

## BRIEFING PAPER

### FEPP Compliance Standards

January 2007

The Federal Excess Personal Property Program (FEPP) has existed in Texas for over 30 years. The program provides excess military vehicles and equipment to qualified volunteer fire departments. The program is administered nationally by the U.S. Forest Service (USFS) and within Texas by Texas A&M Forest Service. The USFS has conducted periodic inspections to determine if Texas A&M Forest Service is in compliance with the enabling legislation and the intent of the program. The most recent inspection and review was conducted in December 2006.

In 2004, the USFS Washington Office commissioned accounting firm KPMG to conduct an audit of the national FEPP program. The audit revealed several deficiencies, which primarily involved deficiencies of accountability of federal property from the time it leaves a federal facility until it is returned to the state for disposal at auction. As a result of the KPMG audit, the USFS has tightened its accountability standards nationwide. Texas must in turn comply with these more stringent standards. The national program will be audited again at some future date to determine if it is in compliance.

The Texas Forest Service has the following responsibilities under the FEPP Program:

1. All FEPP equipment valued at \$5,000 or more, or which is classified as a sensitive item, must be inspected once every two years. A Physical Inventory Worksheet inspection form must be fully completed, signed by the Texas A&M Forest Service inspector, and returned to the FEPP specialists at the Cudlipp Forestry Center in Lufkin. The inspector should retain a copy of this completed form at the local office.
2. Missing items must be located and accounted for. If they cannot be found, a Missing Item Checklist must be prepared by the Texas A&M Forest Service inspector and returned to the FEPP specialists in Lufkin. These Missing Item reports are turned over to law enforcement officers for investigation and possible filing of criminal charges. Under federal law, the Texas Forest Service may be held financially liable for missing equipment. This financial liability may be passed on to the VFD or local government entity.
3. Neither the Texas Forest Service nor a VFD recipient has title to any FEPP property. The title remains with the USFS. All FEPP property must be returned to Texas A&M Forest Service and disposed of through a General Services Administration (GSA) auction. The revenue from these auction sales goes directly to GSA. The Texas Forest Service receives no revenue from the sale of FEPP equipment.

### Responsibilities of All FEPP Vehicle Recipients

All recipients of FEPP vehicles must comply with these standards:

1. The vehicle must have an FEPP placard placed in an accessible location, showing the FEPP Inventory Number and the AG number. These numbers must match the equipment description and serial numbers listed in the inventory records.
2. The vehicle must be painted a non-military color. A vehicle may not remain in a military paint scheme e.g. woodland camouflage, desert camouflage, Air Force blue, etc.
3. All vehicles must be insured. The insurance policy must show the USFS as the **owner** and the VFD recipient as the **custodian**.
4. FEPP equipment may not be cannibalized without written authorization of the USFS. Vehicle bone-yards are not permitted under the FEPP program. All vehicles classified as junk must be disposed of at auction or through proper disposal procedures.
5. All vehicles must be registered and must have license plates. Obsolete license plates must be returned to Texas A&M Forest Service in Lufkin for structured disposal.
6. All vehicles must be stored under shelter and protected from the elements.

## **Other Requirements**

1. The Fire Chief must sign as the Accountable Officer for all FEPP property received by a VFD. In the event the Fire Chief changes, the incoming Chief must sign an acknowledgment form identifying him/her as the Accountable Officer.
2. The Texas A&M Forest Service Regional Fire Coordinator (RFC) is the accountable officer for FEPP property within his/her region. FEPP property may be moved within the region, however, the receiving fire department must submit an Application for Rural Fire Defense Assistance to Texas A&M Forest Service-Lufkin in advance of any transfer. The RFC must keep track of all transfers for inspection purposes. If a FEPP equipment item is moved across a regional boundary, the FEPP specialist in Lufkin must be notified as soon as possible so that inventory records and accountable officer records may be changed.
3. A Texas A&M Forest Service Cooperative Agreement must be signed and on-file for every department having FEPP equipment. As additional items of FEPP equipment are assigned to a VFD, an attachment must be added to the Cooperative Agreement describing the item.
4. FEPP equipment that is known to be junk or out of service needs to be reported to FEPP specialists at Texas A&M Forest Service-Lufkin or to the local RFC.