




MAY 10 2017

MEMORANDUM FOR: Gay Shrum
Director, Office of Administrative Programs
Office of Financial Management

FROM: Nicholas Kornegay 
Chief

SUBJECT: Updated Department Personal Property Management Manual

This memorandum provides clearance for the attached update to the Department of Commerce Personal Property Management Manual (PPMM). Our office coordinated the review of the PPMM among all divisions within the Office of General Counsel as well as with the Office of the Inspector General (OIG). The draft manual was revised by your office to address the comments provided by out office and OIG.

Once published, this update to the PPMM will supersede the current version dated October 2007. This version updates Departmental policies to comply with current rules and regulations, and to remove references to the obsolete provisions. Notably this update of the PPMM provides greater detail on Departmental, bureau, and employee level responsibilities for management of Department property; more clearly defines property and assets subject to the policy; provides greater detail on reporting and control requirements to better prevent loss, waste, theft, misuse, or unwarranted accumulation of property; updates training requirements; adds policy on property managers' role in the acquisition process; increases details on reporting and tracking requirements; accounts for the increased use in mobile technology and applicability to the Department's telework program; includes new provisions for contract and federal assistance awardees; updates procedures and reporting requirements for lost, missing, or stolen property; includes revised appendices that include detailed definitions or terms used throughout the manual and templates for appointment of property officials; and updates the critical elements for property officers' performance.

In accordance with Section 2.04 of Department Administrative Order 200-0, once the PPMM is issued, a link to where the PPMM has been made available on-line, or to an electronic version of the document should be provided to the Office of Privacy and Open Government.

If you have any questions regarding this matter, please contact Britt Carlson of my staff at 202-482-8155.

Attachment

cc: Anna Houston
Tahira Murphy



Department of Commerce
Personal Property Management Manual

XXXX 2017

Office of Financial Management
Office of Administrative Programs
Personal Property and Transportation Division, 202-482-5054

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1.0 GENERAL

1.0.1 Scope of Chapter

This chapter sets forth introductory material concerning the Personal Property Management Manual (PPMM). The PPMM is a supplementation of the Federal Management Regulation (FMR) that provides policy guidance and procedures for the overall management of personal property.

1.1 Purpose

The PPMM or Manual sets forth policy for an effective and efficient management program regarding the accountability of the personal property assets of the United States (U.S.) Department of Commerce (DOC or the Department). In addition, the PPMM provides guidance to prevent loss, waste, theft, misuse, or unwarranted accumulation of personal property assets.

1.2 Goals and Objectives

The key goal of the PPMM is to ensure that DOC personal property assets are used and managed in accordance with the laws, regulations, and DOC policy, and that personal property assets management decisions are based on reutilization and redistribution in the best interests of the Government.

1.3 Executive Summary

1.3.1 Introduction

The PPMM is the single authoritative reference for the Department's management of personal property assets. The PPMM should be consulted to determine Departmental policies and procedures governing personal property assets.

The PPMM contains Departmental policy and procedures for the management of personal property assets that are owned by, leased to, loaned to, or otherwise are the assets of the Department. The PPMM implements and supplements those portions of the FMR that pertain to the acquisition, management, utilization, and disposal of personal property assets. It incorporates relevant regulations of control agencies such as the Office of Management and Budget (OMB), General Services Administration (GSA), and the Government Accountability Office (GAO). Material is based on existing laws, Executive Orders (E.O.), and mandatory regulations of control agencies.

DOC employees must adhere to the referenced policies and procedures set forth in this Manual when using personal property assets or when executing personal property management functions on behalf of the Department.

DOC U.S. & Foreign Commercial Service (USFCS) and other overseas Department employees are subject to the State Department's policies and procedures contained in 14 Foreign Affairs Manual (FAM) 400 "Asset Management," Section 410 "Personal Property Management for Posts Abroad" which supersedes the PPMM. However, USFCS and other overseas Department employees are required to follow PPMM policies and procedures not covered in the FAM.

1.3.2 Authority for Manual

The Authority for the PPMM is Department Administrative Order (DAO) 200-0, "Department of Commerce Handbooks and Manuals." The PPMM has the status and effect of a DAO.

1.3.3 The PPMM and the FMR

The FMR as it relates to personal property is issued by the Administrator of the GSA, and is defined in title 41 of the Code of Federal Regulations (C.F.R.) Chapter 102 – FMR, Subchapter B – Personal Property. The PPMM implements and supplements the FMR by providing basic policies and procedures governing the personal property management operations of the Department. The PPMM is regulatory in nature and covers personal property management activities. In order to facilitate cross-referencing between the FMR and the PPMM, references to the FMR sections are included in the PPMM.

1.3.4 Publication and Distribution

The Office of Financial Management (OFM) publishes the PPMM. Any suggested revisions should be addressed to the Departmental Property Management Officer (DPMO), Personal Property and Transportation Division (PPTD); Room D100, Herbert C. Hoover Building (HCHB), Washington, D.C., 20230. The PPMM is published electronically and can be found at: <http://www.osec.doc.gov/ofm/OAP/PPMTD>. Significant updates, such as changes in regulation or significant DOC policy will be processed in accordance with DAO 200-0. Chief Financial Officers (CFOs), Chief Administrative Officers (CAOs), or equivalent level will be notified of the availability of publication revisions to the PPMM for dissemination within their organization.

1.4 Applicability

This Manual applies throughout DOC. Use and management of Government property by contractors is governed by the Federal Acquisition Regulation (FAR) (48 C.F.R. § 45), the terms of the particular contract, and PPMM Chapter 7.0, "Contract Personal Property Assets."

This policy applies to DOC personal property assets under the stewardship of Government owned and leased facilities and temporary or permanent facilities during both disaster and non-disaster periods. The policies within this Manual will apply to DOC personal property assets. For a listing of types of personal property assets, reference PPMM Section 2.4, "Types of Personal Property Assets."

The provisions apply to accountable personal property assets regardless of the means of their acquisition.

1.5 Authorities and References

1.5.1 Authorities and Responsibilities

Pursuant to Department Organization Order (DOO) 20-27, OFM acts as the liaison with the General Services Administration (GSA) and other agencies on personal property management issues and participates in the planning, development, implementation, inventory, and management of such systems. PPMTD oversees the Department's motor vehicle fleet management information system (FMIS) and serves as liaison to GSA on the operational programs relating to federal fleet management, including the development of DOC's vehicle allocation methodology (VAM) and associated Departmental fleet management plan. PPMTD controls, reports on, and authorizes, in consultation with the Office of General Counsel, disposal of gifts to Department employees by foreign governments.

1.5.2 Basis for Delegation of Authority and Assignment of Responsibilities

The authority to establish Departmental policies, regulations, and procedures for personal property management remains solely within the jurisdiction of the Director for Financial Management and Deputy Chief Financial Officer (CFO). However, to eliminate excessive delay and to reduce unnecessary involvement of multiple management levels in property management actions, it is necessary to delegate specific authorities and reassign certain responsibilities. The DPMO has been delegated the responsibility to administer the functions of the Director for Financial Management and Deputy CFO, described in PPMM Section 1.5.1, "Authorities and Responsibilities" and elsewhere in this Manual.

To ensure that the personal property management responsibilities are performed, specific authority is delegated to the CFOs, CAOs, or equivalent level to ensure personnel property management responsibilities are performed for those offices under their respective authority as issued in PPMM Section 1.5.3, "Delegation of Authority."

1.5.3 Delegation of Authority

The following authorities are delegated to the CFOs, CAOs, or equivalent level:

- a. Designating the Bureau Property Management Officer (PMO), Bureau Fleet Manager (BFM), Bureau Gift Manager (BGM), and Bureau National Utilization Officer (BNUO). Only one primary PMO is to be designated at the Bureau level;
- b. Authorizing exceptions to replacement standards for office machines, furniture, furnishings, and other related equipment;

- c. Authorizing additional systems or equipment for the procurement of motor vehicles or already- owned Government vehicles as set forth in Federal Vehicle Standards No. 122 and FMR 102-34, "Motor Vehicle Management,"
- d. Authorizing for official use the retention of abandoned or other unclaimed personal property assets, including voluntarily abandoned or forfeited property;
- e. Determining and reporting excess personal property assets to the GSA,
- f. Assigning or transferring excess personal property assets within the Department, to other Federal agencies, to wholly-owned or mixed-ownership Government corporations, to cost-reimbursable type contractors, or to authorized financial award programs; and
- g. Authorizing transfer of title to Government furnished personal property assets to contractors or financial assistance recipient in accordance with Public Law (PL) 102-245, (American Technology Preeminence Act of 1991), PL 95-224 Section 7(b) (the Federal Financial Award Program and Cooperative Agreement Act of 1977), and FAR 52.245, "Government Property." Delegation of authorities made in accordance with this section will be in writing and made available for audits, surveys, or as otherwise appropriate.

1.5.4 References

The management of Government personal property assets is governed by the FMR. This Manual provides text directly from FMR 102.

1.6 Supplementary Personal Property Manuals

Developed in coordination with DOC Bureaus, the PPMM serves as the foundation for Bureau personal property management programs, manuals, standard operating procedures, and guidance. Bureaus may augment this guidance with more stringent internal instructions to meet mission essential functions provided such instructions are consistent with the policies and procedures prescribed in regulation or this Manual.

DOC Bureaus must use the formal processes and controls provided by this Manual and may establish additional formal processes and controls as necessary, to provide staff with the proper guidance and instruction to perform personal property asset management duties in accordance with the laws, regulations, and DOC policy.

Minimum Subject Areas:

- a. Useful Lifecycle (e.g., Planning, Acquiring, Receiving, Use, and Disposal)
- b. Roles and Responsibilities
- c. Types of Personal Property

- d. Records Management
- e. Inventory Management
- f. Lost, Missing, Stolen, Damaged, or Destroyed (LMSDD)
- g. Training

Where a Bureau's mission does not involve one or more of the types of personal property assets listed, the formal processes and controls will state so to ensure the minimum requirements have been met. Where a Bureau's mission includes additional types of personal property assets, their formal process and controls will include them.

Supplemental Bureau instructions, guidance, or manuals developed to meet these requirements must be coordinated with the DPMO for review and approval prior to issuance. Bureau personal property management program guidance will be reviewed and updated as required, or every two years, whichever is earlier, to ensure accuracy and applicability.

Support organization, as identified and advised by the DPMO, will also comply with the requirements of this section.

1.7 Changes, Updates, and Deviations

1.7.1 Changes and Updates to the PPMM

This Manual is a living document and will be updated as conditions warrant. PPTD is responsible for developing and maintaining this Manual. Minor changes to the PPMM will be incorporated into the PPMM and become effective immediately. Bureau PMOs will be duly notified as minor changes are made and will be responsible for keeping any convenience copies of the PPMM in their possession up-to-date.

Bureau PMOs are encouraged to provide periodic feedback, suggestions, and recommendations on the content of this Manual to ensure continued applicability and ensure that opportunities to employ best practices are considered and shared across the Department.

1.7.2 Deviations

To obtain authority to deviate from the PPMM, a Bureau PMO must:

- a. Submit a waiver request memorandum to the DPMO for approval.
- b. Specify the justification and timeframe for the request. This justification must describe specifically why the DOC PPMM does not satisfy the Bureau's personal property function.

1.8 Inherently Governmental Functions

"Inherently governmental function" as defined in Section 5 of the Federal Activities Inventory Reform Act of 1998, PL 105-270, means a function that is so intimately related to the public interest as to require performance by Federal Government employees. Additional guidance on determining whether a specific duty or position is inherently governmental can be obtained on the website for the OMB at: <http://www.whitehouse.gov/omb/>

Though not an all-inclusive list and for purposes of DOC property management, the following duties have been identified as inherently governmental:

- a. To exert ultimate control over the acquisition, use, or disposition of the property, real or personal, tangible or intangible, of the United States, including the collection, control, or disbursement of appropriated and other Federal funds;
- b. The determination of Department policy such as the application of property regulations;
- c. Determining what property is to be acquired by the Department (although an agency may give contractors authority to acquire property within specified guidelines and under other reasonable conditions deemed appropriate by the agency);
- d. The control of adjudicatory functions, such as representation on a Property Board of Review (PBR); and
- e. Determining what Department property is to be disposed of and on what terms (although an agency may give contractors authority to dispose of property within specified guidelines and under other reasonable conditions deemed appropriate by the agency).

Functions that involve setting policy, overseeing Government employees, or providing final approval on an action, are inherently governmental. Contractors may not serve in a position such as a PMO, Property Accountability Officer (PAO), Property Custodian (PC), or National Utilization Officer (NUO), or any position that requires them to account or be responsible for Government property outside the scope of their contract. Contractors are only responsible for Government property assigned to them as necessary to perform their duties outlined in the applicable Government contracts.

This guidance does not restrict a contractor from performing property related functions and activities such as maintaining property records and performing physical inventories of personal property; however, a Government employee (e.g., Property Official) must provide oversight with respective functions and activities. Furthermore, access to a personal property management system (PPMS) is limited to Government personnel and will be restricted from contractors, excluding asset management helpdesk and inventory support personnel governed by contractual requirements.

Contractors requiring data and information directly related to PPMS access for official business purposes are advised to collaborate with a Government employee (e.g., Property Official) for support in performing property management related activities and tasks.

2.0 PERSONAL PROPERTY MANAGEMENT PORTFOLIO

2.0.1 Scope of Chapter

This chapter establishes Departmental policies for the accountability and control of personal property assets and general requirements in establishing and maintaining programs for personal property assets.

The Personal Property Management Portfolio encompasses the activities that provide a consistent application of policy and oversight for personal property assets. Personal property management is a broad overview of the personal property asset footprint and how it can best be managed from a macro-level. Personal property assets, inventory data, and performance metrics are used to achieve the right size, right cost, and right condition of the portfolio to meet the mission of DOC.

Coordinating this overall personal property management portfolio strategy with planning, acquisition, and operational functions of an asset useful lifecycle is critical to reducing risk, improving fiscal accountability, and enhancing the agility of the portfolio. The personal property management portfolio ties together DOC personal property assets through performance-based management.

For the purposes of this Manual, the personal property asset ("property" or "asset") will be defined as all property that is not real property, is owned by or under the stewardship of DOC, and is used, but not consumed, in support of the DOC mission.

The primary objectives for managing the personal property management portfolio are to:

- a. Establish effective planning and scheduling of requirements to ensure that sufficient personal property is available to support the strategic needs of DOC operations;
- b. Maximize the utilization of and return on personal property investments;
- c. Ensure that personal property is used for its intended purpose only;
- d. Effectively manage the inventory by providing for proper storage, maintenance, preservation, and accountability of personal property, and
- e. Define the preparation and utilization of personal property management records.

2.1 Property Management and Personal Property Organizations

GSA sponsors several interagency committees to facilitate agency collaboration on the management of personal property assets. Working through these committees, the GSA provides policy solutions for the comprehensive management of Federal personal property assets. Additionally, there are non-government organizations that promote international and national

standards and share best business practices, which may be of interest to career-minded personal property professionals.

The ability of DOC to manage its personal property assets depends on a capable workforce. Professional development is one tool in maintaining and maturing that workforce. DOC encourages Bureaus to incorporate professional development for their key personal property management personnel.

DOC personal property professionals seeking additional information on GSA-sponsored or other non-governmental committee memberships should work through their Bureau PMO.

2.1.1 Property Management Executive Council (PMEC)

The purpose of the PMEC is to establish a long-term strategic vision for Government-wide personal property asset management. The PMEC is engaged in collaborative effort with commercial industry to develop best practices in the area of personal property asset management from an asset's inception through disposal. The Associate Administrator for Government-wide Policy at GSA serves as chair of the PMEC and the DPMO represents DOC on this Council.

2.1.2 Interagency Committee on Property Management (ICPM)

The ICPM conducts appropriate studies, reviews, and project recommendations for improvements in Government-wide personal property asset management policies and practices and submits them to the Associate Administrator for Government-wide Policy at GSA. The committee consists of one representative designated by each Executive agency interested in personal property assets.

2.1.3 Property Management Officer's Meeting

The PMO Meeting is sponsored by DOC and is chaired by the DPMO. Its mission is to provide a forum for DOC Bureaus and offices to collaborate on policy, discuss requirements, address inquiries and concerns, coordinate tasks, synthesize activities, facilitate data collection, and develop recommendations for presentation to senior leadership.

Chief Financial Officers, Chief Administrative Officers, or equivalent level will require the Bureau PMO represent the Bureau at the PMO Meeting and may assign additional alternate representation as deemed necessary.

2.1.4 National Property Management Association (NPMA)

NPMA is a non-governmental, professional membership association for property professionals who seek educational resources, certification, and networking opportunities on the management of personal property operations within an organization.

2.1.5 American Society for Testing and Materials (ASTM) International

The ASTM International is a non-governmental, globally recognized leader in the development and delivery of international voluntary consensus standards. Membership includes top technical experts and business professionals around the world, and together they develop and deliver standards, specifications, and best practices that are used by private industry and governments worldwide.

GSA Bulletin FMR B-18 Personal Property, "Procedures Covering the Use of Voluntary Consensus Standards in Personal Property Management," suggests that Government agencies may utilize voluntary consensus standards (except when inconsistent with applicable law) when managing their personal property assets. It further states, "Agencies are strongly encouraged to review all voluntary consensus standards to consider which standards may add value to their personal property asset management activities."

DOC recognizes the contributions ASTM International has made to standardization practices and has incorporated various ASTM standards in its policies and procedures presented throughout this Manual. DOC will continue to evaluate the application of incorporating additional standards.

2.2 Personal Property Management Grade Levels, Roles, and Responsibilities

The Federal Property and Administrative Services Act of 1949 states, "Each executive agency shall (1) maintain adequate inventory controls and accountability systems for the property under its control, (2) continuously survey property under its control to determine which is excess property, and promptly report such property to the Administrator, (3) perform the care and handling of such excess property, and (4) transfer or dispose of such property as promptly as possible in accordance with authority delegated and regulations prescribed by the Administrator."

The principal role of a Property Official (PO) is to provide for the overall management, oversight, and technical direction for property management jointly with the CFO, CAO, or equivalent level, of an organization, office, division, or branch. A PO furnishes technical direction and monitors the acquisition, maintenance, and disposal of personal property. POs carry out their role by performing the property management duties assigned to them by their respective organization.

A PO may serve in a full-time or part-time capacity. In addition, a primary or alternate PAO or PC may serve in an equal or lower tier role within the property network when assigned to a separate office, division, or unit.

2.2.1 Grade Level Recommendations for Property Officials (POs)

Bureaus will establish a personal property support structure commensurate with the size of the organization, number of personal property assets, complexity of assets, geographical location of

assets and offices, and other factors as identified by the Bureau, to ensure sufficient resources to manage their assets.

Although a Bureau will only designate one primary PMO and one primary NUO, the number of PAOs, PCs, and other Bureau approved POs determined necessary by the Bureau may be in any quantity deemed appropriate for the effective management of the personal property assets. Other PO titles must be approved by the DPMO.

The grade level of these positions should be established based on the responsibility level that an employee holds and the complexity and value of the personal property assets to which they are assigned. POs may serve in a full-time or part-time capacity; however, due to the size and complexity of personal property assets within some of the larger Bureaus, serving in a full-time capacity may be necessary to provide adequate management, oversight, and direction to that Bureau's property management network.

For the purposes of these recommendations, listed below are Bureau size considerations and grade suggestions for the DOC Bureaus:

- a. Large Bureaus: (NOAA, USPTO, NIST, ITA, Census, and OS)
 - PMO – GS-15 or Pay Band V or FS-1
 - NUO – GS-13/14 or Pay Band IV or FS-3/2
 - PAOs – GS-13/14 or Pay Band IV or FS-3/2
 - PCs – GS-9/12 or Pay Band II/III or FS-7/4
- b. Medium/Small Bureaus: (NTIS, NTIA, MBDA, ESA, EDA, BIS, BEA, and OIG)
 - PMO – GS-13/14 or Pay Band IV
 - NUO – GS-13/14 or Pay Band IV
 - PAOs – GS-9/12 or Pay Band II/III
 - PCs – GS-5/7 or Pay Band I/II

2.2.2 General Departmental Responsibilities

- a. CFOs, CAOs, or equivalent level are responsible for managing their personal property network comprised of PMOs, PAOs, and PCs. The DPMO, PMOs, PAOs, and PCs are commonly referred to as POs. A primary or alternate PAO or PC may serve in an equal or lower tier role within the property network when assigned to a separate office, division, or unit. An employee's role as a PMO, PAO, or PC may not be reflected in his or her job title; however, a property specific performance critical element must be incorporated into their performance plan. Additionally, POs (including alternate POs) must complete the mandatory training and refresher training requirements outlined in the PPM Chapter 3.0, "Personal Property Official's Training." Only primary POs must adhere to the property specific performance guidelines outlined in Appendix C, "Property Official Performance Critical Elements," before being certified as a PO.

- b. Employees of the Department are authorized to use Government property for its intended purpose and limited personal use, in accordance with the DOC Internet Use Policy and DOC Telecommunications Management Policy. Each Bureau will maintain effective personal property accountability control systems that are in accordance with the requirements of this Manual.
- c. The penalty for misuse of Government property is as follows: "Whoever embezzles, steals, purloins, or knowingly converts to his use or the use of another, or without authority, sells, conveys or disposes of any record, voucher, money, or thing of value of the United States or of any department or agency thereof, or any property made or being made under contract for the United States or any department or agency thereof; or [w]hoever receives, conceals, or retains the same with intent to convert it to his use or gain, knowing it to have been embezzled, stolen, purloined or converted – shall be fined under this title or imprisoned not more than ten years, or both; but if the value of such property in the aggregate, combining amounts from all the counts for which the defendant is convicted in a single case, does not exceed the sum of \$1,000, he shall be fined under this title or imprisoned not more than one year, or both." (18 U.S.C. § 641, "Public Money, Property, or Records")

2.2.3 Departmental Property Management Officer (DPMO)

The DPMO is responsible for establishing and administering a personal property management program within their respective Department or Agency.

The DPMO is responsible for:

- a. Managing the overall coordination, administration, and control of the Department's personal property management program;
- b. Developing and ensuring Departmental personal property management policies and procedures are compliant with Federal and Departmental regulations, and are up-to-date;
- c. Ensuring the submission of Departmental personal property reports to the GSA and other external Federal agencies;
- d. Representing the Department when conducting appropriate studies, reviews, and project recommendations for improvements in Government-wide personal property asset management policies and practices with external agencies;
- e. Providing a forum for DOC Bureaus and offices to collaborate on policy, discuss requirements, address inquiries and concerns, coordinate tasks, synthesize activities, facilitate data collection, and develop recommendations for presentation to senior leadership;
- f. Ensuring a Bureau PMO is designated by the CFO, CAO, or equivalent level;

- g. Ensuring a complete and accurate Departmental inventory is conducted each fiscal year and submitted to the Director for Financial Management and Deputy CFO;
- h. Submitting required Departmental personal property asset management reports; and
- i. Ensuring that accountable personal property is maintained in the PPMS.

2.2.4 Departmental National Utilization Officer (DNUO)

The DNUO is responsible for establishing and administering access to the GSAXcess® system within their respective Department or Agency.

The DNUO is responsible for:

- a. Managing the overall coordination, administration, and control of the Department's re-utilization program with GSA's GSAXcess® program; and
- b. Ensuring that the Bureau level NUOs are compliant with the GSAXcess® program policies.

2.2.5 Property Management Officer (PMO)

A Bureau PMO is generally not involved in the day-to-day operational activities of personal property assets, supply, motor vehicle, and transportation management staff. Their actions and those of their POs are to support the execution of the responsibilities assigned to the Bureau. They work with other members of the activity to coordinate the planning and utilization of property to assure effective and economical service in meeting operational needs.

PMOs are responsible for:

- a. Ensuring compliance with DOC's internal policies and Government-wide regulations regarding the useful lifecycle of personal property assets;
- b. Providing leadership and guidance in the proper accounting, utilization, care, and disposal of property;
- c. Establishing and maintaining Bureau regulations and procedures, satisfying the requirements of the Department's PPMM and the various laws, E.O., and regulations referenced therein;
- d. Providing assistance assigning the condition of personal property related to its serviceability and reparability;
- e. Ensuring that LMSDD personal property is investigated in accordance with the PPMM;

- f. Ensuring guidelines are established for the development and management of a chain of custody within their Bureau;
- g. Assuring that personal property accountability records are reconciled by periodic inventories of personal property;
- h. Reporting inventory results to the DPMO by a signed inventory certification memorandum;
- i. Developing and implementing a corrective action plan to address inventory results of more than a 5% variance in quantity for the entire Bureau;
- j. Providing administration and maintenance of an effective property accountability and control system within the accountable area for which they have been designated PMO (refer to PPMM Section 6.5, "Maintaining Personal Property" for clarification);
- k. Managing a property management network comprised of trained and certified PAOs, PCs, and NUOs;
- l. Ensuring review, study, evaluation, and improvement of the logistics program functions, operations, and procedures are executed;
- m. Serving as the point of contact within the Bureau on internal logistics and property management matters;
- n. Developing and implementing inventory schedules for Bureaus, monitoring inventory progress, and providing assistance to support headquarters activities;
- o. Ensuring that required reports are provided to the Department in a timely manner;
- p. Designating PAOs to account for and control personal property assigned within their accountable area, in writing;
- q. Designating PCs to assist their appointed PAO in accounting and controlling personal property within their custodial area, in writing;
- r. Functioning as the coordination point for reutilization and disposal of excess personal property, which includes providing property staff with disposition instructions in accordance with the FMR 102-36, "Disposition of Excess Personal Property" and FMR 102-37, "Donation of Surplus Personal Property."
- s. Ensuring that excess personal property is retired from the PPMS;
- t. Assisting Bureau management in the development and operation, of internal control systems and ensuring their compatibility with Departmental programs and policies;

- u. Coordinating with the property management staff members in the regional offices on matters pertaining to effective management and control of personal property located in the regional offices;
- v. Ensuring that personal property assets that have reached the end of their useful lifecycle are disposed of in accordance with E.O. 13423, "Strengthening Federal Environmental, Energy, and Transportation Management," and its instructions;
- w. Designating authorized POs or other individuals to issue and sign Optional Form (OF)-7, "Property Pass," and
- x. Receiving, reviewing, examining, and investigating claims for loss or damage to employees' personal property; determining what amount, if any, shall be paid in settlement of such claims; preparing a brief memorandum commenting on the merits of the claims and their adjudications.

2.2.6 Property Accountability Officer (PAO)

The PAO is responsible for the effective administration and maintenance of a personal property control and accountability system within the accountability area for which he or she has been designated.

PAOs are responsible for:

- a. Accountability and control of assets within their designated accountable area;
- b. Determining the definition of custodial areas within the accountable area and recommending the designation of a PC for each custodial area;
- c. Ensuring that PCs have current records of the personal property for which they are responsible;
- d. Maintaining current custodial records for accountable personal property assets by physically signing personal property assets down to PCs on hand receipts (refer to PPMM Section 5.2.4.1, "Assigning Personal Property Assets to Organizations and End Users," and PPMM Section 6.3.4, "Hand Receipt," for clarification);
- e. Working with supervisors, as needed, to conduct physical inventories, reconciling records, and ensuring discrepancies are resolved;
- f. Ensuring that Form Commerce Department (CD)-52, "Report of Review of Property," for LMSDD personal property assets are promptly and accurately prepared and processed;
- g. Ensuring that personal property is fully utilized and safeguarded from misuse or theft, and that unneeded personal property assets are promptly reported for reutilization, redistribution, or disposal;

- h. Coordinating actions required by PBR;
- i. Ensuring that barcode labels are affixed on accountable property;
- j. Ensuring that additions, transfers and request for retirement of an asset are entered into the PPMS in a timely manner;
- k. Assisting with exit clearance procedures to ensure the accountability for assigned personal property; and
- l. Issuing and signing OF-7.

2.2.7 Property Custodian (PC)

The PC for a respective PAO is responsible for the immediate physical custody of the personal property under his or her control.

PCs are responsible for:

- a. Accountability and controls of assets within their custodial area;
- b. Maintaining current custodial records for accountable personal property assets by physically signing a hand receipt;
- c. Physically signing personal property down to an end user using an End User Hand Receipt (refer to PPMM Section 5.2.4.1 and PPMM Section 6.3.4 for clarification);
- d. Initiating or processing documents affecting the accountability or custody of personal property assets, which includes the movement or transfer of assets from one location to another;
- e. Ensuring personal property assets are used only for their intended purpose;
- f. Identifying and reporting to the PAO any excess personal property of the accountable area; and coordinating excess personal property for reutilization or disposal purposes upon determination that assets are deemed unneeded;
- g. Promptly submitting CD-52s for LMSDD; and submitting a separate CD-52 for each circumstance;
- h. Affixing barcode labels on accountable property and records acquisition data, including supporting documentation into PPMS;
- i. Conducting physical inventories and reconciling inventory records;

- j. Assisting with exit clearance procedures to ensure accountability for the assigned property; and
- k. Issuing and signing OF-7.

2.2.8 National Utilization Officer (NUO)

The NUOs are property officials within each Federal agency who coordinate with GSA to provide user accessibility to the GSAXcess® federal disposal and screening system.

NUOs are responsible for:

- a. Promoting the use of available excess assets, and interact as necessary with the GSA in the administration of the Federal excess asset disposition program;
- b. Coordinating with GSA to provide user accessibility to the GSAXcess® federal disposal and screening system;
- c. Allocating, assigning, and approving excess personal property for transfer from holding agency to transferring agency;
- d. Coordinating with receiving and transferring personnel to ensure the transfer of a personal property asset record within the PPMS and the physical transfer of the asset to its designated location; and
- e. Serving as the point of contact for training and functionality of the GSAXcess® federal disposal and screening system for authorized users.

The NUO or designated PO is responsible for:

- a. Entering excess personal property into GSAXcess® for federal disposal and screening; and
- b. Monitoring the screening period for excess personal property entered into GSAXcess®.

2.2.9 End User

Each employee of the Department who uses, supervises the use of, or has control over Government property, is responsible for the accountability of that property. The end user may be held financially liable if simple or gross negligence is determined when property is deemed as LMSDD.

This responsibility may take either or both of the following forms:

- a. Supervisory responsibility obligates a supervisor to establish and enforce administrative and security measures necessary to ensure proper protection and use of Government property under their jurisdiction. Supervisors are also responsible for:
 - (1) Ensuring that accountability methods are in place for personal property assets that fall under the \$5,000 accountability threshold;
 - (2) Assigning staff to assist the PAOs and PCs in conducting physical inventories; and
 - (3) Ensuring that personal property assets, including excess and surplus property, are only acquired for Government purposes and limited personal use, in accordance with the DOC Internet Use Policy and DOC Telecommunications Management Policy.
- b. Employee responsibility obligates each employee of the Department to properly care for, handle, use, and protect Government property issued to or assigned for employee use at or away from the office or station. Employees are also responsible for:
 - (1) Ensuring the proper use, care, and protection of personal property assets in their possession, custody, or control;
 - (2) Ensuring that personal property assets in their possession, custody, or control are used for Government purpose and limited personal use, in accordance with the DOC Internet Use Policy and DOC Telecommunications Management Policy;
 - (3) Notifying the PC when new personal property assets are acquired and received, or shipped direct;
 - (4) Notifying the PC when personal property assets become excess or are transferred from one location to another;
 - (5) Reporting immediately to Office of Security (OSY) or the relevant security organization, their supervisor, and their PC about any personal property that is LMSDD; and
 - (6) Physically signing for personal property assets in possession by an End User Hand Receipt (refer to PPMM Section 6.3.4 for clarification).

2.2.10 Government Contractors

Government Contractors are responsible for:

- a. Complying with policies and responsibilities for Government property in their possession in accordance with FAR 45, "Government Property."

- b. Making available records of Government property as directed by the PC, Contracting Officer Representative (COR), and Contracting Officer (CO);
- c. Providing support to the PC, COR, and CO with agency physical inventory activities of Government property in their possession, custody, or control;
- d. Ensuring that Government property in their possession, custody, or control is used for Government purposes and limited personal use, in accordance with the DOC Internet Use Policy and DOC Telecommunications Management Policy;
- e. Ensuring that Government-owned property in their possession is identified as Government property and controls exist to ensure it is not co-mingled with contractor owned property, and
- f. Reporting LMSDD and excess personal property to the PC, COR, and CO.

For guidance on contractors and subcontractors using Government fleet vehicles, please refer to PPMM Section 13.1.2 (m), "Bureau Fleet Managers."

Contract personal property assets are managed in accordance with PPMM Chapter 7.0, "Contract Personal Property Assets."

For guidance on Contractors serving in a property accountability position, please refer to PPMM Section 1.8, "Inherently Governmental Functions."

2.3 Change Management

2.3.1 Entering and Separating on Duty

2.3.1.1 Entering on Duty

An entering employee is defined as an employee assigned to the DOC. When DOC employees enter on duty, they will receive a personal property briefing or reference documentation or material from an authorized PO or supervisor. The briefing will include their roles and responsibilities and a hand receipt for personal property assets issued to them.

The absence of a dedicated briefing does not relieve the individual from the responsibilities outlined in PPMM Section 2.2.9, "End User." Supervisors who need to discipline employees for failure to follow responsibilities outlined in this Manual, must provide evidence the employee was on notice of the requirements.

2.3.1.2 Separating from Duty

A separating employee is defined as an employee reassigned to another Bureau within the Department, transferred to another Federal agency, or leaving Federal service. DAO 202-299, "Clearance of Separating Employees," covers the clearance of an employee separating from a

DOC Bureau utilizing Form CD-126, "Separation Clearance Certificate," to document these clearances.

Additionally, in accordance with DAO 202-299, each Operating Unit must supplement this Order by issuing internal operating procedures for its employees to clear their accountability for property, records, funds, and other matters. Employees should consult with the Bureau PMO for such internal operating procedures.

Separation process for POs is outlined in PPMM Section 3.6.1, "Separation."

2.4 Types of Personal Property Assets

Accountable personal property assets will be recorded in the system of record and physically tagged with a DOC barcode number, as designated by the DOC Bureau. At a minimum, the data element standards as defined in PPMM Section 2.6.3, "Data Element Standardization," and any data elements specific to the system of record, as revised, will be reported for each asset.

2.4.1 General

Personal property assets are classified by acquisition cost and sensitivity guidelines. Personal property assets with an acquisition cost that exceeds an established dollar threshold must be defined as accountable, which requires its value to be recorded in the PPMS. Assets that also exceed a higher established acquisition cost threshold are defined as capitalized, which requires that its value be recorded in the organization's general ledger and depreciated over its useful lifecycle. In addition, some assets, regardless of acquisition cost, are deemed sensitive and considered accountable. See Section 2.4.1.5, "Accountable Personal Property," for the established dollar threshold.

Non-accountable personal property is personal property that does not meet any of the previously mentioned standards, and thus, is not subject to the same accountability requirements, but may need to be controlled and maintained in a way suitable for Government personal property assets. Responsibility for control of accountable personal property will be formally assigned to an individual and official personal property records must be maintained as set forth in this chapter.

For accounting purposes, personal property will be classified and treated, as described in the following subparagraphs.

2.4.1.1 Capital Assets

"Capital assets are land (including park lands), structures, equipment (including motor and aircraft fleets), and intellectual property (including software), which are used by the Federal Government and that have an estimated useful life of two years or more. Capital assets may or may not be capitalized (i.e., recorded on an entity's balance sheet) under Federal accounting standards." For the complete definition and examples of a capital asset, please refer to OMB Circular A-11, "Preparation, Submission, and Execution of the Budget, Appendix I."

Public Law (PL) 114-113, Consolidated Appropriations Act, 2016, Division B-Commerce, Justice, Science, and Related Agencies Appropriations Act, 2016, Title I-Department of Commerce mandates Federal agencies to report the acquisition and disposal of capital assets to Congress. PL 114-113 includes the following provision: "The Secretary of Commerce shall notify the Committees on Appropriations at least 15 days in advance of the acquisition or disposal of any capital asset (including land, structures, and equipment) not specifically provided for in this Act or any other law appropriating funds for the Department of Commerce."

The Office of Budget has the responsibility to prepare Congressional notifications on behalf of the Department. Bureau PMOs should collaborate with the Office of Budget with regards to Congressional notifications or inquiries related to the acquisition or disposal of a capital asset.

2.4.1.2 Non-Expendable Personal Property

Personal property that has a normal useful lifecycle expectancy of more than one year; has continuing use as a self-contained unit; is not consumed in use; does not lose its identity when put to use; or does not ordinarily become a non-severable asset of other personal property.

2.4.1.3 Capitalized Personal Property

Non-expendable personal property that has a value, which is charged to an asset's account (e.g., general ledger control account) and is accounted for during its useful lifecycle. The Department's capitalization principles are set forth in PPMM Section 2.5, "Capitalized Property."

2.4.1.4 Non-Capitalized Personal Property

Non-expendable personal property that has a value, which is charged to an expense account, when either issued for use or at time of receipt, and is accounted for during its useful lifecycle.

2.4.1.5 Expendable Personal Property

Personal property that may be consumed in use or loses its identity in use and may be removed from formal accounting records when it is issued or used.

2.4.1.6 Accountable Personal Property

It is the policy of the Department that accountability is maintained for the following types of property:

a. Accountable property, which is defined as:

(1) Capitalized personal property;

(2) Office furniture and equipment having a unit cost of \$5,000 or more ¹;

(3) Sensitive items, as described in PPMM Section 2.4.4, "Sensitive Property and Equipment Control Classes."

(4) Borrowed or leased personal property;

(5) Government furnished property (GFP) in the hands of a contractor, financial award programs, accountable, or sensitive personal property ²; and

(6) Software with an acquisition cost of \$25,000 or more.

b. Material property where the value is controlled by general ledger account.

2.4.2 Heritage Assets

Heritage assets are managed in accordance with PPMM Chapter 12.0, "Heritage Assets."

2.4.3 Firearms

Bureaus will be guided by 41 C.F.R. §101-42.1102-10, "Firearms." Additionally, Bureaus may contact the GSA office established specifically for the disposal of firearms.

2.4.4 Sensitive Property

Sensitive assets are defined as personal property, regardless of acquisition value, which require special processes and accounting to ensure accountability and safeguarding.

Sensitive assets must be formally accounted for in a PPMS record, and include, but are not limited to, assets in the following categories:

- a. Communication devices
- b. Dangerous and hazardous assets
- c. Law Enforcement equipment

¹ Accountable personal property with an acquisition cost of \$5,000 represents the minimum dollar level for accountability. Supervisors are responsible for the security of personal property below this level and should use a responsible method to ensure its accountability.

² Contractor Acquired Property (CAP) is not classified as accountable Government property until the termination of the contract and/or the Government has retained title. At that time, CAP will be physically tagged with a DOC barcode and/or entered into the DOC system of record, if it meets the accountable property requirement.

- d. Assets authorized for storing and/or processing classified information
- e. Assets with retainable memory
- f. Inherently portable assets and assets that can easily be converted to private use or have a high potential for theft

DOC will identify sensitive assets and define specific equipment accountability levels to be applied in connection to the assets PPMS record keeping. ASTM International E2608-08, "Standard Practice for Equipment Control Matrix," provides the guiding principles for this methodology.

To address Bureau-specific needs and upon the approval of the Bureau Chief Information Officer and Bureau PMO, a Bureau may classify an item as "sensitive" if the recommended item is not outlined in accordance with the Departmental standardized sensitive items listing below.

2.4.4.1 Sensitive Items List

- a. Firearms
- b. Desktop and tower computers
- c. Monitors
- d. Laptop, tablet, notebook, and other portable computers
- e. Smart phone devices (i.e., Android, Blackberry, and iPhone)
- f. Color, laser, and network printers
- g. Desktop plotters
- h. External small computer system interface disk drives
- i. External "firewire" disk drives
- j. Removable hard drives
- k. Desktop and hand-held scanners
- l. Digital and video cameras
- m. Video, audio, and digital players
- n. Fax machines and multi-purpose fax, printer, and photocopy machines

- o. Global positioning system devices
- p. Ballistic bullet proof body armor
- q. Network servers

2.4.5 Fleet

2.4.5.1 Motor Vehicles

Vehicles are managed in accordance with PPMM Chapter 13.0, "Fleet Management." As with accountable personal property, updates to the status of owned, commercial leased, and GSA leased vehicles will be reflected in the PPMS. Similarly, it is important to establish clear and effective communication channels with fleet managers to ensure that the property records are up-to-date.

2.4.5.2 Vessels

Vessel refers to every description of watercraft or other contrivance used or capable of being used as a means of transportation on water but does not include aircraft that can float on water.

GSA divides vessels into two categories, those under 50 feet in length and those over 50 feet in length, each category having different excess reporting requirements. The Federal Boat Executive Committee defines vessels as watercraft 65 feet or longer, and their Federal Boat Management Guide specifically focuses on watercraft that is less than 65 feet in length, which are referred to as "Boats."

The recommended reference that supports this definition and policy is the "Federal Boat Management Guide," which is sponsored by the GSA Federal Boat Executive Committee. This Guide is available on the GSA website, Keyword: Federal Boat Policy. Additionally, GSA offers a Fact Sheet on Excess Vessels which is also available on their website, Keyword: Excess Vessels.

Bureaus may contact the GSA office established specifically for the disposal of vessels. Contact information is available on the GSA website, Keyword: Vessels Disposal.

2.4.5.3 Aircraft

Bureaus may contact the GSA office established specifically for the disposal of aircraft. Contact information is available on the GSA website, Keyword: Aircraft Disposal.

The recommended references that support this definition and policy are governed by FMR 102-33, "Management of Government Aircraft," OMB Circular A-126 Revised, "Improving the Management and Use of Government Aircraft," and OMB Circular A-76 Revised, "Performance of Commercial Activities."

2.4.6 Gifts and Decorations

Gifts and decorations are managed in accordance with PPMM Chapter 11.0, "Gifts and Decorations." A gift may be a monetary or non-monetary present (other than a decoration). A monetary gift includes anything that may commonly be used in a financial transaction, such as cash or currency, checks, money orders, bonds, shares of stock, and other securities and negotiable financial instruments. A gift may be received from a foreign government or the public.

Non-monetary gifts are personal property and will be accounted for in the DOC system of record. Decorations may be personal property depending on the determinations made at the Bureau level.

2.4.7 Classified Personal Property

Classified personal property is defined as property containing information or material designated and clearly marked or clearly represented, pursuant to the provisions of a statute or E.O. requiring a specific degree of protection against unauthorized disclosure for reasons of national security.

For guidance regarding excessing or handling of classified personal property, please consult with the Bureau Chief Information Office and/or the OSY.

2.4.8 Property Owned by Personnel

It is the employee's responsibility to inform their respective PO when they bring personally owned items (e.g. smartphones, laptops, iPads, etc.) into Government-owned or leased premises, as these items could be misidentified as DOC property.

For guidance regarding damage to an employee's personal property, please view <https://ogc.commerce.gov/page/personal-property-claims>, consult with the PAO, or seek counsel from the General Litigation Division or General Law Division of the Office of General Counsel (OGC).¹

2.4.9 Contractor-Owned Property

Contractors are advised to take precautions when bringing contractor or personally owned items into Government-owned or leased premises, especially if the items could be misidentified as DOC property. Items owned by contractors must be declared to the COR. Contractor declaration will include the following: Description of item, date item was brought into the

office, serial number, model number, and manufacturer. The COR should ensure that a contractor label is affixed to each piece of declared accountable equipment. The COR and PC will facilitate its removal from Government-owned or leased premises.

Please refer to PPMM Section 7.2.9, "Contractor-Owned Assets," for additional guidance.

2.4.10 Other Personal Property

Bureaus may have personal property assets specific to their mission, and as such, should account for this property in the PPMS and provide policies and procedures for any asset specific handling requirements.

2.5 Capitalized Property

2.5.1 Integration of Personal Property Records and Financial Accounts

Effective personal property accounting requires an integration of personal property records and financial accounts. Guidance for accounting of assets, including personal property, is set forth in the Department's Accounting Principles and Standards Handbook, Chapter 8, "Assets."

2.5.1.1 Capitalization Thresholds

The Department's general property, plant, and equipment acquisition capitalization thresholds are in accordance with the Department's Accounting Principles and Standards Handbook, Chapter 8, "Assets."

2.5.1.2 Personal Property Bulk Purchase

Personal property bulk purchase is an acquisition of a large quantity of similar personal property items, where each item individually costs less than the single-asset personal property capitalization threshold (determined by each Bureau). Personal property bulk purchase acquisitions are normally determined based upon the total amount of a purchase order or delivery order.

2.5.2 Capitalization

2.5.2.1 Standards for Capitalization

This section sets forth policies for personal property that are to be capitalized and non-capitalized. The Department's Accounting Principles and Standards Handbook, Chapter 8, "Assets," contains the capitalization policy.

2.5.2.2 Personal Property Capitalized Based on Cost

¹ For the Office of Inspector General, references within this manual that require consultation with the Office of General Counsel do not apply to OIG employees, who should consult the Office of Inspector General's Office of General Counsel.

Except for the types of items specified in PPMM Section 2.5.2.3, "Personal Property Not Requiring Capitalization," items of non-expendable personal property having an acquisition cost of \$25,000 or more will be capitalized.

2.5.2.3 Personal Property Not Requiring Capitalization

The following types of property should not be capitalized regardless of cost:

- a. General purpose office furniture
- b. Individual rugs
- c. Panels and office partitions
- d. Free standing storage shelving

2.5.2.4 Pricing of Personal Property for Accounting Purposes

An essential element of personal property accounting is the determination of the cost to be used in recording personal property in the accounts. Establishment of the standards and methods to be used in determining personal property cost is a function of the Department's financial accounting activities. To the extent that personal property management activities are required to reflect cost on personal property records and transaction documents, these activities should use pricing instructions provided by their servicing financial accounting activity. Guidance for accounting of assets, including personal property, is set forth in the Department's Accounting Principles and Standards Handbook, Chapter 8, "Assets."

2.5.3 Depreciation

The primary purpose of depreciation is to distribute the cost of capitalized property over the useful lifecycle to activities benefiting from their use. Each accounting system within the Department is required to recognize and record depreciation on capitalized property and to give full recognition to the end of useful life when establishing useful lifecycle of capitalized property. Each accounting system is also required to record the location and use of capitalized property in sufficient detail to permit distribution of depreciation charges to the cost centers where the related personal property is assigned.

2.5.3.1 Standards and Methods

Establishment of standards and methods for depreciation is a function of the Department's financial accounting activities. Personal property management activities will ensure that personal property records contain such information as is required for depreciation purposes. This information must include the acquisition date and original purchase price of a piece of equipment.

2.5.4 Reconciliation of Property Accountability Records and Financial Accounts

Bureaus will maintain control and accountability of capitalized personal property within the PPMS.

2.5.4.1 Reconciliation of Property Records

Personal property accountability records for capitalized assets will be reconciled at least quarterly with the financial control accounts in accordance with procedures established by servicing financial accounting activities. Adjustments required as a result of such reconciliation will be documented and must be posted promptly to the records and accounts.

2.6 Records Management and Reporting Requirements

2.6.1 Records of Accountable Personal Property

Accountable personal property will be recorded on an item-level basis (i.e., each individual item is a separate record). However, when considered advantageous to do so, records for some items may be maintained on a system-level basis.

- a. The system-level method may be used when:
 - (1) There are two or more individual items or components of a system; and
 - (2) The system is considered incomplete or inoperable in the absence of any one of its component equipment items. Under the system-level method, the entire system may be recorded as a single record unit.
- b. Records of accountable property may include the data elements listed in PPMM Section 2.6.3, "Data Element Standardization."

2.6.2 Maintaining Property Records

Adequate and accurate supporting documentation for personal property assets entered into the PPMS is necessary for proper pricing, depreciation, cost determination, and accounting purposes at the Department. Thus, acquisition documentation for accountable personal property must be recorded and attached to an asset record in the PPMS. Department POs should work closely with the acquisition community to obtain the necessary acquisition documentation required to comply with this policy.

Department POs are required to keep property records in accordance with the Department of Commerce records management policies and procedures and the federal laws and regulations. Destruction must be in coordination with the proper authorizations of the Records Officer.

Records of the Property, Plant, and Equipment are required to be retained in accordance with the National Archives General Records Schedule 1.1, item 030. These records are required to be destroyed two years after the asset is disposed of or removed from the Department's PPMS, but

longer retention is authorized if required for business use or if needed for litigation. In cases where litigation is pending, it may not be that longer retention is authorized, but it may be required. POs should consult with their records officer and OGC prior to destroying any record that is relevant to pending or anticipated litigation.

In addition to the Department's records management policies and procedures, financial management records must be maintained in accordance with the Department's Accounting Principles and Standards Handbook, Chapter 8, "Assets." POs should consult with their Bureau Records Management Officer concerning any questions about proper retention.

For Financial Award program Assets record retention, please refer to PPMM Section 8.3.1, "Record Accountability."

2.6.3 Data Element Standardization

A data element is an individual piece of descriptive information collected about an asset to populate the asset record. Standardization of data elements allows greater efficiencies in the identification of assets Department-wide.

Personal property record data elements are driven by the system of record and the type of personal property.

Data elements include, but are not limited to, the following:

- a. Acquisition cost
- b. Acquisition date
- c. Acquisition document number
- d. Authorized asset user (e.g., PAO, PC, End User)
- e. Barcode or unique identifying number
- f. Condition
- g. Condition code
- h. Date of receipt
- i. Disposition data
- j. Federal Supply Code
- k. History

- l. Identification
- m. Initial event
- n. Lease information (e.g., lease rate, expiration date, buy-out cost)
- o. Location
- p. Manufacturer
- q. Model number
- r. Official name
- s. Organization code
- t. Ownership title
- u. Physical inventory date
- v. Property type
- w. Room number/Cube number
- x. Serial number/VIN number
- y. Site
- z. Steward code
- aa. Unit of measure

2.6.4 Reinstating Asset Records

The Bureau PMO is the only authorized person who can reinstate an asset within the PPMS.

2.6.5 Reporting Requirements

DOC is required to report the Department's personal property management activities to a number of Government agencies. Reporting requirements specific to a type of property, such as aircraft, foreign gifts, and motor vehicles, will be provided in those specific sections of this Manual.

2.6.5.1 GSA Reporting

In accordance with FMR Bulletin B-27, "Annual Executive Agency Reports on Excess and Exchange/Sale Personal Property," DOC has an annual requirement to submit to the GSA, the following reports:

- a. Annual Report of Personal Property Furnished to Non-Federal Recipients (Non-Federal Recipients Report); and
- b. Annual Report of Exchange/Sale Transactions (Exchange/Sale Report).

The Director for Financial Management and Deputy CFO is responsible for submitting these reports to the GSA on behalf of the Department. Bureaus should be prepared to report in a format provided by the GSA.

2.6.5.2 State Department Reporting for Foreign Gifts

In accordance with DAO 202-739, Gifts and Decorations From Foreign Governments and To Foreign Individuals," DOC has an annual requirement to submit to the Department of State (DOS), the following reports:

- a. Submission to the DOS of Listing of Foreign Gifts of More than Minimal Value Reported to Employing Agencies; and
- b. Submission to the DOS of Listings of Gifts of More than Minimal Value Given to Foreign Individuals.

The Director for Financial Management and Deputy CFO is responsible for submitting these reports to the DOS on behalf of the Department. Bureaus should be prepared to report in a format provided by the DOS.

2.7 Monitoring and Oversight Functions

2.7.1 Metrics (Scorecards)

2.7.1.1 Controls Affecting Personal Property Bubble Chart

The Controls Affecting Personal Property Bubble Chart is managed by the DOC PPTD and reported to the Director, Office of Administrative Programs (OAP) on a monthly basis.

The Controls Affecting Personal Property Bubble Chart serves as a control measure to track and report the Department's compliance in meeting reporting requirements for mandated property management policies and procedures on a fiscal year basis.

The Bureau PMO is responsible for reporting the Bureau's status or the progress of each reporting requirement to ensure compliance of mandated elements on a monthly basis to the DOC PPTD.

2.7.1.2 DOC Mobile Computing Device Accountability Matrix

The DOC Mobile Computing Device Accountability Matrix is managed by the DOC PPTD and reported to Director, OAP on a monthly basis. The DOC Mobile Computing Device Accountability Matrix serves as a control measure to track and report lost, missing, or stolen laptops and tablets, including laptop and tablet recoveries.

At a minimum, the Bureau PMO is responsible for reporting the following criteria when reporting laptops and/or tablets as lost, missing, or stolen:

- a. Provide the barcode;
- b. Indicate the circumstances transpiring from the loss;
- c. Indicate whether the laptop and/or tablet contained personally identifiable information (PII);
- d. Indicate whether the laptop and/or tablet was reported to the DOC Computer Incident Response Team;
- e. Indicate whether a police report was filed;
- f. Indicate the location of loss; and
- g. Indicate the person responsible for the loss.

At a minimum, the Bureau PMO is responsible for reporting the following criteria when reporting laptop and/or tablet recoveries:

- a. Provide the barcode;
- b. Indicate the circumstances that assisted in this recovery;
- c. Indicate the location of recovery;
- d. Indicate the actual date of recovery; and
- e. Indicate if the recovered laptop or tablet was previously reported as lost, missing, or stolen.

2.7.2 Physical Inventory Verification

The DPMO is responsible for ensuring that a complete and accurate Departmental inventory is conducted each fiscal year. The DPMO will sign an inventory certification memorandum upon completion of the annual physical inventory requirement.

Physical inventory verification of accountable personal property is scheduled by the Bureau PMO and must be completed at regular intervals, at least once a fiscal year by June 30th or a cycle commensurate with the value of the personal property assets and the complexity of operations of the Bureau.

Bureau PMOs are responsible for the following physical inventory activities:

- a. Determining the type of inventory;
- b. Establishing inventory schedules;
- c. Monitoring inventory progress;
- d. Providing assistance to both headquarters and field office POs; and
- e. Reporting inventory results to the DPMO by a signed inventory certification memorandum.

Inventory results must meet the ASTM International E2131-16, "Standard Practice for Addressing and Reporting Losses of Tangible Property," of less than a 2% variance in quantity for reporting the loss of accountable personal property. Physical inventory results will be certified in writing by the DPMO on a fiscal year basis upon completion of the Department's physical inventory requirements. As a result, Bureau PMOs will be responsible for developing and implementing a corrective action plan to address inventory results of more than a 5% variance in quantity (for the entire Bureau) for reporting the loss of accountable personal property.

Property management and financial accounting activities should coordinate the establishment of schedules and procedures for taking such inventories. Inventory determinations should be made for all classes of property and applied on a consistent basis from one fiscal year to another. Adjustments required must be documented and posted promptly to the records and accounts.

It is the responsibility of the PAO or PC to work with Supervisors in obtaining personnel to assist in conducting physical inventories. When conducting a physical inventory, the recording of a "barcode scan" resolution for accountable personal property validates the physical existence of an asset and mitigates the risk of inaccurate inventory results. A barcode scan should be the primary means of obtaining a positive resolution for accountable personal property. In the case where accountable personal property cannot reasonably be scanned with a barcode scanner (e.g., satellites), it is the responsibility of the Bureau PMO to document and implement procedures to ensure that controls are in place to adequately account for the existence of the personal property in question.

3.0 PERSONAL PROPERTY OFFICIAL TRAINING

3.0.1 Scope of Chapter

This chapter establishes a comprehensive curriculum to systematically develop skills at performing delegated property management duties (excluding NUO, End User, and Government Contractors), to define competency based training standards for property management, and to prescribe the procedures for PO certification, appointment, and cancellation of PO delegations. Training and professional development are key elements in supporting a successful personal property management program. DOC encourages Bureaus to promote training and development among their personal property professionals, including employees that perform property functions as a collateral duty. Primary and alternate POs must satisfy the minimum training requirements of a certified PO. To perform this duty, the appointment must be in writing. Only primary POs must adhere to the property specific performance guidelines, outlined in [Appendix C, "Property Official Performance Critical Elements,"](#) before being certified as a PO.

3.0.2 Policy

It is the policy of the DOC to develop and employ a property management workforce focused on collaboration, performance, quality, and accountability that will ensure entrusted resources are used and managed wisely throughout each phase of the property lifecycle. At a minimum, POs must meet the mandatory training requirements, performance evaluation criteria, and appointment procedures in order to serve in a property capacity role. PO certification is evidenced by the Certificate of Eligibility issued by the DPMO or appointment certification memorandum (refer to [Appendix G, "Sample Property Official Appointment Certification Memorandum,"](#)) issued by the respective Approving Official listed in [PPMM Section 3.4.3, "Appointment with Certification."](#) The appointment certification memorandum has superseded the Certificate of Eligibility. A Certificate of Eligibility document issued prior to the release of this Manual is valid.

3.1 Goals

3.1.1 Professional Development

The goals of an effective professional development program are to maintain a knowledgeable property management workforce, to retain that workforce, and to instill professional esteem in the members of the Department's personal property staff.

The DOC will promote relevant training opportunities for Departmental participation. Bureaus are encouraged to take advantage of internal DOC offerings and include certifications into their programs.

3.2 Applicability

The requirements set forth in this chapter apply to individuals nominated for assignment as POs or alternate POs, individuals currently serving as POs or alternate POs, and any individual delegated a property management role.

3.3 Property Official Knowledge, Skills, and Abilities

3.3.1 Property Official Knowledge, Skills, and Abilities

Designated employees selected for a PO role must complete the mandatory training initially for the certification and annual refresher training requirements to ensure that they are competent to fulfill the duties of a PO. Annual refresher training is meant as a refresher for a trained PO. The three competency areas are outlined below:

3.3.1.1 Property Management Knowledge

Knowledge, skills, and abilities related to logistics management include the following:

- a. Familiarity with basic property management roles, responsibilities, and an organizational structure of a property management network;
- b. Understanding of applicable laws and regulations governing personal property;
- c. Understanding of the property lifecycle including acquisition, receipt, utilization/maintenance/transfer, and disposal;
- d. Understanding of and ability to define the types and classification of property;
- e. Understanding of effective inventory management concepts, principles, and practices; and
- f. Understanding of the importance of property accountability including management of effective chain of custody and effective record-keeping practices.

3.3.1.2 Information Technology Knowledge

Knowledge, skills, and abilities related to IT include the following:

- a. Effective use and operation of, and familiarity with, PPMS features and functionality to track and manage a property inventory; and
- b. Performance of PPMS lifecycle transactions related to acquisition, receipt, use, and maintenance.

3.3.1.3 Ethics Knowledge

Knowledge, skills, and abilities related to ethics include the following:

- a. Understanding of the authorized use of Government resources including Government property;
- b. Understanding of the unauthorized use of Government resources including Government property and how to report misuse, abuse, or fraud to the OIG;
- c. Understanding of the legal ramifications of engaging in unethical, unauthorized use and misuse of Government property;
- d. Understanding of role in the preservation and protection of Government property;
- e. Understanding of the Department's policy concerning the acceptance or loaning of gifts including property, which will support the agency mission;
- f. Understanding of financial and non-financial conflicts of interest; and
- g. Understanding of conflicts of interest with respect to outside activities and post-employment activities.

3.4 Eligibility, Designation, and Appointment with Certification Procedures

3.4.1 Eligibility and Performance Criteria

Eligibility requirements for a PO appointment with certification include the following:

- a. In order for a PO to be eligible to serve in a property capacity role, he or she must meet the mandatory training requirements outlined in PPMM Section 3.5.1, "Mandatory Training Requirements," and have the required performance evaluation criteria outlined in Appendix C inserted into the PO's individual performance plan. The immediate supervisor of a PO is responsible for ensuring the property management performance element is included in his or her employee's annual performance plan.
- b. Please see below for performance evaluation validation authority:

- (1) The respective Bureau PMO is responsible for validating the specific property management performance element is included in his or her POs' annual performance plans.

(2) Validation of the performance critical element requirement provided by the Bureau PMO will be verified by DPMO each fiscal year in accordance with the Controls Affecting Personal Property Bubble Chart.

(3) The Director for Financial Management and Deputy CFO is responsible for validating the property management performance element is included in the DPMO annual performance plan.

3.4.2 Designation

Designating a PO to serve in a property capacity includes the following:

- a. The respective Approving Official must designate a PO.

Approving Official authority:

(1) A DPMO is designated by the Director for Financial Management and Deputy CFO or equivalent level or higher authority, in writing.

(2) A Bureau PMO is designated by the CFO, CAO, or equivalent level, in writing.

(3) A PAO and/or PC is designated by the respective Office Director/supervisor, in writing.

- b. Once the respective Approving Official has designated a PO, the PO must satisfy the mandatory training requirements outlined in PPMM Section 3.5.1, "Mandatory Training Requirements."

3.4.3 Appointment with Certification

PO appointment with certification includes the following:

- a. PO certification is evidenced by the Certificate of Eligibility issued by the DPMO or appointment certification memorandum issued by the respective Approving Official listed below. A Certificate of Eligibility document issued prior to the release of this Manual is valid.
- b. Appointment certification memorandums will not be issued until the performance plan has been updated including the POs critical element and training requirements are met. Refer to Appendix C for performance criteria, evaluation, and PPMM Section 3.5.1, "Mandatory Training Requirements" for training requirements.
- c. Respective approving officials must officially record and issue a signed appointment certification memorandum within 30 business days of a POs completion of the mandatory training and performance plan requirements are in the signed performance plan.

Approving Official authority:

- (1) The Approving Official for a DPMO appointment certification is the Director for Financial Management and Deputy CFO or equivalent level or higher authority.
- (2) The Approving Official for a Bureau PMO appointment certification is the CFO, CAO, or equivalent level.

(3) The Approving Official for a PAO and/or PC appointment certification is the respective Bureau PMO.

- d. The appointment of a PO is valid as long as the individual is performing property management duties.
- e. The designated PO and/or the respective Bureau PMO office or DPMO office for reference will maintain PO appointment certification memorandums.
- f. Inspection of appointment with certification files may be conducted by the DPMO periodically with or without notice.

3.5 Property Training and Refresher Training Requirements

3.5.1 Mandatory Training Requirements

Mandatory training requirements for a PO include the following:

- a. A PO must be notified of his/her mandatory training and refresher training requirements by the appropriate authority listed below:
- (1) The Director for Financial Management and Deputy CFO is responsible for notifying the DPMO of his or her mandatory and refresher training requirements.
- (2) The DPMO is responsible for notifying a Bureau PMO of his or her mandatory and refresher training requirements.
- (3) The Bureau PMO is responsible for notifying a PAO of his or her mandatory and refresher training requirements.
- (4) The PAO is responsible for notifying a PC of his or her mandatory and refresher training requirements.
- b. Training requirements must be met prior to issuance of an appointment certification memorandum in order for an individual to serve in a property official role. No exceptions will be made unless a waiver has been granted by the DPMO.
- c. Inspection of such training certificates may be conducted by the DPMO periodically with or without notice.

The chart below depicts the mandatory training requirements for a DPMO, PMO, PAO, and/or PC:

Training Course	Method of Enrollment	DPMO, PMO, PAO or PC
Government Ethics	DOC OGC Property Managers Ethics – http://www.commerce.gov/os/ogc/ethics-law-and-programs-division	Required
Concepts of Personal Property Management	DOC Commerce Learning Center – https://doc.csod.com NOTE: See Bureau PMO or refer to DOC PPTD website for access instructions	Required
Sunflower PPMS or approved Sunflower train-the-trainer courses	DOC Commerce Learning Center – https://doc.csod.com NOTE: See Bureau PMO or refer to DOC PPTD website for access instructions	Required for Bureaus on Sunflower
Bureau-specific PPMS	NOTE: Approval of training format and course content must be approved by DPMO prior to qualification as a training course.	Required for Bureaus not on Sunflower

3.5.2 Refresher Training Requirements for Certified Property Officials

Refresher training requirements for a PO include the following:

- a. A certified PO is responsible for completing refresher training and providing the certificate of completion to their appropriate authority listed in PPMM Section 3.5.1a by no later than September 30 each fiscal year in order to maintain his or her certification. The PO will become decertified if refresher training requirements are not met by September 30. If a PO becomes decertified, he or she must complete the requirements outlined in PPMM Section 3.4, “Eligibility, Designation, and Appointment with Certification Procedures.”
- b. Bureau PMO and DPMO will verify completion of the refresher training requirement each fiscal year.

A certified PO must complete one course annually to satisfy his or her refresher training requirements.

The chart below depicts a listing of qualified and approved property refresher training courses:

Training Course	Method of Enrollment
Concepts of Personal Property Management Concepts	DOC Commerce Learning Center – https://doc.csod.com
Sunflower PPMS or approved train-the-trainer course	DOC Commerce Learning Center – https://doc.csod.com NOTE: Only one module is required for refresher certification; users may take any module except for the introductory and conclusion modules.
Bureau-specific PPMS	NOTE: Only applies to Census, NIST, and PTO. Approval of training format and course content must be approved by DPMO prior to qualification as a refresher course.
Basics of Property Management – #1017	Management Concepts – http://www.managementconcepts.com 1-888-545-8571
Administration of Contractor-Held Property – #1004	Management Concepts – http://www.managementconcepts.com 1-888-545-8571
Applications in Personal Property Accountability – PROP7210D	Graduate School – http://www.graduateschool.edu 1-888-744-4723
Property Accountability: The Life Cycle – PROP7112D	Graduate School – http://www.graduateschool.edu 1-888-744-4723
Property Management for Custodial Officers – PROP7103D	Graduate School – http://www.graduateschool.edu 1-888-744-4723
Warehousing, Operations, and Disposal – PROP7001D	Graduate School – http://www.graduateschool.edu 1-888-744-4723
Any GSA approved property course	General Services Administration – http://www.gsa.gov
Any NPMA approved property course	National Property Management Association – http://www.npma.org 727-736-3788
Any Sunflower-led course	Sunflower Systems – http://www.sunflowersystems.com 703-835-9395

3.6 Separation, Extended Leave of Absence, Cancellation, and Waiver Guidelines

3.6.1 Separation

In instances when a certified PO is separating from the Department, he or she must follow his or her Bureau's internal operating procedures for separation, in accordance with the CD-126 form, "Separation Clearance Certificate," Section II (3), "Personal Property," and PPMM 2.3.1.2, "Separating from Duty." Under no circumstances should a separating PO depart service without ensuring that property accountability has been transferred to a certified PO.

If an appropriate replacement is not available prior to the separation date of the PO, it is their supervisor's responsibility to temporarily delegate the duty to the respective role below:

- a. Separating DPMO responsibilities will be temporarily delegated to the Director, OAP.
- b. Separating PMO responsibilities cannot be temporarily delegated to another individual until designated by the CFO, CAO, or equivalent level.
- c. Separating PAO responsibilities will be temporarily delegated to another certified PAO within the organization until a replacement is designated, trained, appointed, and certified.
- d. Separating PC responsibilities will be temporarily delegated to another certified PC within the organization until a replacement is designated, trained, appointed, and certified.

Temporary delegations should not exceed 90 calendar days. Exemptions may be granted by the PMO or DPMO on a case-by-case basis.

3.6.2 Extended Leave of Absence and Vacant Property Official Roles

In instances when a certified PO is on an extended leave of absence and/or a PO role is vacant, for more than 30 calendar days, the respective Office Director/supervisor of the PO should designate the appointment of a replacement PO. Refer to PPMM Section 3.4, "Eligibility, Designation, and Appointment with Certification Procedures" for additional guidance.

3.6.3 Cancellation

Cancellation of a PO certification includes the following:

- a. The DPMO may provide a recommendation to cancel a Bureau PMO's appointment certification, in writing, to the Office Director/supervisor for individuals who are not fulfilling their property management duties satisfactorily as stated in their performance critical element.

- b. The respective Bureau PMO may provide a recommendation to cancel a PO's appointment certification, in writing, to the respective Office Director/supervisor for individuals who are not fulfilling his or her property management duties satisfactorily as stated in their performance critical element.
- c. Cancellation of any PO roles will be evidenced through supporting documentation prior to cancellation and/or documented as such within the respective PO's performance plan. Attempts should be made by the Director/Supervisor to address deficiencies prior to cancellation.
- d. Cancellation records will be maintained by the respective DPMO/Bureau PMO office.

3.6.4 Waivers for Training

Waivers for PO training include the following:

- a. Waivers of mandatory or refresher training requirements due to unforeseen or special circumstances must be granted by the Bureau PMO with a signed formal memorandum outlining the circumstances and requested waiver date from the Director/Supervisor. A waiver for training requirements is not to exceed 90 calendar days.
- b. Ethics training and performance evaluation criteria may not be waived.
- c. Approval and denial of waiver requests will be maintained by the respective Bureau PMO office.

4.0 ACQUISITION OF PERSONAL PROPERTY ASSETS

4.0.1 Scope of Chapter

DOC personnel acquire personal property assets through several methods, including but not limited to transfer, purchase order, purchase cards, leasing, forfeitures, donation, and trade-in. When acquiring personal property assets, personnel will consider the method most advantageous to DOC and the taxpayer.

Government regulations mandate that Federal agencies consider acquiring excess personal property first, before purchasing new items, and GSA is the agency with the regulatory responsibility to manage this process.

4.1 Property Management Role in Acquisition

Often the role of property management personnel is perceived to begin upon receipt of the property and that they have very little role in the acquisition process. To meet the Department's mandates and goals of asset sustainability, this perception must be dispelled across all offices that procure personal property.

In accordance with the Commerce Acquisition Manual (CAM), DOC Policy requires bureaus, to fill requirements for personal property by using existing excess agency property or by obtaining excess property from other Federal agencies as the first source of supply in lieu of new procurements.

Bureaus will ensure that there is proper communication and coordination between purchasing officials and property managers to determine if a current need can be met by using idle, inactive, or existing personal property available within DOC or other Federal agencies. If internal personal property is available, an internal transfer will be initiated. If the need cannot be filled internally, then a search through the GSA's inventory of excess property system (GSA Xcess®) can be conducted to see if another agency has excess personal property available that will meet the organization's need.

4.1.1 Acquisition Planning

When possible, the Bureau PMO will participate in acquisition planning, including reviewing of high-level plans for personal property acquisition. The planning process identifies the gap between existing personal property and the property required to deliver programs and services. The process also identifies personal property requiring replacement, refurbishment, or upgrading to meet program delivery needs.

4.1.2 Identifying the Need for Personal Property Assets

Bureau POs may plan, organize, direct, promote, control, and manage activities associated with identifying the need to acquire personal property assets. Bureau PMOs may provide assistance

on the acquisition of personal property assets to ensure that all requirements (e.g., environmental, economical, energy) are weighed before acquisition decisions are made.

The Bureau will have a process, which ensures that personal property acquisitions:

- a. Have sound justification;
- b. Are made only as required;
- c. Are intended for Government purposes only;
- d. Are drawn from available programs and resources to ensure the best acquisition method is used;
- e. Have appropriate funding; and
- f. Provide notification to appropriate POs of impending acquisition.

4.1.3 Sustainable Acquisition

Sustainable acquisition is the first step in an overall sustainable personal property management program. DOC is required to maximize the use of existing personal property inventory before making a new purchase. However, the use of excess property to fill a need is not the only requirement for sustainability. Sustainable acquisition ensures that the acquisition, whether one of repurposing or new purchase, meets environmental performance requirements, as described in PPMM Section 4.2.5.1, "Electronic Product Environmental Assessment Tool."

4.2 Acquiring Assets

The most beneficial method of acquisition will most likely be determined during the planning and evaluation phases. However, it is incumbent upon those involved in the acquisition process to work with the Bureau PMO who can provide alternative methods of acquiring the assets during the acquisition.

4.2.1 Reutilization

Each Bureau's first source for supply is excess personal property available within the Department and next is excess personal property available from other Federal agencies.

4.2.2 National Utilization Officer (NUO)

NUOs play a direct role in the procurement process, supporting reutilization and sustainability in their agency and the Department. Refer to PPMM Section 2.2.8, "National Utilization Officer," for NUO roles and responsibilities.

4.2.3 GSAXcess® and Transfers from Other Departments or Agencies

In accordance with 41 C.F.R. § 102-36, DOC may acquire property through transfer from other departments or agencies. Acquiring excess personal property will be considered the preferred method as it allows the Government to obtain the best return on investment. Other sustainability provisions apply.

If suitable excess personal property is not available within DOC, the Bureau will initiate a search for excess personal property available from other Federal agencies by searching GSAXcess® at <http://www.gsaxcess.gov>.

GSAXcess® is the GSA electronic information system that can be accessed by customers 24 hours a day. It offers an online inquiry capability into GSA's nationwide inventory of excess and surplus property by national stock number or Federal Supply Class (FSC) to determine availability of specific items of personal property.

Generally, the following will occur for acquisition of property by transfer:

- a. If an acceptable personal property asset is found, the receiving office must gain approval for the transaction from its PO. Personal property will remain at holding agency until actual transfer of property to receiving personnel has occurred;
- b. After approval of the transfer by the PO, a signed Standard Form (SF)-122, "Transfer Order Excess Personal Property," will be submitted by the holding agency, following the instructions on the form;
- c. The receiving personnel must contact the transferring personnel to coordinate the transfer of the personal property asset records as well as the asset itself;
- d. The transferring personnel must ensure the receiving personnel physically receive the asset no later than 14 days from signing the SF-122, "Transfer Order Excess Personal Property," which documents acceptance of the asset. Upon receipt, the asset is entered into the PPMS by respective PC responsible for the asset and transfer documentation is attached to record in the PPMS;
- e. Direct costs incurred incidental to transfer will be borne by the recipient if billed by the holding agency. Overhead or administrative costs or charges will not be included; and
- f. Only costs incurred in the actual packing, preparation for shipment, loading, and shipment may be recovered by the holding agency. Where such costs are incurred, the recipient upon appropriate billing will reimburse the holding agency unless the holding agency waives the amount involved.

For access to the GSAXcess® system, POs should contact the Bureau NUO for authorization within their Bureau.

4.2.4 Exchange, Sale, or Replacement Property

The exchange or sale authority is a statutory provision, (40 U.S.C. § 503, "Exchange or Sale of Similar Items.") which states in part, "In acquiring personal property, an executive agency may exchange or sell similar items and may apply the exchange allowance or proceeds of sale in whole or in part payment for the property acquired." Prior to the exchange, trade-in, or sale of excess personal property, Bureaus must comply with the media sanitization guidelines outlined in PPMM Section 10.1, "Media Sanitization" to prevent the unauthorized disclosure of information to external entities.

During the acquisition planning process, new acquisitions that are planned to replace existing assets will be identified. Existing assets that are identified for replacement due to the end of useful life, cost of repair, or other valid reasons, will be traded in, exchanged, or sold and the proceeds will be used to offset the cost of the new acquisition. Bureaus will be cautious in declaring assets as "excess" or "surplus" ensuring that replacement assets better meeting mission requirements have not already been purchased, or planned for purchase, to replace them, so as to take full advantage of the exchange or sale authority.

Some assets are, by regulation, prohibited in the use of the exchange or sale authority, however, GSA offers a waiver process for many of the "prohibited" assets. Bureaus unsure if the exchange or sale authority applies to their particular situation will seek the guidance of DOC and/or GSA prior to dismissing it as an acquisition process.

4.2.5 Acquiring Through Procurement

Generally, the procurement process starts with a requisition and ends with the issuance of a purchase order or similar contracting document. Various approvals are required prior to the issuance of a purchase order, including the justification, funds certification, and other validation procedures.

Bureaus will ensure that the provisions in the preceding sections regarding property management's participation in the planning process are followed.

4.2.5.1 Electronic Product Environmental Assessment Tool (EPEAT®)

EPEAT® is a system in which manufacturers declare their products' conformance to a comprehensive set of environmental criteria in eight environmental performance categories. It is a tool for checking a product's performance, which are ranked to three tiers of environmental performance:

- a. Bronze – meets all 23 required criteria
- b. Silver – meets all 23 required criteria plus at least 50% of the optional criteria
- c. Gold – meets all 23 required criteria plus at least 75% of the optional criteria

DOC policy is to strive for products that meet the Silver level of environmental performance. E.O. 13423, "Strengthening Federal Environmental, Energy, and Transportation Management," sets goals in the areas of energy efficiency, acquisition, renewable energy, toxics reduction, recycling, renewable energy, sustainable buildings, electronics stewardship, fleets, and water conservation. In addition, the order establishes a goal for the use of EPEAT®-registered products.

4.2.5.2 DOC Procurement

Refer to the DOC CAM for the procurement policies and procedures for standard acquisition guidance.

4.2.5.3 Bulk Purchases

Bulk purchases will be accomplished in accordance with DOC OFM Bulk Purchase Policy as outlined in the Department's Accounting Principles and Standards Handbook, Chapter 8, "Assets," Section 6.08, "General Property, Plant, and Equipment."

4.2.6 Acquiring Assets Using a Purchase Card (PCard)

The Government-wide commercial PCard is authorized for use in purchasing of personal property below a specified cost threshold. For information on PCard purchase limits, review the DOC CAM. PCard purchases must comply with DOC regulations, policies, and procedures governing PCard use.

PCardholders are responsible for forwarding the respective acquisition documentation approved for procurement to the respective PO (e.g., PMO, PAO, and/or PC) for inclusion into the asset record in the PPMS. The acquisition documentation may be an approved internal manual method or an approved internal automated format. A copy of the acquisition documentation must be included in the cardholder's transaction file and POs must attach supporting acquisition documents (e.g., purchase order, requisitions, etc.) to the asset record in the PPMS. When attaching acquisition documentation, within the PPMS, POs must ensure that PII is redacted.

The purchaser will meet the following requirements for the purchase of accountable personal property through a PCard:

- a. When possible, coordinate accountable personal property purchases with the appropriate POs (PMO, PAO, and PC) prior to placing the order;
- b. Provide any special security screening instructions to the vendor; and
- c. Provide the proper delivery address to the vendor to ensure the assets arrive at the property receiving point for inspection, identification, and tagging.

4.2.7 Leasing Assets

There are instances when renting or leasing property or equipment is more advantageous to DOC than purchasing. Effective planning considers alternate delivery options, including those that reduce the need for DOC ownership of personal property.

Ownership may not always be the optimal solution, and advantages to an alternative method may include:

- a. Increased flexibility
- b. Reduction for large capital expenditures; and
- c. Decreased risk

Guidelines for evaluating lease agreements for personal property in lieu of purchases are provided in the FAR 7.4, "Equipment Lease, or Purchase."

4.2.8 Borrowing Property

Personal property assets may be borrowed on a temporary basis within the Department and from other Federal agencies when approved by the Bureau PMO or his or her designee. Personal property may be borrowed from other Federal agencies provided a loan agreement is approved by the OGC, issued by the loaning agency, and signed by the Bureau PMO.

- a. Government personal property may be borrowed from other Federal agencies when the following conditions apply:
 - (1) It is practical and economical;
 - (2) The personal property is required for short periods of time (typically one year or less; longer periods when justified by program officials);
 - (3) The terms of the borrowing arrangement are included in a written agreement; and
 - (4) Controls are established to ensure the prompt return of the property to the lender.

DOC can borrow personal property through the same process that it goes through to loan personal property.

- b. The following should be included in a memorandum to accompany a personal property loan agreement:
 - (1) Lender's complete name, address, and phone number;

- (2) Full description of each item to be loaned, including manufacturer's name, serial number, and model number;
- (3) Current market value of the property;
- (4) Duration of the loan;
- (5) Party responsible for necessary repairs and maintenance for continued use of the property during the loan period;
- (6) Confirmation as to, which party (lender or DOC) is responsible for delivery of the property;
- (7) Appropriate signature authorizing the release or acceptance of the loaned property;
- (8) Steward organization and responsible property management office where the personal property is to be located; and
- (9) Damaged personal property liability clause.
- (10) Applicable legal authority as determined by OGC.

Bureaus will track borrowed personal property in the system of record and the item will be marked as belonging to the lending organization. The PO will maintain a file of borrowed property that includes the supporting documentation. Any loan of personal property to DOC from a non-Federal source is accomplished in accordance with the GSA Interagency Committee for Property Management Loan Policy Guide.

For guidance on the loaning of heritage assets, please refer to PPMM Section 12.9, "Loans."

5.0 RECEIVING PERSONAL PROPERTY ASSETS

5.0.1 Scope of Chapter

This chapter establishes guidelines for receiving personal property assets. Control and accountability of accountable personal property will be established upon receiving such property and will be maintained until disposal of the property. Actions affecting the control and accountability of accountable property will be supported by appropriate authorized transaction documents as prescribed in PPMM Section 2.6.2, "Maintaining Property Records."

Depending on the organizational structure of the Bureau, receiving may be centralized, decentralized, or a combination of both. The standard supporting this policy is referenced in ASTM International E2605-13, "Standard Practice for Receiving Assets," and ASTM International E2631-09, "Standard Practice for Physical Placement of an Entity-Controlled Supplemental Identification Label."

5.1 Receiving Roles and Responsibilities

The Bureau PMO will ensure that the Bureau's personal property management program incorporates receiving procedures that document the receipt of personal property assets regardless of the method of acquisition or source, and regardless of where the personal property assets were received. Acquisition sources include, but are not limited to, personal property assets acquired from commercial sources, construction, exchange, fabrication, donation, recovery, forfeiture, or obtained by transfer from another agency.

Because of the aforementioned variables affecting the receiving process, the Bureau PMO will coordinate with the authorized purchasing agents to put in place a process for the designated receiving official (RO) to have advance notice of property upon arrival. The Bureau PMO will also ensure purchasing agents provide the proper shipping address and instructions during the method of acquisition to ensure the property will reach the designated receiving area.

It is not authorized that the designated RO for accountable property assets be the authorized purchasing agent for the property.

5.2 Standard Receiving

Receipts of personal property will be documented, whether such personal property is acquired from Government or commercial sources, donated, recovered, or obtained by transfer from another agency. Personal property received should be recorded on a receiving report to provide a data entry document to the accounts and records and to substantiate the disbursement voucher. POs will establish prescribed accountability records for accountable property acquired upon receipt of documents evidencing the receipt of such property.

In general, fleet personal property assets (e.g., aircraft, motor vehicles, and boats), and sensitive assets (e.g., firearms, law enforcement equipment) will be received according to the same requirements as described for standard receiving; however, they may vary at times.

The standard receiving procedures are as follows:

5.2.1 Inspection

Upon receipt, the designated RO must inspect the materials, equipment, and supplies upon arrival for damage and compares the shipment against the accompanying procurement documentation. The inspection must be made in accordance with the particular terms of the contract, purchase order, or other procurement documentation. Discrepancies will be brought to the attention of the purchaser, CO, or purchasing entity by the designated RO.

5.2.1.1 Technical Inspection

Bureaus will include resources for technical inspection and verification of personal property assets of a unique, complicated, or mechanical nature. If the personal property asset is technical in nature, a qualified person with the necessary expertise must inspect the personal property; for example, IT personnel must inspect laptops and IT equipment. Other examples of personal property that require a technical inspection are radiological measuring equipment, x-ray equipment, and electronic radio frequency devices.

5.2.1.2 Inspection Determinations

During inspection, the designated RO may discover that:

- a. The shipment is incomplete;
- b. Items are shipped separately;
- c. There is damage to the outer package;
- d. There is damage to the personal property;
- e. The wrong item shipped; or
- f. Other shipment irregularities.

In all cases, the designated RO will report the discrepancies to the purchaser and the purchaser will resolve the situation in the best interest of the Government.

5.2.2 Identification and Barcode Tagging

Accountable Government property must be barcoded to identify it as U.S. Government property.

DOC non-expendable accountable personal property assets will be marked to identify them as Government-owned. Identification will be such that the tracking numbers can be recorded in the PPMS and will be capable of being identified by an electronic means, such as barcode readers and/or radio frequency identification.

Identification must be affixed to the personal property assets at the point of establishing initial accountability. For the ease of conducting inventory verification, identification should be affixed consistently on personal property assets and in an area that makes it easily identifiable and/or readable by electronic means. Bureaus will provide specific procedures for identification and barcode tagging of personal property that may require additional identification by law or regulation, such as aircraft, motor vehicles, boats, and vessels.

Exceptions to identification will be noted in the system of record. When practical, excepted personal property assets will be assigned an identification label. In lieu of physically affixing it to the personal property assets, it will be maintained in supporting documentation.

General exceptions include the following:

- a. Very small or delicate apparatus, which cannot be marked without damage to the personal property;
- b. Firearms;
- c. Animals;
- d. Museum collections or DOC heritage assets when such identification tags have the potential to damage or devalue the asset;
- e. Property used for undercover operations;
- f. Leased, borrowed, or rented assets; and
- g. Capitalized software.

DOC identification labels, barcode tags, and markings are to be removed prior to disposal of the personal property outside of DOC. If removal is impractical, additional permanent markings are to be added to indicate such disposal. If a barcode becomes unreadable, it must be removed, reissued, and a new barcode affixed. A reissued barcode refers to using the same unique identification number that was originally affixed to the personal property. In all other cases, a previously used number will not be assigned or reassigned to another piece of personal property. Any changes in identification will be properly noted and cross-referenced in the PPMS.

DOC policy supports the pre-labeling of personal property at the manufacturer when such pre-labeling is cost effective and properly controlled. Bureaus engaging in such a practice will ensure appropriate precautions are taken for the activity and the personal property.

The standard supporting this policy is referenced in ASTM International E2631-09, "Standard Practice for Physical Placement of an Entity-Controlled Supplemental Identification Label."

5.2.3 Recording

The POs will ensure that personal property is recorded in the PPMS of record within 45 days of formal receiving. The personal property record will include the acquisition cost, which includes any additional costs required to bring the personal property into use. Personal property assets acquired by inter-governmental transfer, forfeiture, gifts, or by methods other than new purchases will be recorded at the net book value. The fair market value may be substituted when net book value cannot be determined. The lesser of the fair market value of the leased personal property or the present value of the minimum lease payments should be the acquisition costs for a capital lease.

5.2.3.1 Data Element Standards

When creating an initial DOC personal property record, it will include, at a minimum, the data standards found in PPMM Section 2.6.3, "Data Element Standardization."

Data element names may differ from one approved PPMS of record to another; however, the minimum requirements remain. Bureaus will contact the PPTD for any assistance in cross matching their descriptions with the DOC minimums.

Additional data elements may be required by personal property type, such as for aircraft, motor vehicles, boats, vessels, and firearms. Additional requirements will be described in those areas of this manual pertaining to the specific personal property type.

5.2.4 Title vs. Stewardship

Understanding the difference from holding a title versus having stewardship of the personal property is very important when determining the accountable and responsible parties.

The title is held by the purchasing entity (e.g. Agency, Bureau, Office, etc.) and the titleholder maintains formal accountability for the asset until it is formally transferred and accepted by another entity. When the titleholder transfers personal property assets to an accountable area for use, usually the title is not transferred; however, the designated PAO or PC has stewardship of the personal property assets and is now accountable for the personal property assets. The PAO or PC can assign personal property assets to an end user who has physical possession, thus transferring property accountability and stewardship to the end user.

Stewardship refers to the party in possession of the personal property assets. The party which is not necessarily officially accountable for the personal property assets until the Property Official who is responsible for maintaining the official personal property record, maintaining accurate information in the PPMS of record, and verifying inventory has established the chain of custody down to the end user. The receiving process will document title and accountability when updating the official asset record and recording the information in the PPMS.

Transfer of the title and accountability may be handled differently depending on the type of personal property asset, its location, organization structure of the entity, and other factors.

However, it is important that the system of record clearly distinguish between the two because it determines what authority each party has over the personal property asset.

5.2.4.1 Assigning Personal Property Assets to Organizations and End Users

A Bureau's PMO is ultimately responsible for ensuring the accountability of personal property within his or her Bureau's custodial areas through the establishment of a chain of custody. A chain of custody provides records that illustrate the location of accountable personal property and the end user responsible for its care and safekeeping. This accounting must be continuous, from the time of ordering and acquisition, until the ultimate consumption or disposal of the personal property assets. The chain of custody process is initiated when the personal property is received by the designee or by an individual who has been designated to receive the property. The PMO then physically assigns the personal property to the PAOs on a hand receipt. The PAO then distributes the personal property to the PCs on hand receipts. PCs finalize the process by distributing the personal property to the end users on hand receipts.

The number of PCs appropriate for any given accountability area is left to the discretion of the PAOs. PAOs will maintain, for each PC, a signed hand receipt and responsibility statement that shows the assumption of custodial responsibility by PCs.

5.2.5 Security and Storage

Personal property assets that have been formally received must be safeguarded at the site of receiving until assigned or transferred to an accountable area. Personal property assets may only be transferred from the receiving location to an accountable area if that area has the proper security and storage available to safeguard the assets.

DOC personal property assets will be safeguarded against damaging elements and theft. Storage areas will be kept in order, without hazards to personal property or personnel. Access to storage areas will be controlled to the least number of authorized personnel as practical by the office manager, supervisor, or office Director.

The standard supporting this policy is referenced in ASTM International E2715-09, "Standard Practice for Moveable Property Storage."

5.2.6 Delivery of Personal Property Assets after Receipt

Personal property assets acquired by DOC will be delivered to and received at a designated receiving area. The purchaser will coordinate deliveries to ensure the PAO and PC is available prior to attempting delivery of DOC personal property assets. The PAO may make, when operationally necessary, delivery to an alternate authorized individual or site; however, the PAO will formally document any deviations.

Once personal property assets are received by the designee, and delivery of personal property assets are made to an accountable area, the Property Official must clearly communicate to all

parties the transfer of responsibilities. The transfer of responsibilities could include identifying title holder, accountability, and stewardship of the transferred asset.

5.2.7 Documentation

The purchaser and the designated RO will maintain complete and accurate documentation for personal property received including any technical inspections performed, and records documenting the resolution of any discrepancies. The documentation will be provided to the party responsible for maintaining the official personal property record.

5.2.8 Issuing and Installation

Generally, personal property assets transferred to an accountable area are delivered to the designated receiving location and placed into storage prior to being installed or issued. However, the respective point of contact will assist the end user in coordinating any technical assistance required for the installation of personal property assets upon delivery, if required.

5.2.9 Resolving Discrepancies

5.2.9.1 Resolving Discrepancies during Delivery

Discrepancies identified during delivery should be noted on carrier delivery documents and resolved immediately, if possible.

5.2.9.2 Resolving Discrepancies subsequent to Delivery

Discrepancies not apparent during initial receipt but that are discovered subsequently should be reported to the purchaser when discovered.

6.0 PERFORMANCE OF PERSONAL PROPERTY ASSETS

6.0.1 Scope of Chapter

This chapter implements FMR 102-35, "Disposition of Personal Property," and FMR 102-36, "Disposition of Excess Personal Property," which govern the economic and efficient utilization of personal property assets.

6.0.2 Policy

DOC will develop and promote an economical and efficient program for the maximum utilization of personal property assets.

The program will include:

- a. Proper maintenance, repair, and rehabilitation of personal property, in order to extend its useful lifecycle;
- b. Reassignment and reuse of personal property, thus avoiding unjustifiable new procurement;
- c. Establishment and implementation of policies to extend the useful lifecycle of accountable personal property to four years or more;
- d. Establishment and implementation of policies to promote the growth of the market and infrastructure for the reuse, donation, transfer, sale, de-manufacturing, and recycling of obsolete accountable personal property; and
- e. Establishment and implementation of policies to ensure that accountable personal property that has reached the end of its useful lifecycle is disposed in accordance with E.O. 13423, "Strengthening Federal Environmental, Energy, and Transportation Management," and its instructions.

6.1 Authorized End User

An employee has a duty to protect and conserve Government property and will not use such property, or allow its use, for other than authorized purposes. (5 C.F.R. § 2635.704, "Use of Government Property.")

An end user for accountable personal property assets is the responsible party and hand receipt holder of a particular asset, which has been issued by a PO for the holder's business use. However, there are some types of stationary shared personal property employees and contractors may be authorized to use without formal documentation, such as office copiers, fax machines, and printers.

The designated PC must enter the appropriate End User (Department Employee) name in the respective "User" field in the PPMS. In the event that an individual end user is not assigned to an asset, the designated PC's name will be recorded into the respective "User" field of the PPMS. Examples in which an individual end user may not be assigned to an asset include community assets such as office copiers, fax machines, and any vacant property within the area of responsibility.

6.2 Sustainable Asset Management Use

Thoughtful reutilization, loaning, transferring, and repurposing of personal property throughout DOC will contribute to the sustainability of the Departmental personal property management program.

6.3 Movement and Accountability

Actions that remove accountable personal property assets from the records of an accountability area or custodial area will be documented. Removal actions include transfers between PAOs and PCs, transfers to other Federal agencies, physical losses, and disposal. Transfers must be documented on Form CD-50, "Property Control Form" (or its electronic equivalent), CD-509, "Property Transaction Request," or other forms approved for this purpose by the DPMO. Transfers of excess property to another Federal agency will be documented on a SF-122, "Transfer Order Excess Personal Property," or any other transfer order form approved by GSA. Transfers to Non-Federal Recipients will be documented on a SF-123, "Transfer Order Surplus Personal Property." Transfers to other Federal agencies that are not the result of an excess action and loans of property will be documented as stated above and approved by both PMOs. Physical losses will be documented on a CD-52, "Report of Review of Property" (or its electronic equivalent).

For guidance on movement and accountability of heritage assets please refer to [PPMM Section 12, "Heritage Assets."](#)

6.3.1 Recording

Recording is the act or process of writing down or making electronic entries to document a sequence of events, transactions, or circumstances.

Every transaction involving personal property assets will be documented on the official personal property record, and the PPMS. Recording personal property transactions and events is the responsibility of the designated PO. Generally, personal property records will consist of hard copy documents, the personal property data elements in the PPMS, electronic copies of the hard copy documents, and other supporting material. In those cases, where electronic signatures and/or electronic records are deemed the "official" record, they will serve as the official personal property record.

DOC published or electronic forms will be used in recording movement and accountability of DOC personal property assets within and between Bureaus. Bureaus that have specific form

requirements may submit a request for consideration to the DPMO. The accountability recording timeline details the minimum recording requirements for updating the official personal property record and the PPMS when assets are moved.

The following are examples of documentation included in property records:

- a. PPMS reports;
- b. Hand receipts;
- c. Acquisition documentation;
- d. Receiving documentation;
- e. Surplus documentation;
- f. Transfer documentation;
- g. Exchange or sale documentation;
- h. Inventory records;
- i. Report of Survey records (i.e., lost, missing, stolen, damaged, or destroyed);
- j. Financial documentation;
- k. Loan documentation; and
- l. OF-7 Property Pass.

DOC Accountability Recordation Timeline

Transaction/Event	Recordation Timeline
Receiving Process	45 calendar days from receipt
Issuance to End User	45 calendar days from receiving process
Loaning and Borrowing – Internal	45 calendar days from allocation ¹ date
Internal Transfer ¹	45 calendar days from allocation ² date
Other Internal movement not described	45 calendar days from allocation ³ date

¹ Transfer refers to the action taken by the holding and receiving entity as title and/or accountability changes stewardship.

² The allocation date refers to the date that the transfer is initiated, either manually or in writing, for internal transfers, and the date GSA sends the allocation notice for external transfers.

Loaning and Borrowing – External	45 calendar days from allocation ⁵ date
External Transfer ⁴	45 calendar days from allocation ⁵ date
Other External movement not described	45 calendar days from allocation ⁵ date
Other disposition actions	45 calendar days from allocation ⁵ date

6.3.1.1 Adjustments to Records and Accounts

When discrepancies exist between personal property accountability records and personal property financial accounts, prompt action must be taken to correct record balances. Adjustment actions may be used only when transaction documents have not been processed or discrepancies occur in which personal property assets cannot be located. Adjustments must be documented. The Head of Operating Unit must designate in writing those individuals authorized to approve adjustment actions. When designating such duties, internal control principles must be followed to avoid potential conflicts of interest. It is recommended that there be a clear separation of duties between the management of personal property accountability records and personal property financial records. It is also recommended that individuals who are directly responsible for personal property control or storage functions are not delegated authority over personal property financial records.

6.3.2 Issuing

Issuing refers to the action of assigning stewardship of specific property to an end user, to be used in the performance of the end user's duties. The official personal property record and the PPMS will be updated immediately upon any issuance transaction.

When issuing personal property assets and updating the PPMS, the update will include, at a minimum, the following data elements:

Minimum Issuing Data Elements	Description/Example
ORGANIZATION CODE	(E.G., NOAA, CENSUS)
CUSTODIAL AREA	(SELF EXPLANATORY)
AUTHORIZED ASSET USER	(SELF EXPLANATORY)
PROPERTY ACCOUNTABLE OFFICE	(SELF EXPLANATORY)
LOCATION	STREET ADDRESS
SITE AND ROOM NUMBER/CUBE NUMBER	(E.G., HCHB, CUBE, OFFICE)
ACQUISITION DATE	(SELF EXPLANATORY)
ACQUISITION COST	(SELF EXPLANATORY)

Additional elements may be required when electronically uploading data to the PPMS to match the data elements to a specific piece of personal property.

6.3.3 Transferring

Personal property assets classified as excess by a Bureau will be made available to other Bureaus by circulation of a SF-120, "Report of Excess Property," or other appropriate means (e.g., automated reporting systems) as provided in this section. The excess personal property will be in usable condition and require minimum cost to be repaired.

Personal property assets reported as excess by bureaus for transfer or disposal will be screened for 15 calendar days prior to reporting to GSA. Excess personal property will be reported to GSA in accordance with the requirements of [FMR 102-36](#).

If another Bureau needs the personal property asset(s), a request for transfer using Form CD-50, or other appropriate means (e.g., automated reporting systems) will be submitted directly to the receiving PO from the requesting PO. Transfers of excess personal property within the Department will be without reimbursement.

Direct costs incurred for a transfer (e.g., packing, preparation for shipment, loading, and transportation) will be borne by the requesting entity. Bureaus will make such personal property available for Federal utilization in accordance with the requirements of [FMR 102-35](#) and [FMR 102-36](#).

Transferring personal property assets will always transfer personal property accountability, but not necessarily title. Internal transfers may transfer title; external transfers always require transferring of the title.

The documentation required depends on the type of transfer taking place; however, the original document is always placed in the official personal property record and a copy goes with the personal property to the new recipient. When transferring personal property and updating the PPMS, the update will include, at a minimum, the same data elements as listed in [PPMM Section 6.3.2, "Issuing."](#)

When title is transferred to an external unit that is not using the same PPMS, the personal property record will be updated with a final event status, removing the personal property from the PPMS.

For examples of documentation that can be used for transferring refer to [PPMM Section 6.3.1, "Recording."](#)

6.3.3.1 Transfers Internal to DOC

An internal transfer will be any movement of personal property assets between accountable areas within a Bureau, as well as between DOC bureaus.

The following conditions apply to internal transfers:

- a. The receiving party becomes accountable for the transferred personal property;

- b. Title to the personal property assets will transfer when the transaction is between bureaus;
- c. Transfers will be without reimbursement, and
- d. The receiving party may incur any direct costs incurred for a transfer unless otherwise agreed to by the parties.

For internal transfers, the official property asset record and the PPMS will be updated within 45 calendar days from transfer date.

6.3.3.2 External Transfer to a Federal Recipient

An external transfer will be any movement of any personal property assets outside DOC and will be executed using a SF-122 and any other forms required pertaining to the particular transfer.

The following conditions apply to external transfers:

- a. The receiving party becomes accountable for the transferred personal property assets;
- b. Title to the personal property assets will transfer to the receiving party;
- c. Transfer reimbursements will be considered if prudent to do so; and
- d. The receiving party will incur any direct costs incurred for a transfer unless otherwise agreed to by the parties.

For external transfers to a Federal recipient, the official property asset record and PPMS will be updated within 45 calendar days of the "notice of allocation" from GSA.

6.3.3.3 External Transfer to a Non-Federal Recipient

GSA facilitates transfers to non-Federal recipients. Such transfers, are executed using a SF-123, for transactions using the disposal process, unless a deviation has been granted. Bureaus wishing to donate property that they plan to otherwise abandon or destroy, in accordance with FMR 102-37.570, will document the transfer on a SF-123; however, copies or electronic documents are only kept for internal purposes and not provided to GSA.

The following conditions apply to external transfers:

- a. The receiving party becomes accountable for the transferred personal property;
- b. Title to the personal property will transfer to the receiving party;
- c. The personal property assets are transferred in "as is" condition; and

- d. The receiving party will incur any direct costs incurred for a transfer unless otherwise agreed to by the parties.

For external transfers to a non-Federal recipient, the official property asset record and the PPMS will be updated within 45 calendar days of the "notice of allocation" from GSA.

6.3.4 Hand Receipt

A hand receipt is a signed or otherwise formally acknowledged document in paper or electronic format that documents the transfer of stewardship for items from a PAO or PC to an end user. This document is sometimes referred to as a hand receipt or end user hand receipt. End users will acknowledge the accuracy of the hand receipt with a signature, electronic signature, or initials, which will validate the end user acknowledges the accuracy of the hand receipt. The PC is responsible for maintaining and providing the end user with a hand receipt. At a minimum, the accuracy of the hand receipt will be validated with the end user's signature, electronic signature, or initials normally during the inventory period or when conducting a joint inventory to transfer responsibility from the outgoing PC to the incoming PC.

Each end user will have a copy of the hand receipt for the personal property they have been assigned. The hand receipt will be maintained as the end user's record of authorization to use the personal property. The PO for the accountable area will maintain the hand receipts for his or her end users in an organized fashion to support audit inquiries, inventories, and other personal property verifications.

A contractor is not intended to be a hand receipt holder. Contract personal property is governed by the terms and conditions of the contract, and personal property may be furnished to, or acquired by, contractors under the provisions of a contract. However, POs will maintain personal property records on contract personal property and maintain proper records in accounting for the personal property.

Upon issuance of a hand receipt, the official property asset record and the PPMS will be updated within 45 calendar days from receiving process.

6.3.5 Property Pass

GSA regulations require that property leaving Federal facilities be accompanied by proof of authorized possession or ownership. The form presently in use nationwide for this purpose is the OF-7, "Property Pass."

OF-7, "Property Pass," is an authorization form that allows an end user to remove DOC personal property and/or an employee's personally owned property from DOC buildings and satellite offices. An authorized PO or other individual designated by the Bureau PMO is the only authorizing official who may sign and issue a property pass to DOC employees. When the PO issues a property pass for DOC personal property, they should include the barcode, serial number, make, and model of the asset(s). Upon issuance of a property pass, the location of the DOC personal property will be updated in the PPMS.

A property pass can be valid for up to one calendar year from the date of issue. It is within the PO's discretion to determine if the DOC personal property will be physically returned to the Federal facility for verification prior to the issuance of a new property pass. The PO in collaboration with the end user will monitor existing property passes for expiration and renewal every 30 calendar days. The PO and end user will maintain a copy (or electronic equivalent) of the property pass.

Upon departure from a Federal Government facility, contract guard force members will request a copy of the property pass. The OSY individual who controls the facility entrances and contract guard force will maintain a listing of authorized POs and other individuals designated by the Bureau PMO that have authority to sign a property pass. This listing will be updated every 60 calendar days. Updates will be submitted, in writing, by the Bureau PMO to the individual who controls the facility entrances and contract guard force.

DOC policy is to utilize property passes when it is operationally necessary to place additional controls on moveable personal property. Bureaus will include those procedures in their supplemental personal property management guidance. When used, property passes will be retained in accordance with records management guidelines.

Additional information on property passes and property controls can be found at U.S. Department of Commerce, Manual of Security, Policies and Procedures, Section 30-17, "Property Control."

6.3.6 Home Use

In accordance with the DOC Telework Program policy, DOC employees who participate in a DOC approved telework program are not required to, but may be authorized to use Government furnished equipment (GFE) such as computer equipment (e.g., desktop, laptop), associated peripheral equipment (e.g., printer, copier, scanner, facsimile), telecommunications, and associated technical support, as home use equipment solely for the purpose of implementing and expanding telework in the Government.

Home use property is not intended to be transported back and forth between work locations and is intended to remain for home use until the authorization expires or is rescinded. Exemptions to this policy include portable equipment such as laptops, tablets, smart phone devices, and personal property transported from home to work for applying required security patches, installing software, and/or troubleshooting or repairing personal property. However, a property pass is still required to transport personal property from home to work.

Home use property is still subject to the physical annual inventory and may be required to be physically brought into the office for inventory verification purposes.

POs must ensure home use personal property is accompanied by an approved property pass and maintained with the PO records. Additionally, POs must ensure home use personal property is returned to DOC by the end user when the personal property is no longer needed for the use that

it was authorized. Refer to PPMM Section 2.3.1.2, "Separating from Duty," for additional information.

6.3.7 Loaning Property

Personal property may be loaned using Form CD-546, "Personal Property Division Loan Agreement/Receipt," on a temporary basis within the Department and to other Federal agencies when approved by the Bureau PMO or his or her designee. Personal property may be placed on a Loan Agreement for up to one year including optional periods of performance. The Loan Agreement may require input or approval from the OGC to determine the applicable legal authority. A property pass will accompany the Loan Agreement when the personal property is transported from DOC Federal buildings.

For guidance on loaning heritage assets please refer to PPMM Section 12.9, "Loans"

6.3.7.1 Loan Arrangements with Federal Agencies

Personal property may be loaned to other Federal agencies provided:

- a. A loan agreement is issued;
- b. The personal property is not excess to the Department; and
- c. The loan period will not exceed one year; optional periods of performance may be included in the loan agreement.

6.3.7.2 Loan Arrangements with Non-Federal Agencies

The Bureau PMO can make loans to non-profit educational institutions and state agencies for collaborative research work, survey, inspection, and measurement assurance efforts. Loans can be made to local non-Federal institutions only in emergencies involving threat to human life or prevention of suffering, until institutions have a reasonable opportunity to obtain replacement personal property.

6.4 Safety and Physical Security

DOC personal property will be safely secured and physically protected, as necessary, to prevent loss, theft, unauthorized movement, fire, deterioration, weather, and other preventable conditions. Bureau PMOs will ensure appropriate procedures are in place to secure DOC personal property assets by coordinating with facility management and security. Supervisors are ultimately responsible for the safety and physical security of personal property within their area of responsibility.

The standard supporting this policy is referenced in ASTM International E2715-09, "Standard Practice for Moveable Property Storage."

For guidance on the physical security of heritage assets, please refer to PPMM Section 12.6, "Physical Security."

6.4.1 Warehousing and Local Storage

There are times when it is appropriate to store idle assets for future use. Instances include assets in a non-use status that a Bureau or office will need again in a short time, when emergency supplies must be staged, or for the storage of parts. Whatever the reason, and regardless of whether the assets are warehoused, stored locally, or stored remotely, they must be cared for, inventoried, and examined for routine maintenance. The official personal property records and the PPMS will accurately reflect personal property assets that are warehoused or otherwise stored.

DOC personal property temporarily in a non-use status cannot be comingled with excess personal property, or personal property awaiting disposal or repair.

Warehouse Managers, at a minimum, will ensure the following:

- Establish storage space and warehousing services, as required, for the receipt, storage, issue, safekeeping, and protection of DOC personal property;
- Provide storage space and warehousing services in the most efficient manner consistent with program requirements;
- Operate warehouses in accordance with generally accepted industrial management practices and principles;
- Ensure local storage areas are adequate, including storage, housekeeping, accessibility, security, and protection of DOC personal property; and
- Additional safeguards and procedures are in place for high value, sensitive, dangerous, and other personal property that requires special handling.

DOC personnel will make every effort to use DOC assets to the fullest extent possible. When idle assets are not eligible for exchange, sale, or repurposing, and are determined no longer required for use, they will be removed from storage, declared excess, and redistributed in accordance with this policy.

For guidance on heritage assets warehousing and storage please refer to PPMM Section 12.5, "Storage of Artifacts."

6.4.2 Sensitive Assets

DOC sensitive personal property (refer to PPMM Section 2.4.4.1, "Sensitive Items List") will receive a higher level of safety and physical security due to the nature of the personal property. Warehouse Managers will establish procedures to identify assets that need special storage

arrangements. The PC will ensure the official property asset record and PPMS are noted with any special instructions or requirements. Some special requirements may include specific atmospheric conditions, sterile environments, regulated containment, and rodent mitigation.

6.4.3 Hazardous Personal Property or Material

DOC POs will comply with applicable Federal, state, and local environmental laws and regulations in the performance of their mission. Personnel who handle hazardous materials will be proficient and responsible in operations involving such materials. This involves the handling, temporary storage, transportation, and disposal of hazardous personal property while ensuring timely and cost effective action. More information on the managing of hazardous personal property is provided in 41 C.F.R. § 101-12, "Utilization and Disposal of Hazardous Materials and Certain Categories of Property."

Hazardous personal property or material will be identified in the official personal property record and the PPMS using the FSC groups and classes. DOC policy is to reduce dependence on hazardous personal property and materials. Bureau PMOs will seek out safer and less hazardous alternatives when replenishing stock or acquiring new assets.

PCs will ensure that hazardous personal property and material are properly packaged, labeled, stored, utilized, moved, and disposed of in accordance with packaging instructions, environmental laws, regulations, and DOC policy.

6.4.3.1 Federal Supply Classes Composed Predominantly of Hazardous Items

Federal Supply Class (FSC)
6810 Chemicals
6820 Dyes
6830 Gases: compressed and liquefied
6840 Pest control agents and disinfectants
6850 Miscellaneous chemical specialties
7930 Cleaning and polishing compounds and preparations
8010 Paints, dopes, varnishes, and related products
8030 Preservative and sealing compounds
8040 Adhesives
9110 Fuels, solid
9130 Liquid propellants and fuels, petroleum base
9135 Liquid propellant fuels and oxidizers, chemical base
9140 Fuel oils
9150 Oils and greases: cutting, lubricating, and hydraulic
9160 Miscellaneous waxes, oils, and fats

6.5 Maintaining Personal Property

Bureau PMOs will establish a maintenance program to ensure the safe and efficient utilization of personal property.

At a minimum, under this program:

- A PPMS will be established to schedule and record the inspection, preventive maintenance, and repair of personal property;
- Bureau PMOs will designate appropriate personnel who are responsible for these maintenance activities;
- Bureaus and contractors must ensure that personal property items that require periodic calibration or maintenance are calibrated or maintained at the intervals specified in the manufacturer's standards;
- Bureaus will ensure that repairs and other unscheduled maintenance activities are performed in an expedited manner;
- Records of maintenance activities will be prepared, updated, and periodically reviewed by the program office management; and
- The official personal property record and the PPMS will be updated with maintenance activity.

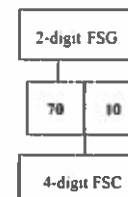
During periods of scheduled and unscheduled maintenance, attention will be given to personal property requiring excessive repair, which may indicate a need for replacement.

6.5.1 Useful Lifecycle

Useful lifecycle refers to the estimated number of years that personal property assets are expected to be useful. The useful lifecycle of personal property assets is affected by factors such as physical wear, tear, and changes in technology (e.g., end of useful life). This is used to depreciate a capitalized asset; however, it is also used when planning for future acquisitions. The useful lifecycle of personal property assets will also be considered during the PBR process when holding an employee financially liable for LMSDD personal property that was assigned to him or her.

For cataloging purposes, the useful life and salvage values are associated and categorized by an item's Federal Supply Group (FSG) and may be further subdivided to an item's FSC. Such standards are inherited from the catalog entry assigned in the PPMS and/or agency financial system.

For example, the coding structure is as follows:



The Department will refer to the minimum useful life and salvage values classified by FSG as its respective standard, with the exception of electronic assets, which are classified by FSC in the table listed below. Pursuant to E.O. 13423, Strengthening the Federal Environmental, Energy, and Transportation Management, Section XII, Electronics Stewardship (B) (iii) (a), an agency should "strive to extend the useful life of electronic equipment to four (4) or more years." To comply with this E.O., the Department, in collaboration with the Office of Sustainable Energy and Environmental Programs and the Office of the Chief Information Officer, has defined the FSCs listed in the chart below as "electronic equipment." As a result, the useful life and salvage values deviate from the Department's respective standard for electronic assets only.

For electronic assets, please refer to the chart listed below for the Department's listing of useful life and salvage values in accordance with E.O. 13423 and the Institute of Electrical and Electronics Engineers (IEEE) standards:

Minimum Useful Life and Salvage Values Based on E.O. 13423, IEEE 1608.2 and IEEE 1608.3

Category	Useful Life (yrs.)	Salvage Value	Federal Supply Class (FSCs)
Automatic Data Processing Equipment including Software, Supplies, and Support – FSG 70			
Digital Duplicator	4	0	7025
Monitor	4	0	7025
Multi-Function Device (Fax/Printer/Scanner)	4	0	7025
Printer	4	0	7025
Scanner	4	0	7025
Desktop Computer	4	0	7010
Laptop Computer or Tablet	4	0	7010
Equipment (Other)	4	0	7020, 7021, 7022, 7025, 7035, 7040, 7042, 7045, 7050
Special Industry Machinery – FSG 36			

Copier	4	0	3610
Communication, Detection, and Coherent Radiation Equipment – FSG 58			
Fax Machine	4	0	5815
Office Machines, Text Processing Systems, and Visible Record Equipment – FSG 74			
Mail Machine	4	0	7490
Musical Instruments, Phonographs, and Home-Type Radios – FSG 77			
Television	4	0	7730
* Only the FSCs listed in the table above supersede the FSG standards listed in Appendix D.			

For personal property assets, please refer to Appendix D, Minimum Useful Life and Salvage Values for Departmental Personal Property Assets, for a standardized listing of useful life and salvage values.

6.5.2 Replacement of Personal Property

Consideration should be given to the use of replacement standards when the cost of any single repair or rehabilitation job exceeds 80% of the replacement cost of a comparable new model.

6.5.3 Warranty

DOC personal property assets may come with a manufacturer's warranty, if purchased. Some purchasing contracts may require special conditions and/or extended warranties, so it is important for POs to keep accurate records so warranties can be applied correctly. Often special warranty conditions are included in the purchase order minimum requirements, such as a three-year extended warranty beyond manufacturer's warranty. POs, along with the Office of Acquisition Management, will review historical information and discuss warranty requirements with the DOC customer and the CO handling the procurement.

Personal property assets purchased directly through a PCard will be covered by the general manufacturer's warranty. Purchasers will ensure product warranty information is provided to the PO to attach to the official personal property record in the PPMS. Effective use of warranties can ensure the Government is receiving full use of the personal property assets.

6.6 Disaster Preparedness and Response

Bureaus may have specific authorities provided under law, which authorizes them to use DOC personal property assets in the case of emergencies to assist in disaster relief. Agencies may transfer excess personal property assets to other Federal agencies that are authorized to provide emergency services. Authorized DOC offices may also be the recipient of personal property to provide mission support. Additionally, DOC may loan personal property assets to state and local governments with or without compensation for an emergency or disaster situation.

For loaning property refer to [PPMM Section 6.3.7, "Loaning Property"](#) and [PPMM Section 6.3.7.2, "Loan Arrangements with Non-Federal Agencies."](#)

6.6.1 Preparedness

Bureaus authorized to store resources for national disaster or emergency deployment will ensure personal property assets are stored in accordance with laws and regulations governing personal property assets and their authorization to do so. Refer to [PPMM Section 6.4, "Safety and Physical Security,"](#) for safety and physical security guidelines.

7.0 CONTRACT PERSONAL PROPERTY ASSETS

7.0.1 Scope of Chapter

This chapter establishes policies, responsibilities, and requirements for maintaining control and accountability of Department-owned personal property that is used for personal property that has been provided under contracts. Refer to PPMM Chapter 8.0, "Financial Award program Assets," for policies, responsibilities, and requirements for maintaining control and accountability of Department-owned property that are used or have been provided under financial award programs. For additional guidance on policies, responsibilities, and requirements for Contractor-Owned Property, please refer to PPMM Section 2.4.9, "Contractor-Owned Property."

7.0.2 Policy

Effective control and accountability must be maintained for personal property furnished by the Department or acquired with Departmental funds as an integral part of DOC's contracts and financial award programs, in accordance with 48 C.F.R. Chapter 1, FAR 45, "Government Property," PPMM, and the DOC CAM.

The PPMM provides general guidance and should not be relied on to the exclusion of the more detailed guidance provided in the applicable regulations and guidance cited above.

7.1 Personal Property in the Possession of Contractors

Contract personal property is personal property owned or leased by the Government that is used in the performance of a contract. Contract personal property includes both GFP and Contractor Acquired Property (CAP). Contract personal property includes material, equipment, special tooling, and special test equipment. Contract personal property does not include intellectual personal property and software. Contract personal property refers to both GFP and CAP in the possession of contractors.

7.1.1 Responsibilities for Contract Personal Property

- a. Contracting officers' (CO) responsibilities as they relate to contract personal property are:
 - (1) Ensuring that contracts are awarded and administered in accordance with applicable statutes, rules, regulations, policies, requirements of law, and E.O.s;
 - (2) Ensuring that the procurement requirements have been met for the acquisition of personal property;
 - (3) Providing the COR with a copy of the contract and subsequent modifications;
 - (4) Ensuring that GFP is included in the contract schedule;

- (5) Monitoring disposition of Government-owned property by providing the COR with a list of the contractor's excess or residual government personal property and providing the disposition instructions to the contractor;
- (6) Amending the contract to add or remove GFP;
- (7) Ensuring that issues raised by Office of the Inspector General (OIG) inspections and audit reports are resolved properly and in accordance with established procedures;
- (8) Making final decisions when there are discrepancies between the Property Administrator and contractor; and
- (9) Maintaining the official contract files through closeout.

b. Contracting Officer Representatives (COR) are responsible for:

- (1) Providing such guidance and assistance to the CO and the procurement staff as needed during contract performance;
- (2) Working with the CO to evaluate the effect on the contract price of furnishing property to the contractor;
- (3) Providing assistance in ensuring that GFP is listed in the contract;
- (4) Ensuring that the GFP is sent to the contractor in the proper condition when needed;
- (5) Reviewing the contractor's personal property inventory for accuracy;
- (6) Working with the contractor to provide disposition instructions to the CO;
- (7) Advising the CO of any inventory discrepancy;
- (8) Informing contractor management of property administration matters at the discretion of the CO;
- (9) Assisting the contractor with periodic physical inventories; and
- (10) Providing the CO with instructions for disposition of the contractor's excess personal property.

c. Contractors are responsible for:

- (1) Accounting for contract personal property in their possession;

- (2) Establishing and maintaining an inventory control system to control, protect, preserve, and maintain contract personal property;
- (3) Maintaining and making available the records of contract personal property until relieved of such responsibilities by the CO;
- (4) Conducting periodic physical inventories as agreed upon by the COR and CO, and
- (5) Reporting excess, lost, or damaged contract property to the COR and CO.

7.1.2 Providing Government Furnished Personal Property

In accordance with FAR 45, it is the policy of the Government that personal property required for use within a contract is to be furnished by the contractor. However, when it becomes necessary or desirable for the Government to provide personal property or when the contractor will be authorized to acquire it at the Government's expense, procedures must be implemented to ensure adequate contract provisions are established to protect, account for, and maintain such personal property.

Personal property required for performance of the contract will be clearly identified in the contract. A determination will be made by the CO either to provide the personal property to the contractor as GFP or to authorize the contractor to acquire property for the performance of the contract.

Contracting Officers will provide property to contractors only when it is clearly demonstrated:

- a. To be in the Government's best interest;
- b. That the overall benefit to the acquisition significantly outweighs the increased cost of administration, including ultimate personal property disposal;
- c. That providing the personal property does not substantially increase the Government's assumption of risk; and
- d. That Government requirement cannot otherwise be met.

When contractors are furnished with Government-owned personal property, the Government retains title to the personal property and the personal property will be maintained and controlled as any other accountable personal property held by the Department within the PPMS.

7.1.3 Contractor Acquired Government-Owned Personal Property

Once personal property requirements have been contractually authorized, action must be taken by the contracting officer to acquire the personal property.

Methods of acquisition include the following:

- a. Through GFP government excess and government supply sources;
- b. CAP, which is purchased by the contractor for the performance of the contract; or
- c. Leasing.

CAP and GFP differ in practices of accountability. Refer to PPMM Section 2.4, "Types of Personal Property Assets," and PPMM Section 2.4.1.5, "Accountable Personal Property," for guidance on these practices.

7.1.4 Contractor Receipt of Government Personal Property

When Government personal property is initially placed in the control or custody of the contractor, the contractor becomes accountable and responsible for that personal property. The COR must ensure that the contractor's procedures provide for proper documentation of receipt, actions taken to resolve inventory discrepancies, inspection, identification, calibration, movement to storage or using areas, and control of misdirected shipments.

7.2 Personal Property Accountability and Management

7.2.1 Personal Property Accountability

The CO, when providing GFP to a contractor, will ensure that the personal property is properly identified in the contract and that a copy of the contract is available to the COR. The COR and contractor are responsible for accomplishing physical inventories of the personal property and reconciling any discrepancies revealed by such physical inventory verification.

7.2.2 Maintaining Inventory

The contractor will maintain current inventory listings on each contract administered. The CO will modify contracts as needed to identify property furnished by the Government. The CO will provide for the disposition of property with assistance from the COR.

The COR will monitor and review results of physical inventories conducted by the contractor for contractor-held personal property. A copy of each physical inventory will be furnished to the appropriate CO.

The contractor will modify and maintain current records of government personal property and provide the COR with physical inventory verification results for each contract. This includes subcontractor inventory. The contractor will identify and report excess personal property.

7.2.3 Personal Property Management

Bureau PMOs will provide assistance, if needed, in establishing a control system to ensure adequate safeguards to prevent loss, damage, or theft of Government-owned personal property assigned to contractors. Any loss, damage, or theft of property will be investigated and fully documented by the contractor who will promptly notify the PC, COR, and CO.

7.2.4 Responsibility and Liability for Government Property

The responsibility and liability for Government property by government contractors is addressed by FAR 45.104, "Responsibility and Liability for Government Property." A CO should incorporate the contract clause found at FAR 52.245-1, "Government Property" into most types of contracts that involve furnishing contractors with Government property. When incorporated into a contract, this clause will govern the responsibilities and liabilities of the parties for this property. Refer to FAR 45.107 for more detailed instructions on the applicability of FAR 52.245-1, and related contract clauses involving Government property, for a particular contract. Additionally, Commerce Acquisition Regulation (CAR) 1345.107-70 instructs a CO to list the Government property that will be provided to a government contractor through the inclusion of a contract clause found at CAR 1352.245-70, "Government Furnished Property."

7.2.5 Unauthorized Use of Government Personal Property

It is the responsibility of the COR to advise the CO of any known unauthorized use of Government personal property. In the event the contractor uses any Government personal property without authorization, the contractor may be liable for rental fees, without credit, for such items for each month or part of a month in which such unauthorized use occurs. The only exception is that the concerned CO may waive, in writing, the contractor's liability for such unauthorized use if the CO determines that without such a waiver a gross inequity would result.

7.2.6 Disposal of Government Personal Property Held by Contractors

In general, the disposal of contractor-held personal property is the responsibility of the contractor pursuant to Government direction from the PC, COR, and CO.

Disposal of Government personal property held by the contractor can occur:

- a. At the time of the completion of the work under the contract;
- b. Upon termination of the contract for default or convenience of the Department; or
- c. At any time during the course of the contract when it is no longer serviceable or needed for the purpose for which it was intended, or for other use under the contract. When personal property is reported as excess or excessed by a contractor, it is necessary that the interest of the Government is protected by ensuring that personal property is physically allocable to the contract and not used for unauthorized purposes.

7.2.7 Transfer of Personal Property through Contract Modification

Contractor acquired property may be transferred to another contractor when authorized in the schedule or specifications within the contract. Transfers should be accomplished according to instructions in the contract. In the absence of complete instructions in the contract, documentation pertaining to the transfer should be forwarded to the CO for equitable adjustment of the gaining contract and any other required action. Transfers should not be accomplished unless authorized in the receiving contract and no longer required on the closing contract. Transfers must be signed by both the losing and gaining CO.

Serviceable or usable personal property included in the contract's inventory schedules that is no longer needed by the contractor or returned to suppliers must be disposed of in accordance with PPMM Chapter 10.0, "Redistribution of Personal Property Assets." Bureau personal property management is responsible for disseminating information concerning the availability of excess contract personal property (i.e., contractor inventory). Transfer costs (may include packing, preparation for shipment, loading, and transportation) are the responsibility of the transferee.

7.2.8 Reporting Requirements

The DPMO is responsible for annually reporting, to the GSA, the acquisition value of the personal property purchased with DOC funds for contracts or personal property furnished to contractors. Personal property acquired with DOC funds or furnished by DOC will be reported in a memorandum to GSA, no later than 90 calendar days after the close of each fiscal year, in accordance with FMR 102-35, "Disposition of Personal Property," and FMR 102-36, "Disposition of Excess Personal Property."

Bureaus are required to annually report the value of the personal property held by or transferred out of the DOC. The Bureau's report will include the acquisition costs, categories of equipment, and the recipients of personal property in a memorandum format to the DPMO.

The DPMO is responsible for providing annual reports to the Departmental Environment Manager (DEM), including the following information required by E.O. 13423, "Strengthening Federal Environmental, Energy, and Transportation Management," and its instructions:

- a. The efforts taken in the fiscal year to promote the growth of the market and infrastructure for the reuse, donation, transfer, sale, de-manufacturing, and recycling of obsolete accountable personal property;
- b. The efforts taken in the fiscal year to extend the useful lifecycle of personal property to four years or more;
- c. The average age, in years, of personal property;
- d. The total amount of personal property acquired during the fiscal year;
- e. The total amount of personal property acquired during the fiscal year that is Energy Star;

- f. The total amount of personal property acquired during the fiscal year that is EPEAT®-registered;
- g. The total amount of personal property acquired during the fiscal year that is EPEAT®-registered at the Silver ranking; and
- h. Other information as determined by the DEM.

7.2.9 Contractor-Owned Assets

For guidance related to contractor-owned property, refer to contractor's established procedures, practices, and systems used to account for and manage contractor-owned property, in accordance with FAR 45.103 (B).

8.0 FINANCIAL ASSISTANCE AWARD ASSETS

8.0.1 Scope of Chapter

This chapter establishes policies, responsibilities, and requirements for maintaining control and accountability of Department-owned property that is in use or purchased by financial assistance recipients.

Grants or cooperative agreements are legal instruments reflecting a relationship between the Federal Government and a recipient whenever:

- a. The principal purpose of the relationship is to provide financial assistance to the recipient, to accomplish a public purpose of support or stimulation authorized by Federal statute;
- b. The term "financial assistance award" as used in this Manual refers to both grants and cooperative agreements, unless specifically stated otherwise.

Refer to PPMM Chapter 7.0, "Contract Personal Property Assets," for policies, responsibilities, and requirements for maintaining control and accountability of GFP that has been provided under a contract.

8.0.2 Policy

Effective control and accountability must be maintained for personal property furnished by the Department or acquired with Departmental funds as an integral part of DOC's financial award programs in accordance with the following regulations:

- a. DOC Grants and Cooperative Agreement Manual;
- b. DOC Financial Assistance Standard Terms and Conditions; and
- c. DOC PPMM.

The PPMM provides general guidance and should not be relied on to the exclusion of the more detailed guidance provided in the applicable regulations cited above.

8.1 Responsibilities

8.1.1 Grants Officer

Grant officer's responsibilities, as they relate to financial award program property, are:

- a. Ensuring that the terms and conditions of awards pertaining to procurement requirements have been met for acquisitions of property in accordance with the applicable cost principles;

- b. Monitoring the existence, nature, value, and location of financial award program property available for disposition;
- c. Maintaining the official financial award program property files until close-out;
- d. Coordinating with the OIG and the Program Officer to ensure audit issues relating to property management are resolved in accordance with established procedures;
- e. Ensuring that the financial award program complies with property related provisions of the financial award program and relevant authorities, including 2 C.F.R. Part 200;
- f. Establishing and maintaining accountability records;
- g. Providing guidance to financial assistance recipient in establishing and maintaining a property accountability system;
- h. Monitoring financial award program recipient's purchase and use of property purchased with financial award program funds or furnished by the Government under the financial award program;
- i. Assisting the financial assistance recipient with periodic physical inventories;
- j. Advising the Program Officer of requests by financial assistance recipient involving personal property;
- k. Providing inventory information to the appropriate Property Official in the DOC personal property network for property furnished to financial assistance recipient where the title is retained by the Government; and
- l. Providing the financial assistance recipient with instructions for disposition of property and forwarding a copy to the Program Officer.

8.1.2 Program Officer

Program Officer's responsibilities, as they relate to financial award program property, are:

- a. Reviewing and preparing written evaluations of quarterly and final performance and property reports submitted by financial assistance recipient;
- b. Providing programmatic guidance and assistance to financial assistance recipient, officers, administrators, and other officials, as necessary;
- c. Evaluating financial award program recipients' property control system;
- d. Resolving property administration matters with financial assistance recipient at the discretion of the Financial Award Program Officer;

- e. Monitoring the use of property purchased or furnished by the Federal Government under the financial assistance award and ensuring that the relevant provisions in PPMM Section 8.02, "Policy," are met;
- f. Forwarding recommendations to the appropriate COR for disposal of financial award program-related property no longer needed; and
- g. Evaluating the final performance and property reports.

8.1.3 Financial Assistance Recipient

Financial assistance recipients are responsible for:

- a. Managing property in accordance with the provisions of Department's rules and procedures, Federal regulations, and OMB circulars, as applicable;
- b. Accounting for Government-owned property in their possession;
- c. Maintaining and making available an inventory listing of property acquired under a financial award program. A final inventory listing will be submitted to the Program Officer with the final financial reports;
- d. Conducting and submitting to the Program Officer periodic physical inventories (annually for leased and Government-owned property);
- e. Exercising adequate control and maintaining property to prevent loss, damage and theft; and
- f. Requesting instructions and obtaining approval for disposition of property unless instructions have been identified in the award.

8.2 Departmental Financial Assistance Award Assets

8.2.1 Property Management Standards for Financial Assistance Awards to State or Local Governments, Universities, Non-profit Organizations, and For-Profit Organizations

Under a financial assistance award, Department-owned property should be managed in accordance with the standards and procedures in the "Department of Commerce Grants and Cooperative Agreement Manual," and 2 C.F.R. § 200.312-313.

The financial assistance recipient may be authorized to use their own asset management standards and procedures as long as the recipients adhere to the requirements set forth in the policies listed in PPMM Section 8.0.2, "Policy," as applicable.

8.2.2 Title of Financial Assistance Award Assets

When financial assistance recipients are provided with Government-owned property, the title remains vested in the Department and the property will be maintained and controlled as with any other accountable property held by the Department.

8.3 Asset Accountability and Management

8.3.1 Record Accountability

Property records are the means by which the location and status of property are recorded from acquisition through utilization and disposal. Financial assistance recipient must have an effective property control system, which will provide consistent records. Property records must identify all Government-owned property and provide complete, current, auditable records of transactions. The recipients will safeguard records from tampering or destruction. Records will be accessible to authorized personnel.

Bureaus will rely on the financial award program recipients' property control records and designate such records as the official financial award program records. There are exceptions to this policy when special circumstances exist and when specifically authorized. Some Bureaus may maintain the official financial award program property record. However, in general, the financial award program recipient maintains the majority of official financial award program records for property.

Records will be maintained that differentiate between expendable and non-expendable personal property within the custodial area. Property must be categorized as supplies or materials, or equipment. Inventory records must be maintained that reflect the type, location, and dollar value of accountable property. In addition, records must be maintained that accurately indicate the type and location of sensitive or controlled items.

Financial records, supporting documents, statistical records, and other records pertinent to the financial award program agreement will be retained for a period of three years from submission of the final financial report (SF-269, Financial Status Report). If litigation, a claim, or an audit involving the records has started before the expiration of the three-year period, the records must be retained until completion of the action and resolution of issues or until the end of the regular three-year period, whichever is later.

When financial award program property records are transferred to or maintained by the Department, records will be retained for three years after final disposition. There is no retention requirement by the financial award program recipient if records are transferred to or maintained by the Department. Refer to 2 C.F.R. § 200.333, "Retention Requirements for Records" for the starting date of the retention period.

8.3.2 Disposition of Financial Assistance Award Assets

Disposition is the last phase of the financial assistance award assets property control cycle. This phase involves the identification, classification, and condition coding of items and equipment for possible reuse under other financial award programs upon return to Government stock, or disposition in accordance with the Department's standard procedures.

Upon completion of the financial assistance award, or prior to completion if required by the Program Officer, the financial assistance award recipient must inventory Government property to determine whether or not retention can be justified based upon the financial assistance award recipient's utilization.

When applicable, the Grants Officer will provide the recipient with instructions for disposition of property loaned to the recipient by the Federal Government or purchased by the recipient with grant funds.

Alternatively, the property may be transferred to the original sponsoring Bureau and the Bureau will determine if the property can be used to meet the Department's needs. If there is no further requirement within the Department, the property will be reported to GSA in accordance with 2 C.F.R. § 200.213(b) and PPMM Chapter 10.0, "Redistribution of Personal Property Assets," and FMR 102-36, "Disposition of Excess Personal Property," on reporting excess personal property.

9.0 LOST, MISSING, STOLEN, DAMAGED, AND DESTROYED PERSONAL PROPERTY

9.0.1 Scope of Chapter

This chapter establishes the authorities and responsibilities of each Bureau PMO regarding circumstances surrounding LMSDD property, or other circumstances adversely affecting personal property. It authorizes the appointment of a PBR, also known as a Board, which examines facts to determine and establish the extent of personal and financial liability based upon its findings.

9.0.2 Policy

Any incident of LMSDD personal property will be reported to the respective Bureau PMO for action. Based on the type of accountable personal property, a determination as to whether PII was contained in the personal property, and the circumstances concerning the LMSDD personal property, the Bureau PMO will determine whether a PBR is warranted for further investigation. If warranted, investigating facts will be referred to the Bureau PMO who will establish a PBR.

The Bureau PMO will establish a PBR under the following circumstances:

- a. The incident is known or suspected to be the result of willful intent or gross negligence, regardless of the property value; or
- b. The item of property involved has an original acquisition cost of \$5,000 or more, and/or may be considered sensitive, unless the Bureau PMO certifies in writing that the particular circumstances clearly indicate that a PBR is unwarranted. This would be the case when there is no reason to suspect neglect, misuse, or theft, such as cases of apparent inventory processing discrepancies. The review action must include a finding of the extent of the affected employee's responsibility. Recurring irregularities in a single location or property account will be referred to a PBR.

9.1 Property Board of Review (PBR) Reporting Requirements

The PC assigned responsibility for property that is LMSDD will complete the appropriate portion of CD-52, "Report of Review of Property," (or electronic equivalent) and forward it through his or her PAO to the Bureau PMO. The PBR members will review the circumstances surrounding the LMSDD property and forward the CD-52 with results of the Board's findings and recommendations to the Bureau PMO.

At a minimum, the following information should be considered by the PBR and included as appropriate in the Findings and Recommendations report:

- a. The barcode number of the property and description of the circumstances surrounding the LMSDD property;
- b. The date(s) that the property went lost, missing, was stolen or destroyed;

- c. The name, phone number, title, and office of individuals involved in the circumstances;
- d. The date an investigation by OSY was requested and status of the investigation (if applicable);
- e. Pertinent information to the circumstances such as where the personal property was stored, how the personal property was used, how often the personal property was used, and who typically used the personal property;
- f. The details of the efforts to find or repair the personal property;
- g. The acquisition cost and current depreciated value of the personal property, repair costs, and replacement cost;
- h. The PMO's rationale for establishing the PBR;
- i. Copies of investigations, police reports, or other such information, as provided by the PMO to the PBR, and
- j. Determination of financial liability.

9.1.1 Lost, Missing, Stolen, Damaged, or Destroyed Reporting Process

Form CD-52 or other appropriate forms approved by the DPMO, will be used for reporting personal property to the PBR for action. Copies of these reports must be furnished to the PAO from the PC for proper recording in the financial accounts and personal property records. Accountable personal property that is LMSDD will be removed from the PPMS only when documented on an approved and completed CD-52 report.

9.2 Property Board of Review (PBR)

9.2.1 PBR Roles and Responsibilities

The Bureau PMO will appoint Board members as necessary. A PBR consists of three or more members, one of whom is designated as a chairperson. In the absence of a justifiable determination made by the PMO to the contrary, PMOs, PAOs, and PCs will not serve on a PBR. The Bureau PMO or PAO may act only in an advisory capacity.

It is the responsibility of each member of the PBR to exercise independent judgment, free from influence by recommendations or suggestions of other board members, employees, or supervisors. Board members should take extreme caution in rendering recommendations concerning the disposition of Government-owned personal property, since actions are always subject to review by the PMO, Auditors, CFO CAO, or equivalent, or any requesting entity. Findings should be based on facts, results of investigations, review of pertinent documents, and consideration of available evidence.

9.2.2 Investigations

Board members may conduct investigations in person, by telephone, or in writing.

9.2.2.1 Findings of Property Boards of Review

The Board Chairperson and members document the findings of the Board, which include the final disposition of personal property, on a CD-52 and/or a PBR Findings and Recommendations report by a memorandum which is signed by all PBR members. The Board Chairperson and its members must approve the findings prior to submission to a Bureau PMO.

At a minimum, this report should include the following:

- a. Listing of personal property surveyed, including barcode number(s) and description;
- b. Listing of Board members, including name and contact information;
- c. Listing of individuals interviewed, including name and contact information;
- d. Summary of general findings and recommendations;
- e. Summary of specific findings and recommendations for each loss by custodial area or asset;
- f. Determination of financial liability;
- g. Exact dollar amount of financial liability, along with supporting documentation to justify exact dollar amount for which the employee should be responsible, if financial liability is recommended; and
- h. Signed Form CD-52 by all Board members.

The Board may also include supporting documentation to justify its findings such as email correspondence, police reports, or other applicable information in its final report.

Findings of a Board are final and are not subject to change or modification by the Bureau PMO. The Bureau PMO may return a Board finding for reasons of technical insufficiency or inadequate documentation. If the Bureau PMO disagrees with the PBR findings, he or she will prepare a written statement outlining reasons for such disagreement, which will become an attachment to the report findings. The report findings, along with the Bureau PMO's statement, will be forwarded to the reviewing authority for resolution.

9.2.2.2 Reviewing Authority for Property Boards of Review Reports

The reviewing authority for the CD-52 and PBR Findings and Recommendations reports will be the CFO, CAO, or equivalent level, depending on the organizational level to which the personal property was assigned. In all cases, the reviewing authority must be at least one organizational level higher than the organization to which the property was assigned.

9.3 Cost Recovery

9.3.1 PBR Determination

The PBR is responsible for determining the extent of personal and financial liability.

9.3.1.1 Recommendation of Liability for Employees

When Government personal property assets are LMSDD, the Board will determine whether the affected employee(s) involved was negligent, and whether such negligence resulted in the LMSDD Government personal property. In any instance where the affected employee's negligence resulted in LMSDD personal property, the Board will use the following guidelines to develop findings, which recommend the amount of financial liability to be charged to the affected employee(s):

- a. Affected employees will not be determined to be liable for LMSDD attributable to inherent defects in the property.
- b. Under circumstances other than the above, a recommendation to hold an affected employee liable will be made when facts show:
 - (1) That the personal property was LMSDD as a result of it being used for other than Government purposes and beyond limited personal use, as described in DOC policy documents such as the DOC Internet Use Policy, the DOC Telecommunications Management Policy and the DOC Travel Policy Handbook; and
 - (2) That the personal property was LMSDD due to simple or ordinary neglect or negligence, which is an act or the failure of the affected employee to exercise the degree of precaution, attention, and vigilance necessary to protect the interest of the Government; or
 - (3) That the personal property was LMSDD due to gross negligence, which is an act or omission of the affected employee's willful negligence, or a wanton and reckless disregard for property.
- c. Whenever there are dissenting opinions from the findings and recommendations among the members of the Board, the majority opinion will be the recommendation of the Board. The minority view will be appended to the report for the Bureau PMO.
- d. An affected employee has the right to have an adverse finding reviewed by higher authority within 30 calendar days of notification. A request by the affected employee for

such review must be submitted in writing to the Bureau PMO and will set forth in detail the specific reasons that the findings should be reviewed. The PMO will forward the request with his or her comments and the complete PBR record to the CFO, CAO, or equivalent level. The decision of the CFO, CAO, or equivalent level will be final.

9.3.1.2 Determining the Amount of Financial Liability

When the Board recommends that an affected employee be held liable for LMSDD personal property, the PBR will determine and specify in writing the exact dollar amount of financial liability for which the affected employee should be responsible.

The amount of liability will be determined as follows:

- a. Simple negligence (excluding motor vehicle liability): The amount of financial liability assessed to the affected employee by the Board in cases where LMSDD personal property was the result of simple or ordinary negligence will be:
 - (1) Damaged – the estimated or actual cost of repairs for damage that was a direct result of the incident, regardless of whether or not the personal property asset was repaired, or the replacement cost for a comparable item, whichever is less. Consideration should be given to original acquisition cost, current fair market value, expected useful lifecycle, depreciation, condition, and value to the Government, as compared to replacement costs for a comparable item. In no case will the Board assess the employee more than one month's scheduled pay; and
 - (2) Loss Missing, Stolen, or Destroyed – the amount of liability for personal property assets that were lost or destroyed as a result of simple negligence will be the value of the personal property assets lost or destroyed, based upon the original acquisition cost, current fair market value, expected useful lifecycle, depreciation, condition, credit for salvage, and value of the personal property to the Government at the time of its loss or destruction.

Replacement costs may also be considered if the cost of a comparable replacement item is less than the original acquisition cost of the personal property lost or destroyed, or the depreciated value of the property in question. In no case will the Board assess the affected employee more than one month's scheduled pay.

- b. Simple negligence (motor vehicles): when a Board finds that an affected employee is responsible for the loss, damage, or destruction of a Government motor vehicle because of simple negligence, the employee will be held financially liable for either \$200, or the amount of loss, damage, or destruction, whichever is less. In determining the amount of loss, damage, or destruction, the Board must consider such factors as original acquisition cost, current fair market value, expected useful lifecycle, depreciation, condition, credit for salvage, and value to the Government at the time of its loss or destruction.

For repair responsibility when negligence is determined, please refer to PPMM Section 13.6.6.1 (c), "Repair Responsibility."

Note: This policy is established because the Government is a self-insurer of motor vehicles, and employees are unable to protect themselves from catastrophic losses from motor vehicle accidents, as they would be able to do in the private sector. The maximum amount of liability is based upon the standard insurance industry deductible, which would apply if an employee were operating his or her privately-owned vehicle.

- c. Gross negligence: when a Board recommends that an affected employee be held liable for LMSDD personal property resulting from gross negligence of the employee, the amount of liability will be determined as follows:
 - (1) Damage – financial liability for personal property damage will be the estimated or actual cost of repairs for damage that was a direct result of the incident, regardless of whether or not the personal property is repaired. The loss suffered by the Government is determined by taking into consideration such factors as original acquisition cost, current fair market value, expected useful lifecycle, condition, depreciation, credit for salvage, and amount of reimbursement required to make the Government whole.
 - (2) Loss or Destruction – financial liability for property lost or destroyed will be estimated using the fair market value of the property, taking into consideration such factors as original acquisition cost, current fair market value, expected useful lifecycle, condition, depreciation, and value to the Government at the time of its loss or destruction. The affected employee will be held financially liable for the full amount of the loss suffered by the Government.

The Board should consult with the respective Finance or Accounting Office for guidance and calculation of depreciation.

9.3.1.3 Billing the Affected Employee

When the PBR findings recommend holding an affected employee financially liable, the Bureau PMO, if in agreement, will initiate action to bill the affected employee for the amount involved. Payment of such billing does not convey title to the personal property; rather, payment should be construed simply as reimbursement required making the Government whole.

The PMO should consult with the respective Human Resources, OGC, and Finance or Accounting Office for guidance on Federal Government debt repayment prior to initiating the action to bill the affected employee.

9.3.1.4 Conclusion of a Property Board of Review with Employee Financial Liability

Bureau PMOs will establish internal administrative procedures for notifying the affected employee, their supervisor, Human Resources Office, OGC, and Finance or Accounting Office, of employee liability for the loss of Government property. A copy of the approved CD-52 and/or PBR Findings and Recommendations report, which specifies the amount of financial liability,

must be completed and forwarded to the Finance or Accounting Office, with a memorandum completed by the Bureau PMO and the CFO, CAO, or equivalent level, requesting that the affected employee be billed for the amount liable.

This memorandum, which is the determination of indebtedness, will be signed or concurred with in writing by the Bureau PMO and the CFO, CAO, or equivalent level and will follow the U.S. Government billings for financial liability in accordance with the Debt Collection Act of 1982.

If an affected employee is found by the Board to be financially liable and is no longer employed by the agency in which the LMSDD personal property occurred, the PAO must forward pertinent papers to the Bureau PMO. The Bureau PMO will provide the approved CD-52 and/or PBR Findings and Recommendations report, with a letter of explanation, to the CFO, CAO, or equivalent level requesting that action be taken to collect the amount of indebtedness.

9.3.1.5 Conclusion of a Property Board of Review with No Financial Liability

Bureau PMOs will establish internal administrative procedures for notifying the affected employee, their supervisor, and accountable PO of no financial liability for the loss of Government property. If the affected employee is absolved of liability, the PAO, PC, and the employee will be notified that the employee was not found liable.

9.3.1.6 Responsibility of the Designated Property Official

Upon completion, the Bureau PMO will forward the report of the Board's findings and recommendations to the PAO for file and official close-out. The respective PO will confirm accountable personal property as LMSDD and verify that it is classified as inactive in the PPMS. If assets are found during the PBR, the PMO will reactivate the assets in the PPMS.

10.0 REDISTRIBUTION OF PERSONAL PROPERTY ASSETS

10.0.1 Scope of Chapter

This chapter outlines the policies and procedures that apply to the reporting of excess personal property assets and disposal of surplus property assets by transfer, donation, sale, abandonment, or destruction.

The disposal of personal property assets by transfer, donation, sale, abandonment, or destruction, of personal property assets will be documented. Forms used for documenting donations and sales are prescribed in FMR 102-35, "Disposition of Personal Property," and FMR 102-36 Subpart D, "Disposition of Excess Personal Property." Form CD-52, "Report of Review of Property," or other appropriate forms approved by the DPMO, will be used to document disposal by abandonment or destruction unless approval by GSA has been obtained. Personal property asset exchanges must be documented on Form CD-50, "Property Control Form," (or its electronic equivalent) CD-509, "Property Transaction Request," or other appropriate form.

10.0.2 Overview of Regulatory Background

This part provides the policies and procedures for the disposal of excess personal property by the Department under relevant guidance, including FMR 102-35 and FMR 102-36. Key basic concepts are addressed in FMR 102-36.30 and FMR 102-36.35.

Other relevant policies include:

- a. The Stevenson-Wydler Technology Innovation Act of 1980, (15 U.S.C. § 3710(i), "Research Equipment");
- b. E.O. 12999, "Educational Technology: Ensuring Opportunity for All Children in the Next Century";
- c. E.O. 13514, "Federal Leadership in Environmental, Energy, and Economic Performance"; and
- d. GSA Bulletin FMR B-34, "Disposal of Federal Electronic Assets."

10.0.3 Federal Electronic Assets (FEA)

Electronics may be defined as any item powered by electricity that has logic circuitry enabling the item to perform its intended function.

Federal electronic assets, for these purposes, are those targeted commodities listed below:

- a. Copiers (FSC 3610);
- b. Telephones, fax machines, and communication equipment (FSG 58);
- c. Electronic equipment components (within FSG 59);

- d. Electrical and electronic properties measuring and testing instruments (FSC 6625);
- e. Digital cameras (within FSC 6720);
- f. Desktop and laptop or portable computers, computer monitors, displays, printers, peripherals, and electronic components (most of FSG 70);
- g. Televisions and other displays (FSC 7730); and
- h. Other items that clearly utilize solid-state electronics technology or vacuum tubes.

This list does not identify all electronic assets, only those assets specifically targeted as FEA for disposal under the provisions of [GSA Bulletin FMR B-34](#). However, Bureaus are encouraged to dispose of electronic supplies, equipment, components, end items, and parts in accordance with the principles contained in this Manual. The list of assets specifically identified as FEA will be updated periodically.

Federal electronic assets, as defined by these regulations, in condition codes S and X will not be reported to GSA. The holding agency will dispose of these assets in accordance with [GSA Bulletin FMR B-34](#). Additionally, in accordance with [NIST Special Publication 800-88 R1](#), "Guidelines for Media Sanitization," it is a requirement that "The organization sanitizes or destroys information system digital media before its disposal or release for reuse outside the organization," to prevent unauthorized individuals from gaining access to and using information contained on the media.

Federal agencies are strongly encouraged to dispose of personal property assets in accordance with the provisions of [GSA Bulletin FMR B-34](#).

10.0.4 FEA Disposal Condition Codes

Disposal Condition Codes	Description
I	New – Property that is in new condition or unused condition and can be used immediately without modification or repairs.
4	Usable – Property that shows some wear, but can be used without significant repair.
7	Repairable – Property that is unusable in its current condition but can be economically repaired.
X	Salvage – Property that has value in excess of its basic material content, but repair or rehabilitation, is impractical and/or uneconomical.

S	Scrap – Property that has no value except for its basic material content.
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10.1 Media Sanitization

Sanitization is the process of removing data from storage media with the reasonable assurance that the data may not be easily retrieved and reconstructed. Many types of personal property that are used to store data are sensitive and confidential in nature. If the property is not properly sanitized, the release of an unauthorized disclosure of information could result.

In accordance with the [NIST Special Publication 800-88 R1](#), "Guidelines for Media Sanitization," it is a requirement that "The organization sanitizes or destroys information system digital media before its disposal or release for reuse outside the organization," is to prevent unauthorized individuals from gaining access to and using information contained on the media.

Additionally, in accordance with [NIST Special Publication 800-88](#), "Guidelines for Media Sanitization," PMOs are "responsible for ensuring that sanitized media and devices that are redistributed within the organization, donated to external entities or destroyed are properly accounted for." Media sanitization is crucial in preventing the unauthorized disclosure of information.

Examples of personal property that requires sanitization before its disposal or release for reuse outside the organization include, but are not limited to the following:

- a. Desktop computers
- b. Laptop, tablet, and notebook computers
- c. Smart phone devices
- d. Color and laser multi-function printers
- e. Copiers, fax machines, and scanners
- f. Servers
- g. Removable storage media

10.1.1 Methods of Sanitization

There are several different methods to sanitize media. These methods include:

- a. Clear – overwrite storage space on the media with non-sensitive data;
- b. Purge – Expose media to a strong magnetic field in order to disrupt the recorded magnetic domains; or

- c. Destroy – Various methods designed to destroy the media, typically carried out at an outsourced destruction facility.

POs should consult with their respective Office of the Chief Information Office to obtain guidance and assistance in conducting proper media sanitization of personal property. It is understood that POs generally do not sanitize media. However, it is important that they are familiar with media sanitization requirements to ensure that personal property, as applicable, is properly sanitized, and clearly annotated as sanitized before removal or disposal. Bureaus should have documented procedures that detail the process for properly sanitizing media from personal property.

Below are the guidelines, per [NIST Special Publication 800-88](#), for common types of personal property (leased or owned) that require sanitization and corresponding examples of recommended sanitization action:

Property Type	Clear	Purge	Physical Destruction
Copy Machines/Fax Machine	Perform a full manufacturer's reset to return the router back to its factory default settings. Contact the manufacturer for proper sanitization procedure.	Same as clear.	<ul style="list-style-type: none"> • Shred • Disintegrate • Pulverize • Incinerate (Incinerate copy machines by burning them in a licensed incinerator.)
Hard Drives/USB Removable Media	Overwrite media by using agency-approved and validated overwriting technologies/methods/tools	<ul style="list-style-type: none"> • Purge using Secure Erase software, which can be downloaded from the University of California, San Diego Center for Magnetic Recording Research site. • Purge hard drives either in a National Security Agency (NSA)/Central Security Service (CSS)-approved automatic degausser or by disassembling the 	<ul style="list-style-type: none"> • Shred • Disintegrate • Pulverize • Incinerate

		hard drive disk and purging them enclosed platters with an NSA/CSS approved; degaussing wand** <ul style="list-style-type: none"> • Purge media by using agency-approved and validated purge technologies/tools. • **Degaussing any current generation hard disk will render the drive permanently unusable (Refer to NIST 800-88) 	
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10.2 Reuse

10.2.1 Intra-Departmental Reporting of Excess Personal Property

Bureaus will circulate data on selected excess personal property assets to the other bureaus. Descriptive listings containing sufficient data to identify the item - its condition, location, and the office to be notified if the item is desired - will be prepared and distributed with the SF-120, "Report of Excess Personal Property," to GSA after Departmental screening:

- Items selected for inclusion on the listings should have high potential for utilization, should be in a condition that does not impair the utility of the item, and can be utilized with little or no repair (this corresponds to GSA's minimum reportable condition code in [FMR 102-35](#) and [FMR 102-36](#)).
- Items in condition codes not meeting the minimum reporting conditions, listed in item a., above, may be listed by bureaus if unusual procurement circumstances warrant their inclusion. A period of 15 calendar days will be allowed for Department screening.
- If another Bureau needs the property, it will ask the reporting Bureau to withdraw the item previously reported as excess to GSA ([FMR 102-35](#) and [FMR 102-36](#)). SF-122, "Transfer Order Excess Personal Property," will be used to document the intra-departmental transfer. This form will be completed as shown in [FMR 102-36](#) except that blocks 3 and 14 are not required. Bureau PMOs will coordinate reutilization of specialized equipment (e.g., automatic data processing equipment (ADPE) or telecommunications) with the respective Bureau responsible for the equipment.

10.3 Exchange/Sale or Replacement Personal Property Assets

10.3.1 Exchange/Sale Authority for Personal Property Assets

The exchange or sale of Government-owned personal property assets is allowed when replaced by similar items. The trade-in value of the property exchanged is used as a whole or partial payment for the acquisition cost of the replacement personal property assets. FMR 102-39, "Replacement of Personal Property Pursuant to the Exchange/Sale Authority," requires documentation as follows:

- a. The PC requests authorization from the PAO to exchange or trade in property. The PAO's authorization will accompany the requisition and be retained in the PC's file;
- b. Items sold or exchanged must be similar and the funds generated in the process must be applied to the replacement of the personal property assets acquired or exchanged;
- c. The personal property assets sold or exchanged are excess and the personal property assets acquired are essential to the conduct of approved programs;
- d. The acquisition of one item is to replace another similar item, except when a lesser or greater number of items are needed to replace the original items, or if items are parts or containers where detailed comparison of old and new items are not maintained;
- e. The transaction will foster economic and efficient accomplishment of the Bureau's programs;
- f. Certain personal property assets are not eligible for exchange/sale procedures (refer to FMR 102-39);
- g. Bureaus will solicit other Federal agencies known to use such personal property assets for their utilization prior to initiating exchange/sale actions; and
- h. GSA must conduct the exchange/sale of ADPE for Federal agencies in accordance with FMR 102-39.

10.3.2 Utilization Screening before Exchange or Sale of Personal Property Assets

Bureaus having personal property assets other than ADPE available for exchange or sale pursuant to this part will, to the fullest extent practicable or economical, prior to any disposal action:

- a. Screen such personal property assets for possible use within DOC using the screening procedure prescribed in this Manual;
- b. Solicit Federal agencies known to use or distribute such personal property assets for their possible use; and

10.4 Transfers

10.4.1 Turn-Ins and Reporting of Excess Personal Property Assets

Personal property assets (whether accountable or not) that are no longer needed by an office should be turned in to the PC, together with Form CD-50 (or its electronic equivalent), or CD-509 for redistribution or disposal. Such forms will be used to make changes to the records and accounts for accountable personal property assets and should be used to establish records of personal property assets stored for subsequent redistribution or disposal.

The applicable Bureau PMO, or a designee, is authorized to report to the appropriate GSA Regional Office personal property that has been determined to be excess to the needs of the Department.

The GSA Regional Office should be made aware at the time of reporting of any instances where delays in disposition of reported personal property assets will create a storage problem. If GSA does not furnish disposition instructions within a reasonable period, and the matter cannot be resolved locally, the DPMO should be notified in writing to elevate the matter to the GSA Headquarters. Copies of correspondence to the GSA Regional Office, if any, should be attached.

The following personal property assets are not required to be formally reported:

- a. Non-reportable personal property assets are listed in FMR 102-35 and FMR 102-36. The holding Bureau determines if excess personal property is non-reportable when the utilization-screening period begins and establishes the surplus release date. During the utilization-screening period (usually 21 calendar days), information concerning the personal property assets must be made available when requested by GSA or other Federal agencies. GSA, in accordance with FMR 102-35 and FMR 102-36 will hold non-reportable personal property assets, which are not reutilized by the Federal Government, for donation screening. A determination of surplus will be made in writing and become a part of the item's disposal file.
- b. The following excess personal property assets will not be reported in accordance with FMR 102-36 or unless otherwise directed by GSA:
 - (1) Personal property assets determined appropriate for abandonment or destruction (refer to FMR Section 102-36.305);
 - (2) Non-appropriated fund personal property assets (refer to FMR Section 102-36.165);
 - (3) Foreign excess personal property (refer to FMR Section 102-36.380);
 - (4) Scrap, except aircraft in scrap condition;
 - (5) Perishables, defined for the purposes of this section as any personal property subject to spoilage or decay;

- (6) Trading stamps and bonus goods;
- (7) Hazardous waste;
- (8) Controlled substances;
- (9) Nuclear Regulatory Commission-controlled materials;
- (10) Personal property assets dangerous to public health and safety; and
- (11) Classified items or personal property assets determined to be sensitive for reasons of national security

10.4.2 Reportable Personal Property Assets

Excess personal property assets generally become surplus 21 calendar days after receipt of the SF-120 by the GSA Regional Property Utilization Office if the personal property assets have not been transferred to another Federal agency.

10.4.3 Withdrawals and Corrections of Excess Reports

Requests to withdraw reported excess personal property assets should be indicated on SF-120 and submitted to the regional GSA office where the original report of excess was forwarded. Disposition of subject personal property assets will not be made until after withdrawal approval is received from GSA.

Corrected reports of excess personal property assets will be prepared and identified as such on SF-120 and then are forwarded to the GSA office where the original report of excess was submitted.

10.4.4 Use of Excess Personal Property Assets on Cost-Reimbursement Contracts

Title to personal property assets used on cost-reimbursement contracts remains vested with the Bureau, and the justification, acquisition, utilization, accountability, maintenance, repair, and disposal of such personal property assets will be in accordance with FMR's and PPM requirements. Since the purpose of providing such personal property assets is to reduce contract costs, there must be written evidence that the use of such personal property assets achieves that goal. Refer to PPM Chapter 7.0, "Contract Personal Property Assets."

10.4.5 Screening

10.4.5.1 Screening Periods

GSA's surplus release date is 21 calendar days following the date of the determination by the holding Bureau that the property is excess to its requirements and is available for screening as excess.

10.5 Donating Personal Property Assets

The Department will cooperate with public agencies and their accredited representatives authorized to participate in the donation program. When personal property assets are donated to a non-Federal public body, identifiable markings that indicate the Federal Government previously owned the property must be removed prior to release to the recipient.

10.5.1 Items Requiring Special Handling

The following items require special handling:

- a. Excess machinery, equipment, material, and supplies for printing, binding and blank booking work should be reported to the Bureau PMO for approval of disposal action prior to the initiation of SF-120;
- b. Classified personal property that is excess to DOC's needs will be stripped of all characteristics that caused it to be classified, or otherwise rendered unclassified, prior to disposal. Declassification will be accomplished in a manner that will preserve, so far as practicable, the utility or commercial value of the personal property assets; and
- c. Electronic personal property that has reached the end of its useful life must be disposed of in an environmentally sound manner as required in E.O. 13693, "Planning for Federal Sustainability in the Next Decade," and its instructions. Contact the DEM for additional information.

10.5.2 Computers for Learning (CFL)

10.5.2.1 Purpose

This section sets forth the DOC policy, authority, and procedures for:

- a. Donations of excess DOC-owned research equipment to educational institutions and non-profit organizations for technical and scientific education and research activities;
- b. Donation of excess Federal computer equipment to schools and non-profit institutions under the CFL Program; and
- c. Donations through various Federal donation programs, giving special consideration to those with the greatest need. Organizations covered by the referenced donation programs include Hispanic Serving Institutions, Tribal Colleges and Universities, Historically Black Colleges and Universities, and other non-profit educational programs.

10.5.2.2 DOC Policy

- a. Requests for transfer by DOC Bureaus take precedence over transfers to eligible organizations under the Stevenson-Wydler Technology Innovation Act of 1980. E.O.

12999 may take precedence over donations to eligible organizations as addressed in the provision of Section 203 (j) of the Federal Property and Administrative Services Act of 1949.

- b. DOC will annually report excess equipment donations to the GSA in accordance with the provisions of Section 203 (j) of the Federal Property and Administrative Services Act of 1949
- c. Within the scope of the CFL school donation program, E.O. 12999, software may also be either donated on compact disk or installed on hard drive of the computer.

The following categories of eligibility exist for software donation:

- (1) Software may be transferred based on the terms and conditions of the software license agreement; and
- (2) Some software development corporations sponsor software donation programs, which permit organizations purchasing upgrades to donate the older versions of upgraded software products to schools and non-profit organizations. By doing so, programs like this enable selected schools to acquire useful copies of software products at no charge. However, the licenses for the software may not be transferable, and as such, the organization may not be eligible for technical support or upgrades. Check with the software vendor or license holder for permission to transfer specific software.
- d. Any issues that may arise in implementing this section will be referred to the DPMO for review and consideration.

10.5.2.3 Federal Policy

To ensure equitable distribution and proper use of the property being transferred under E.O. 12999 and Section 11 of the Stevenson-Wydler Technology Innovation Act of 1980, (15 U.S.C. § 3710(i)) a Federal Coordinating Committee on Education-Related Federal Equipment was established.

This Committee, co-chaired by the Administrator of GSA and the Secretary of Education, identified three methods and recommended the means below by which Federal agencies can transfer or donate mathematical and scientific equipment to schools and non-profit institutions:

- a. Direct Transfers – As authorized by the Stevenson-Wydler Technology Innovation Act of 1980, Federal agencies can transfer property directly to the recipient. The property is considered a gift and title immediately passes to the recipient.
- b. The GSA Donation Program – Personal property assets donated through GSA's donation program, in accordance with the Federal Property Act.

- c. Expedited Education-Related Transfers – Federal agencies determine which educational institution will receive the personal property assets. GSA is notified of selection and GSA effects transfer to the respective State Agency as surplus personal property assets for donation to the recipient.

To ensure that equipment is equitably distributed to schools that serve underprivileged students and schools that lack access to adequate outside resources, the DOC has decided to comply with the recommendation of the Committee by utilizing methods B and C.

Personal property assets targeted for donation under the E.O. 12999 and the Stevenson-Wydler Technology Innovation Act of 1980 will first be screened as excess in accordance with PPMM Chapter 10.0, "Redistribution of Personal Property Assets."

10.5.2.4 Authority

- a. This policy is based on the authority for the donation of excess research and computer equipment as contained in the following:
 - (1) Section 11 of the Stevenson-Wydler Technology Innovation Act of 1980, as amended (15 U.S.C. § 3710(i)).
 - (2) Guidelines in support of 20 U.S.C. § 5812, "National Education Goals," as provided in E.O. 12999 or issued by the Coordinating Committee on Education-Related Federal Equipment.
 - (3) Guidelines in support of the education goals for Hispanic Serving Institutions as provided in E.O. 12900, "Educational Excellence for Hispanic Americans."
 - (4) Guidelines in support of the education goals for Historically Black Colleges and Universities as provided in E.O. 12876, "Historically Black Colleges and Universities."
 - (5) Guidelines in support of the education goals for Tribal Colleges and Universities as provided in E.O. 13021, "Tribal Colleges and Universities."
 - (6) Basic regulations on the donation of excess Federal personal property contained in the Federal Property and Administrative Services Act of 1949.

10.5.2.5 Eligible Organizations

Eligible organizations include schools, non-profit educational organizations, and community-based educational organizations. Such organizations will qualify as nonprofit educational institutions or organizations for the purposes of section 203 (j) of the Federal Property and Administrative Services Act of 1949, as amended (E.O. 12999). These eligible organizations may be State, private, parochial, or home schools with state-approved registration. Questions on

the eligibility of specific organizations should be referred to the Bureau Warehouse Manager or Excess Manager for resolution.

a. Types of Eligible Schools and Non-Profit Educational Organizations:

(1) University

(2) College

(3) School

- (i) High School
- (ii) Junior High School or Middle School
- (iii) Elementary School
- (iv) Kindergarten
- (v) Pre-kindergarten or Nursery School
- (vi) Vocational School
- (vii) Apprentice trade school
- (viii) Occupational skill center
- (ix) School of Nursing
- (x) Dental School
- (xi) Business School
- (xii) Secretarial School
- (xiii) Professional School
- (xiv) Training Center

(4) School for the Mentally or Physically Disabled

(5) Child care or day care center

(6) Museum

(7) Library

(8) Non-commercial educational radio or television station

(9) Training centers for senior citizens

b. Requirements for Establishing Eligibility:

(1) IRS ruling of exemption under section 501 of the Internal Revenue Code.

(2) Proof of accreditation, approval, or licensing by an appropriately recognized authority (e.g., a state board of education or a regional or national accrediting association) when it is a requirement of the applicant's program.

10.5.2.6 General Priority Criteria for Eligible Organizations

The following six categories of eligible organizations will receive precedence when there are multiple organizations requesting the same personal property. When the personal property requested is appropriate for use at the elementary and secondary school level, the Bureau PMO, NUO, or designated PO may give priority to elementary and secondary schools over colleges and universities. However, many factors may be used to determine the most beneficial use for personal property assets and the specific eligible activity that should receive the property. Bureaus will establish a mechanism (e.g., a review committee) to determine which eligible organizations will be offered available equipment. The Bureau PMO, NUO, or designated PO may request assistance from the DPMO to resolve competing transfer requests.

a. Schools and non-profit organizations that are requesting excess personal property as part of an existing or anticipated collaboration with a DOC organization. Examples include the following:

(1) Adopt-A-School/Partnership Schools

(2) Schools in Education Reform Initiatives to Promote Excellence

b. Schools with the greatest need such as those in Enterprise Communities and Empowerment Zones. These schools serve the underprivileged students that lack access to adequate outside resources. These schools include the following:

(1) Schools in economically depressed areas

(2) Inner city schools

(3) Rural schools

c. Educational organizations that emphasize math, science, or technology. Examples include:

(1) Magnet schools

(2) Schools with Federally funded research and development projects

d. Educational organizations with special significance:

(1) Educational Excellence for Hispanic Americans (E.O. 12900)

(2) Historically Black Colleges and Universities (E.O. 12876)

(3) Improving American Indian and Alaska Native Educational Opportunities and Strengthening Tribal Colleges and Universities (E.O. 13592)

e. Colleges and Universities with technical emphasis

f. State agencies for redistribution to nonprofit organizations

10.5.2.7 Dissemination of Information to Eligible Organizations

When requests for information are received, each Bureau PMO, NUO, or designated PO is responsible for providing eligible organizations with information on the donation program and information about the types of personal property assets available from the bureau in the organization's local area.

The Bureau PMO, NUO, or designated PO is responsible for ensuring donations are equitably distributed among needy eligible organizations in the community. General priority criteria for eligible organizations are described above.

10.5.2.8 Screening of Available Excess Research Equipment

- a. The head of each eligible organization must provide a written list (on organization letterhead) of their authorized screeners to the Bureau PMO, NUO, or designated PO prior to any screening.
- b. Authorized screeners (possessing appropriate picture identification) must arrange with the Bureau PMO, NUO, or designated PO to screen available excess equipment. Screening arrangements will be at the convenience of the Government. Screeners will be able to visit the disposal location to review and select any available excess personal property assets. Selected property must be reserved by notifying the Bureau PMO, NUO, or designated PO. The reservation may be registered at any stage of the disposal process, including the Department's 15-day internal screening period; however, DOC Bureaus have precedence over the eligible organizations.

10.5.2.9 Donation Program Procedures Using GSA Website

The following procedures will be used to establish a direct donation program. The program will be conducted in a fair and equitable manner.

- a. Whenever possible, the CFL website will be used to donate and promote the availability of equipment to eligible organizations. If it is not possible to use the website, Bureaus may use some form of manual or automated record keeping promoting and donating the personal property assets similar to the procedure outlined in PPMM Section 10.5.2.10, "Procedures for Transferring Personal Property Assets to Eligible Organizations if Website Cannot be Used."
- b. Bureau PMOs or NUOs control access to the CFL website at <http://www.computersforlearning.gov>. The Bureau PMO or NUO will issue registration codes for read-only access, read/write access, supervisory read-only access, and supervisory read/write access to their users. The instruction book for use of the website is available online and can be printed from the site.
- c. Schools and non-profit organizations who are interested in participating in the CFL Program can register on the website at <http://computersforlearning.gov>.
- d. The acquiring organization is responsible for removal and shipment of the property from the DOC storage location. DOC will not act as the shipping or billing agent for the acquiring organization.
- e. Bureaus are responsible for properly packing (e.g., boxing or shrink-wrapping) the equipment. Additionally, for security reasons, hard drives must be wiped with a security over-writing utility, in accordance with the Bureau's internal wiping policy.
- f. The transfer of title for the research equipment is accomplished at no cost to the acquiring organization through the website. The electronic "Transfer of Title" that is provided through the website must be signed and returned by the acquiring organization.

10.5.2.10 Procedures for Transferring Personal Property Assets to Eligible Organizations if Website Cannot be Used

- a. Eligible organizations will submit to the Bureau PMO, NUO, or designated PO, a completed SF-122 or CD-50 within 14 calendar days from the date the allocation was placed on the property (refer to PPMM Section 10.5.2.9 b above). Eligible organizations can obtain the SF-122 or CD-50 from the Bureau PMO or NUO.
- b. The Bureau PMO, NUO, or designated PO will provide a copy of the SF-122 to an eligible organization as notice that personal property assets have been approved for transfer to their organization by providing a copy of the SF-122 to the acquiring organization. The Bureau PMO, NUO, or designated PO will also advise the acquiring organization when the property is available for pickup and removal.
- c. The disposing organization will obtain a "Certification Statement" (refer to Appendix F, "Sample Certification Statement for Transferring Personal Property Assets to Eligible

Organizations Not Using GSA Website.”) or a letter, signed by an Bureau PMO or NUO from the eligible organization. A signed letter from an eligible organization should include a description of personal property assets, quantity, and justification. The certificate or letter will be attached to the disposing organization's file copy of the completed SF-122 or CD-50.

- d. The Bureau PMO or NUO will sign the SF-122 and approve the transfer to the eligible organization.
- e. The acquiring organization is responsible for removal and shipment of the personal property assets from the DOC storage location. DOC will not act as the shipping or billing agent for the acquiring organization.
- f. Bureaus are responsible for properly packing (boxing or shrink-wrapping) the equipment.
- g. Bureaus, for security reasons, must wipe hard drives with a security over-writing utility, in accordance with the Bureau's internal wiping policy.

10.5.2.11 Reporting Transfers of Excess Research Equipment

- a. The CFL website will automatically compile annual data on transfers under this program. The Bureau PMO, NUO, or designated PO will maintain official files associated with the transfers of excess equipment to eligible organizations.
- b. The Bureau PMO or NUO, when unable to use the CFL website to transfer computers or scientific equipment directly to schools or non-profit organizations, must compile data on transfers and submit the data to the Bureau Warehouse Manager or Excess Manager.
- c. Reports will be consolidated for the Annual Report of Personal Property Furnished to Non-Federal Recipients submitted to the GSA.

10.5.2.12 Other Types of Personal Property Assets

The Bureau PMO, NUO, or designated PO will forward requests by eligible organizations for any excess personal property assets not listed within the definition of research equipment to the DPMO for review and approval. The request will include the name of the requesting organization, the specific property requested, and a specific description of how the requesting organization intends to use the property for the conduct of technical and scientific education, research organizations, or other purposes.

10.5.3 Disposal of Seized or Forfeited Personal Property Assets

GSA Federal Management Regulations, Subchapter B, “Personal Property,” Section 102-41, “Disposition of Seized, Forfeited, Voluntary Abandoned, and Unclaimed Personal Property.” provides guidance on seized or forfeited personal property.

10.5.4 Precious Metals Recovery Program

GSA is responsible for the initiation and development of Government-wide precious metals recovery programs and for the issuance and administration of applicable contracts.

10.5.5 Foreign Excess

10.5.5.1 Responsibilities of Holding Bureaus

Excess personal property assets for which reassignment within the Bureau would be uneconomical will be offered for utilization to other bureaus and other Federal agencies within the same geographic overseas area.

When there is no utilization potential within the same geographic area, the Bureau PMO will determine whether to return the personal property assets to the United States. Generally, a grouped lot of excess personal property assets, with an original acquisition value of less than \$1,000 should not be considered for return for further utilization within the DOC, by other Federal agencies, or for donation, based on such factors as cost, residual value, and usefulness in on-going or future programs, condition, and cost of transportation.

If foreign excess personal property assets are to be returned to the United States, the property will be reported on a SF-120, and/or SF-120A, “Continuation Sheet,” to the Bureau PMO. Information should be provided on location and available transportation facilities in addition to the detailed descriptions required by FMR 102-35. The responsible Bureau PMO will circulate the SF-120 to the other PMOs if the personal property assets are excess to that Bureau.

10.5.5.2 Donations of Foreign Excess Personal Property Assets

After utilization screening, but prior to disposal in the foreign area, personal property assets will be considered available for return to the United States, as provided in FMR 102-42, “Utilization, Donation, and Disposal of Foreign Gifts and Decorations,” and PPMM Chapter 10.0. Outside of the United States, Bureaus should coordinate with the DOS to verify donation procedures in accordance with the Foreign Affairs Manual.

10.5.6 Non-Federal Screeners

10.5.6.1 Certification of Non-Federal Agency Screeners

Bureaus will maintain a record of the number of certified non-Federal agency screeners operating under their authority and will immediately notify the appropriate GSA Regional Office of any changes in screening arrangements.

10.5.6.2 Transfer of Surplus Personal Property Assets to Local States

Local states requesting surplus property must prepare a SF-123, "Transfer Order Surplus Personal Property," and forward it to the appropriate GSA office for approval or disapproval. GSA will prepare and forward disposition instructions to the reporting activity.

10.6 Sale of Personal Property Assets

10.6.1 Sale of Surplus Property by GSA

GSA will act as the single sales agency of DOC surplus personal property.

10.6.2 Responsibilities of Holding Bureaus

Holding Bureaus will be responsible for the following activities:

- a. Ensuring that the appropriate GSA Regional Sales Office has the necessary accounting data and information to conduct the sale of surplus property;
- b. Transporting personal property assets offered for sale to a consolidated sales site under mutual agreement with GSA;
- c. Making sale property available for inspection by prospective bidders;
- d. Providing adequate facilities and necessary administrative, clerical, or labor assistance when needed and requested by GSA; and
- e. Assisting in the physical movement of property to be sold at lot sales.

10.6.3 Purchase of Surplus Property by Department Employees

An employee of the Department will not purchase any item of Department property that is sold as Government surplus property if the employee:

- a. Was responsible for maintaining the accountability or custodial record of the item at the time it was determined to be Department excess;
- b. Was responsible for determining the condition of the item for utilization or disposal purposes; or

- c. Directly participated in or conducted the sale of the item.

10.6.4 Reporting Requirements

When reporting surplus property to GSA, the Bureau PMO or NUO will use a SF-120, or SF-126, "Report of Personal Property for Sale." The SF-126 will be submitted to the GSA Regional Sales Office for the area in which the property is located in the manner outlined below:

- a. A reportable personal property asset is property that is reported to GSA for utilization screening that was not transferred or donated that will be automatically programmed for sale by GSA; and
- b. A non-reportable personal property asset is property that does not meet the criteria for utilization screening and has been screened for donation that will be reported to GSA on a SF-126.

10.6.5 Delivery of Property Sold

The GSA Regional Office will notify the holding Bureau PMO, NUO, or designated PO by forwarding a copy of GSA Form-27, "Notice of Award (Sale of Government-Owned Personal Property)," after full payment is received from the buyer. The PMO, NUO, or designated PO will notify GSA if the buyer does not remove the property within a specified amount of time. The sale of motor vehicles requires a SF-97, "United States Government Certificate of Release of a Motor Vehicle," to be executed by the Departmental Fleet Manager (DFM), Bureau Fleet Manager (BFM), or the Bureau PMO and submitted to the buyer in place of a title transfer or certificate.

10.6.6 Sale to State and Local Governments

Surplus personal property assets may be sold to state and local governments on either a negotiated or competitive bid basis.

10.7 Abandonment or Destruction

10.7.1 Abandonment or Destruction Requirement for Personal Property Assets

Personal property assets may be abandoned or destroyed in accordance with FMR 102-36 Subpart D, "Disposition of Excess Personal Property" when a NUO or PMO makes a written request to GSA. The written request must be approved prior to abandonment or destruction.

10.7.2 Findings Justifying Abandonment or Destruction

Findings include:

- a. The personal property assets have no commercial value;
- b. The cost of care, handling, and preparation of the personal property assets for sale would be greater than the expected sale proceeds;
- c. A law, regulation, or directive requires abandonment or destruction; or
- d. Written instructions were issued by a GSA official (e.g., health, safety, security) directing abandonment or destruction;

The appropriate office must provide for public notice of the abandonment or destruction for a period not less than seven days. The notice will be posted in the area in which the property is located. The notice will include:

- (1) A general description of the personal property assets; and
- (2) The date and location of the abandonment or destruction.

Personal property assets may be abandoned or destroyed, without public notice if:

- (1) The value of the personal property assets is so little or the cost of its care and handling is so great that its retention for advertising for sale is clearly not economical;
- (2) Immediate abandonment or destruction is required because of health, safety, or security reason;
- (3) A single line item of property to be abandoned or destroyed at any one location, at any one time, has an original cost of less than \$500.

10.7.3 Utilization of Abandoned and Forfeited Personal Property Assets

GSA FMR Subchapter B, "Personal Property," Section 102-41, "Disposition of Seized, Forfeited, Voluntary Abandoned, and Unclaimed Personal Property," provides guidance on seized or forfeited personal property.

10.7.3.1 Vesting of Title in the United States

Abandoned or other unclaimed personal property assets, subject to the provisions of Section 203(m) of the Federal Property and Administrative Services Act of 1949, will remain in the custody of and be the responsibility of the Bureau finding such property.

A DOC office finding abandoned or unclaimed usable property will hold the personal property assets for 30 calendar days during which time attempts to find the owner and return the property will be made. If no owner is identified within 30 calendar days, the Bureau may use the property. Accountability and posting of appropriate records will be accomplished in accordance

with PPMM Chapter 7.0, "Contract Personal Property Assets." Property not required by the finding office will be reported to the Bureau as excess within DOC in accordance with PPMM Section 7.1.1, "Responsibilities for Contract Personal Property." Usable surplus property resulting from this action and authorized by GSA for disposal by DOC may be disposed of by sale. Any abandoned or unclaimed property that is not usable will be processed as prescribed in accordance with this Manual.

11.0 GIFTS AND DECORATIONS

11.0.1 Scope of Chapter

This chapter establishes guidelines and policy for the acceptance, disposition, and giving of gifts and decorations at or above the minimal value to and from foreign governments under 5 U.S.C. § 7342, "Receipt and Disposition of Foreign Gifts and Decorations," and DAO 202-739, "Gifts and Decorations From Foreign Governments and to Foreign Individuals," as well as guidelines and policy for the acceptance, disposition, and giving of gifts to the Department, in accordance with DAO 203-9, "Gifts and Bequests."

11.1 Roles and Responsibilities

- a. The Departmental Gift Manager (DGM) is the person or position with delegated authority and responsibility to provide the guidance regarding the Departmental Gift Program.

The Departmental Gift Manager is responsible for:

- (1) Serving as a liaison to the Assistant Secretary and the OGC in connection with gifts activities;
 - (2) Establishing Departmental operating procedures; and
 - (3) Annually reporting a listing of gifts given and received of more than the minimal value to the DOS.
- b. The Bureau Gift Managers (BGMs) are the individuals appointed by the CFO, CAO, or equivalent level, who have physical responsibility for the accepting, holding, administering, using, and disposing of gifts and bequests including domestic and foreign gifts given to the Bureau, as well as domestic and foreign gifts given from the Bureau.

The Bureau Gift Managers are responsible for:

- (1) Ensuring gifts received have security scans conducted prior to admittance into a Federal Government building in accordance with the Departmental Security Office Policy;
- (2) Establishing a safe and secure location for the safekeeping of gifts received, in accordance with the Departmental Security Office Policy including overseeing deposits, withdraws, inventory, and excess of domestic and foreign gifts and decorations given, received, and purchased; and
- (3) Annually reporting a listing of gifts given and received of more than the minimal value to the DGM.

11.2 Standards for Foreign and Domestic Gifts and Decorations

Standards of conduct governing the acceptance of gifts from foreign governments are found in 41 C.F.R. § 101-49, FMR 102-42, "Utilization, Donation, and Disposal of Foreign Gifts and Decorations," and 5 U.S.C. § 7342.

11.3 Gifts and Decorations Received from Foreign Governments

- a. For foreign gifts of more than minimal value, the recipient should prepare and forward a CD-342, "Record of Gifts and Decorations from Foreign Governments," to the OGC for approval of the recipient retaining the gift. In addition, the recipient should forward a copy of the CD-342 to the BGM for documentation. If the gift is retained for Departmental use, the gift should be forwarded to the BGM for accountability.
- b. For foreign gifts of minimal value, the recipient may retain the gift for personal or business use, without OGC approval. Upon acceptance, the recipient should prepare and forward a CD-342 to the BGM for documentation. If the recipient has no desire to retain the gift, it will be forwarded to the BGM for disposition.
- c. If the retail value of the gift is not readily determinable, a written appraisal will be made by a source outside the Department. The cost of such an appraisal will be paid by the Bureau employing the recipient.
- d. Bureaus will report foreign gifts above the minimal value, not desired for business use, as excess property in accordance with this chapter.

11.4 Gifts to the Department

- a. See DAO 203-9 "Gifts and Bequests to the Department of Commerce" for instructions on handling gifts to the Department of Commerce, including gifts from a foreign government.
- b. Upon acceptance of any gift to the Department, the recipient should prepare and forward a CD-210, "Record of Gift or Bequest," along with the gift to the BGM for disposition.

11.5 Excess/Disposal of Gifts and Decorations Received

- a. Excess gifts and decorations should be submitted online through GSAXcess®. To utilize GSAXcess®, the BGM must attach the CD-342, CD-210, or appraisal documentation to each record. For access to GSAXcess®, please contact the respective Bureau NUO. For assistance with GSAXcess®, please contact the GSAXcess® Helpdesk at 1-866-FED-SGSA or 1-866-333-7472.
- b. The GSA Foreign Gift Coordinator identifies the location to transport the excess gift or decoration for storage. The excess transfer is complete when GSA accepts the items submitted.

11.6 Reporting Gifts and Decorations Given and Received Above the Minimal Value

- a. In accordance with 41 C.F.R. § 102-42, "Utilization, Donation and Disposal of Foreign Gifts and Decorations," Federal agencies will submit a listing of gifts and decorations given to a foreign government and received from a foreign government, which are above the minimal value to the DOS.
- b. The DGM will send out a data call, by email, to the BGMs for collection and compilation of data annually.

11.7 Deposit of Money and Certain Intangible Gifts with the Department of Treasury

Under the existing GSA regulations, negotiable instruments such as cash, checks, money orders, bonds, and shares of stock or other securities received as gifts must be deposited to the U.S. Treasury as miscellaneous receipts.

12.0 HERITAGE ASSETS

12.0.1 Scope of Chapter

This chapter establishes guidelines and policy pertaining to heritage assets. According to the Federal Accounting Standards Advisory Board Statement of Financial Accounting Standards 29, heritage assets are general property, plant, and equipment that are unique due to historical or natural significance, cultural, educational, or artistic (e.g., aesthetic) importance; or significant architectural characteristics.

12.1 Accession of Heritage Assets

Any Government employee may suggest to the Bureau PMO an asset to be considered for addition to Department's Heritage Asset collection. The Bureau PMO will determine which suggestions to forward to the Bureau Historian, Librarian, or other entity performing Heritage Assets duties. Bureau Historians, Librarians, or other entity performing heritage assets duties will make the final determination on the acquisition of any nominated asset. The employee must provide the Bureau PMO with a thorough description and picture of the proposed asset.

12.2 Roles and Responsibilities

This section establishes the roles and responsibilities within the DOC as they pertain to heritage assets.

12.2.1 Bureau PMO

The Bureau PMO is the person or position providing leadership and guidance in the proper accounting, utilization, care, and disposal of property.

The Bureau PMO is responsible for:

- a. Approving and terminating loans of the bureaus' heritage assets;
- b. Accountability, including accurate records for assets loaned and records of the assets' loan approvals; and
- c. Making recommendations to classify or declassify Bureau heritage assets.

12.2.2 Bureau Historian, Librarian, or Other Entity Performing Heritage Assets Duties

The Bureau Historian, Librarian, or other entity performing heritage assets duties is the person or position that has knowledge of the Heritage Assets collection and advises as to what should be retained and what should be removed from the Heritage Assets collection.

The Bureau Historian, Librarian, or other entity performing heritage assets duties is responsible for approving or denying the proposed accession of heritage assets.

12.3 Use of Heritage Assets

Restrictions on Use – No personal property identified as a heritage asset may be used consumptively, (i.e., for the purpose for which it was originally intended to be used). For example, uniforms will not be worn, firearms will not be fired, and recorders will not be used to record. Exceptions to this policy may be granted by the Bureau Historian, Librarian, or other entity performing Heritage Assets duties, on a case-by-case basis, generally only for specific occasions and only when they fulfill an educational purpose.

Permitted Use – Normally, heritage assets will only be used in the following areas:

- a. Exhibits that are accessible to the public in the following areas:
 - (1) Federal facilities
 - (2) State facilities
 - (3) Public non-profit facilities (i.e., partnerships that may include institutions of learning science)
 - (4) Private non-profit facilities
- b. Support for official or scholarly research

12.4 Conservation

The measures laid out below will be followed by POs responsible for the management of heritage assets, including those entities to which the property may have been loaned. These measures must be part of any loan agreement.

The purpose of conservation is to extend the life of heritage assets. It includes active and passive measures taken to stabilize, protect, and preserve the assets. No heritage asset should be subjected to unnecessary deterioration.

The following measures will be implemented to protect heritage assets against natural and human agents of deterioration:

- a. POs responsible for the management of heritage assets will strive to maintain stable display and storage environments to discourage the existence of biological and natural agents of deterioration. A clean, pest-free area with a consistent temperature of 18 – 23 degrees Celsius (64 – 74 degrees Fahrenheit), a relative humidity of 40 – 60 percent, with no exposure to fluorescent light or sunlight, will be provided for display and storage;
- b. POs will ensure that there is restricted access to heritage assets and that handling occurs only when necessary;

- c. Only necessary conservation measures will be employed to stabilize an artifact or to ensure its continued existence;
- d. No artifact will receive any conservation or preservation treatment that is irreversible; stabilization will always precede restoration;
- e. The physical appearance of historically significant properties will not in any way be altered; and
- f. Historical property will be handled with gloves, archival tools, tissue, padding, acid free boxes, or similar materials.

12.5 Storage of Artifacts

In selecting storage areas, consideration will be given to an artifact's intrinsic value, rarity, liability to theft and vandalism, size, need for environmental stability, and frequency of handling. Appropriate measures will be taken yearly or more frequently to prevent infestation by pests, mold, or mildew.

12.6 Physical Security

Limited access is the most important tool of security and accountability for stored artifacts. Access to artifact storage areas will be limited to authorized personnel only. Entrances and exits to the facility will be locked. Keys to collection storage areas will be protected from unauthorized use. Stewards should make frequent visual inspections of asset storage areas as part of the routine care given to these assets. Internal control procedures must be instituted to ensure they are not lost, stolen, or damaged, including daily inspections.

12.7 Exhibition of Heritage Assets

Every effort will be made to ensure the proper interpretation and educational use of heritage assets. Publicly accessible displays will take priority over decorative displays. Assets will not be displayed solely for the profit of the steward. They will serve an educational purpose and will promote the public's awareness of the agency. Displayed items will have accurate interpretive labeling. Items of a sensitive or controversial nature will not be displayed in isolation, but will be presented within the content of a larger exhibition.

12.8 Display Design

Items will be displayed so that no unnecessary stress is placed on the items by light levels, relative humidity, temperature, or other agents of deterioration. A method of display will be chosen that will ensure that the items and their support components are secure and protected from theft and vandalism.

12.9 Loans

Loans of Departmental heritage assets will be transacted through loan agreements between the loaning agency and the receiving agency. The agreement must be renewed every two years. There is no limit on how many times a loan agreement may be renewed. The receiving agency is responsible for providing, when possible, visual verification that the assets are in good condition. If the receiving agency is unable to provide visual verification that the assets are in good condition, it must provide a written explanation as to why it cannot.

DOC heritage assets cannot be loaned for purposes of profit, commercial promotion, or decoration of private property. DOC heritage assets will not be loaned for consumptive use.

DOC heritage assets will not be loaned to entities that have mismanaged assets in the past, unless tangible evidence of a change in management is provided. Non-DOC stewards of DOC heritage assets will agree to replace lost, stolen, or destroyed assets, and to pay for professional restoration services if damage has occurred to the asset while in the borrower's custody, including while in-transit.

DOC maintains the right to inspect loaned heritage assets on-site with as little as 24 hours' prior notice. Current photographs of the assets may be requested at any time by the appropriate Bureau PMO. Photographs must always be submitted when damage has occurred. Loans may be terminated without cause at any time by the respective Bureau PMO.

The appropriate Bureau PMO ensures accountability, including accurate records for assets loaned and records of assets loan approvals.

For a sample loan agreement, refer to [Appendix E, "Sample Heritage Assets Loan Agreement."](#)

12.10 Disposal

Any Bureau PMO may suggest the declassification of a heritage asset from the Bureau Heritage Asset collection to the Bureau Historian, Librarian, or other entity performing Heritage Assets duties. Upon approval by the Bureau Historian, Librarian, or other entity performing Heritage Assets duties, the heritage asset will be officially deemed as a non-accountable or commodity personal property asset. This authorization must be in writing and signed by the Bureau PMO and Bureau Historian, Librarian, or other body's performing Heritage Assets duties. The asset may then be disposed of through the standard disposal procedures, as outlined in [PPMM Chapter 10.0, "Redistribution of Personal Property Assets."](#) At no time may a PO dispose of a heritage asset prior to its declassification.

13.0 FLEET MANAGEMENT

13.0.1 Scope of Chapter

This chapter establishes policies and procedures to guide fleet management activities in the DOC. It allows personnel to support the operating sectors of each organization productively and consistently, while allowing reasonable flexibility that recognizes broad variations in mission, operating conditions, and physical environments. It covers the most important fleet management practices and procedures.

These policies and procedures are applicable to Federal employees, contractors, and subcontractors who operate and maintain Government-owned, General Services Administration (GSA), or commercial leased vehicles.

13.0.2 Authority

Under [Departmental Organization Order \(DOO\) 20-27, "Director for Financial Management and Deputy Chief Financial Officer,"](#) authority is delegated to the Director for Financial Management and Deputy CFO to develop, implement, and oversee Departmental policies and standards for the management of the DOC fleet.

13.1 Roles and Responsibilities

This section establishes the roles and responsibilities within the DOC as they pertain to fleet management.

13.1.1 Departmental Fleet Manager (DFM)

The DFM is the person or position with delegated authority and responsibility that has the knowledge and accountability required to control the acquisition, use, and disposal of motor vehicles.

The Departmental Fleet Manager is responsible for:

- a. Providing Department level oversight of the Fleet Management Information System (FMIS) ensuring DOC vehicle data is accurate and up-to-date;
- b. Providing Department level oversight of the DOC Fleet Charge Card program including its usage, fraud and misuse, and reporting;
- c. Coordinating DOC and GSA review and approval of Bureau requests for vehicles;
- d. Coordinating the submission of Departmental reports to GSA, Office of Management and Budget (OMB), Department of Energy (DOE), and other agencies on aircraft and motor vehicles;

- e. Providing technical advice and assistance on Departmental matters pertaining to home-to-work motor vehicle usage;
- f. Coordinating review of Bureau requests for exemptions from displaying U.S. Government tags on motor vehicles; and
- g. Serving as DOC liaison with GSA and other Federal agencies on program matters and issues relating to the management of motor vehicles.

13.1.2 Bureau Fleet Managers (BFM)

The BFMs are the individuals appointed by the CFOs, CAOs, or equivalent level or the Departmental Fleet Manager who have physical responsibility for the proper use, maintenance, and protection of motor vehicles assigned to him or her.

Bureau Fleet Managers are responsible for:

- a. Developing and administering a motor vehicle management program for motor vehicles assigned to their organization;
- b. Conducting annual reviews and evaluations on motor vehicle operations effectiveness;
- c. Limiting the number of vehicles required for Bureau and field units to the minimum and assuring that required vehicles conform to standards for maximum fuel efficiency, minimum body size, engine size, and special equipment required for program operation;
- d. Pooling vehicles where geographically practical to ensure cost efficient utilization;
- e. Ensuring that vehicle operators within the Bureau are properly licensed, including an annual review of driving records;
- f. Ensuring that vehicle operators are familiar with and follow procedures outlined in DOC PPMM Chapter 13.0, "Fleet Management."
- g. Developing a plan for the acquisition of alternative fuel vehicles (AFV) as replacement vehicles for owned and leased vehicles;
- h. Establishing and maintaining an accurate inventory and records on the utilization, cost, and energy consumption data on motor vehicles;
- i. Providing Bureau level oversight of the FMIS ensuring vehicle data is accurate and up-to-date;
- j. Monitoring fleet charge cards for fraud or misuse and reporting incidents to DFM and OIG;

- k. Ensuring compliance with 31 U.S.C. § 1344, "Passenger Carrier Use," on home-to-work transportation regulations;
- l. Developing plans to achieve the mandated fleet average fuel economy for Government-owned, GSA, or commercially leased vehicles; and
- m. Ensuring that contractors, subcontractors, and their employees who are authorized to use Government-owned, GSA, or commercially leased vehicles use such vehicles solely in the performance of the work authorized under such Government contracts, subcontracts, and that:
 - (1) Contractors and subcontractors establish and enforce penalties prescribed for those who willfully use or authorize the use of Government-owned, GSA, or commercially leased vehicles for other than official purposes;
 - (2) Appropriate provision is made for the assumption by the contractor and subcontractor of any cost or expense incident to any use not related to the performance of the contract, such assumption of cost or expense to be without the right of reimbursement from the Government; and
 - (3) Contractors and subcontractors comply with FAR 51.2, "Contractor Use of Interagency Fleet Management System Vehicles," which contains policies and procedures governing Federal agencies in authorizing their prime contractors and subcontractors to obtain interagency motor pool vehicles and related services for use in performing cost-reimbursement type contracts and cost-reimbursement type subcontracts.

13.1.3 Motor Vehicle Operators

Motor vehicle operators are individuals whose job responsibilities require the operation of a motor vehicle.

Motor vehicle operators are responsible for:

- a. Operating vehicles in a safe manner and for official purposes only;
- b. Reporting vehicles that are in unsafe operating condition to the BFM;
- c. Reporting vehicle usage including mileage, fuel consumption, and maintenance expenses to the BFM on the day of vehicle return;
- d. Complying with applicable municipal, state, and Federal motor vehicle laws and regulations;
- e. Ensuring that the motor vehicle and its contents are properly secured when left unattended;

- f. Reporting accidents to the immediate supervisor and BFM on the same day of the accident;
- g. Reporting moving violations, suspensions, revocations, or expirations of license to immediate supervisor and BFM on the same day of the violation, suspension, revocation, or expiration of license; and
- h. Having a satisfactory motor vehicle driving record.

13.2 Official Use of Government-Owned Vehicles (GOVs)

Government vehicles must be used for official purposes only. Alleged instances of misuse must be reported to the DFM and OIG through the BFM. The BFM will take action to investigate the alleged misuse and to recommend appropriate or remedial action to DFM.

13.2.1 Authorized Uses

Official use of a GOV is defined as:

- a. Used to perform agency business, carry out authorized programs, including program work under cooperative agreements, or other contractual arrangements made pursuant to authority vested in the Department;
- b. Used to render assistance in major disasters or emergency situations;
- c. Used by an officer or employee between their residence and place of employment only when such use is authorized as provided in 31 U.S.C. § 1344 and FMR 102-34.205, and
- d. Used by an officer or employee between places of official businesses and temporary lodging when public transportation is unavailable or its use is impractical, or other permissible places set forth in Federal Travel Regulation § 301-10.200 and 301-10.201.

13.2.2 General Standards for DOC Employees

Departmental employees, including contractors who operate a GOV, must possess at all times:

- a. Valid state driver's license;
- b. Valid DOC identification badge; and
- c. Certificate of liability, if applicable.

13.2.3 Authorization Standards for Motor Vehicle Operators

Prior to employing any individual as a motor vehicle operator, the individual must submit a certified copy of his or her driving record, in order to determine that:

- a. The operator's state license has not expired, been suspended, or revoked; and
- b. Any offenses of record are not job related convictions or indications that an individual should not be employed as a motor vehicle operator or that authorization as a motor vehicle operator should be revoked.

13.2.4 General Revocation Standards for Misuse

The following criteria are among those constituting sufficient cause to revoke authorization to operate a GOV and/or grounds for adverse action as appropriate:

- a. Operating a motor vehicle under the influence of narcotics, alcohol, or other non-prescription drugs or medicine that impairs the ability to drive;
- b. Leaving the scene of an accident involving a GOV assigned to the operator without providing identification or otherwise complying with accident reporting requirements;
- c. Revocation, suspension or expiration of state-issued operator's license;
- d. Involvement in an accident while operating a GOV that is found after investigation to have been caused by operator's negligence;
- e. Violation of traffic laws or regulations (other than those related to parking) with a GOV;
- f. Improper operation and maintenance of a GOV;
- g. Failure to comply with Federal, Departmental or operating unit rules and regulations governing motor vehicle operation; and
- h. Unsatisfactory driving record indicating the driver is a risk due to unsafe driving habits or repeated traffic violations while operating privately-owned vehicles or GOVs.

13.2.5 Transportation of Non-Official Passengers

The transportation of non-official passengers creates the possibility of tort claims and public criticism and is not encouraged.

The BFM is responsible for establishing Bureau policies on the use of such incidental transportation, which:

- a. Must be without expense to the Government;
- b. Must not result in the delay of Government business or the taking of roundabout routes;

- c. Must not involve non-governmental activities or commercial dealings other than consumer purchases for official business; and
- d. Must not allow unauthorized individuals to ride or pick-up strangers in the GOV (e.g., hitchhikers).

13.2.6 Violations

Motor vehicle operators and DOC employees authorized to use GOVs must be familiar with and adhere to motor vehicle traffic laws of the states and local jurisdictions where they operate GOVs. Traffic violations should be reported to their immediate supervisor and BFM the same day of the violation.

Violations that occur while not on official business will be the sole responsibility of the violator and not of the U.S. Government.

13.2.7 Penalty for Unofficial Use

31 U.S.C. § 1349, "Adverse Personnel Actions," provides that any officer or employee of the Government who willfully uses or authorizes the use of any Government-owned passenger motor vehicle for other than official purposes will be suspended from duty without pay, for at least one month, and may be suspended for a longer period or removed from office if circumstances warrant.

13.3 Use of Government Vehicles for Home-to-Work Transportation

The policy guidelines contained in 31 U.S.C. § 1344 and FMR 102-34, "Motor Vehicle Management," pertain to the official use of Government passenger carriers between residences and places of employment. The policies contained in this section are applicable throughout DOC and may apply only to the use of home-to-work transportation for employees on normal duty status performing assigned duties at their place of employment.

13.3.1 Policy

Departmental employees are not authorized to use a Government passenger carrier for transportation from home-to-work unless the Secretary of Commerce has approved the use in advance and in writing. 31 U.S.C. § 1344 specifies the Secretary may not delegate this authority. It is the Department's policy to fully document instances of home-to-work transportation with necessary reports, logs, or other records.

The use of Government passenger carriers between an employee's residence and their place of employment is limited to:

- a. The Secretary of Commerce;
- b. Employees engaged in field work as defined within 31 U.S.C. § 1344;

- c. Employees engaged in intelligence, counterintelligence, protective services, or criminal law enforcement, as set forth by 31 U.S.C. § 1344; and
- d. Other employees, when use is in response to highly unusual circumstances that present a clear and present danger, when an emergency exists, or when other compelling operational considerations make such transportation essential to the conduct of official business. Such use must be authorized in writing and may not be effective for more than 15 calendar days; 90-day extensions may be authorized by the Secretary, as set forth in PPMM Section 13.3.4, "Clear and Present Danger or Emergency Authorization."

13.3.2 Procedures

Requests for authorization for the use of GOVs for home-to-work transportation must be submitted in writing to the Director, OAP, as follows:

- a. The request must be signed by a Secretarial Officer or Bureau Head Director;
- b. The request must contain the following:
 - (1) Name and title of the employee for the request;
 - (2) In circumstances where field work determinations are made under FMR 102-34 or naming individuals may compromise security, a BFM may elect to designate positions rather than individual names, especially in positions where rapid turnover occurs. Such requests should include job series, number of positions, operational level, where the work is to be performed, and any other appropriate data regarding the assignment of vehicles;
 - (3) Name of immediate office requesting the authorization;
 - (4) Reason for request (e.g., field work, criminal law enforcement, clear and present danger, emergency, compelling operational considerations);
 - (5) Detailed justification for request; and
 - (6) Anticipated duration of the use.
- c. The Director, OAP will review home-to-work transportation requests and is responsible for:
 - (1) Reviewing the request and obtaining additional information as necessary;
 - (2) Making recommendations to the Secretary of Commerce for approval through the CFO/ASA; and

(3) Notifying the BFM of the action taken.

13.3.3 Field Work Authorization

The designation of field work is meant to cover an employee whose job requires his or her presence at various locations that are at a distance from the employee's place of employment. Examples of such employees include jobs requiring travel to several locations during the course of the workday.

The field work exception may not be used:

- a. When the employee's workday begins at his or her official Government duty station;
- b. When the employee normally commutes to a fixed location no matter how far removed from his or her official duty station; and
- c. Where it is more cost effective to the Government to provide an employee a passenger carrier for home-to-work use rather than have the employee travel long distances to pick up a vehicle and return to their original destination to perform their job. In these situations, if practicable, consideration should be given to basing the vehicle at a Government facility located near the employee's job site. If such a solution is not feasible, a Bureau must decide if the use of the vehicle qualifies based on compelling operational considerations.

Field employees' authorization for use of GOVs for home-to-work must be recertified every two years.

13.3.4 Clear and Present Danger or Emergency Authorization

In cases where an emergency or clear and present danger requires the use of home-to-work transportation and prior approval is not physically possible to secure, a written justification must be transmitted in the most expedient manner possible, such as overnight mail, hand delivery, facsimile, or e-mail, to the Director, OAP.

The duration of the use of the initial request cannot exceed 15 calendar days. Should circumstances continue, the Secretary of Commerce may approve a subsequent request for duration of up to 90 calendar days. If at the end of the subsequent determination, emergency circumstances continue to exist, the Secretary of Commerce may authorize an additional extension of up to 90 calendar days and continue this process as long as the emergency requires it.

13.4 Acquisition of Motor Vehicles

Motor vehicles acquired will be limited to the minimum number required for essential purposes and utilized to the maximum extent possible. Actions such as pooling and sharing may be

considered, thereby reducing the need to acquire additional motor vehicles. Motor vehicles must have maximum fuel economy in compliance with E.O. 12375, "Motor Vehicles."

DOC must acquire the maximum number of AFVs practicable to reduce the Agency's overall consumption of gasoline and diesel fuel. The reduction supports AFV acquisition goals that are set forth in E.O. 13031, "Federal Alternative-Fueled Vehicle Leadership." This section establishes Departmental policies and requirements for acquiring fuel-efficient motor vehicles.

13.4.1 Request for Acquiring Motor Vehicles

To acquire a motor vehicle, the process is as follows:

- a. A written justification for the vehicle;
- b. Requests for the acquisition of new motor vehicles must be reviewed by the appropriate BFM to ensure compliance with acquisition policies;
- c. The DFM will approve each acquisition request based on compliance only and make recommendations to the Director, OAP for approval of the acquisition;
- d. Outside of the United States, Bureaus will coordinate with the Department of State to acquire vehicles in accordance with the Foreign Affairs Manual; however, all vehicle acquisitions must be approved by the DFM, and
- e. Upon approval, the DFM will notify the BFM of its request status.

13.4.2 Determination of Requirements

In determining the requirements for motor vehicles, consideration must be given to the following:

- a. DOC must rely on GSA as the primary source of vehicles before purchasing, leasing, or renting of motor vehicles from commercial sources. If commercial sources show cost savings over GSA, a BFM must provide justification to DFM;
- b. Motor vehicles acquired for official purposes by Bureaus must be selected to achieve maximum fuel efficiency, limited to the minimum body size, engine size, and optional equipment necessary to meet requesting Bureau's program office requirements;
- c. Sedans sub-compact (class I), compact (class II) or mid-size (class III) should replace large sedans (class IV) and limousines (class V). This should be determined by the agency's mission and certified accordingly by GSA. Light duty vehicles must be AFV,
- d. The acquisition of passenger vehicles for use in transporting DOC executives (employees at the OS CFO/ASA level or higher or at Executive Level IV and above or their equivalent), must be held to the minimum number necessary for the orderly

transportation of official agency business;

- e. The essential need and cost for non-standard systems and equipment and the potential benefits to be derived from their use;
- f. The number of each type of vehicle needed to accomplish the program objective;
- g. The fuel economy rating for planned vehicle acquisitions and their effect on DOC meeting the fleet average fuel economy rating established by the DOE, which may be found at <http://www.energy.gov/>;
- h. The extent of intended use (e.g., the cargo or number of passengers to be transported, the frequency, and types of trips);
- i. The utilization of dual-purpose motor vehicles capable of hauling both personnel and light cargo whenever appropriate to avoid the need for two motor vehicles;
- j. The reassignment of existing DOC fleet vehicles to meet the requirements;
- k. The feasibility of obtaining the required motor vehicle support from another Federal agency, such as shuttle service;
- l. The feasibility of lease or rental from commercial sources, especially in those instances where the requirement is for a period of three months or less; and
- m. The feasibility and economy of using a privately-owned vehicle or local public transportation in lieu of acquiring additional vehicles.

13.4.3 Fuel Efficient and AFV Vehicles Requirements

The standards set forth in 49 U.S.C. § 32917, "Standards for Executive Agency Automobiles," and E.O. 12375 must be met. There are minimum miles per gallon requirements that an executive agency fleet of motor vehicles must follow when purchasing or leasing a motor vehicle.

These standards have two categories: average fuel economy standard for passenger vehicles; and average fuel economy standard for light trucks.

This regulation does not apply to motor vehicles exempted by law or other regulations, such as law enforcement motor vehicles and motor vehicles in foreign areas. Executive agencies are encouraged to comply so that maximum energy conservation benefits may be realized in obtaining, operating, and managing motor vehicles owned or leased by the Government.

The applicable standards apply to Executive agencies located in any state, commonwealth, territory or possession of the United States, and the District of Columbia that operate motor vehicles in the conduct of official business; these standards provide that:

- a. The Agency or Bureau must select motor vehicles to achieve maximum fuel efficiency;
- b. Limit motor vehicle body size, engine size, optional equipment, optional features, and specifications to meet the Agency or Bureau mission;
- c. With the exception of motor vehicles used by the President, Vice President, and motor vehicles for security and mission essential needs, the Agency or Bureau must purchase and lease mid-size or smaller sedans; and
- d. Purchase and lease large sedans only when such motor vehicles are essential to Agency or Bureau mission.

13.4.4 Obtaining GSA Replacement Motor Vehicles

GSA will send a notification to vehicle POCs when eligible vehicle replacements have been identified and loaded into the Customer Acquisition Module located in the GSA Drive Thru. The BFM and the DFM must approve vehicle replacements in the Customer Acquisition Module.

For the replacement of vehicles over 8,000 lbs. gross vehicle weight ratio, a justification is required and should include a detailed explanation or functional needs exemption for approval to the DFM.

Replacement vehicles should be cleaned and body damage repaired prior to returning the vehicle to GSA. GSA will charge the respective Bureau program office of any damage discovered upon turn in.

13.4.5 Motor Vehicles for Short-Term Use

Motor vehicles may be obtained for short-term local use through GSA. BFMs must specifically request short-term usage of motor vehicles and provide a complete billing address with a GSA-billed, office-address code at the time an order is placed. Further information is set forth in FMR 102-34. When motor vehicles are removed from the service boundaries of the local GSA Fleet Management area for a period exceeding 90 calendar days, the issuing Federal Management Center (FMC) must be notified in accordance with FMR 102-34 through the appropriate BFM. Requests exceeding 30 calendar days must be approved by the DFM.

13.4.6 Vehicle Acquisition through Asset Forfeiture

GSA Section 102-41, "Disposition of Seized, Forfeited, Voluntary Abandoned, and Unclaimed Personal Property," provides guidance on seized or forfeited personal property.

The DFM must approve asset forfeiture vehicles prior to acceptance into the Departmental fleet inventory.

13.4.7 Receiving Motor Vehicles

Prior to DOC's acceptance of any GOV from repair shops, leasing companies, or GSA, deficiencies must be annotated on an inspection sheet. The receiving BFM or user will be given manuals on operations of the motor vehicle by the vendor.

13.5 Commercial Leasing of Motor Vehicles

Bureaus requesting to commercially lease a motor vehicle or renew an existing lease for a vehicle must submit their request to the DFM for review and approval. The request must contain the specified information noted in FMR 102-34.

Requests should include the following criteria:

- a. A statement indicating that the local GSA FMC has been contacted and cannot provide a motor vehicle;
- b. Justification explaining why a class IV motor vehicle is needed and explaining why Bureau requirements cannot be satisfied with a smaller size vehicle; and
- c. Whether the motor vehicle will be used to transport Departmental employees.

13.6 Motor Vehicle Management

Bureaus are responsible for establishing a motor vehicle management program covering GOVs used by its employees in conducting official business.

At a minimum, this program should include the following:

- a. A system for the allocation of motor vehicles based upon the requirement of authorized program activities;
- b. The establishment and maintenance of such records as may be necessary to provide management with sufficient data on an annual basis to determine that vehicles meet or exceed prescribed utilization objectives; and
- c. An annual analysis of the above data by management and appropriate program personnel to determine if:
 - (1) Additional motor vehicles are required;
 - (2) Fewer vehicles are required and, if so, what disposal action is needed (e.g., reassignment, return to motor pool, and declaration as excess);
 - (3) There are concentrations of vehicles where a pooling concept can be used to the most practical extent; or

- (4) All or part of the requirements can be more economically provided through the use of intermittent rentals or privately-owned vehicles.

This is applicable to Bureaus in the United States, its territories, or its possessions that operate GOV, leased, or rented motor vehicles in the conduct of official business. This does not apply to motor vehicles exempt by law or other regulations. Refer to FMR 102-34 for further requirements.

13.6.1 Limitations

A motor vehicle will not be assigned for the exclusive use of one individual unless such assignment is required by the nature of the individual's responsibilities or by the frequency, urgency, and extent of the daily requirements for motor vehicle services.

Truck-type vehicles will not be acquired for passenger use merely to avoid the limitations on passenger-carrying vehicles.

Light duty trucks (capacity of one ton or less) will not be acquired for addition to a fleet unless there is a known requirement for a period of at least 18 months. For heavier trucks, the known requirement must exist for a period of at least 24 months.

Except in those instances where replacement is administratively determined to be impractical, a motor vehicle should be replaced in lieu of being repaired when the cost of repairs is expected to exceed the economic value of the vehicle.

13.6.2 Vehicle Maintenance and Related Programs

It is incumbent upon each operator to make a daily inspection of the vehicle to ensure that routine maintenance is accomplished. This includes checks of oil, radiator coolant, battery, tires, and the cleanliness of the vehicle. The operator is responsible for routine safety and maintenance checks that any driver would normally be expected to make of their personal vehicle.

Please contact the BFM immediately if a vendor performs unauthorized repairs.

13.6.3 Preventative Maintenance

Bureaus having Government vehicles in their custody will have vehicles on a Preventive Maintenance (PM) schedule based according to age and mileage and will protect and safeguard motor vehicles to prevent theft and damage.

13.6.3.1 Preventative Maintenance for GSA Vehicles

Preventative maintenance for GSA vehicles is managed by GSA. GSA will notify the vehicle point of contact of scheduled PM Service. PM must be completed within 14 business days of notification from GSA.

Do not have the PM performed on GSA vehicles until a notice is received. If maintenance is performed out of cycle, it must be paid for by the program office. Failure to have the PM performed could result in suspension of GSA Fleet Card and could void manufacturer warranty coverage. Maintenance and repair services for GSA Fleet vehicles are arranged through the nationwide Maintenance Control Center (MCC). The MCC contact information is located on the back of the GSA Fleet Charge Card.

The BFM must be notified of maintenance not scheduled (e.g., tune-ups, tire replacement) before the vehicle is taken in for maintenance.

13.6.3.2 Preventative Maintenance for Agency-Owned Vehicles and Commercial Leased Vehicles

Each agency-owned vehicle is covered by a PM schedule. PM must be performed at the intervals listed in the vehicle Owner's Manual or the PM card provided by the commercial leasing company. Each office should choose a repair facility or garage to perform scheduled maintenance based upon convenience, cost, prompt service, and reliability. Warranty work must be done through a factory-authorized dealer.

Vehicle maintenance should be paid with a DOC Fleet Charge Card up to \$3,000.

13.6.4 After-Hour Emergency Repairs for GSA Vehicles

In an emergency that renders the vehicle unsafe to drive, the operator is authorized to purchase repairs up to \$500. The operator must call the MCC contact information located on the back of the GSA Fleet Charge Card the next business day.

13.6.5 Fuel and Car Washes

Vehicles must be fueled at self-service fueling stations (except where prohibited by law). 87 Octane unleaded gasoline (regular grade) must be used except where vehicle-operating specification recommends a higher octane or diesel. Alternative fuel will be used in vehicles that are alternative fuel capable and where alternative fuel is available.

Vehicle car washes should be done on as-needed basis only. GSA vehicles are authorized two "basic" car washes not to exceed \$20 per month. Additional washes are at the Bureau's program office expense.

13.6.6 Accidents and Investigations

A Bureau is financially responsible for any repairs that are the result of abuse, neglect, theft, vandalism, and repairs paid for while vehicle is covered under warranty.

The following process will be followed for personnel involved in accidents in GOVs:

- a. Stop immediately and provide assistance to the injured;
- b. Never leave the scene of an accident;
- c. Avoid moving seriously injured persons unless essential for their protection;
- d. Warn other motorists of any existing highway hazards and use flares or reflectors during hours of darkness or where visibility is poor;
- e. Notify civil authorities and supervisors;
- f. Complete accident report, SF-91, "Motor Vehicle Accident Report," (and SF-94, "Statement of Witness," report, if possible); if individual is unable to complete, then the next person responsible for equipment operations will complete the report;
- g. Avoid expressing opinions regarding liability;
- h. Provide copy of SF-91, SF-94, to supervisor, GSA FMC or Accident Control Center (ACC) for GSA vehicles, the BFM, and other parties as deemed necessary;
- i. Comply with state and local laws pertaining to accident reporting and the rules of this Manual;
- j. Arrange to drive or tow vehicle for repair estimate and subsequent repair;
- k. Expeditiously complete accident claims; subsequent investigation is a critical part of risk management for GOVs; and
- l. Work closely with GSA to process claims and properly investigate accidents for GSA leased vehicles.

13.6.6.1 Notification of Proper Authorities

Operators involved in accidents will stop immediately and provide any possible assistance. Other motorists should be warned of any existing highway hazards and debris. The operator will immediately notify local law enforcement authorities when on public roads. The operator will also notify his or her immediate supervisor immediately. In addition, for GSA vehicles, the GSA ACC must be contacted at the number located on the back of the GSA Fleet Card.

- a. Towing – Vehicles not able to be driven will be towed to the nearest authorized facility to obtain a repair estimate. Other Government vehicles will be towed to the responsible repair shop unless otherwise directed by the BFM or designated representative.

b. **Completion of Accident Reports** – The SF-91, (and SF-94, if possible) will be completed for accidents involving Government-owned and GSA vehicles. This report must be completed the same day of the accident (assuming the driver is physically capable) and then delivered to the individual's supervisor, the BFM, GSA ACC, and other parties as deemed necessary. The BFM will attach and upload the SF-91 into the FMIS as supporting documentation.

c. **Repair Responsibility** – Vehicle user's organization will be billed for accidents and incidents for GSA vehicles. The vehicle operators will take the vehicle in for a repair estimate and repairs once approval is obtained from the GSA ACC. For other Government-owned or leased vehicles, the Government is self-insured and will absorb the cost of accidents in its operating budget unless negligence has been determined.

For motor vehicle liability when negligence is determined, please refer to PPMM Section 9.3.1.2 (b), "Simple negligence (motor vehicles)."

d. **Revocation of Driving Privilege** – When an operator's license is suspended or revoked by the state or the Government for Government-issued licenses, the operator must report this information to the immediate supervisor within three business days of the suspension or revocation of license. Any suspensions or revocations not reported may result in disciplinary actions, not to exclude removal from Federal service.

13.7 Transfer, Storage, and Disposal of Motor Vehicles

This section provides guidelines for the transfer, storage, and disposal of Government-owned, rented, and leased motor vehicles.

13.7.1 Transfer of Title to Government-Owned Motor Vehicles

When transferring the title of ownership from one entity to another, agencies are required to provide odometer mileage information directly on the SF-120, "Report of Excess Personal Property."

13.7.2 Storage

Departmental employees are responsible for the protection and security of motor vehicles, and may be held liable for any damage. Vehicles must be operated safely, protected from possible misuse and abuse, and maintained in secured conditions when not in use or unattended.

At a minimum, the following safeguarding guidelines will be observed:

- a. When motor vehicles are left unattended, the operator must ensure that:
 - (1) Windows are closed;
 - (2) Doors and trunks are locked; and

(3) Keys and credit cards are secured elsewhere under a separate security system, not left in the vehicle.

- b. When motor vehicles are left at commercial garages or at service station for repair or service, credit cards must be removed and carried by the operator.
- c. Theft must be reported to the local police authority, to the Bureau Security Officers, and the Bureau Fleet Manager.
- d. Damage or misuse must be reported by the operator to the immediate supervisor and/or BFM.

13.7.3 Disposal Procedures for Excess Vehicles

Motor vehicles that are no longer needed will be deemed as excess and must be reported for disposal. Refer to PPMM Chapter 10.0, "Redistribution of Personal Property Assets," for further guidance.

13.7.4 Sale of Motor Vehicles

The sale of motor vehicles must be reported to the appropriate GSA Regional Sales Office.

13.7.5 Notice of Sale

A GOV may be disposed of by transferring the motor vehicle title, or manufacturer's Certificate of Origin, to the new owner. Detailed instructions on the disposal process are in 41 C.F.R. § 101-45 and 101-46.

Forms that will be required when selling or transferring the ownership of a motor vehicle are:

- a. SF-97, "The United States Government Certificate to Obtain Title to a Motor Vehicle," if both of the following apply:
 - (1) The motor vehicle will be re-titled by a state, commonwealth, territory or possession of the United States, or the District of Columbia; and
 - (2) The purchaser intends to operate the motor vehicle on highways.
- b. SF-97 is optional in foreign countries because foreign governments may require the use of other forms. Upon sale of the vehicle, GSA will forward pertinent documentation to DFM for distribution to the BFM.

13.8 Requirements for Vehicle Registration, Identification, and Related Exemptions

13.8.1 General Requirements

Motor vehicles acquired for official purposes must display official U.S. Government tags (also known as license plates) unless specifically exempted.

Each Bureau must establish a centralized record of U.S. Government tags in their possession, including those issued by the District of Columbia, Department of Highways, and Traffic, for use in the District of Columbia. Such records must specify the motor vehicle (and the location of the vehicle) to which the tags are assigned and should include complete information concerning the voiding or destruction of tags, as appropriate.

Bureaus must develop internal controls based upon its security needs to ensure that accurate records exist of registration tags used for undercover law enforcement activities or investigative work as exempted by FMR 102-34.

FMR 102-34 authorizes the Secretary of Commerce or a designee to grant exemptions for DOC from the requirements for displaying U.S. Government tags and other identification on motor vehicles. This authority has been delegated through the OS CFO/ASA to the Director, OAP.

Requests for exemption should be submitted in duplicate to the DFM. Each request must describe the vehicle for which exemption is sought, the nature of the work on, which it is used, and include a certification to the effect that conspicuous identification would interfere with such use.

The DFM will be promptly notified when the need for a previously authorized exemption no longer exists. Exemptions are limited to one year. Requests for exemptions must be resubmitted to the DFM by November 15 of each year for consolidation.

13.8.2 Exemptions

Unlimited Exemptions – FMR 102-34 lists Federal departments and agencies that have been granted unlimited exemptions from the requirements to display official U.S. Government tags and other identification.

DOC has three exemptions under law enforcement:

- a. OIG undercover investigative vehicles;
- b. BIS Office of Export Enforcement vehicles; and
- c. NOAA's National Marine Fisheries Service vehicles.

Special Exemptions – Motor vehicles assigned for the personal use of the Secretary of Commerce and others as deemed necessary by the Director, OAP, are exempt from the display of official identification but must display the official U.S. Government tags, unless exempted by the Director, OAP.

Requests for Exempted Vehicles in the District of Columbia – Requests for District of Columbia tags, or renewal requests, to be used on motor vehicles exempted from carrying U.S. Government tags pursuant to FMR 102-34 should be submitted to the DFM for signature and transmitted to the District of Columbia, Department of Transportation (DOT). Special forms for requesting District of Columbia tags are available from the District of Columbia, Department of Motor Vehicles.

13.8.3 Special Registration and Inspection Requirements

In the District of Columbia – Motor vehicles acquired for official purposes, which are regularly based or operated in the District of Columbia must be registered and have certified tags with the District of Columbia, DOT. Each motor vehicle registered in the District of Columbia must be reregistered and inspected annually in accordance with laws and regulations of the District of Columbia Code and applicable regulations.

Outside of the District of Columbia – If exempt from displaying the official U.S. Government tags under FMR 102-34, vehicles acquired for official purposes outside the District of Columbia must be registered in accordance with the laws of the state, commonwealth, territory or possession of the United States, which they are regularly based or operated.

13.8.4 Numbering and Coding

As reflected in FMR 102-34, DOC letter code designation is "C" for DOC-owned or commercial lease vehicle license plates.

Any requests for additional code designations should be submitted to GSA for approval through the DFM.

13.8.5 Removal of License Plates and Identification

Department license plates must be removed from motor vehicles prior to release from Government service or transfer to another agency of the Federal Government. License plates may not be transferred within the Department. Necessary controls should be established to ensure that license plates, which are voided, are effectively destroyed or defaced to prevent their reuse.

Agency identification and other Government identification must be removed from vehicles prior to transferring the title or delivering the vehicle.

13.8.6 Lost or Stolen License Plates

BFMs must report the loss or theft of license plates as follows:

- a. U.S. Government license plates should be reported to the local security office, local police, GSA Fleet Team (if GSA vehicle), and to the Federal Motor Vehicle Registration System.
- b. Stolen DC or state license plates should be reported to the District of Columbia, DOT, or state agency where the license plates are registered.

13.8.7 Agency Identification

Decals or other markings containing slogans, advertising, or other messages are strictly prohibited. Vehicles located in foreign areas are not required to display the official legend and identification.

13.9 DOC Credit Card Use, Fraud, and Monitoring

The DOC PPTD is responsible for providing oversight and guidance regarding how to properly utilize and manage the DOC Fleet Charge Card. BFM's are responsible for ensuring the proper use of fleet charge cards when purchasing goods and services for GOVs.

13.9.1 Fleet Charge Card Program

One fleet charge card is assigned to each motor vehicle and must be used only for the vehicle to which it is assigned. The employee utilizing a GOV is the Government's agent for each purchase made with the fleet charge card and is responsible for each transaction. A fleet charge card may be used for purchasing fuel and paying for maintenance for Government vehicles. These cards are designed to collect motor vehicle data at the time of purchase. Where appropriate, the fleet card contract deducts state sales and motor fuel taxes from fuel purchases before the agency is billed.

13.9.2 Fleet Charge Card Authorized Purchases

In accordance with the FAR 13.1301, "Government-wide Commercial Purchase Card," fleet charge cards are authorized for the purchase of the following items:

- a. Fuel
- b. Auto repairs and maintenance
- c. Auto parts
- d. Towing
- e. Car washes

13.9.3 Fraud, Waste, and Abuse

Recipients in the fleet charge card program are responsible for preventing fraud and the conditions that lead to fraud. Additionally, employees are required to report instances of suspected fraud.

A determination of whether the misuse is fraudulent may only be made after a comprehensive investigation. For that reason, suspected cases must be reported to DFM and OIG through the BFM.

Specific guidance on these reviews and probable indicators of fraud are detailed under the DOC CAM Section 1313.301, "Purchase Card Program."

Violations of fleet charge card laws, regulations, policies, and guidance may result in immediate cancellation of the card and disciplinary action against the cardholder, approving official, or both. Disciplinary action will be applied in accordance with DOC employee relations, legal, and management guidelines. Intentional misuse of the card will be considered an attempt to commit fraud against the U.S. Government, and the individual may be subject to disciplinary action and/or a fine of not more than \$10,000, imprisonment for not more than five years, or both under 18 U.S.C. § 287, False, Fictitious, or Fraudulent Claims."

13.9.4 GSA Fraud Fleet Charge Card Monitoring

GSA fully monitors and manages fraud monitoring of the GSA Fleet Charge Card.

13.9.5 Return of DOC Fleet Charge Cards

Active fleet charge cards not assigned to a vehicle must be returned to the BFM as soon as possible to prevent further use. The BFM will destroy card upon receipt and report its destruction to the DFM for accountability purposes.

13.10 DOC Fleet Management Reporting

DOC is required to report the Department's fleet management activities to a number of Government agencies.

13.10.1 Federal Automotive Statistical Tool (FAST) Reporting

FAST is a web-based reporting tool managed by Idaho National Research Laboratory that captures motor vehicle data submitted from Federal Government agencies. This data includes motor vehicle fleet inventory, cost, utilization, and budget information. FAST opens on October 1 where Bureaus may enter actual current fiscal year vehicle inventory, acquisitions, disposals, fuel costs, fuel consumption, vehicle mileage, and fleet costs.

When FAST closes, no further information can be entered for the previous fiscal year after the cutoff date given by the Headquarters, Fleet Management Office.

The following is a listing of various reports that are due for FAST entry:

Suspense Date	Title	Description	Regulation
March	OMB Initial Budget Report	Budget projections for current and upcoming fiscal year.	<u>OMB Circular A-11</u> , "Preparation, Submission, and Execution of the Budget," and Vehicle Allocation Methodology
June	Alternative Fuel Waiver Request	Waiver request for vehicles not using alternative fuel.	<u>Energy Policy Act of 2005, Section 701</u> and <u>Energy Independence and Security Act (EISA) 2007, Section 246</u>
August	NIST Fuel Station Report	EISA Section 246 requires agencies to install a renewable fuel pump. Report summarizes agency compliance with EISA 246.	EISA Section 246
August	OMB Final Budget Report	Final report for current and planned fleet inventory, vehicle costs, and fleet budget estimates for upcoming fiscal year.	OMB Circular A-11

13.10.2 Other DOC Reporting

The following is a listing of various fleet management reports that are due:

Suspense Date	Report Title	Description	Due to
January	OMB Transportation Scorecard	Narrative explaining progress towards DOC transportation goals and recommendations for new transportation goals.	Internal, DOC Office of Sustainability Energy and Environmental Programs (OSEEP)
January	Sustainability Dasher	Narrative explaining progress towards E.O. 13693, "Planning for Federal Sustainability in the Next Decade."	Internal; DOC OSEEP
February 15	Annual AFV Report	DOC compliance with fleet requirements. Report must be posted on agency website. Hard copy must be signed by the Secretary of Commerce.	Submit to Congress and DOE
March	Fleet Management Plan	Bureau fleet plans for the future fiscal year.	Headquarters Fleet Management Office

April - June	OMB Transportation Scorecard Mid-Year Report	Narrative explaining progress towards established transportation goals and development of new transportation goals. Data provided from January report.	Internal; DOC OSEEP
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APPENDIX A: DEFINITIONS

Abandonment – Excess personal property may be abandoned or destroyed when there is written documentation that the property has no commercial value or the estimated cost of its continued care and handling would exceed the estimated proceeds from its sale. Excess property must not be abandoned or destroyed if it would be detrimental or dangerous to public health or safety.

Accident – Occurs when a motor vehicle collides with another vehicle, pedestrian, animal, road debris, or other stationary obstruction, such as a tree or utility pole.

Accountability – The act of manually or electronic tracking of accountable personal property assets by providing a complete audit trail for property transactions from receipt to final disposition.

Acquisition – The gaining of personal property to meet business or organizational objectives.

Acquisition Cost – The original purchase price of an item.

Aircraft – A fixed wing or rotary wing machine capable of flight propelled by jet engines, propellers, or other technological means.

Alternative Fuel – Methanol; ethanol; mixtures containing 85% or more by volume of methanol or ethanol with gasoline or other fuels; compressed natural gas; liquefied natural gas; liquefied petroleum gas; and electricity.

Alternative Fuel Vehicle (AFV) – Motor vehicles that use methanol; ethanol; mixtures containing 85% or more by volume of methanol or ethanol with gasoline or other fuels; compressed natural gas; liquefied natural gas; liquefied petroleum gas; and electricity.

Asset – Tangible or intangible items owned by an entity that have probable economic benefits that can be obtained or controlled by the entity. For the purpose of this Manual, asset and personal property asset are interchangeable.

Asset Portfolio Management – The infrastructure and foundation principles employed to manage personal property assets in order to maximize return on investment.

Barcode – An identification technology for accountable Government property to identify it as U.S. Government property. May be read by electronic readers and permits rapid, accurate, inventory results.

Bid – Response to an offer to sell that, if accepted, would bind the bidder to the terms and conditions of the contract (including the bid price).

Bidder – Any entity that is responding to or has responded to an offer to sell.

Boat – Owned/leased and operated by Federal agencies that are less than 65 feet in length. Boats are further broken down into the following categories:

- a. Large Boats- craft between 45 and 64 feet, 11 inches;
- b. Medium Boats- craft between 25 feet and 44 feet, 11 inches;
- c. Small Boats- craft less than 25 feet in length.

Bureau – Organizational entities outside of the OS charged with carrying out specified substantive functions or programs of the Department.

Bureau Fleet Manager (BFM) – The individual appointed by the CFO, CAO, or equivalent level or Departmental Fleet Manager who has physical responsibility for the proper use, maintenance, and protection of motor vehicles assigned to him or her.

Bureau Gift Manager (BGM) – The individual appointed by the CFO, CAO, or equivalent level who has physical responsibility for the accepting, holding, administering, using, and disposing of gifts and bequests including domestic and foreign gifts given to and received by the Bureau.

Capitalized Personal Property Assets – The acquisition cost of an asset that is recorded in the agency's financial management accounts and PPMS. Its cost is expensed over the asset's useful lifecycle in the form of depreciation. An agency must determine its capitalization threshold as discussed in Financial Accounting Standing Advisory Board Statement of Federal Financial Accounting Standards No. 6, Accounting for Property, Plant, and Equipment, Chapter 2.

Chain of Custody – A chain of custody provides records that illustrate the location of accountable property and the individuals responsible for its care and safekeeping. This accounting must be continuous, from the time of ordering and acquisition, until the ultimate consumption or disposal of the personal property assets. The chain of custody process is initiated when the Bureau PMO certifies the annual 100% physical inventory. The Bureau PMO then physically assigns this equipment down to one or more PAOs on what is known as a hand receipt. PAOs then distribute this property down to the different custodial areas to PCs on hand receipts. PCs then finalize this process by issuing hand receipts for the equipment down to the end user (the person who actually uses the piece of property).

Classified – Containing information withheld from general circulation for reasons of national security.

Classified Personal Property – Property containing information or material designated and clearly marked or clearly represented, pursuant to the provisions of a statute or E.O. requiring a specific degree of protection against unauthorized disclosure for reasons of national security.

Clear – Overwrite storage space on the media with non-sensitive data.

Commercially Leased Vehicle – A motor vehicle procured on a lease other than a GSA lease.

Community-Based Educational Organizations – Non-profit entities that are engaged in collaborative projects with schools or that have education as their primary focus.

Computers for Learning (CFL) – GSA-sponsored program that encourages agencies to the extent permitted by law, to transfer computers and related peripheral equipment excess to their needs directly to schools and educational nonprofit organizations.

Contract – A legal instrument reflecting a relationship between the Department and a business, organization, or individual when the principal purpose is the acquisition, by purchase, lease or barter, of property or services for the direct benefit or use of the Federal Government.

Contracting Officer (CO) – Individuals designated authority to enter into, administer, and/or terminate contracts and to make related determinations and findings.

Contracting Officer's Representative (COR) – A Federal employee delegated limited authority by a Contracting Officer to monitor and perform specific, enumerated contract management duties related to contract planning, contract administration, technical oversight, and close out to ensure that contractor's performance meets the standards set forth in the contract.

Contractor – Independent entity that agrees to furnish a quantity of goods, material, equipment, personnel, and/or services that meet or exceed stated specifications within a specified timeframe to another independent entity called contractee, principal, or project owner.

Contractor Acquired Property (CAP) – Property acquired, fabricated, or otherwise provided by the contractor for performing a contract and to which the Government has title.

Cooperative Agreement – The legal instrument used for a relationship between the Federal Government and a recipient whenever: (1) the principal purpose of the relationship is to provide financial assistance to the recipient; and (2) substantial involvement is anticipated between the Federal Government and the recipient during performance of the activity. Cooperative agreements are subject to the same OMB, Treasury, and other Federal directives as financial award programs. As used in this Manual, the term "financial award program" will include cooperative agreements.

Custodial Area – A subdivision of a property accountability area, defined by organizational limits, for which a PC has been designated.

Damaged – Loss through an individual's negligence, willful destruction, or by some act of nature.

Decoration – An order, device, medal, badge, insignia, emblem, or award offered by or received from a foreign government.

Departmental Environment Manager (DEM) – The person or position delegated authority and responsibility that can promote and coordinate the integration of environmental management and sustainability issues into policies, rules, products, services, and operations. The Director, Office of Facilities and Environmental Quality is responsible for appointment of this position.

Departmental Fleet Manager (DFM) – The person or position delegated authority and responsibility that has the knowledge and accountability required to control the acquisition, use, and disposal of motor vehicles. The Director for Financial Management and Deputy CFO is responsible for appointment of this position.

Departmental Gift Manager (DGM) – The person or position delegated authority and responsibility to provide the guidance regarding the Departmental Gift Program. This includes guidance on retaining for official use or disposing of foreign gifts received. The Director for Financial Management and Deputy CFO is responsible for appointment of this position.

Departmental National Utilization Officer (DNUO) – The person or position delegated authority and responsibility that has the knowledge, authority, and accountability required to control the GSAXcess® federal disposal and screening system of Departmental federal personal property. The Director for Financial Management and Deputy CFO is responsible for appointment of this position.

Departmental Property Management Officer (DPMO) – The person or position delegated authority and responsibility for the establishment and administration of the Department's personal property management program. The Director for Financial Management and Deputy CFO is responsible for appointment of this position.

Depreciation – The systematic and rational allocation of the acquisition cost of personal property, less its estimated salvage or residual value, over its estimated useful lifecycle. A cost, which extends the useful lifecycle of the personal property, enlarges, or improves its capacity, will be capitalized and depreciated or amortized over the remaining useful lifecycle of the personal property asset.

Destroy – The destroying of the structure, organic existence, or condition of an item of personal property by tearing down, crushing, burning, and burying.

Disposition – The process by which assets are disposed of, such as donation, sale, destruction, exchange, recovery, repurpose, and recycle. The action taken to physically transfer personal property assets from one's accountability.

Donation – Serves as an alternative to reutilization and provides non-profit and other public organizations with the ability to obtain excess property at little to no cost. Federal, state, and local laws govern donations of excess property to public entities, which includes schools, volunteer fire departments, rehabilitation centers, and special education programs. Note: In most cases, an organization will not receive any monetary returns for donations; however, an organization may be eligible for a tax deduction when donating property to non-profit organizations.

Donee – The recipient of a gift; one to whom personal property is donated to without financial consideration.

Donor – An entity or person who gives or donates personal property.

Education-Related Federal Equipment – Excess or surplus personal computers and related peripheral equipment, research equipment, and education-related equipment that is appropriate for use in mathematics and science curricula in elementary and secondary school education or higher education.

Educationally Useful Federal Equipment – Excess personal computers and related peripheral equipment (e.g., printers, modems, routers, and servers), including telecommunications and research equipment, that are appropriate for use in pre-kindergarten, elementary, middle, or secondary school education. It will also include computer software where the transfer of licenses is permitted.

Elementary and Secondary Schools – Individual public or private educational institutions encompassing kindergarten through twelfth grade, as well as public school districts.

Employee – Any U.S. Government direct hire employee assigned to DOC or any other person (e.g., Contractor) assigned or detailed to DOC.

End User – The responsible party and hand receipt holder of a particular asset that is issued by a Property Official for the holder's business use.

Excess Personal Property – Personal property no longer needed for activities within our agency to carry out the function of official programs, as determined by the agency head or designee.

Exchange – Replace personal property by trade or trade-in with the supplier of the replacement property.

Exchange or Sale – Exchange or sell non-excess, non-surplus personal property and apply the exchange allowance or proceeds of sale in whole or in part payment for the acquisition of similar property.

Expendable Personal Property – By its nature or function, is consumed in use; is used as repair parts or components of an end product considered non-expendable; or has an expected useful lifecycle of less than one year (example: materials and supplies).

Fair Market Value – The amount at which an asset could be bought or sold. Quoted market prices in active markets are the best evidence of fair market value.

Federal Automotive Statistical Tool (FAST) – Government-wide system used to collect vehicle information related to Federal fleet data such as, fuel costs, consumption, vehicle costs, mileage, inventory, acquisition, disposal, and agency budgetary needs annually.

Federal Supply Class (FSC) – A four digit coding structure within the Federal Government catalogs, which manages products and goods procured by the Government, established by Public Law 82-436, Cataloging and Standardization. A FSC is comprised of a FSG; the useful life and salvage value recommendations are associated to an item's FSG code.

Federal Supply Group (FSG) – A two digit coding structure, which identifies an item's supply group. A FSG may be further subdivided into an item's FSC.

Financial Award Program – The legal instrument reflecting a relationship between the Federal Government and a recipient whenever: (1) the principal purpose of the relationship is to provide financial assistance to the recipient; and (2) no substantial involvement is anticipated between the Federal Government and the recipient during performance of the contemplated activity. The term "financial award program" as used in this Manual refers to both a financial award program and cooperative agreement, unless specifically stated otherwise.

Financial Award Program Officer – A Government official who is responsible for administrative aspects of a financial award program, including the authority to take final action on financial award programs by signing awards, amendments thereto, and suspension and termination notices.

Financial Liability – An obligation to pay a debt to the Federal Government for the wrongful act of the loss of personal property due to gross or simple negligence.

Fleet – A group (e.g., ships, planes, or vehicles) operated under unified control.

Fleet Charge Card – Government credit card used to pay for services rendered to an assigned vehicle.

Fleet Management – The management of a transportation fleet comprised of motor vehicles such as buses, cars, trucks, vans, vessels, and rail cars. Fleet management includes a range of functions, such as driver management, financing, fuel management, health and safety management, maintenance, telematics (tracking and diagnostics), and speed management.

Foreign Government – Any unit of foreign governmental authority, including any foreign national, State, local, or municipal government, any international or multinational organization whose membership is composed of any unit of foreign government, and any official, agent, or representative of any such unit or organization, while acting as such.

Forfeited Personal Property – Personal property that the Government has acquired ownership of through a summary process or court order pursuant to any law of the United States.

Fraud – A dishonest and deliberate course of action that results in the obtaining of money, property, or misuse of Government property or resources, resulting from deficient practices, systems, controls, or decisions. Fraud always involves intent and some violation of trust.

Fuel Types – Regular grade, no-lead gasoline; alternative fuels; diesel fuel; and regular and premium grade lubricating oils

General Ledger – An account that is supported by secondary property records showing the description, location, cost, and other significant data for each item or class of equipment.

Gift – Monetary or non-monetary present (other than a decoration). A monetary gift includes anything that may commonly be used in a financial transaction, such as cash or currency, checks, money orders, bonds, shares of stock, and other securities and negotiable financial instruments. A gift may be received from a foreign government or from the public.

Government – Federal, State, or local entity conducting business on behalf of the public.

Government Furnished Property (GFP) – Property in the possession of, or directly acquired by the Government and subsequently furnished to the contractor for performance of a contract.

Government-Owned Vehicle (GOV) – Any automotive vehicle owned by the Government; leased or agency-owned; self-propelled or drawn by mechanical power, designed, and operated principally for highway transportation of personal property or passengers including a military designed motor vehicle. This includes motor vehicles obtained through purchase, excess, forfeiture, commercial lease, or GSA Fleet lease.

Grant – A legal instrument reflecting a transfer of money, property, services or anything of value to a recipient when the principal purpose is to accomplish a public purpose of support or stimulation that is authorized by Federal Statute.

Gross Vehicle Weight Ratio – Maximum operating weight/mass of vehicle as specified by the manufacturer.

GSAXcess® System – Internet site for the entry of Federal Excess Personal Property Utilization Program and the Federal Surplus Personal Property Donation Program operated by the GSA. Used for reporting, searching, and selecting excess personal property.

Hand Receipt – A signed or otherwise formally acknowledged document in paper or electronic format that documents the transfer of stewardship for items from a PO to an end user. Hand receipts represent a very effective method of property control for Property Officials. A hand receipt holder can be designated to the Bureau PMO down to the actual end user.

Heritage Asset – Personal property that is retained because of its historic, cultural, educational, or artistic value as opposed to its current usefulness to carrying out the mission of the Department.

Historian, Librarian, or Other Entity Performing Heritage Assets Duties – The agency historian, librarian, or other entity performing heritage assets duties is the person or position that has knowledge of the Heritage Assets collection and advises as to what should be retained and what should be removed from the Heritage Assets collection.

Holding Agency – The executive agency having accountability for, and generally possession of, the personal property involved.

Incident – Normally involves damages caused by an object striking a motor vehicle and causing damage to a motor vehicle. Examples include: (1) a rock or similar object hitting a motor vehicle; or (2) something falling onto a motor vehicle and causing damage.

Inventory – Formal listing of accountable property items assigned to an agency, along with a formal process to verify the condition, location, and quantity of such items. This term may also be used as a verb to indicate the actions leading to the development of a listing. In this sense, an inventory must be conducted using an actual physical count, electronic means, and/or statistical methods.

Law Enforcement Motor Vehicle – A passenger automobile or light truck that is specifically approved in an agency's appropriation act for use in apprehension, surveillance, police or other law enforcement work, or specifically designed for use in law enforcement. If not identified in an agency's appropriation language, a motor vehicle qualifies as a law enforcement motor vehicle only in the following cases:

- a. A passenger automobile having heavy-duty components for electrical, cooling, and suspension systems and at least the next higher cubic inch displacement or more powerful engine than is standard for the automobile concerned;
- b. A light truck having emergency warning lights and identified with markings such as "police;"
- c. An unmarked motor vehicle certified by the agency head as essential for the safe and efficient performance of intelligence, counterintelligence, protective, or other law enforcement duties; and
- d. A motor vehicle seized by a Federal agency that is subsequently used for performing law enforcement activities.

Lease – A contractual arrangement calling for the lessee (user) to pay the lessor (owner) for use of a personal property asset.

Light Duty Truck – Includes trucks of up to 8,500 lbs. gross vehicle weight rating, which may be four-wheel drive, utilize gasoline or diesel fuel, and are manufactured for use on public streets, roads, and highways.

Logistics – The handling of the details of an operation.

Lost – Personal property that is unaccounted for by which the responsible party is likely aware of the circumstances surrounding the loss (e.g., left in a taxi).

Maintenance – The act of keeping personal property in an existing state or preserve from failure or decline.

Media Destruction – Various methods designed to destroy media, typically carried out at an outsourced destruction facility.

Mini Van – Van designed primarily to transport people or cargo that is compact in design.

Minimal Value – Retail value in the United States at the time of acceptance of a dollar threshold or less, as determined by the Administrator of General Services, in consultation with the Secretary of State, at three-year intervals and published in the Federal Register. The value of the gift will be the total of any constituent parts.

Missing – Personal property that is unaccounted for by which the responsible party is likely unaware of the circumstances surrounding the loss (e.g., missing during a physical inventory).

Motor Vehicle Operator – Any employee who is required to operate a motor vehicle in order to perform assigned official duties properly.

National Utilization Officer (NUO) – An official who is responsible for ensuring effective acquisition, use, and disposal of excess property within a DOC Bureau. The person who coordinates with GSA to provide user accessibility to the GSAXcess® federal disposal and screening system. NUOs play a direct role in the procurement process, supporting reutilization and sustainability in their Bureau.

Negligence – Negligence is categorized as simple or gross. Simple negligence is an act, failure, or omission on the part of the responsible employee(s) to exercise the appropriate degree of care, precaution, or vigilance resulting in loss, damage, or destruction of government property. Gross negligence is failure or omission on the part of the responsible employee(s) of a greater degree than simple negligence and deemed to be misconduct or willful, wanton, or reckless disregard for Government property resulting in loss, damage, or destruction.

Net Book Value – Asset's original price minus depreciation and amortization.

Non-Capitalized Personal Property – Any single item of non-expendable personal property, the value of which is charged either to an expense account when issued for use or at time of receipt.

Non-Expendable Personal Property – Complete within itself, does not lose its identity or become a component part of another article when put into use, and is of a durable nature with an expected useful lifecycle of one or more years.

Non-Federal Recipient – Contractors, grantees, and any other individual or organization that is not a Federal agency. State and local government entities are regarded as non-Federal recipients.

Official Purpose – Directly related to the accomplishment of U.S. Government business or assigned tasks, including transportation to or from places of temporary assignment for official business away from the normal place of duty.

Operator – Any Federal Government employee whose primary job description requires routine operation of motor vehicles. This includes chauffeurs, truck drivers, garage employees or drivers, and guard drivers.

Passenger Automobile – A sedan or van designed primarily to transport passengers.

Personal Property Assets – Property that is not real property, is owned by or under the stewardship of DOC, and is used, but not consumed, in support of the DOC mission.

Personal Property Management (PPM) – The function of the management, coordination, and regulation of activities concerned with the functions of planning property needs; the acquisition of property; the receipt, storage, and distribution of property; the proper utilization and care of property; property accounting control; and disposition of property.

Personal Property Management System (PPMS) – A web-based system that is used to maintain data on personal property assets located throughout the Department.

Program Officer – A Government official responsible for the technical, scientific, or other programmatic aspects of financial award programs.

Property Accountability Officer (PAO) – The person who ensures the effective administration and maintenance of a personal property control and accountability system within the accountability area for which he/she has been designated.

Property Accountability Records – The obligation to keep records (usually automated) and transactions on quantities of personal property assets, equipment and supplies such as identification, gain, loss, distribution, transfer, disposal, and balances on hand.

Property Accountable Office – A specifically defined geographical or organizational locale in which personal property accountability is assigned to a designated PAO.

Property Board of Review (PBR) – A standing or ad hoc committee appointed by the Bureau PMO that consists of three or more members who are responsible for examining facts to determine and establish the extent of personal and financial liability for lost, missing, stolen, damaged, or destroyed property based upon findings and authorize the removal of items from official property records within the PPMS.

Property Custodian (PC) – The person who has physical responsibility for the proper use, maintenance, and protection of personal property assigned to a particular custodial area.

Property Management Network – The management structure through which personal property assets are managed. This network includes a Departmental Property Management Officer,

Bureau Property Management Officers, National Utilization Officers, Property Accountability Officers, and Property Custodians.

Property Management Officer (PMO) – The individual appointed by the CFO, CAO, or equivalent level who has been assigned the responsibility, authority, and accountability required to effectively control the acquisition, use, and disposal of personal property.

Property Official (PO) – An individual officially appointed and certified to perform the responsibility of a DPMO, PMO, PAO, and/or PC. A PO provides for the overall management, oversight, and technical direction for property management jointly with the CFO, CAO, or equivalent level, Organization, Office, Division, or Branch. A PO furnishes technical direction, monitors the acquisition, maintenance, and disposal of personal property. POs carry out their role by performing the property management duties assigned to them by their respective organization.

Purchase Card Holder – An individual to whom a card is issued to buy goods and services in support of official Government business.

Purge – Expose media to a strong magnetic field in order to disrupt the recorded magnetic domains.

Real Property – Any interest in land, together with the improvements, structures, and fixtures located thereon (including prefabricated movable structures, such as Butler-type storage warehouses and Quonset huts, and house trailers with or without undercarriages), and appurtenances thereto, under the control of any Federal agency, except, the public domain, lands reserved or dedicated for national forest or national park purposes, and minerals in lands or portions of lands withdrawn or reserved from the public domain that the Secretary of the Interior determines are suitable for disposition under the public land mining and mineral leasing laws;

Receiving Report – A procurement and property accounting record, which acknowledges receipt by the accountable area of property or services from a vendor or other source.

Reconciliation – The process of matching and adjusting property records for a specific item to bring them into full agreement and to assure that they are accurately reflected. The objective of a reconciliation whether it is done between the PPMS and the general ledger or between a physical inventory and the PPMS is to compare information between two sources and to determine if it coincides and, if the information does not coincide, to make the appropriate adjustments.

Recycling – The recovery of raw materials from personal property for the purpose of using them again.

Refurbish – To restore personal property to its original state.

Rehabilitation – The restoration, reconditioning, renovation, or repair of serviceable/unserviceable or operable/inoperable personal property to a nearly new condition.

Renewable Energy – Electric energy generated from solar, wind, biomass, landfill gas, ocean (including tidal, wave, current, and thermal), geothermal, municipal solid waste, or new hydroelectric generation capacity achieved from increased efficiency or additions of new capacity at an existing hydroelectric project.

Repair – To restore to a sound or good state after wear, partial destruction, or damage.

Replacement – The process of acquiring personal property to be used in place of personal property that is still needed but: (1) no longer adequately performs the tasks for which it is used; or (2) does not meet the agency's need as well as the personal property to be acquired.

Research Equipment – Excess or surplus Federal property appropriate for mathematics and science education activities at the elementary and secondary education levels or higher.

Salvage – Personal property, which has no reasonable prospect for sale or use but has some value in excess of its scrap value because of its condition or specialized value.

Sanitization – The process of removing data from storage media with the reasonable assurance that the data may not be easily retrieved and reconstructed.

Schools – Individual public or private educational institutions encompassing pre-kindergarten through twelfth grade, as well as public school districts.

Scrap – Excess personal property that has no value except for its basic material content.

Screening – A process which allows internal or other agencies to inspect another's excess property for further utilization before being reported to the GSA.

Sedan – A passenger automobile classified by the following:

- a. Class I = Subcompact
- b. Class II = Compact
- c. Class III = Midsize
- d. Class IV = Large
- e. Class V = Limousine

Seized Personal Property – Personal property that has been confiscated by a Federal agency and whose care and handling will be the responsibility of that agency until final ownership is determined by the judicial process.

Sensitive Item – Includes items, regardless of value, that require special control and accountability due to unusual rates of loss, theft, or misuse, or due to national security or export control considerations.

Stewardship – The condition of having physical control of a personal property asset, with or without holding title.

Stolen – Taken without the responsible party's consent with the intent to deprive the rightful responsible party of the personal property.

Surplus Property – Excess personal property assets no longer required by any Federal agency as determined by the GSA.

Surplus Release Date – The date when Federal screening has been completed and the excess personal property assets becomes surplus.

Title – Held by the purchasing entity and the titleholder maintains formal accountability for the asset until it is formally transferred and accepted by another entity.

Transfer – The act or process of moving, a change of place of position, and/or the physical relocation of personal property from one accountable area/person to another.

Unit Cost – The original acquisition cost of a single item of property.

Useful Lifecycle – The continuous process and state of personal property assets from planning through acquisition, utilization, transfer, consumption, or disposal. Functions necessary for the proper determination of need, source, acquisition, receipt, accountability, utilization, maintenance, rehabilitation, storage, distribution, and disposal of personal property assets.

Using Agency – Federal agency that obtains motor vehicles from the GSA Fleet, commercial firms, or another Federal agency and does not hold the vehicle title or manufacturer's Certificate of Origin. However, this does not include a Federal agency that obtains a motor vehicle by a rental company.

Utilization – The use of a personal property asset in the business process; the identification, reporting, and transfer of excess personal property among Federal agencies.

Vessel – Public vessels owned/leased and operated by Federal agencies (excluding the Department of Defense) that are 65 feet or more in length.

Warranty – A written guarantee given to the purchaser of personal property, motor vehicle, or other item by the manufacturer or dealer, usually specifying that the manufacturer will make any repairs or replace defective parts free of charge for a stated period.

APPENDIX B: ACRONYMS

Term	Definition
ACC	Accident Control Center
ADPE	Automatic Data Processing Equipment
AFV	Alternative Fuel Vehicle
AMC	Accident Management Center
ASTM	American Society for Testing and Materials
BEA	Bureau of Economic Analysis
BFM	Bureau Fleet Manager
BIS	Bureau of Industry and Security
CAM	Commerce Acquisition Manual
CAO	Chief Administrative Officer
CAP	Contractor Acquired Property
CAR	Commerce Acquisition Regulation
CD	Commerce Department
CENSUS	U.S. Census Bureau
CFL	Computers for Learning
CFO/ASA	Chief Financial Officer/Assistant Secretary for Administration
C.F.R.	Code of Federal Regulations
CLC	Commerce Learning Center
CO	Contracting Officer
COR	Contracting Officer's Representative
DAO	Department Administrative Order
DEM	Departmental Environment Manager
DFM	Departmental Fleet Manager
DGM	Departmental Gift Manager
DNUO	Departmental National Utilization Officer
DOC	Department of Commerce

DOE	Department of Energy
DOO	Department Organization Order
DOS	Department of State
DOT	Department of Transportation
DPMO	Departmental Property Management Officer
ECC	Equipment Control Class
EDA	Economic Development Administration
EISA	Energy Independence and Security Act
E.O.	Executive Order
EPA	Environmental Protection Agency
EPEAT®	Electronic Product Environmental Assessment Tool
ESA	Economics and Statistics Administration
FAM	Foreign Affairs Manual
FAR	Federal Acquisition Regulation
FAST	Federal Automotive Statistical Tool
FEA	Federal Electronics Assets
FMR	Federal Management Regulation
FSC	Federal Supply Class
FSG	Federal Supply Group
FTR	Federal Travel Regulation
GAO	Government Accountability Office
GFP	Government Furnished Property
GOV	Government-Owned Vehicle
GSA	General Services Administration
GSAXcess®	GSA Excess Asset Management System
ICPM	Interagency Committee on Property Management
IEEE	Institute of Electrical and Electronics Engineers, Inc.
IT	Information Technology

ITA	International Trade Administration
LMSDD	Lost, Missing, Stolen, Damaged, or Destroyed
MBDA	Minority Business Development Agency
MCC	Maintenance Control Center
NIST	National Institute of Standards and Technology
NOAA	National Oceanic and Atmospheric Administration
NPMA	National Property Management Association
NSA/CSS	National Security Agency/Central Security Service
NTIS	National Technical Information Service
NUO	National Utilization Officer
OAP	Office of Administrative Programs
OF	Optional Form
OFM	Office of Financial Management
OGC	Office of General Counsel
OIG	Office of the Inspector General
OMB	Office of Management and Budget
OS	Office of the Secretary
OSEEP	Office of Sustainability Energy and Environmental Programs
OSY	Office of Security
PAO	Property Accountability Officer
PBR	Property Board of Review
PC	Property Custodian
PCard	Purchase Card
PII	Personally Identifiable Information
PL	Public Law
PM	Preventative Maintenance
PMEC	Property Management Executive Council
PMO	Property Management Officer

PO	Property Official
POC	Point of Contact
PPMM	Personal Property Management Manual
PPMS	Personal Property Management System
PPTD	Personal Property and Transportation Division
PPRT	Personal Property Reporting Tool
RO	Receiving Official
SF	Standard Form
U.S.	United States
U.S.C.	United States Code
USFCS	United States and Foreign Commercial Services
USPTO	United States Patent and Trademark Office

APPENDIX C: PROPERTY OFFICIAL (PO) PERFORMANCE CRITICAL ELEMENTS

Guidance: The critical elements outlined below must be a standalone element within a POs performance plan. When assigning a critical weight, the POs supervisor is responsible for assigning the respective critical weight. For guidance on assigning critical weights, the POs supervisor should consult with their Servicing Human Resources Office.

Departmental Property Management Officer

Critical Element: Departmental Property Management Officer (DPMO) Function

Objective: Establish and administer a personal property management program within the Department.

Major Activities:

- (1) Department-wide inventories are conducted.
- (2) Department-wide personal property management policies and procedures are developed and implemented.
- (3) Department-wide personal property reports are submitted to the General Services Administration and other external Federal agencies.
- (4) DOC Bureaus and offices are provided a forum, which allows Bureaus to collaborate on policy, synthesize activities, facilitate data collection, and develop recommendations for presentation to senior leadership.

Criteria for Evaluation:

- (1) Physical inventory activities are completed no later than June 30 and in accordance with the Department of Commerce Personal Property Management Manual Chapter 2.7.2, "Physical Inventory Verification".
- (2) Bureau/Office property management policies and procedures are reviewed once each fiscal year. Review criteria is provided in writing to Bureau PMOs at least 15 business days prior to internal review.
- (3) Guidance concerning external Department-wide data reporting requirements are issued to Bureau PMOs at least 30 business days from required suspense date. Bureau/Office waiver requests for internal and external requirements are responded to within 15 business days of receipt.
- (4) Meetings are hosted on a quarterly basis to encourage collaboration among Bureau PMOs. Meeting invites are sent to Bureau PMOs no later than 30 business days prior to the scheduled meeting.

Property Management Officer

Critical Element: Property Management Officer (PMO) Function

Objective: Provide direction, leadership, and coordination of property management activities for the Bureau's personal property management program.

Major Activities:

- (1) Physical inventory of Bureau's personal property assets is conducted and results are reconciled within the Personal Property Management System (PPMS).
- (2) Property Board of Review (PBR) is appointed and actions are coordinated for initiation and conclusion of personal property assets that are reported as lost, missing, stolen, damaged, or destroyed (LMSDD).
- (3) Property Accountability Officers (PAOs) and Property Custodians (PCs) are appointed and trained to serve in a property capacity or role.
- (4) Oversight and guidance is established to maximize the useful lifecycle of personal property including acquisition, receipt, utilization, and disposal.

Criteria for Evaluation:

- (1) Physical inventory activities are accurately completed by no later than June 30, unless a written waiver request has been approved by the Departmental Property Management Officer (DPMO).
- (2) PBR members are appointed in writing by November 30. PBRs for LMSDD personal property assets are assigned and initiated within 90 business days from incident report date and concluded by September 30.
- (3) PAOs and PCs are appointed within 30 business days from completion of training requirements in accordance with Department of Commerce Personal Property Management Manual Chapter 3.4.3, "Appointment with Certification".
- (4) The Department's standardized useful lifecycle policy is implemented in a timely matter for internal screening of personal property within Bureau/office prior to acquisition and disposal.

Property Accountability Officer

Critical Element: Property Accountability Officer (PAO) Function

Objective: Exercise effective administration and maintenance of a personal property control and accountability system within the accountability area for, which he or she has been designated.

Major Activities:

- (1) Physical inventory of organization's personal property is conducted and reconciled within the Personal Property Management System (PPMS).
- (2) Lost, missing, stolen, damaged, or destroyed (LMSDD) personal property assets are reported to the Property Management Officer (PMO) to determine if further investigation is necessary.
- (3) Custodial areas and Property Custodians (PC) for assigned organization(s) are defined and PCs are issued guidance on property certification and training requirements.
- (4) Assigned personal property is cleared by the respective PC of the separating employee.

Criteria for Evaluation:

- (1) Physical inventory activities are completed no later than June 30. A signed hand receipt is submitted to the PMO within 10 business days from inventory completion date for verification purposes and not later than June 30.
- (2) PMO is informed of LMSDD personal property assets within two business days of notification from the PC.
- (3) Property training and certification requirements are issued to PC within 10 business days from designation of an individual to serve in a property capacity or role, in accordance with Department of Commerce Personal Property Management Manual Chapter 3.5, "Property Training and Refresher Training Requirements."
- (4) Assigned personal property record of the separating employee are accurately updated in a timely manner within the PPMS.

Property Custodian

Critical Element: Property Custodian (PC) Function

Objective: Ensure the proper use, protection, and accountability of personal property assigned under custodial area is not used for other than official purposes.

Major Activities:

- (1) Physical inventory of custodial area's personal property is conducted and reconciled within the Personal Property Management System (PPMS).
- (2) Lost, missing, stolen, damaged, or destroyed (LMSDD) personal property assets are reported to the Property Management Officer (PMO) to determine if further investigation is necessary.
- (3) Personal property lifecycle transactions related to acquisition, receipt, use, maintenance, and disposal are performed and recorded within the PPMS for accountability purposes.
- (4) Optional Form 7, "Property Pass," is provided to employee for the removal of all property from Government premises.
- (5) Mandatory property certification and refresher training requirements are adhered to.

Criteria for Evaluation:

- (1) Physical inventory activities are completed no later than June 30. A signed hand receipt is submitted to the PAO within five business days from inventory completion date for verification purposes and not later than June 30.
- (2) Form CD-52, "Report of Review of Property," (or electronic equivalent) for any LMSDD personal property assets is submitted to the PMO within three business days of notification.
- (3) Barcodes are affixed to newly acquired personal property in a timely manner. Acquisition data and supporting documentation are recorded in the PPMS within 45 days of receipt, in accordance with the Department of Commerce Personal Property Management Manual, Chapter 6.3.1, "Recording."
- (4) Optional Form 7, "Property Pass," is issued to an employee prior to the authorized removal date of property. Existing property passes are monitored for expiration and renewal every 30 calendar days, in accordance with the Department of Commerce Personal Property Management Manual, Chapter 6.3.5, "Property Pass."

- (5) Training and certification requirements are completed within 60 business days from designation date by respective PAO. Also, refresher training requirements are completed by September 30. This is in accordance with Department of Commerce Personal Property Management Manual Chapter 3.5, "Property Training and Refresher Training Requirements."

APPENDIX D: MINIMUM USEFUL LIFE AND SALVAGE VALUES FOR DEPARTMENTAL PERSONAL PROPERTY ASSETS

FSG	TITLE	SALVAGE VALUE %	SERVICE LIFE
10	WEAPONS	0	15
11	NUCLEAR ORDNANCE	0	10
12	FIRE CONTROL EQUIPMENT	0	10
13	AMMUNITION AND EXPLOSIVES	0	10
14	GUIDED MISSILES	0	15
15	AIRCRAFT AND AIRFRAME STRUCTURAL COMPONENTS	0	20
16	AIRCRAFT COMPONENTS AND ACCESSORIES	0	20
17	AIRCRAFT LAUNCHING, LANDING, AND GROUND HANDLING EQUIPMENT	0	10
18	SPACE VEHICLES	0	15
19	SHIPS, SMALL CRAFT, PONTOONS, AND FLOATING DOCKS	0	15
20	SHIP AND MARINE EQUIPMENT	0	15
22	RAILWAY EQUIPMENT	0	7
23	GROUND EFFECT VEHICLES, MOTOR VEHICLES, TRAILERS, AND CYCLES	0	10
24	TRACTORS	0	10
25	VEHICULAR EQUIPMENT COMPONENTS	0	10
26	TIRES AND TUBES	0	0
28	ENGINES, TURBINES, AND COMPONENTS	0	15
29	ENGINE ACCESSORIES	0	7
30	MECHANICAL POWER TRANSMISSION EQUIPMENT	0	15
31	BEARINGS	0	0
32	WOODWORKING MACHINERY AND EQUIPMENT	0	7
34	METALWORKING MACHINERY	0	15
35	SERVICE AND TRADE EQUIPMENT	0	5
36	SPECIAL INDUSTRY MACHINERY	0	10
37	AGRICULTURAL MACHINERY AND EQUIPMENT	0	7
38	CONSTRUCTION, MINING, EXCAVATING, AND HIGHWAY MAINTENANCE EQUIPMENT	0	10
39	MATERIALS HANDLING EQUIPMENT	0	10
40	ROPE, CABLE, CHAIN, AND FITTINGS	0	0
41	REFRIGERATION, AIR CONDITIONING, AND AIR CIRCULATING EQUIPMENT	0	7
42	FIRE FIGHTING, RESCUE, AND SAFETY EQUIPMENT; AND ENVIRONMENTAL PROTECTION EQUIPMENT AND MATERIALS	0	10
43	PUMPS AND COMPRESSORS	0	10
44	FURNACE, STEAM PLANT, AND DRYING EQUIPMENT; AND NUCLEAR REACTORS	0	7
45	PLUMBING, HEATING, AND WASTE DISPOSAL EQUIPMENT	0	10
46	WATER PURIFICATION AND SEWAGE TREATMENT EQUIPMENT	0	7
47	PIPE, TUBING, HOSE, AND FITTINGS	0	0
48	VALVES	0	0
49	MAINTENANCE AND REPAIR SHOP EQUIPMENT	0	10

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[illegible]

**APPENDIX F: SAMPLE CERTIFICATION STATEMENT FOR
TRANSFERRING PERSONAL PROPERTY ASSETS TO ELIGIBLE
ORGANIZATIONS NOT USING GSA WEBSITE**

I hereby certify that the property being obtained by an ☐ educational institution or ☐ non-profit organization will be placed into use at the organization for the conduct of ☐ technical, ☐ scientific education, or ☐ research activities.

My organization hereby releases the Federal Government, DOC, or persons acting on behalf of DOC, from any and all liability of every kind and nature whatsoever (in accordance with state law) resulting from the receipt, shipping, installation, handling, use and maintenance of the property after said property is physically removed from the DOC facility.

Name of Organization

SF-122 Transfer Order No.

Printed Name of Official

Title

Signature of Official

Date

**APPENDIX G: SAMPLE PROPERTY OFFICIAL APPOINTMENT
CERTIFICATION MEMORANDUM**

MEMORANDUM FOR [Departmental Property Management Officer Name]
Departmental Property Management Officer

FROM: [Director for Financial Management and Deputy CFO Name]
Director for Financial Management and Deputy CFO

SUBJECT: Departmental Property Management Officer Appointment
Certification Memorandum

In accordance with the Department of Commerce (DOC) Personal Property Management Manual (PPMM), you are appointed as the Departmental Property Management Officer for the Department of Commerce.

The above individual has completed the required training requirements listed below:

- Ethics for Property Managers
 - Online through the Office of General Counsel Ethics Law Division website and submitted certificate of completion
- Concepts of Personal Property Management Training
 - Online through the Commerce Learning Center and submitted certificate of completion
- Bureau Specific Training on Personal Property Management System (PPMS)
 - Received training on [PPMS Name] including formal training instruction, or
 - Online through the Commerce Learning Center and submitted certificates of completion

Property Official duties are outlined in the DOC PPMM, Chapter 2.2, "Personal Property Management Roles and Responsibilities," and mandatory training requirements are outlined in DOC PPMM Chapter 3.0, "Personal Property Official's Training."

The supporting documentation to validate the completion of mandatory training requirements will remain on file with the individual's property management records. This appointment certification is valid as long as the individual listed above is performing property management duties and has met the annual personal property refresher-training requirement.

If you have any questions, please contact [Director for Financial Management Name] at [XXX-XXX-XXXX].

MEMORANDUM FOR [Bureau Property Management Officer Name]
Property Management Officer
[Bureau Name]

FROM: [Chief Financial Officer, Chief Administrative Officer, or
Equivalent Level Title Name]
[Bureau Name]

SUBJECT: Property Management Officer Appointment Certification
Memorandum

In accordance with the Department of Commerce (DOC) Personal Property Management Manual (PPMM), you are appointed as the Property Management Officer for [Bureau Name].

The above individual has completed the required training requirements listed below:

- Ethics for Property Managers
 - Online through the Office of General Counsel Ethics Law Division website and submitted certificate of completion
- Concepts of Personal Property Management Training
 - Online through the Commerce Learning Center and submitted certificate of completion
- Bureau Specific Training on Personal Property Management System (PPMS)
 - Received training on [PPMS Name] including formal training instruction, or
 - Online through the Commerce Learning Center and submitted certificates of completion

Property Official duties are outlined in the DOC PPMM Chapter 2.2, "Personal Property Management Roles and Responsibilities," and mandatory training requirements are outlined in DOC PPMM Chapter 3.0, "Personal Property Official's Training."

The supporting documentation to validate the completion of mandatory training requirements will remain on file with the individual's property management records. This appointment certification is valid as long as the individual listed above is performing property management duties and has met the annual personal property refresher-training requirement.

If you have any questions, please contact [Chief Financial Officer, Chief Administrative Officer, or Equivalent Level Title Name] at [XXX-XXX-XXXX].

MEMORANDUM FOR [Property Official Name]
[Property Official Title]
[Office Name]

FROM: [Bureau Property Management Officer Name]
Property Management Officer
[Bureau Name]

SUBJECT: Property Official Appointment Certification Memorandum

In accordance with the Department of Commerce (DOC) Personal Property Management Manual (PPMM), you are appointed as a [Property Accountability Officer or Property Custodian] under organization [Accountable or Custodial Area Name].

The above individual has completed the required training requirements listed below:

- Ethics for Property Managers
 - Online through the Office of General Counsel Ethics Law Division website and submitted certificate of completion
- Concepts of Personal Property Management Training
 - Online through the Commerce Learning Center and submitted certificate of completion
- Bureau Specific Training on Personal Property Management System (PPMS)
 - Received training on [PPMS Name] including formal training instruction, or
 - Online through the Commerce Learning Center and submitted certificates of completion

Property Official duties are outlined in the DOC PPMM Chapter 2.2, "Personal Property Management Roles and Responsibilities," and mandatory training requirements are outlined in DOC PPMM Chapter 3.0, "Personal Property Official's Training."

The supporting documentation to validate the completion of mandatory training requirements will remain on file with the individual's property management records. This appointment certification is valid as long as the individual listed above is performing property management duties and has met the annual personal property refresher-training requirement.

If you have any questions, please contact [Bureau Property Management Officer Name] at [XXX-XXX-XXXX].