

CHAPTER 3

RECEIPT, HANDLING AND ACCOUNTING

A. GENERAL

1. Excess and FEPP, except for wholesale stocks described below, will be transported to a DRMO for disposal processing. Additional guidance for FEPP is in Chapter 9, Disposal of FEPP.

2. Excess wholesale stocks stored in DLA Distribution Depots, will be disposed of through an automated disposal system (when fully deployed), Property processed through this system does not require transport to a DRMO.

3. Excess, surplus, or FEPP turned in or reported to the DRMO/SDPDA shall be accompanied by the specified number of copies of the Disposal Turn-In Document (DTID), DD Form 1348-1 A, Issue Release/Receipt Document, or DD Form 1348-2, Issue Release/Receipt Document with Address Label (see paragraph C, this chapter), prepared in accordance with DoD 4000.25-M-1, MILSTRIP Manual (excerpted in Attachment 1 to this chapter). The DTID number must include an official DoDAAC listed in the DoD Activity Address File. All further references to DD Form 1348-1A also include DD Form 1348-2.

NOTE: Additional guidance for turn-in of property requiring specialized processing can be found in Chapter 4, Property Requiring Special Processing and Chapter 10, Environmentally Regulated and Hazardous Property.

B. TURN-INTO THE DRMO

1. Generating activities shall comply with this manual, MILSTRIP, and their Service/Agency retention and disposal policies and procedures when preparing property for turn-in.

a. DoD components shall physically turn in their property to the nearest DRMO when economically feasible and permitted by HW regulations. The generating activity should schedule all turn-ins prior to delivery and are encouraged to provide the DRMO advance notification (i.e., electronic data on DTID/property on a turn-in).

(1) Property will be processed as “receipt in place” when the DRMO is physically unable to accept property either by regulation or other restrictions Requests for withdrawal after the DRMO accepts accountability shall be coordinated with the DRMO. DRMOs shall arrange for such support with the local host installation or the generating activity, e.g., ISA, MOU, etc.

DoD 4160.21-M

(2) Sales referrals for property received in place will include the name and address of the agency at which the property is located.

b. The DRMO, as a service to the Department of Transportation (DoT), shall process USCG excess, surplus and **FEPP**. The principles outlined below shall apply in these processing actions, (See paragraph P2, Chapter 7, Sales/Resource **Recovery** and Recycling Program (**RRRP**), for sale proceeds accounting instructions for USCG owned property).

(1) USCG excess personal property (except Yard Fund property located in the USCG Yard, Curtis Bay, Maryland) shall be transferred to the nearest DRMO after internal USCG screening is complete. If size or economics prevent physical transfer of property, the USCG shall transfer accountability but retain custodial responsibility.

(2) The USCG district **office** or the unit having custody of excess property shall advise the DRMO of a proposed transfer of excess property. No shipments shall be made to DRMOs without notification unless **local** arrangements to the contrary have been made.

(3) Aircraft and vessels may be reported by the USCG direct to DRMS for sale provided all RTD screening is accomplished by the **USCG**. Where this option is exercised, the USCG shall perform those **functions** relating to sales (i.e., descriptions, releases, etc.).

(4) Documents covering turn in of property to DRMOs shall contain the information listed in paragraph C, this chapter. Transportation of material to the DRMO shall be arranged by the **USCG**.

(5) Requests for on site inspection or shipment of property retained in USCG custody shall be mutually agreed to by the DRMO and the USCG representative,

(6) USCG **aircraft** may be transferred to the Aerospace Maintenance and Regeneration Center (AMARC), **Davis-Monthan** Air Force Base, Arizona, in accordance with the ISA between the USCG and the USAF.

2. DRMS is responsible for the disposition of all DoD generated excess, surplus, FEPP and other personal property authorized for turn-in,

a. To the extent possible, the DRMO shall physically accept and process property for which it has responsibility.

b. The following types of property may not be physically accepted by any DRMO regardless of its resources or technical expertise, unless specifically authorized.

- (1) Live animals
- (2) Ammunition, explosives, and dangerous articles (includes incendiary products)
- (3) Drugs, biological, and controlled substances
- (4) Nitrate base film
- (5) Used Psychodiagnostic Test Sets

c. Acceptance of physical custody of HP shall be determined based upon the guidelines in paragraph C, Chapter 10, Environmentally Regulated and Hazardous Property.

d. The DRMO may not accept (either physically or on its account) the following categories of property and no reutilization or sale service shall be given.

(1) Radioactive waste, and unsalable material of a nonhazardous nature. This category includes, but is not limited to DoD inspection stamps and devices, consecrated religious items, and classified **cryptographic** equipment.

(2) HP designated for disposal by the Military Services as stated in Chapter 10, Environmentally Regulated and Hazardous Property.

(3) Classified Material.

(4) Classified and unclassified information systems security materiel

(5) Property containing information covered by the Privacy Act. (See Chapter 4, Property Requiring Special Processing, **B52**.)

(6) Refuse and trash; that is, post consumer waste material such as litter and rubbish. The collection of **refuse** and trash is the responsibility of the installation engineer.

(a) Some **refuse** and trash, when properly segregated, may possess RTD or sales (**RTDS**) potential. The DRMO shall assist the host installation by advising the commander, designee, or the installation Qualified Recycling Program (**QRP**) coordinator of any known methods to dispose of segregated property through DRMS channels, including the established **RRRP**. Proper segregation action shall be performed and monitored by personnel of the host installation, prior to turn-in.

DoD 4160.21-M

(b) Sale of this **property** through the RRRP will be conducted in accordance with the guidelines established in Chapter 7, **Sales/RRRP**.

3, The **DRMO** is responsible for accepting and processing nonsalable material and shall ensure that disposition is by the most economical and practical method possible. The following methods should be considered:

- a. The possibility of sale if the property were **re-lotted** and re-advertised.
- b. The possibility of donation under the criteria of paragraph B3, Chapter 8, **A/D**.
- c. The disposal of property in a **sanitary** fill. Small volumes of some types of property may be disposed of through refine and trash collection service under the existing ISA.
- d. Service contract. This method should be applied as a last resort when all other alternatives are not possible or are not economically practicable.

4. Accountability of property which is not disposed of through RTDS may not be returned to the generating activity, except as specified in Chapter 4, Property Requiring Special Processing. HP shall be processed on **HW** disposal service contracts. Other property shall be downgraded to scrap, processed for A/D, or disposed by a DRMS service contract.

5. Usable property shall be turned in as individual line items with their assigned, valid National Stock Number (**NSN**), except as indicated below (unless authorized for batch lotting as stated in paragraph 6 below).

- a. Property maybe turned-in without a valid NSN when the material cannot be identified to a valid NSN in FED LOG, is considered lost, abandoned, or unclaimed privately owned personal property, confiscated, or captured enemy material. At a minimum, record positions 8 through 22 of the **DTID** (DD 1348-1A) will contain the Federal Supply Class (**FSC**), NATO Codification Bureau Code, and **noun/nomenclature** and/or part number.

- b. Due to national security concerns, the FSCS listed in Attachment 2 require a higher degree of documentation. When these items are not assigned an NSN, the **DTID** must include the appropriate FSC, the valid part number and manufacturers name, nomenclature which accurately describes the item, the end item application, and a clear text statement explaining why the NSN is not included. This information may be annotated directly on the DTID or securely attached to the **DTID**.

c. The DTID for any property turned in without a **DEMIL** code must include the clear text **DEMIL** statement, as required by DoD 4160.21-M-1, Chapter 2, Paragraph A1, Generating activities may request assistance of the DRMO, DRMS, DLA, or the Integrated Manager for the FSC to determine the appropriate statement required. **DRMOs** will assist the generating activity in developing the clear text statement and assignment of the appropriate **DEMIL** Code. **DRMOs** may reject the turn-in of material which does not meet the above criteria.

6. Batchlotting. The objective of batch lotting is to reduce the cost, physical handling, and administrative time needed to process property through the disposal system. Generating activities are encouraged to batch lot low dollar value property for turn in on a single DTID which will indicate the supply condition code and the total acquisition value of the property. See paragraph **C4** for documentation requirements.

a. The following categories of property are not eligible for batch lotting:

(1) All **MLI/SLI** identified in DoD 4160.21-M-1,22 CFR 121, and 15 CFR 799,1

(2) Property that needs special handling as defined in Chapter 4, Property Requiring Special Processing.

(3) Items designated as critical by the wholesale inventory manager

(4) Items determined to be **pilferable** or sensitive in accordance with DoD 4 100.39-M, Federal Logistics Information System Procedures Manual, Volume 10, Chapter 4, Table 61 and Table 104; and Joint Regulation on Safeguarding of DLA Sensitive Inventory Items, Controlled Substances, and **Pilferable** Items of Supply, DLAR 4145.1 I/AR 740-7/ NAVSUPINST 4440.146 L/MCO 4450.11.

(5) **HP**

b. Batch lotted property shall be collected, by condition code, in a standard tri-wall container, box pallet, or other suitable container. The total acquisition value of the entire batch lot may not exceed \$2500. Below are options for building generator batch lots:

(1) Option 1- Collect by **FSC**, unit price of \$100 or less. Each container shall bear only those items of the same **FSC**. This is the most desirable method of batching, Retention of **FSC** integrity through planned stock picking will be beneficial during later **DRMO** processing by improving **RTD**, or increasing sale proceeds,

(2) Option 2- Collect by **FSG**, unit price of \$50 or less. Each container shall bear only those items of the same **FSG**. This option is less desirable than Option 1 for **DRMO** processing, However, generating activities may use this option when storage problems or processing constraints override **RTDS** considerations.

DoD 4160.21-M

(3) Option 3- Collect without regard to FSC or FSG, unit price of \$35 or less. This is the least desirable option because of the potential for reduced RTD or sales proceeds due to the nonhomogeneous nature of the items in the batch lot. As in Option 2, however, operational conditions may dictate selection of this option.

NOTE: Because of special processing needs, eligible Navy Supply Operations Assistance Program (SOAP) and **Intra** Fleet Supply Support Operation Team (IS SOT) items shall be batched under this option in individual ship lots regardless of the number of containers/pallets involved.

7. Scrap

a. The segregation of scrap materials is simplified and the cost of handling is kept to a minimum if materials are separated at the source. Commingling materials considerably reduces and, in some instances, destroys the value of the scrap material.

(1) In the best interest of the U.S. Government, segregation of scrap will not be carried beyond the minimum point necessary to facilitate **RTDS**.

(2) Initial segregation of scrap is the responsibility of the generator.

(3) The DRMO shall **furnish** guidance, and, where feasible, containers to the scrap generator at the source.

(4) The activity collecting the scrap or waste shall maintain segregation to the delivery point. (See DoD 4160.2 1-H, Defense Scrap Yard Handbook.)

b. Scrap material generated **from** explosive and **incendiary** items and chemical ammunition is considered to be dangerous property and may not be commingled with other types of property. This property shall be processed in accordance with DoD 4160.21-M-1, and Chapter 4, Property Requiring Special Processing, paragraph B3.

8. Delivery to a DRMO

a. The responsibility for expenses incurred in RTDS of excess/surplus and FEPP is defined as the point at which accountability is transferred from the generating activity to a DRMO/SDPDA.

(1) All expenses incurred before acceptance of accountability by a DRMO/SDPDA shall be borne by the generating activity.

(2) All expenses incurred after acceptance of accountability by a **DRMO** shall be borne by **DLA**, and expenses for **SDPDAS** shall be borne by the respective Military Service.

(3) Exceptions to this policy maybe negotiated at the department level. This policy applies to all generations; such as, appropriated find property, non-appropriated **fund** property, Defense Working Capital Fund (**DWCF**) **funded** property, and contractor inventory property.

b. Property capable of spilling or leaking may not be transferred to a **DRMO/SDPDA** in open, broken, or leaking containers. **All** property shall be non-leaking and safe to handle (see Chapter 2, paragraph C1 7).

C. DOCUMENTATION FOR TURN IN

1. Property shall be turned into the DRMO in accordance with DoD 4000,25-1 -M, appendix C46A (excerpt at Attachment 1, this chapter).

2. In addition to the data elements required by **MILSTRIP**, the DTID must clearly indicate:

a. Category of property (such as foreign purchased, MAP) and reimbursement data, if applicable. DTID which do not contain reimbursement data will be processed as **nonreimbursable**.

b. Value and list of component parts that have been removed from major end items of equipment or a copy of the Limited Technical Inspection (**LTI**) form showing the nature and extent of repair required.

3. Generating activities are responsible to ensure that proper Supply Condition Codes (**SCCs**) are assigned.

4. If the generating activity has batch lotted property as described in paragraph B6b, the following data must be included on the **DTID** for each lot. The required data is based upon the option selected:

a. **FSC/FSG** followed by the word **BATCH**. When Option 3 is selected, the FSC field must be "9999."

b. Generating Activity Assigned DTID Number.

c. Quantity is optional. If blank, DRMO shall estimate.

d. Total acquisition value of the lot.

DoD 4160.21-M

e. Shipping point, DoD Activity Address Code (**DoDAAC**), or activity in-the-clear address.

f. Ship to **DRMO**, DoDAAC, or activity in-the-clear address.

g. Certification as follows: “I **certify** that this lot is in compliance with current disposal policy” followed by the date, signature, and printed or typed name of the **certifying** individual.

5. If scrap is turned-in, the DTID will include:

a. Basic material content

b. Estimated weight

c. Reimbursement data, if applicable

d. Precious metals indicator code, if applicable

6. A minimum of four legible copies of the DTID must be **furnished** the DRMO and accompany the property. The DRMO shall return to the turn in activity one copy of the DTID as a valid receipt document, see paragraph D4d, below.

D. RECEIPT OF PROPERTY. This paragraph gives uniform procedures for the receipt, handling, and storage of excess, surplus, and FEPP turned into a **DRMO**.

1, One of the most critical and important stages in the flow of property through the disposition system is the initial receipt of property at the **DRMO**. The **DRMOs** are responsible for the receipt, classification, processing, safeguarding, storing, and shipping of **all** property physically received at the **DRMO**. This includes property to be accounted for as items, and properly segregated scrap and waste having RTDS value, and material destined for ultimate disposal.

2. The DRMO shall give assistance, when requested, in tracing DTID where an in transit control follow-up has been received by the generating or shipping activity.

3. The DRMO must maintain close liaison with the generating activities to ensure:

a. Scheduling for turn-in at the DRMO will take into consideration the **DRMO's** receiving capability and the volume of property to be turned in.

b. Assistance is given to the generating activity when needed to assure proper segregation of scrap and waste material before turn into the **DRMO**. If the quantities generated, market conditions, or local trade practices warrant, **further** segregation shall be made as outlined in DoD 4160.21-H.

c. DRMO developed written guidance on disposal turn ins is given to generating activities. Such guidance **shall** be of an assistance type rather than directive in nature.

d. Inspection of the property is performed in place if it is more advantageous to do so because of the size, weight, or **category** of the property. Excess property not transferred physically to the DRMO shall be tagged with a status tag indicating the DTID number, Federal Condition Code and DRMO accountability.

e. Property classified as “condemned” by the generating activity is processed for disposition in accordance with the circumstances on which the classification is based. Material “condemned” solely due to its degree of **unserviceableness** or age (shelf life) may have some use potential and should be processed accordingly.

f. All property (except unsalable), including scrap and **refuse** and trash with a RTDS value, is processed as set forth in this manual.

g. Salable property, **refuse** or trash with RTDS potential, is not being disposed of by dumping in landfills.

(1) **DRMOs** shall apprise generating activities of their (the generating activities’) responsibility to assure that **all** salable material is turned into the **DRMO**.

(2) If the DRMO has knowledge that salable material is being dumped in a sanitary **fill**, the DRMO Chief shall initiate a letter to the installation commander regarding the matter.

h. Property has received proper protection and care in handling before it is transferred to a DRMO, preventing damage from unnecessary exposure to the elements. Property turned in as condemned may still be usable and its preservation may benefit the Defense Materiel Disposition Programs.

(1) Instances of apparent improper handling of Government property shall be brought to the attention of the generating activity or installation commander for remedial action.

(2) Recurrent instances of improper care or handling of property shall be documented for referral to HQ DLA and the disposal focal points of the Military Services/Defense Agencies.

DoD 4160.21-M

4. The receiving and storage segment of the DRMO shall:

a. Assure that all property, including scrap, turned into the DRMO is accompanied by the required number of copies of the **DTID** (see paragraph C6) and that special handling requirements, identified in Chapter 4, Property Requiring Special Processing, have been addressed.

b. To the maximum extent possible, the DRMO will validate items at the time of turn-in, if the turn-in is accompanied by a representative of the generating activity. The generating activity representative should assist in the validation process. A receipt copy of the **DTID** will be provided to the generator's representative at that time. If the turn-in is not accompanied by a representative of the generator, official receipt documentation will be provided as stated in paragraph D4d, below.

(1) Inspection shall consist of **verifying** property description and quantity and assuring that a valid **SCC** (Attachment 3, this chapter) was assigned by the generating activity. A Disposal Condition Code (**DCC**) (Attachment 4, this chapter) shall be assigned by the DRMO to form a two-digit Federal Condition Code that must be perpetuated throughout the screening process (examples: A2, D9, **G7**).

(2) DRMO personnel may exercise discretionary authority to change and challenge
Sees.

(a) For items in the general hardware, clothing, tools, furniture, and other "nontechnical" type FSCS, **DRMOs** are authorized to use their best knowledge, judgement, and discretion to change and assign the appropriate SCC when it is determined, through physical inspection and examination, an obvious error in condition coding exists, **DRMOs** are responsible for any SCC changes made upon turn-in of property and will document the change on the **DTID**.

(b) For specialized items such as avionics, or items that require test, measurement, or diagnostic to determine serviceability, **DRMOs** should challenge the SCC back to the generating activity if the assigned SCC appears incorrect. Items in their original pack and unopened containers that are coded "condemned" or "unserviceable" upon turn-in, should be viewed with guarded skepticism and challenged back to the generating activity.

(3) If a discrepancy is detected during receipt:

(a) If the generator representative is present, accountability and physical custody of the property will remain with the generator until reconciled. **DRMOs**, at their discretion, may retain custody until reconciled, ~~XXXXXXXXXX~~

(b) Discrepancies noted during the DRMO receiving process, which maybe discovered after provision of the receipt copy, will be processed in accordance with DLMSO guidance on “Reporting of Supply Discrepancies,” DLAI 4140.55/AR 735-1 1-2/SECNAVINST 4335.18 A/AFJMAN 23-215,

c. Tag the property for identification purposes, If the property is received in place, the tagging must include identification as property on the account of the **DRMO**. (Property should be consolidated physically in a designated area, but may be left in place if this action is determined locally to be justified for economic or other valid reasons). The activity having physical custody shall be responsible for care and protection of this property until it is disposed of or moved to the DRMO.

d. The DRMO shall return to the turn in activity one copy of the DTID as receipt document.

(1) For turn-ins made by the generating activity, DRMOs will provide the receipt copy at time of delivery (see paragraph D4b above). Receipt copies provided upon delivery are “conditional” acceptance, pending completion of DRMO inspection and verification of the turn-in. If a supply discrepancy report is not received within 7 days, this becomes the official receipt document.

(2) For turn-ins made by common carrier, parcel post, etc., DRMOs will provide receipt copies no later than 5 days **after** delivery to the DRMO.

(3) DRMS and DoD components are encouraged to develop a method to provide electronic receipt documentation.

5. Batch lotting of property may also be accomplished by a DRMO **after** receipt, in accordance with DRMS operating guidance.

a. Normally, property with an extended line item value of \$800 or less will be **batchlotted**. Property with high potential for RTDS maybe excluded from **batchlotting**. Once the determination to **batchlot** is made, the DRMO is bound by this decision,

(1) Notwithstanding the above, RTD customers may request individual items within a **batchlot**. DRMOs will honor these requests.

(2) Once entered in a **batchlot**, items will not be removed for the purposes of enhancing sales value. In coordination with **GSA**, exceptions may be made for property to be sold through retail sale.

DoD 4160.21-M

b. Property not eligible for **batchlotting**, cited in paragraph B6 above, apply to DRMO built **batchlots** as well as generator **batchlots**.

c. When a DRMO elects to **batchlot** property, it retains responsibility to ensure an official receipt copy is returned for each DTID received and that assistance is provided in tracing any DTID for which the receipt copy has not been received by the generating activity.

E. IDENTIFICATION OF PROPERTY. Property, whether usable or scrap, which is transferred to the DRMO, must be clearly identified, to relate it to property accounting records, from the time of receipt until final removal. Current status of the property will also be identified, which should minimize, if not eliminate, confusion on the part of RTD screeners and inspecting bidders. Storage areas shall be set aside and the current status of the property **shall** be shown.

F. ACCOUNTING FOR PROPERTY AT THE DRMO

1. General. Accounting records shall be maintained so that an item of property can be traced from receipt to final disposition. **DRMS'** accounting system will be designed to incorporate the requirements of DoD 4000.25-S-2, **MILSTRAP**, and **DLAR** 7500.1, Accountability and Responsibility for Government Property in the Possession of the Defense Logistics Agency. These records will provide the necessary data for the quarterly report prescribed in Chapter 2, Responsibilities.

2. Segregation and Classification. **DRMS'** property accounting records must be maintained in sufficient detail to support the reimbursement accounting procedures set forth in Chapter 7, Sales/RRRP.

a. Material may be combined in sale lots regardless of the original financing appropriation or stock fund source from which the material was transferred.

(1) The following categories of property must be lotted separately for reimbursement:

(a) Foreign purchased property

(b) Non-appropriated **fund** property

(c) USCG aircraft, vessels, boats, and vehicles, and property located at the USCG Yard, Curtis Bay, Maryland.

(d) Commissary Surcharge/Trust fund property

(2) The identity of these exceptions must be maintained throughout the system to ensure reimbursement to the local or departmental account as designated by the Military Services/Defense Agencies.

b. DWCF **funded** scrap maybe physically combined with other scrap when considered advantageous; however, accounting records shall be maintained to substantiate prorating of the proceeds.

3, Usable/Scrap Determination and Accounting

a. When DCC X (salvage) property, that does not require DEMIL, is determined by the DRMO to have scrap value only, it maybe classified and processed as scrap upon receipt.

b. Personal property, which, in the opinion of the DRMO, has no commercial value other than for basic material content, may be downgraded to scrap **after** the End of Screening Date (ESD) and completion of any required DEMIL.

c. When an item of specific nomenclature has been offered on a competitive sale and no bid has been received, or bids received are less than the scrap value of the item, the property may then be **re-offered** for scrap and the records adjusted accordingly. Similar items later received within a 12-month period, may be considered as scrap for sale purposes, after screening.

d. When obsolete printed materials are turned in to the DRMO as usable items with acquisition value, and it is determined that they have no RTD potential and only scrap market value, these items shall be expended to scrap upon receipt.

e. When end-items are turned in to the DRMO as scrap and the end items are reclaimed or disassembled for the usable components having further RTDS value, the records of the DRMO shall be adjusted to reflect the acquisition cost (estimated, if not known) of the components removed.

4, Scrap Accounting, Estimated weight maybe used for receiving scrap if scales are not available or if weighing is impractical. The degree of accuracy considered acceptable is 25 percent for property processed by the ton, and 10 percent for property processed by the pound. Overages and shortages discovered on release of property which exceed allowable tolerances shall be adjusted.

G. PHYSICAL INVENTORY AND LOCATION SURVEYS

1. DRMOs will conduct physical inventories in accordance with DRMS instructions. As a minimum, an inventory will be conducted at each DRMO on an annual basis. Inventory accuracy

DoD 4160.21-M

of at least 90 percent is to be maintained; all discrepancies will be corrected in accordance with paragraph H below. If results of a sample inventory are less than 90 percent accurate, a **wall-to-wall** inventory will be conducted.

2. Usable property remaining on the DRMO account in excess of 12 months shall be inventoried not later than the end of the 13* month of accountability and reviewed monthly thereafter.

3. Discrepancies disclosed by inventories shall be researched as a normal part of the inventory process, Corrections to the inventory will be documented as inventory adjustments (see paragraph H2).

H. DISCREPANCIES AND ADJUSTMENTS

1. Discrepancies in item identification, quantity, condition, or price data which are disclosed before acceptance of accountability shall be resolved and corrected during the receipt process,

2. Discrepancies which are discovered after acceptance of accountability; that is, differences between recorded balances and quantities on hand, shall be processed as inventory adjustment actions. The procedures for processing **inventory** adjustment actions are contained in DoD 7000.14-R, Financial Management Regulation, Volume 12, Special Accounts Funds and Programs, Chapter 7, Financial Liability for Government Property Lost, Damaged, or Destroyed, and DLAR 7500,1.

3. Property not in DRMO Custody

a. When property for which the DRMO has accountability but has not assumed custodial responsibility becomes lost, damaged, or destroyed, the custodial activity having responsibility for the property shall investigate the circumstances surrounding the discrepancy.

b. The DRMO shall provide the investigating custodial activity with requested item identification number such as NSN and DTID number or copies of documentation pertinent to the item lost, damaged, or destroyed.

(1) If the custodial activity's investigation determines the discrepancy is due to a record keeping error, it shall inform the DRMO which shall prepare the proper inventory adjustment document.

(2) If the discrepancy is not due to a record keeping error, the custodial activity having responsibility for the property lost, damaged, or destroyed must prepare a DD Form 200, Financial Liability Investigation of Property Loss, according to criteria contained in DoD 7000.14-R, Volume 12, Chapter 7.

(3) The responsible custodial activity must provide the DRMO a completed copy of the DD Form 200 as supportive documentation for the DRMO to adjust the discrepancy off its accountable records. This action **shall** be completed within 30 days after notification by the DRMO of the loss of the property,

I. AUDITS

1. When it is desired to obtain or confirm data on material transferred to or from disposal accounts, and this involves crossing command lines, the policy in DoD Directive 7600.2, Audit Policies, shall govern.

2. This directive is **further** implemented by the Military Services and DLA in:

a. AR 36-5, Processing Internal and External Audit Reports and Follow-up on Findings and Recommendations

b. SECNAVIST7510.7C, Department of the Navy Audit Manual for Management

c. AFPD 65-3, Internal Auditing

d. DLAR 7000.13, Internal Review

**TURN-INS TO DEFENSE REUTILIZATION AND MARKETING OFFICES
ON DD FORM 1348-1A**

**(SINGLE LINE ITEM TURN-INS)
Excerpted from DoD 4000.25-1-M, MILSTRIP
Reference: Paragraphs A3 and C1**

<u>RECORD</u>		<u>ENTRY AND INSTRUCTIONS</u>
<u>FIELD LEGEND</u>	<u>POSITION</u>	
Document Identifier	1-3	Perpetuate from the source document. For locally determined excesses generated at a base, post, camp, or station, assign a DI code as determined by S/A procedures.
Routing Identifier	4-6	Enter the RI of the shipping activity or leave blank when the shipping activity is not assigned an RI.
Media and Status	7	Leave blank.
Stock or Part Number	8-22	Enter the stock or part number being turned-in. For subsistence items, enter the type of pack in rp 21. If an NSN is not used, FSC and NCB code must be used with part number and/or noun/nomenclature . See Block 25,
Unit of Issue	23-24	Enter the unit of issue of the stock or part number being turned-in.
Quantity	25-29	Enter the quantity being turned-in to DRMO . See Block 26.
Document Number	30-43	Perpetuate from source document. This cannot be the same document number that was used to receive the materiel. For locally determined excess generated at base, post, camp, or station, assign as determined by S/A procedures. See Block 24.

DoD 4160.21-M

suffix	44	Leave blank. See Block 24.
Supplementary Address	45-50	Enter DoDAAC of predesignated consignee DRMO .
Signal	51	For hazardous material and waste turn-ins, enter Signal Code L; otherwise, leave blank.
Fund	52-53	For hazardous material and waste turn-ins, enter the MILSBILLS fund code designating the funds to be charged. For those activities not users of MILSBILLS , (i.e., Corps of Engineers, USCG), enter “XP.”
Distribution	54	Perpetuate from source document or leave blank.
Retention Quantity	55-61	Enter the quantity to be retained in inventory or leave blank.
Precious Metals	62	Enter applicable code from appendix B28.
Automated Data Processing Equipment Identification	63	Enter applicable code from appendix B29.
Disposal Authority	64	Enter applicable code from appendix B26.
Demilitarization	65	Enter code assigned as required by DoD 4160.2 1-M-1. NOTE: When demilitarization has been accomplished prior to transfer to DRMO , the appropriate demilitarization certification, as required by DoD 4160 .21-M-1 must be reflected in Block 27.
Reclamation	66	Enter code “Y” if reclamation was performed prior to release to a DRMO . Enter “R” if reclamation is to be performed after turn-in to DRMO . Enter code “N” if reclamation is not required.
Routing Identifier	67-69	Perpetuate from Disposal Release Order

Ownership	70	Enter applicable code or leave blank.
Supply Condition	71	Enter applicable code from appendix B 18.
Management	72	Perpetuate from source document or leave blank.
Screening	73	Leave blank.
Unit Price	74-80	Enter the unit price for the NSN or part number in rp 8-22.

BLOCK ENTRIES

- 1 Enter the extended value of the transaction.
- 2 Enter the shipping point identified by DoDAAC; if reduced printing is used, in-the-clear address may be entered in addition to the DoDAAC.
- 3 Enter the consignee DRMO by DoDAAC. This will be the predesignated DRMO and will be entered by the shipping activity; if reduced printing is used, the in-the-clear address may be entered in addition to the DoDAAC.
- 4 Insert **HM**, if the turn-in is hazardous materiel or **HW**, if the turn-in is hazardous waste.
- 5 Enter the date of document preparation, if required by the shipper.
- 6 Enter the national motor freight classification (NNFC), if required by the shipper.
- 7 Enter the freight rate, if required by the shipper.
- 8 Enter coded cargo data, if required by the shipper.
- 9 Enter applicable controlled inventory item code which describes the security/pilferage classification of the shipment from DoD 4100.39-M, volume 10, Chapter 4, table 61,
- 10 Enter the quantity actually received by the DRMO, if different from positions 25-29.
- 11 Enter the number of units of issue in a package, if required by the shipper.
- 12 Enter the unit weight applicable to the unit of issue, if required by the shipper.

DoD 4160.21-M

- 13 Enter the unit cube applicable to the unit of issue, if required by the shipper.
- 14 Enter the uniform freight classification, if required by the shipper.
- 15 Enter the shelf life, if appropriate; otherwise, leave blank.
- 16 Enter in-the-clear freight classification nomenclature, if required by the shipper.
- 17 Enter the item nomenclature. For non-NSN items; enter as much descriptive information as possible, Specified additive data or certification from the generating source for specific types of property should be entered.
- 18 Enter type of container, if required by the shipper.
- 19 Enter number of containers that makes up the shipment, if required by the shipper.
- 20 Enter total weight of shipment, if required by the shipper.
- 21 Enter total cube of shipment, if required by the shipper.
- 22 Received By - Enter the signature of person receiving the materiel.
- 23 Date Received - Enter date materiel was received and signed for.
- 24 Document Number - Perpetuate from source document. This cannot be the same document number that was used to receive the materiel. For locally determined excesses generated at base, post, camp, or station, assign a document number as determined by **Service/Agency** procedures. **Suffix Code** - Leave blank.
- 25 National Stock Number - Enter the stock or part number being turned-in. For subsistence items, enter the type of pack in rp 21. If an NSN is not used, FSC and NCB code must be used with part number and/or noun.nomenclature.
- 26 For turn-in to DRMO - This block will not contain bar code data, it is reserved for internal **DRMO/DRMS**.
- 27 This block may contain additional data including bar coding for internal use. Enter data in this block as required by the shipping activity or the DRMO receiving the materiel. When data is entered in this block, it will be clearly identified. For hazardous material and waste turn-ins, enter the DoDAAC of the bill-to office, the contract line item number (**CLIN**) for the item, and the total cost of the disposal, (that is, **CLIN** cost times quantity in pounds equals cost of disposal).

FEDERAL STOCK CLASSES REQUIRING TURN-IN BY VALID NSN

Reference: Paragraph B6b

GROUP 10 ALL FSCS	GROUP 23 FSC 2305 FSC 2330 FSC 2350	GROUP 58 FSC 5810* FSC 5811* FSC 5821 FSC 5825 FSC 5826 FSC 5840 FSC 5841 FSC 5845 FSC 5850 FSC 5855 FSC 5860 FSC 5865	* Disposal of FSC 5810/5811 equipment which is classified or designated CCI is the responsibility of the owning military service.
GROUP 11 ALL FSCS			
GROUP 12 ALL FSCS	GROUP 28 FSC 2840 FSC 2845		
GROUP 13 ALL FSCS	GROUP 29 FSC 2915		
GROUP 14 ALL FSCS	GROUP 36 FSC 3690		
GROUP 15 FSC 1560	GROUP 42 FSC 4230	GROUP 59 FSC 5963 FSC 5985 FSC 5998 FSC 5999	
GROUP 16 FSC 1670	GROUP 44 FSC 4470		
GROUP 17 FSC 1710 FSC 1720	GROUP 49 FSC 4921 FSC 4923 FSC 4925	GROUP 66 FSC 6615	
GROUP 18 FSC 1810 FSC 1820 FSC 1830 FSC 1840	FSC 4927 FSC 4931 FSC 4933 FSC 4935 FSC 4960	GROUP 69 FSC 6920 FSC 6930 FSC 6940	
GROUP 19 FSC 1905		GROUP 84 FSC 8470 FSC 8475	

SUPPLY CONDITION CODES

Reference: Paragraph D4b(1)

Code	Title	Definition
A	Serviceable (Issuable without Qualification)	New, used, repaired, or reconditioned material which is serviceable and issuable to all customers without limitation or restriction. Includes material with more than 6 months of shelf life remaining.
B	Serviceable (Issuable with Qualification)	New, used, repaired, or reconditioned material which is serviceable and issuable for its intended purpose but which is restricted from issue to specific units, activities, or geographical areas by reason of its limited usefulness or short service life expectancy. Includes material with 3 through 6 months' shelf life remaining.
C	Serviceable (Priority Issue)	Items which are serviceable and issuable to selected customers, but which must be issued before Condition A and B material to avoid loss or as a usable asset, Includes material with less than 3 months shelf life remaining,
D	Serviceable (Test/ Modification)	Serviceable material which requires test, alteration, modification, conversion, or disassembly. (This does not include items which must be inspected or tested immediately prior to issue.)
E	Unserviceable (Limited Restoration)	Material which involves only limited expense or effort to restore to serviceable condition and which is accomplished in the storage activity where the stock is located.

DoD 4160.21-M

F	Unserviceable (Reparable)	Economically reparable material which requires repair, overhaul, or reconditioning (includes reparable items which are radioactively contaminated).
G	Unserviceable (Incomplete To Issue)	Material requiring additional parts or components to complete the end item prior to issue.
H	Unserviceable (Condemned)	Material which has been determined to be unserviceable and does not meet repair criteria (includes condemned items which are radioactively contaminated).
S	Unserviceable (Scrap)	Material that has no value except for its basic material content. No stock will be recorded as on hand in Condition Code S. This code is used only on transactions involving shipments to DRMOs . Material may not be transferred to Condition Code S prior to turn-in to DRMOs if material is recorded in Condition Code A through H at the time material is determined excess, Material identified by NSN may not be identified by this Condition Code.

NOTE: For a complete listing of Supply Condition Codes (including those codes not used in reutilization and marketing) see DoD 4000.25-2-M, Military Standard Transaction Reporting and Accounting Procedures (**MILSTRAP**).

DISPOSAL CONDITION CODES

Reference: Paragraph D4b(1)

Code	Title	Definition
1	Unused-good	Unused property that is usable without repairs and identical or interchangeable with new items from normal supply source.
2	Unused-fair	Unused property that is usable without repairs, but is deteriorated or damaged to the extent that utility is somewhat impaired.
	Unused-poor	Unused property that is usable without repairs, but is considerably deteriorated or damaged. Enough utility remains to classify the property better than salvage.
4	Used-good	Used property that is usable without repairs and most of its useful life remains,
5	Used-fair	Used property that is usable without repairs, but is somewhat worn or deteriorated and may soon require repairs,
6	Used-poor	Used property that may be used without repairs, but is considerably worn or deteriorated to the degree that remaining utility is limited or major repairs will soon be required.
7	Repairs Required-good	Required repairs are minor and should not exceed 15 percent of original acquisition cost.
8	Repairs Required-fair	Required repairs are considerable and are estimated to range from 16 percent to 40 percent of original acquisition cost.
	Repairs Required-poor	Required repairs are major because the property is badly damaged, worn, or deteriorated, and are

DoD 4160.21-M

estimated to range from 41 percent to 65 percent of original acquisition cost.

X Salvage Property has some value in excess of its basic material content, but repair or rehabilitation to use for the originally intended purpose is clearly impractical. Repair for any use would exceed 65 percent of the original acquisition cost.

S Scrap Material that has no value except for its basic material content.