Above	DUSD L&MR

Exception: MNF-I DCS R&S is authorized to approve donations of commercial passenger and utility vehicles up to individual acquisition value of \$45,000.00.

3. To ensure that FEPP is only donated after all avenues of its redistribution within DoD have been exhausted, MNF-I DCS R&S will institute a prioritized five-step process for the disposition of property. The five steps, in priority order, are: consume, redistribute, transfer, donate and dispose (only as a last option).

a. A virtual process will optimize all redistribution options in order to balance the best utilization of property against the risk associated with travel in Iraq. Furthermore, a determination of property as "excess to U.S. needs" (FEPP) will be made before Multi-National Division level or Brigade / Regimental Combat Team (BCT/RCT) Commanders execute donations within their area of responsibility.

b. Execution within the tiered delegation of authority will not dissolve the responsibilities inherent in Command to account for and verify the validity via which excess personal property donations are proposed, reviewed and approved. Although specific excess personal property may not be listed on a Commander's Property Books, the Commander will still be accountable

Attachment (3)

via the Chain of Command to ensure executed donations comply fully with published U.S. Mission Iraq and DoD 4160.21-M guidance. Control measures will be established and reinforced to Commanders through a change to the current MNF-I policy; TAB I (Procedures for Disposal of FEPP in Iraq, 19 Aug 06) to Appendix 2 to Annex D to MNF-I Framework Operations Order. Special emphasis will be placed on: restrictions that preclude donation of unauthorized equipment; adherence to procedures for equipment items requiring special processing; maintenance of accurate, complete official records for each donation; recurring reporting requirements; and a review, validation and tracking process in keeping with the responsibilities for Commanders' accountability for DoD property within their battle space.

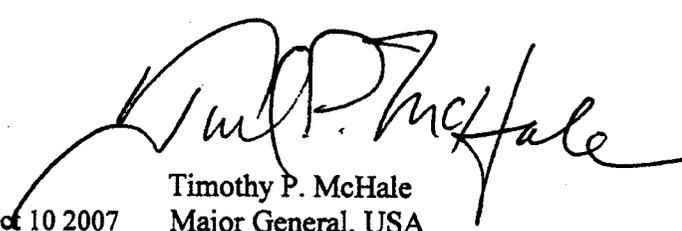
c. Donation of generators is understood to be a sensitive issue in light of potential emergency response requirements within the United States. The majority of generators in Iraq support base infrastructure and would be transferred with the base, or they would be retained for use by the military Services. For generators that are donated, the tiered delegation of authority will ensure close review of their disposition.

4. Once the redistribution saturation point is reached, the requirement to funnel all donation requests through a single chokepoint at MNF-I DCS R&S could lead to delays that impact retrograde timelines and the operational environment. A current snapshot of LOGCAP property records for Iraq revealed 140,644 likely donation items with an average acquisition cost under \$5,000 and 5,965 items with an average acquisition value from \$5,000 - \$10,000 (Encl 2).

5. A tiered delegation of authority will facilitate greater BCT/RCT participation in the redistribution process and closer oversight at the MNF-I and MNC-I subordinate (general officer) command levels. BCT/RCT Commanders, with their embedded Provincial Reconstruction Teams, best understand local Government of Iraq and Non-governmental Organization needs. Establishing process ownership among commanders will enhance prudent decision making at the tactical level and facilitate less movement/breakage of materiel, while allowing oversight and review of higher dollar value donations at the operational and strategic levels.

2 Encls

1. DUSD (L&MR) Memorandum, Oct 10 2007
2. Analysis of LOGCAP Property in Iraq



Timothy P. McHale  
Major General, USA  
Deputy Chief of Staff,  
Resources & Sustainment



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

OCT 10 2007

MEMORANDUM FOR CHAIRMAN OF THE JOINT CHIEFS OF STAFF  
COMMANDING GENERAL, MULTI-NATIONAL FORCES -  
IRAQ

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

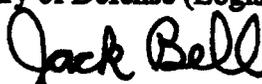
This memorandum updates my August 4, 2006, letter to the Chairman of the Joint Chiefs of Staff and Director, Defense Logistics Agency, titled "Increase in Donation Threshold for Foreign Excess Personal Property (FEPP) in Iraq." I hereby increase the donation threshold for foreign excess personal property (FEPP) in Iraq to \$10,000 acquisition value, under the conditions specified below. All other stipulations of my original letter remain in effect, except as modified by this letter.

Also, in response to the June 8, 2007 letter received from the MNF-I DCS for Resources and Sustainment, titled "Increase in Donation Threshold for Foreign Excess Personal Property (FEPP) in Iraq," I delegate donation authority to the MNF-I DCS Resources and Sustainment, subject to the conditions specified below. This authority may not be further delegated. By definition, such items are obsolete, excess to global Military Service needs, or not cost effective to retrograde. The authority for determining the item's status remains with the Military Service that owns the item. Such determinations will be made using currently effective policies and regulations.

Any equipment to be donated for use "as is" must be accompanied by a spares and, as necessary, a tooling package to ensure its continuing value to the recipient. Any equipment donated for use in a maintenance training program or for use by an organization with an adequate maintenance and parts-acquisition capability is exempt from this requirement.

If property value of an item exceeds \$10,000 but is otherwise qualified for donation, a formal request for exception to policy can be submitted separately to the DUSD (L&MR) for approval. The request must include the date, quantity, item description, original acquisition value, property value at time of proposed donation, donor, and recipient.

The MNF-I DCS for Resources and Sustainment shall retain a list of all items donated for audit purposes, and shall forward a copy to: the DLA J-3; the Deputy Chief of Staff for Logistics for the Military Service (for the Army, the Deputy Chief of Staff G-8), and the Deputy Under Secretary of Defense (Logistics and Materiel Readiness).

  
Jack Bell



Encl 1

### Analysis of LOGCAP Property in Iraq

The following table depicts LOGCAP property in Iraq eligible for donation after elimination of items retained for Strategic Overwatch Bases, retained by the Army, transferred to Iraqi ministries or disposed of through a DRMO.

Item	Donate
GREATER THAN \$15,000.00	*7,436
<b>Totals</b>	<b>156,343</b>

\*Exception: 5,579 passenger and utility vehicles valued from \$15K-\$45K would be approved by MNF-I DCS R&S

LOGCAP Property in Iraq

Item	Item Count	Support Strategic Over-watch Bases	Transfer	Donate	Retrograde	US Army Disposition	DRMO
<b>Hand, Shop and Industrial Tools</b>							
GREATER THAN \$15,000.00	117	39	55	18			5
	146	48	68				7
	787	260	369				31
	26,534	8,756	12,444				1,067
<b>Total</b>	<b>27,584</b>	<b>9,103</b>	<b>12,937</b>	<b>4,435</b>	<b>0</b>	<b>0</b>	<b>1,109</b>
<b>Air Conditioning Units</b>							
GREATER THAN \$15,000.00	143	47	67	23			0
	193	64	91				6
	1,490	492	699				8
	160,971	53,120	75,495				59
<b>Total</b>	<b>162,797</b>	<b>53,723</b>	<b>76,352</b>	<b>26,179</b>	<b>0</b>	<b>0</b>	<b>6,471</b>
<b>PPE, Fire, Safety, Medical, Spill Response, ect.</b>							
GREATER THAN \$15,000.00	46	15		20			2
	57	19					2
	167	55					7
	60,648	20,014					1,622
<b>Total</b>	<b>60,918</b>	<b>20,103</b>	<b>0</b>	<b>39,182</b>	<b>0</b>	<b>0</b>	<b>1,633</b>
<b>Communication Equipment, Radios, Cell Phones, etc.</b>							
GREATER THAN \$15,000.00	61	20		31	7		3
	37	12			9		2
	821	271			142		16
	41,097	13,562			4320		814
<b>Total</b>	<b>42,016</b>	<b>13,865</b>	<b>0</b>	<b>21,983</b>	<b>4,478</b>	<b>0</b>	<b>835</b>
<b>Furniture</b>							
GREATER THAN \$15,000.00	5	2		3			0
	9	3					0
	11	4					0
	34,412	11,356					1,383
<b>Total</b>	<b>34,437</b>	<b>11,364</b>	<b>0</b>	<b>21,689</b>	<b>0</b>	<b>0</b>	<b>1,384</b>
<b>Food Service Equipment</b>							
GREATER THAN \$15,000.00	528	174	248	85			21
	206	68	97				8
	323	107	151				13
	22,519	7,431	10,561				905
<b>Total</b>	<b>23,576</b>	<b>7,780</b>	<b>11,057</b>	<b>3,791</b>	<b>0</b>	<b>0</b>	<b>948</b>
<b>MWR</b>							
GREATER THAN \$15,000.00	13	4	5		3		1
	35	12	14		8		1
	625	206	247		147		25
	15,324	5,057	6,058		3,593		616
<b>Total</b>	<b>15,997</b>	<b>5,279</b>	<b>6,324</b>	<b>0</b>	<b>3,751</b>	<b>0</b>	<b>643</b>
<b>Base Support Equipment, Water Purification Systems, Incinerators, Tanks, Pumps, Fuel Bladders, Washers/Dryers, Dumpers, etc.</b>							
GREATER THAN \$15,000.00	2,679	884	1,526	162			108
	959	316	450				39
	2,873	948	1,347				115
	43,761	14,441	20,524				1,759
<b>Total</b>	<b>50,272</b>	<b>16,590</b>	<b>23,847</b>	<b>7,815</b>	<b>0</b>	<b>0</b>	<b>2,021</b>
<b>Containers, Shipping, Storage, Refrigerated, MH, etc.</b>							
GREATER THAN \$15,000.00	1,256	414	499		337		6
	80	26	25		25		3
	1,255	414	389		401		50
	7,697	2,540	2,411		2,437		309
<b>Total</b>	<b>10,288</b>	<b>3,395</b>	<b>3,324</b>	<b>0</b>	<b>3,200</b>	<b>0</b>	<b>369</b>
<b>Office Equipment, Computers, Printers, Scanners, Copiers, etc</b>							
GREATER THAN \$15,000.00	61	20		31	7		2
	129	43			11		5
	434	143			37		17
	25,399	8,382			2,390		1,021
<b>Total</b>	<b>26,023</b>	<b>8,588</b>	<b>0</b>	<b>13,943</b>	<b>2,445</b>	<b>0</b>	<b>1,046</b>
<b>Power Distribution Equipment, Light Sets, Transformers, Substations, Distribution Panels, etc.</b>							
GREATER THAN \$15,000.00	203	67	95	33			8
	567	187	266				23
	2,028	669	951				82
	8,826	2,913	4,139				355
<b>Total</b>	<b>11,624</b>	<b>3,836</b>	<b>5,452</b>	<b>1,869</b>	<b>0</b>	<b>0</b>	<b>467</b>

# LOGCAP Property

Breakout and Analysis

