

Personal Property Procedures Manual

**Office of the Secretary
November 2006**

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INTRODUCTION - This manual contains guidelines and procedures for personal property management within the Department of Commerce (DOC), Office of the Secretary (OS) that supplement the Departmental *Personal Property Management Manual* (PPMM). The managers, property accountability officers and property custodians in all offices within the OS are accountable for the property they acquire. It supersedes the 2002 *Office of the Secretary and Office of Inspector General Personal Property Procedures Manual*.

1.000 PROPERTY MANAGEMENT NETWORK

1.100 Overview - Personal property management within the OS is accomplished by utilizing a hierarchal network of officials including the Property Management Officer (PMO), the Property Accountability Officer (PAO), the Property Custodian (PC), and the Property Boards of Review. Below are comments specific to OS. All property in the OS will be inventoried and signed-off by the OS PAO semiannually. In turn, after this inventory the OS PAO will have each PAO sign for their individual office property. PAOs will then have PCs sign for their individual organization property. PCs are encouraged to have individual employees sign for the property for which they are the exclusive user.

1.200 OS Personal Property Management Division

1.201 The OS Personal Property Management Division (PPMD) has the functional responsibility for all personal property in the OS. This office is the liaison between the PAOs, Shipping and Receiving staff, Warehouse, Working Capital Fund Administrator, and the NIST Finance Office, Financial Services Group. This office is also the liaison between the Department of Commerce (DOC) and the General Services Administration (GSA) for excess property. The OS Property Management Officer's responsibilities include:

- a. Administer the network of PAOs, PCs, and Property Boards of Review within the OS;
- b. Coordinate with the Director for Administrative Services to appoint PAOs and PCs.
- c. Train and update OS Property Management Staff, PAOs, PCs, Supervisors, Managers, and property users;
- d. Oversee data entry of all property into the Personal Property Management System (PPMS) and manage the personal property tracking and inventory database;
- e. Provide specific training on the PPMS for PAOs and PCs.
- f. Issue property reports on an as needed basis;
- g. Conduct semiannual inventory and reconciliation utilizing existing accountable property records with the assistance of PCs and PAOs.
- h. Coordinate with the Office of Financial Management to ensure that all accountable property gets reported and tracked;
- i. Coordinate with the NIST Finance Office to ensure that all accountable property is reflected accurately in the general ledger;
- j. Maintain full documentation on all accountable property and physical inventories;

- k. Provide guidelines for and assisting PAOs and PCs with reconciling their semi-annual physical inventory with the PPMS;
- l. Provide accountable property information for OS offices to the NIST Finance Office for pre-audit reconciliation with the general ledger and CAMS accounting system;
- m. Provide OS accountable property information to the Office of the Inspector General for audit upon request;
- n. Review documents used to excess or turn-in personal property and process and entering data on all excess property;
- o. Coordinate excess property with the warehouse and securing its final disposition instructions;
- p. Serves as the project manager for property management process improvements.
- q. Prepare and submit the annual report on accountable personal property acquisitions to the DOC Property Board of Review.
- r. Reconcile the DOC property records with the OS Personal PPMS every 6 months, or more often if necessary.
- s. Ensure joint inventories are performed between outgoing and incoming property custodians.

1.300 Property Management Officer (PMO) - The OS PMO is an individual appointed by the Director for Administrative Services for the OS who has the knowledge, stature, authority, and accountability required to effectively control the acquisition, use and disposal of personal property. The OS PMO has been delegated authority and responsibilities for overall personal property management within the OS, including defining the accountability areas. The PMO utilizes the staff assigned to the PPMD to manage all aspects of personal property for the OS. The OS PMO will achieve and maintain certification in accordance with the Department Property Officials Certification Program.

1.400 Property Accountability Officer (PAO) - Directors and managers of major offices will appoint a PAO. PAO duties within OS will be collateral except for the OS PAO who will be a full time property management specialist assigned to the OAS PPMD. The PAO will sign for all property in the accountability area on a hand receipt from the OS PMO. A hand receipt is a PPMS printout of all the property in an accountable area. This receipt includes a CD number, serial number, description, and amount. The property official prints and signs their name and the date the form was signed. Each PAO will achieve and maintain certification in accordance with the Department Property Officials Certification Program.

1.500 Property Custodian (PC) - Directors and managers of large offices may appoint one or more PCs. PCs should be assigned manageable custodial areas such as a Division or Office and be physically located at the same location as the personal property for which they are responsible. Each PC will sign for all property in their custodial area on a hand receipt from their PAO. A hand receipt is a PPMS printout of all the property in an accountable area. This receipt includes a CD number, serial number, description, and amount. The property official prints and signs their name and the date the form was signed. Each PC will achieve and maintain certification in accordance with the Department Property Officials Certification Program.

1.600 Property Board of Review - The OS PMO appoints a Property Board of Review (Board) to review incidents involving loss, damage, or destruction of Government property and gives OS PPMD permission

to remove personal property items from the property records and PPMS. The Board consists of three or more members, one of whom shall be designated as Chairman by the members of the Board. PAOs or PCs shall not serve on an OS Board. The OS PAO will act, however, in an advisory capacity to the Board. Board members who possess competencies in investigating, writing, and analysis is desirable

1.700 Reviewing Authority - The Director for Administrative Services is the OS reviewing authority for employee appeals on adverse findings of the Board. The Director for Administrative Services will review the case on appeal, consider all the facts of the case as presented by the employee as well as the Board, and will make a final determination. The decision of the Director for Administrative Services as reviewing authority is final.

2.000 RECORD KEEPING

2.100 Maintaining Property Records

2.101 The OS PPMD will maintain a file of property assigned to each PAO in the OS. The PC will retain a copy of accountable property documentation in files (typically arranged by Barcode number) after they sign for property. This documentation includes 2.302 a. through d. The PAO will retain copies of all source and control records for each piece of accountable property during its useful life, copies of the contract or contract amendment supplied by the COTR for accountable property acquired by a contractor for the Government. This documentation includes 2.304 d. through f.

2.102 The OS PPMD maintains the OS Property Book (list of all property in OS) In addition, property inventory reconciliation information and documentation is retained in hard copy files by custodian number.

2.103 The PPMS utilized by the OS PPMD is an electronic database containing descriptive, accounting and inventory information on each piece of OS accountable property. The property information within the PPMS is extensive. It provides various viewing, searching and sorting features. A history table documenting every change made to each item of accountable property is also available.

2.200 Records Available from the PMO/OS PPMD

2.201 Descriptive property information in the PPMS should include: PC's name, building, room, bar code number, utilization code, property description, manufacturer, model, serial number, and acquisition data. Accounting information available on each item should include: document number, document type, receipt date, acquisition date, acquisition amount, accounting class, funding type, object class, and expected life.

2.202 Inventory information available on each item of accountable property includes the latest inventory date and time, inventory technician's name, as well as the status of the property for the current inventory.

2.203 Historical information available on each item of accountable property includes: all changes to that property item; the date and time the change was made; the authorized system user who made the change; and a general remarks column.

2.300 Supporting Documentation

2.301 Supporting documentation are used to support (1) the PPMS records; and (2) management requirements for overall program planning, evaluation, and financial statements. Both types of records must be maintained for each personal property item.

2.302 All formal personal property records shall be maintained by the PAO and/or PC for property items under their jurisdiction. In addition, the OS PPMD will maintain files on all OS property. Normally, supporting documentation tracks personal property items from the time they enter OS to the time they are surplus by GSA and formally removed from the records. Source records consist of any the following basic documents:

- a. Vendor Invoice (when available); or Purchase Requisition or Bankcard Statement.
- b. Loan Document or Memo
- c. For partially received orders, an Invoice/Receipt Certification (CD-406)
- d. Lease Documents

2.303 The purpose of maintaining the source documents listed above is to ensure the property is owned by the Government, and that it is accounted for in OS property records and financial records accurately. Source documents pertaining to the acquisition of personal property and its cost must be retained for three years following the property disposition date.

2.304 The following documents/forms are considered control records:

- a. Personal Property Control (CD-50)
- b. Report of Review of Property (CD-52)
- c. Property Pass (OF-7)
- d. Property Loan Agreement and Receipt (CD-546)
- e. List of property assigned to a PMO or PAO that is signed by the PMO or PAO (Property Hand Receipt).
- f. Report of Excess Personal Property (SF-120)

3.000 PROPERTY BOARD OF REVIEW

3.100 Circumstances for Convening - The Board consists of three members appointed by the PMO for a period not to exceed two years, or on an as needed basis. The PMO, PAOs, and PCs are not permitted to serve on a Board. They may act, however, in an advisory capacity. The Board members elect one of the Board members to serve as Chairperson. At the end of two years, the PMO or his/her designee may contact the Board members to inquire if they would like to serve another two years. If a Board member has to be replaced, a new member will be selected within thirty days. The Board will convene on an as-needed basis upon receipt of a CD-52 from the OS PMO.

3.200 Review Authority - The reviewing authority for OS employees will be the Director of Administrative Services.

3.300 Employee Notification of Board's Findings - The supervisor provides the employee with a copy of the Board's findings along with a memorandum advising the employee to respond in writing within ten business days.

3.400 Employee Response Options - An employee has the right to have an adverse finding reviewed by the Director for Administrative Services. A request by the employee for such a review should be

submitted in writing by the employee to the supervisor and describe in detail the specific reasons that the findings should be reviewed. The PMO will forward the request, his/her comments, along with any comments by the supervisor, and the complete Board record to the Director for Administrative Services. The decision of the reviewing authority shall be final. Whether the employee concurs or disagrees with the results, a written reply must be forwarded to the Board. If no response is received within 15 working days, it is assumed that the employee agrees with the findings, and actions will proceed.

3.500 Billing the Employee - The affected employee's supervisor, who signs his/her time and attendance records, will initiate the collection process through the Office of Human Resources Management for their action.

3.600 Reporting the Board's Findings - In addition to the person(s) who reported the loss, the appropriate approving official, Office of Human Resource Management, Accounting; the review authority, and the individual violator's immediate supervisor are informed of Board actions.

4.000 PHYSICAL INVENTORY

4.100 Frequency - All of OS conducts a wall-to-wall physical inventory twice each year (approximately March and September).

4.200 Special Circumstances - If a PC leaves or gives up his/her duties, a joint inventory will be taken with the new PC, and overseen by the PAO, to make sure that all property is accounted.

4.300 Inventory Responsibility

4.301 The OS PPMD or their contractors, are responsible for the scheduling and scanning of accountable property during an inventory. Every accountable item must have a barcode tag attached to it. Accurate, quick inventories are conducted with the use of a barcode scanner. Through the use of this device, barcodes are read optically, and the information is transferred to the PPMS now in use by the OS PPMD.

4.02. The person performing the scanning will make a list of items that have barcodes, but the scanner cannot detect the barcode; and of the items which do not have barcodes. The list will consist of the Item Description, Serial Number, Model Number, Room Number, and the PC's name. This list will be required to be reconciled with the property listing.

4.303 Manual inventories are also conducted with the aid of printed property reports and a blank form for capturing unlisted items, if any.

4.304 The PAO or PC will accompany inventory personnel to insure the accuracy of the PC's records.

4.305 The PC is responsible for ensuring complete access to all spaces under the PC's inventory listings.

4.306 If the OS PPMD discovers property in a space not under the control of the correct PC, that item will be reported to the correct PC, in order that the inventory can be reconciled.

4.400 Inventory Steps - The physical inventory consists of the following actions:

- a. The OS PPMD briefs the PCs and PAOs on the inventory process.
- b. PCs will be provided two week notice before the start of the inventory.
- c. The OS PPMD prints PC inventory reports prior to each inventory, along with an inventory schedule.

- d. The OS Personal Property Management Division briefs the PCs and PAOs on the inventory process.
- e. In preparation for the physical walk-through, PAOs provide the PCs with their respective inventory report and review the physical inventory schedule. They also prepare an "Off-Site Accountable Property List" for all items with authorized usage off-site.
- f. The inventory is conducted by the PPMD or their contractors with the assistance of the PAOs and/or PCs. The "Off-Site Accountable Property List" is given to the inventory technician.
- g. Discrepancy reports are printed and distributed to PCs by the PPMD.
- h. The PCs, with the cooperation of PAOs, reconcile the completed PC discrepancy reports. They provide CD-50s and source documentation on all acquisitions not previously recorded in the PPMS.
- i. The PAOs report property not found during the inventory on form CD-50 (if excessed) or CD-52 with an explanation of the situation and actions that have been taken to trace each missing property item.
- j. The PAOs submit CD-50s or CD-52s to the PMO for action by the PMO or the Board as appropriate.
- k. The PPMD or their contractors make necessary adjustments to the PPMS based on overall physical inventory results, including approved CD-52 actions.
- l. The PPMD or their contractors print reports that reflect actual inventory results and submit them to their respective PAOs and PCs for certification. The PC retains a signed copy. The original is returned to the OS PPMD.
- m. During the annual financial audit (resulting from the year-end audit), source and tracking documentation are reconciled against a sample of property items in the PPMS. Documentation must be produced upon receipt of a request.
- n. Once a discrepancy has been established, the reason for the discrepancy must be identified and documented, and any necessary corrective action(s) should be identified and taken.

5.000 PERSONAL PROPERTY ACCOUNTABILITY

5.100 All Department of Commerce employees and supervisors will ensure that the Office of Security has been notified of missing and stolen property. Contact the Herbert C. Hoover Building Security Guard Force at 482-4584.

5.200 Employee Clearance. Employees who depart OS will clear using the CD Form 126. There are only a limited number of personnel who can clear an individual for property, they include:

- a. For the immediate OS it is the Director of Administration.
- b. For all other OS staff, it is Director of the Office of Administrative Operations, OS Property Management Officer, and the Department Property Management Officer

5.300 Property Official Performance Standards - Each property official will have a property element in their performance standards no later than November 30 of each year. There is a Property Official Performance Standard template for each of the positions (PMO, PAO, and PC) available from the Office of Administrative Services.

5.400 Tracking Blackberrys, Bluberrys, Cell Phones, and Thumb Drives. These items are not accountable property. They are also easily purchased for under \$200 and hard to track.

a. The preferred way to identify the numbers and holders of Blackberrys, Blueberrys, and Cell Phones is through the telephone accounts set up for them.

b. The PPMS has a “Sentry Module” that can be used to track property without the complications of barcodes.