

INDIAN AFFAIRS MANUAL

Part 23

Property Management

Chapter 2

Personal Property Accountability

Page 1

- 2.1 Purpose.** This chapter establishes Indian Affairs policy for Personal Property accountability.
- 2.2 Scope.** This policy applies to Offices under the Assistant Secretary – Indian Affairs, including BIA organizations reporting to AS-IA Directors, the Bureau of Indian Education (BIE), and programs that are contracted under Pub. L. 93-638.
- 2.3 Policy.** Detailed records must be maintained for government owned Accountable property.
- 2.4 Accountable Property.** All accountable system-controlled and sensitive property regardless of cost (including any installation, shipping, and set-up charges) will be controlled in the FAS. For items acquired through transfer, donation, found during inventory, etc., the fair market value at the time of receipt will be used to determine acquisition cost. All accountable system-controlled and sensitive property must be assigned to an APO immediately upon receipt regardless of the source of the property.
- 2.5 Capitalization Threshold.** The BIA’s capitalization threshold for personal property is \$15,000. All personal property with an original acquisition cost of \$15,000 or more will be capitalized in FAS unless (a) the item has a useful life of less than two years, or (b) the item is intended for sale/donation by IA. Betterments to an asset meeting or exceeding the capitalization threshold for personal property must be recorded as a separate item in FAS.
- The capitalization threshold for internal use software is \$100,000 per license. Internal use software, meeting the capitalization threshold, shall be recorded and tracked in FAS (See Departmental Financial Statement Guidance Memo No. 2001-001).
- 2.6 Non-Capitalized Property.** Property with an acquisition cost of \$5,000 to \$14,999.99, and sensitive property regardless of cost is accountable property and is recorded in FAS.
- 2.7 Expendable and Non-Expendable, Non-Capitalized Personal Property Costing Less than \$5,000.** The management and control of expendable and non-expendable, non-capitalized property under \$5,000 is the responsibility of the CPO. All expendable property meeting the criteria listed below, with the exception of day-to-day administrative operating supplies (e.g., printer cartridges and copy paper) will be informally controlled and accounted for. The property will be tagged with a “Property of the U.S. BIA” label. Accountable records for this property are to be maintained in a database program or documented in a file with a hand written list, or a DI-105, Receipt for Property. The documentation should include the make, model and serial number, location, original acquisition cost, and date the property was received. These documents should be retained

INDIAN AFFAIRS MANUAL

for a minimum of three years and should be filed in a manner to easily identify significant losses or excessive purchases.

All other expendable property not meeting the above dollar limitations is considered shelf stock and is not formally controlled.

Single pieces of furniture costing \$5,000 or more will be recorded in FAS. Systems furniture is considered to be non-capitalized, non-expendable, and non-sensitive property, and will not be maintained in FAS.

- 2.8 General Ledger Account.** The FAS is completely integrated with the FFS. Assets that are acquired via a purchase are established in the general ledger based on posted payment vouchers. All other Fixed Asset transactions update the General Ledger (GL) automatically when documents/transactions are accepted in FAS. The total values of the GL and property accountability records in FAS are maintained for all capitalized property. The total value of capitalized property recorded in FAS is reconciled with the related balances shown in the FFS by the Division of Property Management - Phoenix. Any differences disclosed will be coordinated with the appropriate Regional office to ensure records are reconciled and adjusted in accordance with sound accounting practices, to bring the property accountability records and the GL account into complete agreement.
- 2.9 Recording Acquisitions, Transfers, Corrections and Disposals of Assets in FAS.** All acquisitions, transfers, corrections and disposals of assets into FAS must be completed within 30 days of the action. Therefore, any acquisition of property must be encoded into FAS within 30 days of **receipt** of the property. Transfers will be completed in FAS within 30 days upon receipt of a **completed transfer document**, DI-104. Corrections will also be made within 30 days of the found **error**. Disposals will be completed within 30 days of the **completed disposal document**, DI-103 - Report of Survey, DI-103A - Certificate of Unserviceable Property, or BIA 4335- Donation Document.
- 2.10 Property Accountability Records (Documentation).** Asset files will be established immediately upon receipt of all accountable system-controlled property acquired by purchase, transfer, authorized donation, or other means. The files will be subject to both internal and external audits and all entries must be supported by valid acquisition and disposal documents.

Accountability records must be established and maintained for all Government-owned property that is in the custody of a contractor, grantee, or other non-Federal recipient in accordance with the terms of any legal instrument. This property shall be subject to the same inventory, reconciliation and management controls as any other accountable property held by IA. The Awarding Official, Contracting/Grants Officers are responsible

INDIAN AFFAIRS MANUAL

for transmitting information regarding such Government furnished property to the Accountable Officer. The Awarding Official, Contracting/Grants Officers, or COTR will be designated as the CPO and will assist the AOP with the accomplishment of the physical inventory, and the reconciliation of any discrepancies revealed by such inventory, or for ensuring such inventories are accomplished in accordance with contractor/grantee's approved property system. Completed and certified inventories will be provided to the Accountable Officer by the Awarding Official, Contracting/Grants Officer, or the COTR.

2.11 Accountable Property Officers (APOs). APOs are designated in accordance with the IA Personal Property Accountability Structure. Property accountability remains fixed until an APO is relieved by one of the following:

- A. Transfer of accountability to another APO within IA;
- B. Transfer of excess property to another Government agency, eligible Indian Tribe or Tribal organization, or other eligible recipient;
- C. Sale of property;
- D. Authorized condemnation, destruction, abandonment, or donation;
- E. Board of Survey determination.
- F. Termination of Lease or loan agreement.

2.12 Transfer of Accountability. When an APO is relieved of responsibility for personal property (usually by change of duties or termination of employment), a physical inventory must be conducted for property prior to relief of custody. Any discrepancies must be reconciled with the accountability records prior to release of responsibility. The APO will assume total responsibility and control of Government owned, leased and/or loaned property involved in the transfer of accountability. If both parties have already departed, the responsibility for the property must be assigned to an interim or acting accountable official. All designations currently assigned will remain in effect until rescinded in writing.

The APO is responsible to ensure that property in the possession of a CPO is accounted for. This may be done by requiring a physical inventory for the property or a written statement that all property in the CPOs care is accounted for.

2.13 Relief of Custody. When a CPO is relieved of responsibility for personal property, it is the responsibility of the APO to ensure that property entrusted to that individual is accounted for. This may be done by either requiring a physical inventory of the CPOs property, or the APO may require a written statement that all property entrusted to that

INDIAN AFFAIRS MANUAL

person is accounted for. The latter method shifts responsibility for any shortages to the APO.

2.14 Responsibility Records. Employees are assigned responsibility for accountable-system controlled and sensitive property in their custody by signing a DI -105, Receipt for Property, upon receipt. Items used by more than one employee must be assigned to a CPO. Any employee having custody or use of Government-owned property may be held financially liable as determined by a Survey Authority for its loss or damage whether or not the employee has signed a receipt for the property.

2.15 Property Clearance. Prior to separation, transfer, or reassignment an employee must obtain a signed clearance from Property Management and a physical inventory must be taken of all property in the employee's custody. Form BIA- 4445, Final Exit Clearance is initiated by the employee and certified by the APO upon completion of the inventory. When an employee is separated or transferred out of the bureau, certification for final salary payment must be withheld until clearance is obtained. Payroll units must be notified when such clearance has been granted.

2.16 Property Pass. Form DI-1934, Property Pass, will be used to control the removal and/or return of property from Bureau office buildings (regardless of ownership). The DI-1934 must be completed by describing the item including the property tag number, make, model and serial number. Each Bureau office location shall maintain a list of person(s) authorized to approve and issue the DI-1934. Employees must submit a memorandum signed by their supervisor justifying the use and removal of Government property.

A. Copies of DI-1934 will be distributed to respective offices for accountability as follows:

- (1) White - Issuing Office
- (2) Yellow - Security
- (3) Pink - Employee
- (4) Blue - Retained by the Property and Supply Office

B. The APO and the CPO are required to keep a log of property passes that have been issued and must indicate the date the equipment is to be returned. Weekly reviews of the log are required to ensure the timely return of the government property. Property being returned must be accompanied by the Property Pass and must be cleared through the issuing office to ensure that property has been returned.

2.17 Use of Government-Owned Property is Restricted to Official Purposes and Use of Non-Government-Owned Property is Restricted. The use of Government property is

INDIAN AFFAIRS MANUAL

for official purposes only (see 18 U.S.C.641). No officer or employee of IA shall use or authorize the use of Government property for other than official purposes.

- A.** Government-owned personal property may be furnished for use only when specific authority exists to do so, and then only within the scope, purpose, and limitations of the authority. Such authority may exist when the use of Government-owned property has been authorized within the written terms and conditions of a legally executed contract, grant, cooperative agreement, purchase order, or memorandum of understanding. The Awarding Official, Contracting and Grants Officer or the COTR is the only official who can authorize the provision, acquisition, reimbursement, utilization or disposal of any Government property so involved.
- B.** Unauthorized use of Government-owned property is prohibited. Property may not be used in or moved to an employee's residence, or other property not leased or rented by the Government, unless specific written authority is granted by the employees supervisor. The written authority must indicate the length of time that the employee is authorized such use, and specify the termination date of the authorization. Such authorization shall be granted only in instances when the employee is required to use property for official use, and in the performance of assigned duties. The provisions of this paragraph do not apply to field equipment used in the performance of authorized work.
- C.** Limited personal use of Government office equipment is allowable as long as the use occurs on non-duty time, does not interfere with official business, is not a commercial gain activity or is otherwise prohibited, and the expense to the Government is negligible. (See 410 DM 2 Limited Personal Use of Government Office Equipment and Library Collections.)
- D.** Non-Government-owned personal property shall not be installed in, affixed to, or otherwise made a part of any Government-owned personal or real property in a manner that makes the Government responsible for any loss or damage; or that has the potential to damage the Government-owned property involved; or that subjects the Government to any copyright or license agreement violations. No one may install software on Government-owned ADP equipment or use software for Government work in violation of a license agreement or copyright.
- E.** Employee-owned property may not be used in the performance of official duties, unless approved by the employee's supervisor and the AO or specifically required by a labor union collective bargaining agreement. When authority is granted for employees to use their own personal property in the performance of official Government duties, the property is to be used at the risk of the owner/employee, and the Government shall not be held financially liable for any damage or loss which may occur as a result of such use, unless such liability is defined by and

INDIAN AFFAIRS MANUAL

Part 23
Chapter 2

Property Management
Personal Property Accountability

Page 6

assumed by the office in a written agreement which is signed by the APO and the employee's supervisor prior to using the property.

- a. The supervisor's and APO's approvals are not required for the use and installation of privately-owned decorative items or memorabilia in the work place, provided that the structure or the safety of the facility is not thereby compromised and is not offensive to other employees. Such items should be already identified as to ownership.
- b. The requirements set forth in FMR 101-25.100, which permits the use of Government-owned personal property in emergency situations which threaten loss of life or property shall be followed in making determinations as to what constitutes official use under exceptional circumstances.