

PERSONAL PROPERTY LETTER

ISSUE NUMBER 970-4

June 2005

This Personal Property Letter (PPL) is issued by the Director, Office of Procurement and Assistance Management, pursuant to a delegation from the Secretary in order to provide interim guidance on the management of unneeded materials and chemicals.

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CITATION

TITLE

FMR Part 102-36

Disposition of Excess Personal
Property

DEAR Part 945

Government Property

- I. Purpose. The purpose of this PPL, Number PPL 970-4, is to ensure that Department of Energy (DOE) organizations, contractors, and financial assistance recipients incorporate into their personal property management programs those controls appropriate to strengthen the organizations' management of unneeded material and chemicals.
- II. Background. In September 1999, the Inspector General issued Audit Report CR-B-99-02 entitled "Management of Unneeded Materials and Chemicals", which found that DOE should strengthen its management of unneeded materials and chemicals, and that DOE has not aggressively pursued the disposition or reuse of these items. DOE's inventory consists of significant quantities of scrap metal, lead, sodium, weapons parts, and chemicals. The last study conducted by DOE determined that there were at least 900,000 tons of such materials and chemicals, located at 44 sites in 19 states.
- III. Guidance. To ensure effective management of unneeded materials and chemicals, the Under Secretary and Administrator for the National Nuclear Security Administration and the Under Secretary for Energy, Science and Environment have accepted responsibility to properly plan for the disposition of materials and chemicals, to establish annual performance targets to reduce such inventories, and to report against such targets.

Specifically, the Under Secretary and Administrator for the National Nuclear Security Administration, and the Under Secretary for Energy, Science and Environment are to update Departmental inventories of unneeded materials and chemicals, and to establish a long range strategy and action plan to reduce inventories by efficiently moving unneeded property through established excess and surplus property processes. Plans and strategies are to include:



1. The establishment of annual reduction goals for Fiscal Year 2006 and beyond, and dedication of funding necessary to accomplish these goals;
2. Schedules for continuous, periodic identification of unneeded chemicals and materials, including schedules for completing an accurate accounting of these materials and chemicals, methods and schedules for identifying and disposing of excess inventory, and performance measures and milestones to ensure that accounting and disposition are effectively accomplished;
3. Identification of impediments and challenges to disposal (e.g., contamination, security, cost, quantities, lack of resources) and proposed actions to eliminate or overcome such impediments and challenges;
4. Proposed resources / budgetary requirements, both Federal and contractor, to support implementation of the plan; and
5. A requirement that each site or facility develop a local strategy and action plan, to be completed within three months of the effective date of this PPL, and update both documents annually. The strategy and plan are to comport with the Under Secretary's plan and provide the budget request necessary to support the proposed activities for the upcoming year.

Disposal activities pursuant to the local strategy and plan documents are to begin within six months from the effective date of this PPL and continue until this PPL is either rescinded or amended.

IV. Effective Date. This guidance is effective immediately upon its release.

IV. Expiration Date. This guidance will remain in effect until rescinded or amended.