

CELD

Regulation
No. 700-1-1

30 April 2015

Logistics
USACE SUPPLY POLICIES AND PROCEDURES

Supplementation to this regulation is prohibited except upon proponent's approval. USACE commanders will submit their request for approval to HQUSACE (CELD), Washington, DC 20314-1000, through chain of command channels.

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This regulation supersedes ER 700-1-1, dated, 2 October 2000, ER 750-1-1 (Para. 5-2), dated, 30 January 1997, EP 710-1-1, dated, 1 October 1989, and EP 750-1-1 (Para. 9-1), dated, 30 November 1997.

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CHAPTER 1

Introduction

1-1. Purpose. This regulation governs supply operations within the U.S. Army Corps of Engineers (USACE). It provides policy for the acquisition, accountability, management, and disposal of supplies and personal property used within USACE.

1-2. Applicability. This regulation applies to all HQUSACE elements and all USACE commands having responsibility for supply operations, regardless of size, location, and funding (civil, military, foreign military sales (FMS), etc.).

1-3. Distribution Statement. Approved for public release; distribution is unlimited.

1-4. References. Policies and procedures in this regulation are based on guidance presented in the regulations and publications listed in Annex A. This regulation should not be used to the exclusion of the referenced publications. They provide the basic policy guidance from which systems and procedures are developed.

1-5. Objectives.

a. This regulation prescribes policy for accountability for all property acquired by commands from whatever source, whether bought or not. Section 4832, Title 10 of the United States Code requires such accounting and responsibility.

b. It will serve as the principal policy document for property accounting procedures that will be continuous from the time of acquisition until the ultimate consumption or disposal of the property occurs. Such accounting will be maintained through formal records. The policy herein also serves to ensure compliance with Chief Financial Officers (CFO) Act and DoD 7000.14R, Financial Management Regulation (FMR), requirements.

c. Management control systems. This regulation is subject to the requirements of AR 11-2. It contains management control provisions but does not contain checklists for conducting management control reviews. It covers three evaluation areas of the USACE Management Control Plan: Supply Activities; Property Authorizations; and Personal Property – Chief Financial Officers' Act. Commands will use the Command Supply Discipline Program (CSDP), the Equipment Utilization Management Program (EUMP), this Engineer Regulation, appropriate Army/Department of Defense (DOD)/Federal regulations, inspections, and locally generated checklists to implement a management control system. Sample checklists will be found on the web site of the USACE Assistant Chief of Staff for Logistics.

1-6. Precedence of Regulation. Unless specifically authorized in this policy or other written

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guidance, USACE will follow Department of Defense Regulations (DODR) or Army Regulations

(AR). In the event of any conflict among DODRs, ARs and Engineer Regulations (ER), the highest level regulation will apply. **Note:** In this regulation, Major Subordinate Command (MSC) refers to divisions, centers (including laboratories), and field operating activities (FOA).

1-7. Record Keeping. Documentation for capitalized plant and equipment must be retained for Chief Financial Officer (CFO) audit purposes as long as the item is recorded on the USACE General Ledger. (The capitalization level is \$25,000 or more for civil funds, and \$250,000 or more for military funds.) Other supply records will be kept IAW the Army Records Management Information System (ARMIS), AR 25-400-2.

1-8. Responsibilities.

a. The Commander, USACE, will ensure the development of specific commodity or command-unique property accounting policies that comply with the basic policies and procedures prescribed by Army and other applicable regulations. The Commander will:

- (1) Implement the CSDP;
- (2) Establish supply discipline as regulatory guidance; and
- (3) Implement an equipment management program.

b. The USACE Director for Logistics will:

(1) Ensure that the policies and procedures specified in this regulation are kept current to comply with higher echelon policies and procedures;

- (2) Serve as the USACE primary CSDP coordinator; and
- (3) Serve as the USACE primary command equipment manager.

c. Commanders/Regional Logistics Managers (RLMs) at MSC level will:

(1) Ensure that implementation of the CSDP and EUMP is routinely examined during command inspections; and

(2) That all MSC evaluations of CSDP and EUMP activities are documented, and contain, at a minimum, findings, recommendations and suspense dates.

d. Commanders/RLMs, at District/Division or MSC level, will:

(1) Establish formal CSDPs and EUMPs, and ensure that evaluations are properly documented. The documentation should contain, at a minimum, findings, recommendations and suspense dates;

(2) Ensure that supervisors are aware of and properly discharge their responsibilities under the CSDP and EUMP;

(3) Ensure that Financial Liability Investigations of Property Loss (FLIPL) are processed IAW the requirements of AR 735-5, including the use of simple negligence as the minimum standard of culpability in support of a finding of pecuniary liability; and

(4) Appoint, in writing, Division Property Book Officer(s) (DPBOs), to be renewed upon change of command.

e. The District Logistics Managers (DLMs), will:

(1) Establish and maintain the CSDP within the organization, with written standard operating procedures;

(2) Promote command supply discipline through compliance with all applicable DOD, Army and USACE policies and procedures;

(3) Design and publish local implementing policies and procedures in compliance with this regulation;

(4) Establish and maintain the EUMP, IAW AR 71-32, with written Quality Management Systems (QMS); and

(5) Send requests through command channels for clarification of regulatory guidance. Deviations from supply policy contained herein require approval from HQUSACE, and, in some cases, HQDA.

f. The Accountable Officer supervises the preparation, maintenance and management of the document/voucher registers, regardless of the physical location of the registers.

g. First line supervisors or a designated representative will be appointed in writing as primary hand receipt holders (PHRHs). The DPBOs will train the PHRHs to safeguard property assigned to them according to the procedures specified in this regulation and local standard operating procedures, IAW AR 735-5.

h. The PHRH has the direct responsibility to ensure all Government property, for which they have receipted, is properly used and cared for and that proper custody, safekeeping and

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disposition are provided IAW AR 735-5, chapter 2, paragraph 2-8(3).

i. All employees will safeguard government property whether or not they have been formally assigned responsibility for it, IAW AR 735-5, chapter 2, paragraph 2-1.

NOTE: Throughout this regulation, for purposes of brevity and unless otherwise noted, the HQUSACE Director for Logistics will be called the DOL.

1-9. Command Supply Discipline Program (CSDP). The CSDP is prescribed by AR 710-2, Appendix B and AR 735-5, Chapter 11, as a commander's program directed at eliminating noncompliance with existing supply regulations. To accomplish this, the CSDP assists commanders by making them aware of supply conditions in their command. It is a compilation of existing regulatory requirements brought together for visibility purposes. It is directed at standardizing supply discipline and is meant to simplify command, supervisory, and managerial responsibilities. This is accomplished by outlining the various requirements for responsible personnel, standardizing requirements, and formalizing follow-up procedures.

1-10. General Requirements. Automated systems, which include software intended to manage such items as property books, inventory accounts, document registers, hand receipts, and FLIPL will not be implemented, developed or procured without written approval from the DOL. HQUSACE uses the Automated Personal Property Management System (APPMS) as the preferred automated property accounting system for non-expendable items.

CHAPTER 2

Authorization of Property

2-1. Management Policies. Acquisition of personal property will be accomplished IAW the guidance set forth in this and other applicable regulations. Commanders will ensure all property acquired from whatever source, to include excess, will have the proper authorization and Civil Property Authorization Documents (CPADs) developed and in place prior to obtaining the property. The authorization system as set forth in this regulation should not be confused with funding authorities, such as the Plant Replacement Improvement Program (PRIP). In addition to authorization requirements detailed within this regulation, property purchased under these categories must meet the regulatory and financial requirements of the ER 1130-series and 37-series. The authorization system set forth in this regulation does not replace procurement authorities, which take into consideration delegation authorities based on the dollar thresholds, and it does not replace competition versus sole source procurement, or leasing.

2-2. Exceptions. Excluded from the policies in this chapter are contracts for architect-engineer services; real property acquisition; maintenance and service contracts (lawn mowing, janitorial, etc.); medical studies; surveys; reports; utilities; contracts that do not include government-furnished property (GFP); and contracts initiated in support of other DOD/government agencies under a memorandum of agreement (MOA) or a memorandum of understanding (MOU).

2-3. Authorization Documents. All requisitions/requests for non-expendable personal property must cite an authorization document from the listing below. (Requiring Activity will enter the authorization data in the remarks field of the requisition until the Corps of Engineers Financial Management System (CEFMS) is modified with a new data field.) The property book will reflect the correct authorization in the Automated Personal Property Management System (APPMS) supported by a property authorization document on file. Non-expendable personal property acquired for use within USACE will use the following authorization documents identified by type of procurement funds:

a. Authorization documents involving solely military-funded items:

(1) Table of Distribution and Allowances (TDA):

(a) A TDA is a document that prescribes the organizational structure, personnel and equipment requirements and authorizations of a command. TDAs are governed by AR 71-32.

(b) TDAs do not include, per AR 71-32, paragraph 7-17:

- Equipment authorized by Common Table of Allowances (CTA);

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- Equipment on hand through temporary loan;
- Equipment on-hand by lease or rental. The exception is non-tactical vehicles (NTVs) leased under AR 58-1 to fill TDA shortages. However, non-expendable equipment initially obtained by rental or lease and later purchased (government-owned) will be documented in TDAs;
- Research, development, test, and evaluation (RDT&E) equipment purchased with RDT&E funds, to include equipment purchased with other than RDT&E funds but later reimbursed with RDT&E funds. This exclusion does not include HQ DA-controlled equipment required for support of base operations at RDT&E installations (The DoD financial Management Regulation 7000.14-R, Volume 2A, Chapter 1, paragraph 010213 contains details on the criteria for funding efforts with RDT&E appropriations.);
- Repair parts, expendable or durable items;
- Equipment procured from non-appropriated funds;
- Prefabricated (re-locatable buildings), installed building equipment and other real property;
- Locally fabricated items for which no known Army-adopted item exists;
- Intelligence equipment exempt from type classification;
- Equipment purchased through Defense Supply Services, Washington;
- Equipment procured exclusive for DOD civil defense efforts;
- Equipment purchased with or reimbursed by Military Assistance Program (MAP) and International Military Educational and Training Program funds;
- Any non-expendable item of serviceable equipment that is withdrawn from the Defense Logistics Agency (DLA) Defense Reutilization and Marketing Office (DRMO), and not used for its intended purpose. This equipment must be approved and accounted for on the user's property book;
- Equipment used for experiments and test;
- Secondary end items authorized or issued as components of equipment assemblages and sets; or

- Any other items of property authorized by the authorization documents listed below.

(2) Emergency memorandum request (EMR): This is a HQDA-approved item pending TDA documentation.

b. Authorization documents involving solely civil-funded items:

(1) The CPAD is a document that identifies civil-funded equipment requirements and authorizations for a particular USACE command. CPADs will be maintained for individual project/field offices and hand receipt accounts (HRAs), as appropriate. Only one CPAD will be maintained for each USACE command. The CPAD does not eliminate the need to justify funds for Plant Replacement Improvement Program (PRIP) items. All plant, property and equipment, meeting the capitalization criteria, and purchased to serve more than one civil works project and/or multiple civil works appropriations will be acquired through PRIP.

(a) The CPAD identifies the following equipment:

- All Civil funded commercial/non-tactical motor vehicles;
- CTA Equipment that exceeds the CTA allowances (for example, if CTA only authorizes one each copier, then the excess will be authorized under CPAD);
- Any equipment that exceeds the civil fund capitalization threshold level of \$25,000 will be included in CPAD;
- Civil funded non-expendable equipment that is not authorized under CTAs, ARs, TMs or TDA;
- Any item of civil funded property (non-expendable) that is not authorized in any other authorization document will be reflected in the CPAD.

(b) CPAD Initiation:

- The DPBO will provide the CPAD Initiation Document (ENG Form 6034-C) and/or the annually undated CPAD to the Division/District command group for review and equipment requirement validation. The locale command group will review CPAD documents to identify their equipment requirements to meet their projects, operations and mission needs.

- The command group will fill in the "equipment required/authorized quantity" blocks on the CPAD Initiation Document for each line number and provide detail equipment justification.

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- The command group will have the CPAD Initiation Document or the annually updated CPAD reviewed and signed by the local commander, then forward to the RLM/DLM.

- The DPBO will publish the final approved CPAD Initiation Document/annually and update the CPAD on the USACE Logistics Activity's (ULA) SharePoint at <https://team.usace.army.mil/sites/ULA/SM/CPAD/Forms/AllItems.aspx>.

(c) CPAD Changes:

- Once the requirement for new or replacement equipment has been identified, the requestor shall initiate and complete ENG Form 6035, CPAD Equipment Changes (Figure 2-1).

- The requestor shall submit the completed ENG Form 6035 to the approving authority through the RLM/DLM.

- Upon the receipt of the completed ENG Form 6035, the approving authority will review and approve or disapprove the request. If approved, the RLM/DLM will forward to the DPBO for regulatory compliance check and assignment of tracking number. If disapproved, the requestor will be notified of reason for disapproval.

- The DPBO will post the document on ULA's SharePoint.

(d) CPAD Annual Update – All CPAD authorization allowances will be reconciled annually with the CPAD baseline authorization documents. This reconciliation will be completed and reconciled. The CPAD will be approved by the CPAD approving authority.

- CPADs will be annually reconciled and sent to the DPBO by 1 September, with a suspense due date 15 September for publishing to the ULA's SharePoint.

c. Authorization documents involving military-funded and/or civil-funded items:

(1) Common Table of Allowances (CTA): The purpose of the CTA is to authorize widely used items of relatively low dollar value in one document rather than documenting the items separately in each TDA, CPAD, etc.; therefore, items authorized by a CTA will not be further documented in the TDA or CPAD. A CTA item can be authorized for various purposes. CTA items are covered in:

(a) CTA Number 8-100, Army Medical Department Expendable/Durable Items;

(b) CTA Number 50-900, Clothing and Individual Equipment;

(c) CTA Number 50-909, Field and Garrison Furnishings and Equipment;

(d) CTA Number 50-970, Expendable/Durable Items (Except: Medical, Class V, Repair Parts and Heraldic Items). See paragraph 3-4 of this regulation for specific USACE requirements for systems furniture acquisition.

(2) Office furniture and furnishings for the National Capital Region - AR 1-21.

(3) Donated, conditional, or unconditional gifts of tangible personal property - AR 1-100.

(4) Prescription spectacles, contact lenses, and prescription spectacle inserts for use with protective masks - AR 40-63.

(5) Research, development, test, and evaluation (RDT&E) property – DoD FMR 7000.14-R, Volume 2A, Chapter 1, paragraph 010213. (This authorization authority can be used only if the activity is specifically authorized by TDA to perform an RDT&E function.)

(6) Care and Disposition of Remains and Disposition of Personal Affects - AR 638-2.

(7) Furnishing Uniforms or Paying Uniform Allowances to Civilian Employees - AR 670-10.

(8) Military Awards - AR 600-8-22.

(9) Civilian clothing for military individuals, special measurement clothing, and clothing for prisoners in Army installation confinement facilities and correctional training facilities - AR 700-84.

(10) U.S. Government National Credit Card for purchase of fuel, oil, and services for use in government vehicles and aircraft - AR 710-2.

(11) General officer pistol and flag - AR 725-1.

(12) Flags, guidons, automobile and aircraft plates, and tabards - AR 840-10 and ER 840-1-1.

(13) Historically significant items such as weapons, military equipment, articles of uniform or personal equipment, flags, and so forth - AR 870-20.

(14) Government-owned, contractor-operated (GOCO) contracts: These are considered authorization documents when they include non-expendable or CTA equipment that the

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contractor requires to perform the contract. Requisitioning is authorized once the equipment is included in the contract – FAR Part 45, DFARS Part 245 and AFARS Part 5145.1.

(15) Rental or lease contracts (R/L): These are considered authorization documents when contracts are for rental or lease of TDA equipment – AR 58-1.

(16) Supply catalog/component listing (SC/CL): The SC/CL contains the listing of components for those end items without technical manual (TMs). The SC/CL is used as an authorization document in the same way as TMs – AR 71-32.

(17) Technical manual (TM)/maintenance or service manual: The Essential Repair Parts Stockage List (ERPSL), TM, or the commercial maintenance/service manual serves as the authorization document for those components, repair parts, special tools, and basic issue items that are not required to be type-classified and are required for the operation of the item authorized on the TDA, CPAD or CTA – AR 71-32.

(18) Information Technology Investment Plan (ITIP): Information technology resources are authorized under the policies set forth by AR 25-1 and AR 71-9. Resource requirements must be coordinated through the local information management office, and be added to the Information Technology Investment Portfolio System (ITIPS) database.

(19) Additive operational project (AOP): This is an authorization to acquire materiel for the purpose of supporting specific operations, contingencies or war plans for specific geographic areas, and world-wide base development (AR 710-1).

d. Mobilization Table of Distribution and Allowances (MOBTDA): A MOBTDA reflects the full mobilization mission, organizational structure, and personnel and equipment requirements for designated units. For an explanation of MOBTDA policy and guidance, refer to AR 71-32.

2-4. Additions to Authorizations. Equipment required in addition to current authorization allowances will be satisfied by whichever of these methods is the most appropriate:

a. Temporary loan. Requirements of equipment to be used less than one year should be satisfied by temporary loan procedures as outlined in AR 700-131.

b. Rental or lease of equipment. Rental or lease is authorized in lieu of purchase when the criteria in Federal Acquisition Regulation (FAR), subpart 7.4, Defense Federal Acquisition Regulation Supplement (DFARS) and Equipment Lease or Purchase are met. This subpart provides guidance pertaining to the decision to acquire equipment by lease or purchase. Non-expendable commercial equipment may be rented or leased for up to one year to cover

emergency or temporary requirements when standard equipment is not available through government supply sources, or when the costs associated with equipment loans from government sources exceed the cost of renting or leasing the equipment. These rental agreements may not exceed one year without approval from HQUSACE. Aircraft must be rented IAW ER 95-1-1; specifically, for special purpose-use only (photography, mapping, etc.). Aircraft acquisition must be vetted. The Acquisition Executive (AAE) has directed the execution of all contracting for all Army fixed-winged and non-tethered lighter than air platform aircraft, to include those in support of Foreign Military Sales, to the United States Army Contracting Command-Redstone Contracting Center in support of Program Executive Officer, Aviation. The Army Contracting Command-Redstone Contracting Center is the designated contracting office for all Army fixed-winged and non-tethered lighter than air platform aircraft and supporting services. This paragraph does not apply to transport vehicles, copying equipment, ITE, or civil-funded floating or land plant, as these require proponent approval and are covered by other regulations, specifically:

(1) Lease or rental of general purpose and passenger transport vehicles - AR 58-1 and ER 56-2-1.

(2) Copying equipment rented or leased on a regular basis - AR 25-30.

(3) ITE rented or leased on a regular basis - AR 25-1.

(4) Authority for hire of floating plant, land plant and other construction equipment is covered by ER 1130-2-500.

c. Additions to the CPAD. Once the initial CPAD is approved for a USACE command, a request (ENG Form 6035) for an additional item will be accompanied with justification that identifies its intended use. A completed ENG Form 6035 will be maintained on file by the DPBO. Justification will also include a statement as to why like items presently authorized cannot accomplish the function. State any cost savings or other benefits to be obtained, or, if higher costs are involved, why funds should be expended. Identify the specific impact on the activity if the item is not obtained. If the item is to replace an item presently authorized, include a request for deletion of the presently approved item. PRIP-funded items may use Plant Item Justification, ENG Form 4943, for documentation of justification IAW ER 37-1-29. Line items approved by Congress are considered to be properly authorized, and are, therefore; exempt from the approval authorities of this paragraph. Approval level for all other personal property is listed below. Approval will be based on whether the justification fully supports the request. Requests for authorizations must not be split to avoid the dollar limitations.

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Figure 2-1: Completed CPAD Change Request - ENG Form 6035

CIVIL PROPERTY AUTHORIZATION DOCUMENT (CPAD) EQUIPMENT CHANGES													
1. DISTRICT / LAB / DIVISION MOBILE / SAM / SOUTH ATLANTIC											2. DATE (YYYYMMDD) 20130726		
3. UIC / DODAAC W2SR04 / W31XNJ					4. CPAD DOCUMENT NUMBER CPAD-SAM-0197-0003								
SECTION I - ITEMS TO BE ADDED / CHANGED													
ITEM NO.	a.	b.	c.	d.	e.		f.		g.		h.		i.
	BAR CODE	LIN / FSC			ACQUISITION COST	(1) RICC	(2) CIC	(1) REQ	(2) AUTH	(1) REQ	(2) AUTH	(1) HRA	
		FSC/2420	TRACTOR, WING MOWER	\$0.00			1	1			022	OPWP	
SECTION II - ITEMS TO BE DELETED / CHANGED													
ITEM NO.	a.	b.	c.	d.	e.		f.	g.	h.	i.	j.		
	BAR CODE	LIN / FSC			ACQUISITION COST	(1) REQ						(2) AUTH	HRA
	M1008	FSC/2420	JACOBSEN MOWER HR6010	\$0.00	1	1	022	OPWP					
SECTION III - JUSTIFICATION					SECTION IV - SIGNATURE CERTIFICATIONS								
Request is in compliance with ER 700-1-1 Chapter 2. Request is approved-AAE--					1a. DATE SIGNED (YYYYMMDD)		b. PREPARER'S SIGNATURE						
					20130726								
					2a. DATE SIGNED (YYYYMMDD)		b. SIGNATURE OF APPROVING AUTHORITY						
					20130729								

d. Additions to Common Tables of Allowances (CTA). When a command determines an addition is required to the CTA, such request will be forwarded through command channels to the DOL for action. A request for an increase in allowance must identify benefits and whether the cost increases may be offset by changes elsewhere.

e. Additions to Tables of Distribution and Allowances (TDA). After the establishment of an initial TDA, changes must be approved by the HQUSACE and/or U.S. Army Force Management Support Agency (USAFMSA). Requests for changes will be submitted as a memorandum request or emergency request to the DOL. This applies to equipment required on a continuing basis (one year or more).

(1) The Base-level Commercial Equipment (BCE) Program identifies requirements for new, commercially available, non-standard items. BCE is an investment end item costing \$100,000 or more that is not centrally purchased or managed by HQDA. The process to obtain guidance and authorization to include BCE on the TDA is contained in AR 71-32. Requests for BCE to be included on the TDA will be forwarded to the DOL. Requests for funding for BCE will be forwarded to the Office of the Deputy Chief of Staff for Resource Management.

(2) AR 71-32: This authorizes items to be placed on the TDA for which there is no satisfactory Army standard item; or those items which are awaiting assignment of National Stock Number and Line Item Number (LIN). These items do not require assignment of a LIN, and require only Management Control Number (MCN) identification on the property book.

(3) Information technology (IT) is a material requirement and, as such, is identified in the IT Capital Planning process. Under IT Capital Planning, IT material requirements are entered into the IT Investment Portfolio System (ITIPS) database. Once entered, the IT material requirement becomes part of the organization's IT Investment Portfolio, which generates the organization's IT Investment Plan. An organization's IT Investment Plan is validated by the organization's Chief of Information Management (CIM), Director of Information Management (DIM) or Chief Information Officer (CIO) appropriate to the acquisition authority delegated to the organization. It is approved for acquisition by the organization's commander through the IT Investment Decision process. Actual funding is provided via the budget process. The ITIPS number assigned to the IT material requirement is considered its authorization, and allows the organization to procure the item(s) and add them to the TDA/TOE. (Within CEFMS, no requisition for IT can be approved without first entering the ITIPS number on it.)

(4) Memorandum request (MR) additions to the TDA.

(a) The requesting command will prepare DA Form 4610-R, Equipment Changes in MTOE/TDA. Each part must be completed. "NA" will be used when the part is not applicable. Only one paragraph or subparagraph number from Section II of the TDA should be listed for an

item. The cost of the item should also be noted.

(b) In addition to DA Form 4610-R, the requesting command will prepare a memorandum justifying the request. Each item requested will be justified as to the function it will serve and how it will be used. The justification will describe the functional use of each requested item, explain why like items presently authorized are not adequate, and indicate the adverse impact on the command if requested items are not obtained. Refer to AR 71-32 for detailed procedural guidance. The memorandum and DA Form 4610-R will be forwarded through command channels to the DOL.

(c) The DOL will prepare an endorsement to the memorandum and assign a command log number to be used for audit purposes. If a memorandum is returned by HQUSACE or USAFMSA for reasons other than disapproval, the DOL will assign a new command log number. The command log number will be sequential; for example, CE01-99, CE02-99, CE03-99, etc.

(d) Excluded from MR procedures is equipment that requires approval under AR 25-1, AR 25-30, and AR 750-43.

(5) Emergency request additions to the TDA. This is for a requirement so urgent that it cannot be processed under the memorandum request procedures above. Such requests for an increase in the TDA will be forwarded via message or electronic mail to the DOL for subsequent USAFMSA approval. Requisitions will not be submitted until the emergency request authorization is approved. Refer to AR 71-32 for detailed procedural guidance.

(6) Command review. Command involvement is of vital importance to ensure that only minimum mission essential equipment is authorized. Review procedures will be established to ensure the need before requesting an item. At the initiating level, the commander involved will explore all feasible alternatives prior to the submission of a memorandum. When, in the commander's opinion, the item desired is the most efficient and cost-effective to accomplish the mission, he will initiate the memorandum request. It will be forwarded over with the commander's signature to the MSC commander who will personally review the request prior to forwarding it through normal administrative channels to the DOL for inclusion in the TDA.

(a) When a request for a commercial item is being processed, the reviewing commander will compare the commercial item cost with that of the related standard adopted item, determine whether it is more cost-effective to lease or purchase, and select an alternative (such as a change in operating procedures), when possible, that will eliminate the need for the requested piece of equipment.

(b) Commanders will review the need for all equipment during each annual inventory.

Equipment will be turned in when no longer needed, using normal supply procedures, and appropriate documentation changes will be initiated.

f. Equipment for government-owned/contractor-operated (GOCO) activities. If additional equipment is required to be furnished by the government after a contract has been awarded, the contract must be modified to include the equipment.

2-5. Deletions from Authorizations. Generally, a deletion from an authorization is processed at the same level as a respective authorization approval. Specifically, the following applies:

a. CPAD. Deletion of authorization requires the same level of approval required by additions (using ENG Form 6035-E).

b. TDA. Using DA Form 4610-R, submit request through command channels to the DOL.

c. CTA. If a CTA item becomes excess, hand receipt holders do not need authorization to delete the item from their HRA, but normal turn-in procedures must be followed.

2-6. Changes to Authorizations. "Changes" are defined as neither additions nor deletions to an authorization, but as replacement of approved items with different items.

a. CPAD. Changes require the same level of approval as additions and are documented in the same manner. A request to delete an item will be submitted along with the request for change (using ENG Form 6035-E).

b. TDA. Changes require approval of HQUSACE or USAFMSA. Using DA Form 4610-R, a change request will be submitted to the DOL through command channels.

2.7. TDA Military Funded Equipment Authorization Process.

a. Procedures for Documentation of Controlled and Standard/Non-controlled Equipment:

(1) Districts: The DLM, located at the district level, will determine if the required equipment must be documented on the TDA. If so (whether standard/non-controlled or controlled), they will prepare and submit DA Form 4610-R, Equipment Changes, along with a memorandum signed by the District Commander or the Deputy District Commander approving the request. The DLM will then forward these documents to the RLM at the Division Office. In the DA Form 4610-R (Figure 2-3), enter the following information:

(a) DOCNO, CCNUM, and UIC

- (b) Paragraph
- (c) Line Item Number (LIN)
- (d) Quantity Required to Add
- (e) Quantity Authorized to Add
- (f) Quantity Required to Delete
- (g) Quantity Authorized to Delete
- (h) New Paragraph Quantity Required to Add
- (i) New Paragraph Quantity Authorized to Add
- (j) Quantity on Hand
- (k) Justification, up to 255 characters

(2) Divisions: The RLM will review and approve or disapprove the district's equipment request. Approval is indicated by a supporting memorandum that becomes part of the TDA change request package. If the RLM validates the equipment request and receives approval from the Commander/director or the Deputy Commander, they will then forward the request to ULA TDA Equipment Coordinator (located in the Supply and Maintenance Division) to electronically enter the District equipment request in the Force Management System (FMS) Website. An email, with a copy of the endorsed approval memorandum, must be sent to ULA TDA Equipment Coordinator alerting them that there is an equipment request in process. Approval memorandum will also be used to provide additional justification.

(3) Centers and FOA: Centers and FOA will operate the same as a division; see (2) above.

(4) Command Approvers: There are two Command Approvers, one from the ULA and one from Resource Management (CERM-M), who must request permission from their HQDA G-37/FMP Force Structure Command Manager to have approval authority for USACE. Command Approvers approve or disapprove requests from Divisions/Centers and FOA.

(a) If a LIN is approved by the Command, then the Command Approver assigns a Command Log Number as follows; assigned in sequential order and consist of the Command

Control Number (CCNUM) prefix, the sequence number, and the fiscal year suffix. Example: CE 1-13 would be the first request submitted by USACE in fiscal year 2013.

(b) Command Approvers will enter disapprovals in FMSWeb via the automated DA 4610-R Tool. If disapproved, justification will be provided in the field at the bottom of the form. Command elements whose requests have been disapproved may resubmit with additional justification or by meeting other criteria as outlined in the statement explaining why the request was disapproved.

(c) All equipment requests for controlled equipment will be staffed throughout HQUSACE before forwarding to the HQDA Equipment Review Board. The ULA, in coordination with the HQUSACE DOL staff officer, will have the lead on ensuring staffing actions are completed in a timely manner and that all requests are prepared for appropriate HQUSACE signature. Non-controlled equipment will be validated by the ULA TDA Equipment Coordinator. NOTE: Equipment requests are automatically processed based on the LIN submitted via the automated DA 4610-R. All DA 4610-R for controlled equipment will be processed through HQDA G-37/FMP channels; non-controlled/standard equipment will be processed through USAFMSA channels.

(5) HQDA G37/FMP: All DA Form 4610's for controlled equipment, received by G-37/FMP by the end of the month will be staffed and scheduled for presentation at the TDA Unit Equipment Review and Validation Board for decision at the following month's Board. For example, DA 4610-R received by 30 Sep will be presented at the October board. The Board will convene no earlier than the 16th of each month. Board decisions will be distributed no later than the last working day of the month. After the Board approves the DA Form 4610-R, G-37/FMP will approve a documentation strategy. If the LIN is critical to the unit or activity and validated by the Board then an Out of Cycle (OOC) document will be directed for implementation. All approvals/disapprovals can be tracked through FMSWeb.

(6) USAFMSA: All DA Form 4610-Rs for standard/non-controlled equipment to include "deletion only" LIN requests will be reviewed and processed by USAFMSA. These are Chapter 2 and 4 LINS (non-controlled, not on G-8 managed LIN list, with a Controlled Item Code (CIC) of zero) and Chapter 6 LINS not on G-8 managed LIN list. USAFMSA requests are between the Command and USAFMSA. An OOC may be requested if the approved LIN is critical to the activity.

b. Documentation of Non-Standard Equipment: Requests to add non-standard equipment to the organizational TDA, Section III-S should be minimized. Wherever possible, standard items should be substituted. However, when standard equipment does not meet a mission requirement, non-standard equipment can be approved. Procedures for requesting and approving non-standard equipment are outlined in AR 71-32, Appendix E for those requests requiring

Type-classification exemption. In some cases, non-standard equipment can be approved through a lease agreement that does not require TDA documentation. Requests for non-standard equipment will be managed by HQUSACE CELD on a case-by-case basis. The procedure for obtaining type classification exemption for non-standard equipment is as follows:

(1) Districts: The DLM at the district level will determine if the required equipment is valid. If so, they will prepare and submit DA Form 4610-R, Request for Type Classification Exemption/LIN for Commercial Equipment along with a memorandum signed by the District Commander or Deputy District Commander approving the request. The DLM will then forward these documents to the RLM at the Division Office.

(2) Divisions: The Commander or Deputy Commander will review, approve or disapprove the equipment request for Type Classification Exemption. Approval is indicated by a supporting memorandum that becomes part of the Request for Type Classification Exemption/LIN for Commercial Equipment. When the RLM validates the equipment request and receives approval from the Commander or the Deputy Commander, they will forward these documents to the USACE TDA Equipment Coordinator, to include the approval memorandum (Figure 2-2) that will be used to provide additional justification.

(3) Centers and FOAs: The RLM officer will determine if the required equipment is valid. If so, they will prepare and submit DA Form 4610-R, Request for Type Classification Exemption/LIN for Commercial Equipment along with a memorandum signed by the Commander or the Deputy Commander approving the request. The RLM officer will then forward these documents to the USACE TDA Equipment Coordinator, located in the Supply Division of the ULA. Approval memo will also be used to provide additional justification.

(4) Command Approvers: Command approvers will either approve or disapprove requests from Divisions/Centers and FOA. If a request for Type classification is approved by the Command, then the signed DA Form 4610-R along with the approval memorandums will be forwarded to the appropriate command for review and validation. Approval authority is dependent on the type of equipment required (e.g., TACOM for vehicles, CECOM for generators, etc).

(5) When request for non-standard equipment has been validated by the appropriate command, an approval memo will be returned to HQUSACE DOL and the request will be forwarded through regular TDA change request procedures outlined in paragraph 2-6 if this regulation. If the request is not approved, USACE can augment their justification and resubmit with additional information for reconsideration.

Figure 2-2: Justification Memorandum for Equipment Changes in MTOE/TDA



DEPARTMENT OF THE ARMY
249TH ENGINEER BATTALION (PRIME POWER)
10011 MIDDLETON ROAD
FORT BELVOIR, VIRGINIA 22060

CEPPB-S

13 January 2010

MEMORANDUM FOR Commander, USACE, ATTN: Chief, Maintenance and Supply Division

SUBJECT: Request for MACOM Approval for TDA Part I, Section A, Equipment Authorization for the U.S. Army Prime Power School (USAPPS)

1. Reference: AR 71-32, Force Development and Documentation
2. Enclosed DA Form 4610-R is submitted for addition/augmentation to the USAPPS' Table of Distribution and Allowances (TDA). The USAPPS will be relocated to Fort Leonard Wood, MO in 2010 and consequently will lose routinely used truck/tractor support from the 249th Engineer Battalion (PP). The USAPPS has five MEP-810B, 840 KW generator sets that are components of the Army's Deployable Power Generation and Distribution System (DPGDS) and two A-2500, 2.5 megawatt load bank systems that are currently authorized and on hand. A truck tractor (ITEM # 1) is required to safely transport these items for the purpose of training and emergency maintenance. The school currently depends on this prime mover support from the 249th Engineer Battalion (PP). Significant loss of training hours, which would severely impact training operations will result if a suitable replacement truck tractor is not added to the TDA. Additionally, the USAPPS is scheduled to conduct three annual classes of 12P Soldiers per year, which would make installation support, if available at all, a poor alternative.
3. ITEM # 2 replaces a 6,000 lb forklift that is on hand but not authorized. This forklift is beyond economic repair and becoming a safety hazard. The forklift is used in support of DPGDS training to move the Primary Switching Center (PSC), the Secondary Distribution Center (SDC) and numerous pieces of ancillary equipment. It is also used to process and move class IX repair parts and bulk POL products in support of training. Significant loss of training hours, which would severely impact training operations, will occur if this request is not approved. Once approved, the unserviceable forklift will be turned-in eliminating a potential safety hazard.
4. Request the enclosed DA Form 4610-R be processed for approval as soon as possible.
5. For additional information on this matter please contact CW5 Tyman Wallace, (703) 806-3923 or Mr. Dennis Calamita at (703) 806-4294.

Encl
DA Form 4610-R

A handwritten signature in black ink, appearing to read "Matthew R. Tyler".

MATTHEW R. TYLER
LTC, EN
Commandant

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Figure 2-3: Equipment Changes in MTOE/TDA (DA Form 4610-R)

EQUIPMENT CHANGES IN MTOE/TDA															
1. TITLE OF FUNCTIONAL AREA U.S.Army Prime Power School													2. UIC W6AHAA		
3. UNIT DESIGNATION Ft.Belvoir, VA. 22060										4. MTOE/TDA NUMBER CEW6AHAA			5. CCNUM CE0210		
PART I - EQUIPMENT															
SECTION A - ITEMS TO BE ADDED AND/OR DELETED															
ITEM NO	PARA	LIN	ERC	SB 700-20 CHAPTER	NOMENCLATURE (BASIC NOUN)	COST	QUANTITY ADDED		QUANTITY DELETED		NEW PARA QTY		NEW RECAP QTY		Qty On Hand Not Auth
							REQ	AUTH	REQ	AUTH	REQ	AUTH	REQ	AUTH	
1	003	T60353	C	2	Truck tractor: YD 46000 GVW 4X2	51,500	1	1	0	0	1	1	1	1	0
2	006	X50900	C	6	Truck lift fork: elec 6000 lb 180 in lh	20,272	1	1	0	0	1	1	1	1	1
SECTION B - ITEMS TO BE DELETED FROM OTHER MTOE/TDA															
ITEM NO	PARA	LIN	ERC	SB 700-20 CHAPTER	NOMENCLATURE (BASIC NOUN)	COST	QUANTITY DELETED		UIC	MTOE/TDA NUMBER	CCNUM	Asset To Be Trf		REMARKS	
							REQ	AUTH				YES	NO		
PART II - PERSONNEL -- NUMBER OF POSITIONS TO BE ADDED (A) AND/OR DELETED (D)															
ITEM NO	PARA	LINE	No Positions (A)/(D)	DESCRIPTION	GR	MOS	AS/LIC	BR	ID	AMSC	NEW RECAP				
											REQ	AUTH			

DA FORM 4610-R, SEP 1996

EDITION OF DA FORM 4610-R, JAN 80 IS OBSOLETE.

APD PE v2.00

CHAPTER 3

General Policies for the Acquisition and Management of Personal Property

3-1. Management Policies. All property acquired, no matter the source, whether purchased or not, must be accounted for as prescribed by this regulation and other appropriate regulations. Such accounting will be maintained through formal records. The accounting will be continuous from the time of acquisition until the ultimate consumption or disposal of the property. Supporting documents will be maintained as prescribed in appropriate regulations. USACE property is for official use only.

3-2. Classification of Property.

a. Property of any kind, except real property, is considered personal property and will be classified for accountability purposes as non-expendable, expendable, or durable. Personal property will be accounted for IAW procedures outlined in AR 710-2. Commercial and fabricated items similar to items in the Federal Logistics (FEDLOG)/Army Enterprise Systems Integration Program (AESIP) will be given the same classification on USACE records. Questions concerning item classification will be resolved by the DPBO.

b. Items of clothing, such as safety shoes and safety glasses, are classified durable, non-recoverable, and will be controlled IAW the guidelines in AR 710-2.

c. Non-expendable Property: Items of a permanent or long lasting nature that are not consumed in use, retain their identity, and require accountability control through the formal property book system. These items are coded with an accounting requirements code (ARC) of "N" in FEDLOG/AESIP.

d. "Pilferable" property can be non-expendable, expendable or durable, and must be controlled regardless of the dollar value. A list of pilferable property and control procedures will be developed and reviewed by the DOL, with input from the DPBOs. The DPBOs will ensure that all pilferable items are posted to their property books.

e. Durable Property: Items not otherwise classified as pilferable or non-expendable, that are not consumed in use, and do not require formal property book accountability, but requires hand receipt control after initial issue. Durable property will be accounted for by the HRA holder on an annual basis. Durable property will be maintained in the Durable Management Module (DMM) in APPMS. These items are coded with an accounting requirements code (ARC) of "D" in FEDLOG/AESIP.

f. Expendable Property: Items generally consumed in use, or loses their identity in use. They include items generally of low value. These items are coded with ARC code of "X" found in FEDLOG/AESIP. Expendable property requires no formal accountability after initial issue.

g. Priority system. The DPBO is responsible for maintaining an effective and credible priority system IAW Army regulations. Requesters will indicate priority on all requisitions before submission to the DLM, which will convert the priority to a Priority Designator (PD) when ordering from government sources.

h. Local purchase of small arms and component parts will not be initiated without prior concurrence/authority from HQDA, ODCSLOG, and the National Inventory Control Point (NICP). These purchases are strictly controlled and will be evaluated on a case-by-case basis before approval is granted.

3-3. Sources of Supply. Commanders will ensure that all persons requiring property first conduct a screen for excess before making the acquisition. Activities shall satisfy requirements for supplies and equipment from or through the sources and publications listed below in descending order as indicated:

- a. Agency inventories.
- b. Excess from other agencies.
- c. Federal Prison Industries, Inc. (UNICOR).
- d. Procurement lists of products available from AbilityOne.
- e. Native American.
- f. GSA stock program and other wholesale suppliers, such as the DLA, Veterans Administration (VA), and other military inventory control points.
- g. Federal Supply Schedules.
- h. Commercial sources (including educational and nonprofit institutions).

3-4. System Furniture Acquisition Guidelines.

a. The acquisition of new office machines and office furniture shall be limited to those requirements which are considered absolutely essential and shall not include upgrading to improve appearance, office decor, status, or satisfy the desire for the latest design or more

expensive lines. Furniture systems acquisition requires the DOL approval for acquisitions greater than \$100,000. The forms and analysis formats contained in FPMR E-215, Cost Justification of Furniture Systems and Similar Products, based upon space savings, will be used with the request for furniture systems.

b. A systems furniture request for authorization must be submitted through command channels to the DOL prior to initiation of a purchase request. The authorization approval is not synonymous with funding authority. Authorization approval should be in place prior to seeking funding authority. Activities may seek authorization approval and funding authority simultaneously, however, to prevent loss of funds due to the close of a fiscal year.

c. Approvals are based on payback years (derived from average cost per workstation and space savings), utilization rate (per person), and the cost per square foot of the building being occupied. Stability of activity is also taken into consideration. Systems furniture is not generally approved for the current office space when offices anticipate moves to other locations. Do not submit more than one request for any one building per year. If more than one request is received for any one building within a one-year-period, it will be sent back for a space analysis of the entire building.

d. Criteria below will be used in review of FPMR E-220 work sheets:

(1) Payback rate must be six years or less.

(2) Utilization rate must meet/exceed GSA standards (currently an average of 122 square feet per person for systems; 135 square feet per person overall). Submit space utilization rate for the entire building, as well as the area under consideration for systems furniture.

e. Systems furniture will be assigned a single Management Control Number (MCN) (see AR 708-1), controlled by a component hand receipt and barcoded (applicable only to approved furniture systems over \$2,500). The DPBO will prepare a component list using the data on the purchase contract for which the furniture was procured or use accessories procedures in the APPMS program, for six years or until the end of the payback period.

f. When it is impractical to assign a furniture system to a single individual, the local commander has the option to manage the furniture system through the use of an inventory list.

3-5. Precious Metal Recovery Program (PMRP). Refined precious metals may be requisitioned from DLA's PMRP, when available, for approved internal use or for use as government-furnished material (GFM) in contracts requiring precious metals (Federal Property Management Regulation (FPMR) 41.101.10). Since refined metals recovered through the program are available for just the cost of recovery plus an authorized administrative surcharge, savings are

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realized through the use of the PMRP. Requiring activities are encouraged to call DLA for asset availability prior to the requisitioning of any quantity of precious metal.

3-6. Mission Support Stock Record Accounts (MSSRA). USACE has created MSSRAs, as defined in Army regulations, to support particular missions. New MSSRAs will be established on approval of the DOL. Those presently in existence are considered to be approved and do not require new justification action at this time. Each will be managed using a stock record account. The present approved MSSRAs are at the Philadelphia District - arm bands (identification), uniform insignia and badges; dredging sleeves; and Engineer flags, insignia and pennants.

3-7. Prohibitions. Commands will not make purchases for a Unit Identification Code (UIC) other than their own unless a formal agreement has been made through command channels. A copy of this agreement (which may be a memorandum of understanding) must be on file with the DPBO.

3-8. Reconciliation. Open requisitions will be reviewed monthly to determine status and whether a need still exists for the item.

3-9. Stock Numbers. National Stock Numbers (NSN), the Standard Study Number – Line Item Number (SSN-LIN), AESIP assigned Management Control Numbers (MCN), and Commercial and Government Entity (CAGE) Codes with manufacturer's item identification numbers will be used IAW AR 708-1.

3-10. Department of Defense Activity Address Code (DODAAC) and Activity Address Code (AAC).

a. The DODAAC and AAC are distinctive six-position alpha-numeric address codes which identify a specific Corps MSC, district, laboratory or FOA, non-DOD government element, or private contractor authorized by DOD to requisition and receive supplies. They are used primarily on the Military Standard Requisitioning and Issue Procedures (MILSTRIP) system, the Federal Standard Requisitioning and Issue Procedures (FEDSTRIP) system and related documents. MILSTRIP and FEDSTRIP are the mandatory requisitioning systems for military organizations, civilian Federal agencies and authorized contractors who wish to order supplies from Army logistics systems and the General Services Administration (GSA). Commands may requisition from DOD activities using the procedures in AR 725-50, Requisitioning, Receipt and Issue System.

b. In its decoded form, the DODAAC breaks down to at least two, and in some instances, three addresses referred to as Type Address Code (TAC) 1, 2, and 3. TAC 1 and 3 addresses are mandatory and must be provided to the Army Central Service Point (ACSP) in order to assign a DODAAC.

(1) TAC 1 address. This is used for mail, parcel post, and small package shipments. It is also used for a freight address if no TAC 2 document is submitted.

(2) TAC 2 address. This is used for freight shipments, but only when an activity is to receive freight at an address different from the TAC 1 address. Post office box addresses cannot be used. For OCONUS, if applicable, the break bulk point (BBP) DODAAC will appear in record 1 in the TAC 2 only.

(3) TAC 3 address. This is used for billing purposes, and must contain an active address that is listed with a fiscal station number in the disbursing and fiscal station number directory. This number may be obtained from the Finance and Accounting Office. The disbursing and fiscal station numbers directory lists fiscal station numbers that are inactive as well as active. Inactive numbers are not authorized to be TAC 3 addresses.

(4) The AAC also consists of three addresses: the mailing address, which is mandatory; the freight address; and the billing address. In designating each address, use at least two lines of typed text, and no more than four. No line of text in the address may contain more than 35 characters.

c. DODAAC/AAC Assignments.

(1) The ACSP is the only activity designated by HQDA to assign Army DODAACs. GSA assigns AACs. The ACSP will assign DODAACs and GSA will assign AACs upon receipt of a request from the MACOM DODAAC coordinator. Any activity that is authorized a stock record account (SRA), property book (PB), or is designated as a Supply Support Activity (SSA) may be assigned an Army DODAAC. The MACOM DODAAC/AAC coordinator for USACE is the DOL (CELD).

(2) When a DODAAC/AAC is required, a written request will be provided to CELD. All requests must be authenticated by CELD prior to submission to the ACSP or GSA. The assignment of these addresses takes approximately three weeks from the time of receipt by the ACSP or GSA.

(3) All requests for DODAAC/AAC assignments will be submitted to CELD 30 days prior to the required date.

d. DODAAC/AAC Changes/Deletions.

(1) Requests for changes will be processed by the ACSP or GSA upon receipt from CELD. Requests for changes or deletions should be submitted to CELD 30 days prior to the

required date.

(2) When submitting a DODAAC/AAC change, submit only the TAC or address that is affected.

e. DODAAC/AAC Qualification(s). When an activity is authorized to requisition, ship, or receive material, the activity can be authorized a DODAAC/AAC. Multiple DODAACs/AACs may be authorized only if the activity has separate, authorized functions; i.e., stock record account, or if the activity is geographically dispersed, and support at the parent installation is not practical.

f. Prior to the submission for a DODAAC/AAC addition, change, or deletion, the requester will ensure the following:

- (1) The request has not already been submitted.
- (2) The request has been verified by the Chief, DLM, or a designated representative.
- (3) The request is forwarded to CELD 30 days prior to the required date.
- (4) A CAGE code has been assigned for contractor DODAAC/AAC assignments.

g. Contractor DODAAC/AAC. Addresses for contractors are assigned by the ACSP or GSA. The composition of a contractor DODAAC is similar to the address DODAAC except that it begins with a "C".

(1) The ACSP or GSA assigns a separate DODAAC/AAC for each contract number under which a contractor will requisition from the DOD supply system. This is regardless of the number of contracts/delivery orders a commercial activity may have with the government.

(2) Requests for contractor DODAACs/AACs will be made in writing through the responsible contracting officer, and submitted to CELD.

(3) Each request for a contractor DODAAC/AAC must have a CAGE code (formerly FSCM code), applicable to the contractor for whose contract the DODAAC/AAC is being requested. The CAGE code is assigned to commercial entities registered to do business with the U.S. Government. To be assigned a CAGE code, a contractor must submit a DD Form 2051, Request for Assignment of a CAGE Code, through the contracting officer to the Defense Logistics Service Center (DLSC).

(4) Each request for a contractor DODAAC/AAC must contain the following information:

- (a) Contractor name and CAGE number.
- (b) Contract number.
- (c) The effective date of the contract (which will be the effective date of the DODAAC/AAC).
- (d) The expiration date of the contract (which will be the deletion date of the DODAAC/AAC).
- (e) The Army logistics support categories authorized under this contract (government-furnished material [GFM], government-furnished property [GFP], or government-furnished equipment [GFE]).
- (f) A clear text address for each mailing, shipping, and billing location.

3-11. Acquisition from Department of Defense Activities Using DODAAC.

- a. The DPBO will obtain a DODAAC, if required, through the DOL. All requests for additions, deletions or changes will be submitted to the DOL, and will include applicable UICs.
- b. Activities awaiting DODAACs may obtain DOD-supplied items by submitting requests through FEDSTRIP. This procedure should not be used in place of requesting a DODAAC.

3-12. Acquisition Using the Federal Standard Requisitioning and Issue Procedures (FEDSTRIP) System.

- a. The DPBO will obtain FEDSTRIP activity address codes (AAC), if required, through the DOL. Requests for additions, deletions or changes will be submitted to the DOL NLT 30 days prior to the required date.
- b. Once a FEDSTRIP AAC is received, a command may requisition from GSA.
- c. These requisitions will automatically be forwarded to a DOD supply point when DOD is the wholesale supplier of an item.
- d. Once an AAC is received, activities may request supplementary address codes (SAC) to be assigned to all remote sites. Once a SAC is received, the DLM can then order supplies and materials shipped directly to the user with billing review and receiving control maintained within

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the DLM.

e. The originator of a FEDSTRIP requisition is required to enter a priority designator code on each requisition.

3-13. Cataloging Policy. Federal Catalog System (FCS) procedures will be used to develop Federal Item Identification Data; however, when purchasing commercial-off-the-shelf (COTS) property, only AESIP is the authorized cataloging. They will also be used to establish common supply management data for items of supply, regardless of funds (civil, military, PRIP, revolving) used for procurement. Cataloging supports logistics functions from the procurement of an item to its disposal. The FCS is a common language used to classify, name, describe and number items of supply in a uniform way.

CHAPTER 4

Managing the Property Book (Non-Expendable Property)

4-1. Business Process:

a. Property book (non-expendable) property is personal property that is not consumed in use, and that retains its original identity during the period of use. The accountability business process involves a comprehensive approach that relies on three primary elements: use of Corps of Engineers Financial Management System (CEFMS)/Automated Personal Property Management System (APPMS) property management and accountability process; one hundred percent annual physical inventories using barcode scanners; and on-site independent quality assurance review performed by DPBOs and Commanders/RLMs under the Army's Command Supply Discipline Program (CSDP) and Equipment Usage Management Programs (EUMP). Current Army and Engineer Regulations provide this guidance. Commanders/RLMs will ensure that inventory and reconciliation requirements, with barcode scanners, are strictly enforced in their commands/regions. Commanders/RLMs will also ensure that all request and receiving procedures for purchases of non-expendable property are in compliance with this process.

b. Commanders/RLMs will ensure that the APPMS/PBUSE database reflects a valid entry in the property authorization field for every item. The APPMS/PBUSE program may be queried to produce reports that identify the authorization data entry for every item. All data entries will be compared to the valid list of authorization documents. Entries that do not match one of these authorization sources will be corrected. This is an ongoing quality assurance/quality control process that requires constant review at point of requisition, during annual inventories, and as part of the CSDP. This will also be an item of continuous review during the Command Logistics Review Programs (CLRPs)/Quality Assurance (QA) visits.

c. Originators of requisitions will enter authorization data in the description field of CEFMS until an automated capability is incorporated.

4-2. Procedures.

a. CEFMS/APPMS/PBUSE Business Process. The CEFMS/APPMS business process will be used to acquire, receive, record, and activate property on both the financial records and the property book. Only PBUSE will be used to account for all sensitive items, communications security (COMSEC) equipment and Controlled Cryptographic Items (CCIs); duplications in APPMS is prohibited.

(1) Property Authorizations. All acquired non-expendable personal property, no matter the

source, including excess and the use of the DOD purchase card will have proper authorization documents completed and in place prior to acquisition. Authorization allowances will be reconciled annually with authorization documents. This reconciliation will be completed and a statement prepared for the Commander to acknowledge reconciliation was conducted. This document will be retained for a one-year period.

(2) Purchase request entered in CEFMS. Requestor will prepare all purchase requests including DOD credit card purchases in CEFMS.

(a) Requestor is responsible to select the proper resource code for each line item that correctly describes the purchase transaction, i.e., personal property or services. NOTE: If the item being acquired is personal property (not a service), a personal property resource code must be used with a valid supply unit of issue (lump sum or bulk funds will NOT be used). Purchase requests for services will NOT include any supplies or personal property. This provides the DPBO visibility for all property requests and a check for a valid authorization. Local Resource Codes will not be assigned to circumvent the property approval process developed for the CEFMS/APPMS interface. Requestor makes the initial determination if supplies and equipment are available from government supply sources or local purchase.

(b) These same procedures apply for DOD credit card purchases. Commanders will ensure that all cardholders understand and comply with the requirements of the CEFMS/APPMS standard business process (including the mandatory use of item descriptions in CEFMS) when purchasing property. All business process approvals must be obtained prior to using the card for a purchase. Any misuse of the card carries pecuniary liability if proper approvals are not obtained prior to its use. Individuals delegated Micro Purchasing Authority (card holders) are responsible for compliance with all Federal Acquisition Regulations regarding purchase limitations and priority sources of supply prior to using commercial sources. Cardholders are periodically audited to ensure compliance. The DPBO will advise the contracting office of any suspected abuse. Based on the CEFMS/APPMS integrated financial and personal property business process, individual line items must be specified when recording the purchase request in CEFMS. Bulk funding procedures will NOT be used for credit card purchases of property.

(c) CEFMS assigns a document number (DODAAC-Julian Date-Serial Number) to the purchase request. This document number is retained with the purchase request during the entire acquisition process.

(3) Purchase request review, approval/disapproval. The designated approving official for the individual submitting the purchase request will review the purchase request in CEFMS, to ensure proper application of the correct (personal property) resource code and that a valid supply unit of issue has been cited (lump sum will not be used for property). The designated approving official will then approve or disapprove the purchase request prior to certification. If

disapproved, appropriate remarks will be entered into CEFMS. If approved, the document is perpetuated to the next approval. NOTE: Credit card approving official will be the certifier for credit card purchase requests. The cardholder cannot be the approver on a credit card purchase request.

(4) All items reviewed by DPBO. After technical approval (if one is required), purchase requests for both supplies and equipment, are also reviewed by the DPBO.

(a) If the item being acquired is personal property, a resource code linked with a "P" in the CEFMS property type table must be used for all property (expendable, non-expendable and durable) coupled with a valid supply unit of issue (lump sum or bulk will not be used for property items). This provides the DPBO visibility over all personal property purchases.

(b) With DPBO oversight, the supply technicians will verify both the expendability of items being requested on all purchase requests (through the CEFMS/APPMS interface) and the appropriate source of supply. The DPBO must then approve or disapprove the supply transaction.

(c) Reason for disapproval will be entered in the remarks field. If purchase request identifies the incorrect supply source, the transaction must be disapproved. Purchase requests with lump sum or bulk unit of issue will also be disapproved and returned to the requestor with remarks indicating that the unit of issue must be changed to a valid supply unit of issue.

(d) If approved, the DPBO will enter all required supply data into APPMS and forward the transaction electronically back to CEFMS. The purchase request is then certified by the designated certifying official and forwarded through CEFMS for subsequent processing in the Standard Procurement System (SPS) (formerly Standard Army Automated Contracting System [SAACONS]) or procurement through GSA/DLA/local purchase. Currently, credit card purchases are processed by the DPBO approving official after certification. The cardholder will not order items until all appropriate logistics and technical approvals have been obtained in CEFMS.

(e) IAW AR 710-2, the DPBO will be appointed in writing by the Division Commander. The Division Commander/ULA Director will not elect to retain the function of DPBO in USACE. After the Division Commander/ULA Director delegates the DPBO function, the DPBO is the person authorized to approve purchases of property. Approval of purchase requests in the APPMS program indicates:

- The item requested has been researched to determine if a NSN exists for the item;

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- The request is being routed to the correct source of supply;
- The correct authorization is used; and
- The item will be issued to the correct hand receipt holder.

In the absence of the DPBO, approval of purchase requests can be delegated to the supply technicians in the same chain of command. Should this authority be abused or misused, the DPBO will withdraw the authority, and request remedial action be taken by the appointing Division Commander.

(5) The DPBO or designated representative will spot check purchase requests for services (using random sampling techniques) to detect if assets are being ordered as a service. (This can be done in CEFMS through the Request for Goods and Services Screen 1.6 menu item 5, View Purchase Requests.) If abuse is noted, the Division Commander should be informed and the Purchase Request Submission Authority will be revoked in CEFMS. If this abuse is widespread, the DPBO or designated representative can be appointed as a technical approver for all services until corrective action has been completed.

(6) Property received, will be barcoded and assigned to a hand receipt holder. All property will be received utilizing the electronic receiving report and signature card procedures in CEFMS, to include DOD purchase card purchases. The ENG Form 4866, Interim Hand Receipt, may be used as support documentation, but the data must be input utilizing the electronic process in CEFMS to create official receiving documents. The credit card approving official is responsible for ensuring receiving reports for credit card purchases are completed in CEFMS.

(a) Within three working days of receipt of the property, the authorized receiving agent as designated, in writing by the DPBO, will process the receiving report in CEFMS. Barcodes must also be affixed to all non-expendable personal property upon receipt. Only PBUSE will be used to receipt sensitive items, COMSEC equipment and CIIs for property accountability. The DPBO will activate the property on the property book through the APPMS "Maintain Received Property File". NOTE: The DPBO must have permissions for reviewing receiving reports for all organization codes.

(b) The RLM is responsible for designating receivers (including all DOD purchase card holders) of all supplies and equipment and will ensure that appropriate training is provided to personnel so designated. Logistics personnel will also be included in DOD purchase card training sessions to ensure proper emphasis on specific procedures and processes that must be applied to ensure positive visibility and control of personal property purchases.

(c) Property received in CEFMS outside of the APPMS receiving process is automatically

transferred from CEFMS to APPMS to be barcoded. This ensures that the DPBO is notified of all property received that must be barcoded, completes all required data fields in APPMS, and assigns all property for direct control to a hand receipt holder.

(d) Under the Code of Federal Regulation (CFR), the Federal Property Management Regulation (FPMR) and AR 710-2, the DPBO is authorized to appoint receiving agents for property receipts. The DPBO is required to train them, and ensure they process receiving reports in three (3) working days, per AR 710-2. Should this authority be abused or misused, the DPBO should withdraw the authority until remedial actions have been taken.

(7) All barcode information is automatically transferred to CEFMS to facilitate CFO compliance and reconciliation. A RECONAPP Report is available in CEFMS for use in reconciling discrepancies between APPMS and the Finance and Accounting Records.

b. Inventory of Property.

(1) The DPBO will ensure a one hundred percent physical inventory of all personal property is conducted by the PHRHs, as directed by AR 710-2. Barcode technology will be used by the PHRHs to conduct the inventories. The DLM and supply technician will provide training for the PHRHs in sufficient detail to conduct the inventories.

(2) Hand receipt holders will use barcode scanners to scan all property, conduct a thorough physical area search for any non-expendable personal property not barcoded, and provide the results of the inventory to the DPBO.

(3) Discrepancies (includes loss, damage, destroyed equipment, using the FLIPL, Statement of Charges/Cash Collection, AR 15-6 investigation, AAR and etc.) will be researched to account for all property. FLIPLs for property losses will be initiated for any property losses that cannot be reconciled.

(4) The "CMR Summary Report", under the APPMS reports menu, will be used to provide current status of hand receipt inventories for on-hand items.

(5) The standard USACE-wide cutoff date for the "CMR database snapshot" will be the last calendar day of the month. Scanner information will be downloaded to APPMS NLT than this date to receive credit in the monthly "snapshot" taken on the first day of each month.

c. Quality Assurance Review. Logistics personnel led by the DPBO will schedule, conduct, and document on-site spot check reviews of all hand receipts under the CSDP (as prescribed by AR 710-2, Appendix B, and AR 735-5, Chapter 11) at least semi-annually

(simultaneously applying the EUMP walk-through reviews prescribed by AR 71-32). For this review, obtain a listing of property book items. Select a five percent sample, per hand receipt at random over various HRAs. Physically inventory these items and report the results. While on site, specifically look for items that qualify for inclusion on the property book and check to determine if they have been placed under property book and hand receipt control. This process relies on implementation of the CSDP and EUMP.

(1) Command Supply Discipline Program (CSDP). The CSDP is a commander's program directed at the management of resources and elimination of noncompliance with supply regulations and policies. It addresses Commander and supervisory responsibilities, supply discipline evaluation guidance, feedback through command and technical channels, and follow-up. The Division RLM and District DLM will be appointed as the CSDP monitors by the Division/District Commander.

(a) Scheduled periodic evaluations are required with each hand receipt holder to check compliance and ensure that all non-expendable personal property, meeting the property book accountability criteria, is properly barcoded, listed on the property book, and on appropriate hand receipts. This may be accomplished simultaneously with annual physical hand receipt inventories.

(b) A file of these evaluations must be maintained showing date of evaluation, organization evaluated, findings and associated suspense dates, and repeat findings.

(c) Under the CSDP, each PHRH or supervisor will be evaluated by their supervisor semiannually. The Chief of Logistics will evaluate the DPBO. Divisions will evaluate districts at least every two years.

(2) Equipment Usage Management Program (EUMP). See Chapter 5 for a description of this program.

(3) Features of the automated property book management system will also be used to track property from point of requisition to receipt to activation on the property book. The DPBOs will periodically check for property book items that have not yet been activated on the property book as an integral part of their QC responsibility. Division Logistics Chiefs, under their QA responsibilities, will also ensure this is an item of interest during Command inspections and follow-up reviews ("read" access to respective district APPMS databases is required). This will specifically focus on property items on order but not yet received by using the APPMS "Property" menu, submenu "Preload Property", "Approved Requisitions". Similarly, property received but not yet activated will be reviewed on the property book by using the APPMS "Property" menu, submenu "Maintain Preload Property" and then "Maintain Received Property".

4-3. Division Property Book Officer (DPBO).

a. The local Commander will designate, by memorandum, the DPBO. The DPBO must be properly qualified, and meet the grade requirements contained in AR 735-5.

b. The RLM will not be designated as a DPBO.

c. A person designated as a DPBO will not be simultaneously designated as the sales contract officer, stock control officer, transportation officer, blanket purchase agreement officer or credit card ordering officer.

d. The local Commander will not retain the DPBO duties as provided by the option in AR 710-2. Upon assuming accountability, the DPBO will sign a memorandum IAW AR 710-2, paragraph 2-5g(1).

4-4. Property Book Accounts.

a. Unit identification codes (UIC) will be assigned to divisions and districts. Division Commanders have the authority to consolidate property books in areas where divisions and districts are collocated in the same city.

b. Districts have the authority to request derivative UICs for project sites and dredges. Property books may be authorized for these activities, providing the dredge captains and resource management officers at project sites establish procedures for the proper receipt, control, and disposition of property as set forth in applicable logistics regulations. Such operations will be subject to inspection and audit by the RLM/DLM.

4-5. Operating Procedures for Control of Property.

a. The DPBO will designate, in writing, individuals who are no lower in the organization than the first-line supervisors, to serve as HRHs (Figure 4-1). However, the DPBO may designate individuals other than supervisors as HRHs when required by operating conditions such as managing property at remote sites.

b. Sub-hand receipting should be encouraged by the HRH. Local Commanders have the option to make this a mandatory requirement. PHRHs may further sub-hand receipt down to the user; however, direct responsibility may not be delegated. The original of any receipt is retained and filed by PHRH. The duplicate is provided to the sub-hand receipt holder for their file. Use DA Form 2062 (Hand Receipt/Annex Number) to record the issue of property book and durable items. Prepare the form in two copies. DA Form 2062 may be overprinted. The person who

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prepares the DA Form 2062 must keep all copies of hand receipts or sub-hand receipts current.

(1) For hand receipts prepared by the DPBO, the original is kept by the DPBO and a copy is provided to the HRH.

(2) For sub-hand receipts prepared by the HRHs, the original is kept by the HRH and a copy is provided to the sub-hand receipt holder. There is no restriction on the number of times property can be sub-hand receipted, but under normal circumstances, should not exceed from the Commander, to the supervisor, to the user.

c. Hand receipt holders training will inform HRHs of the benefits of sub-hand receipting items to the user level.

d. Use temporary hand receipts (DA 3161 or ER 4900) to issue property on loan for less than 30-days. After 30 days, the property is either returned or a permanent hand receipt (DA 2062) is prepared IAW AR 710-2 Appendix B, and AR 710-2, chapter 2-10.

e. Local procedures will be developed to establish durable registers and requirements, or the need to verify or reconcile the contents.

f. Property will not be released from the receiving section until all data is entered into APPMS/PBUSE, and ENG Form 4866, Interim Hand Receipt, or local equivalent form, is produced.

g. The removal of personal property from premises will be controlled through the use of property pass procedures, where feasible. Local procedures will be written to prevent loss of property due to unauthorized removal. Security conditions in the local area will dictate the amount of control needed.

h. The DPBO will control the use of barcodes. Local procedures will be written to specify the amount of control required by individual activities. Unused barcodes will be secured in a locked container.

i. Local procedures may be written to authorize staff managers to redistribute heavy equipment among project sites before such equipment is considered excess. Before any equipment is transferred, the gaining and losing project sites' CPADs must be adjusted to reflect the additional item and the lost item, respectively. A copy of the documentation must be provided to Resource Management. In addition, the DPBO must grant approval prior to the transfer.

4-6. Procedures for Controlling Specific Items.

a. Credit Cards. U.S. Government national gasoline credit cards are installation property and will be accounted on the property book. The DPBOs have the option to issue the credit cards on a hand receipt to the motor pool dispatcher or list them as an accessory to the vehicle. Issues to vehicle drivers can be controlled by a simple log containing the recipient's signature or they can be a mandatory component of a vehicle dispatch packet controlled by the transportation officer. When purchasing fuel with this card, the lowest grade of unleaded fuel will be used in GSA vehicles.

b. Toll Payment Media. Toll payment media and similar items consumed in use do not require property book accounting; however, they will be controlled by the DLM prior to issue. This can be via a register showing the division/office to which the items are issued, date issued, and quantity. A log will be used by the division/office to control issues below the initial issue point, it will show the date, quantities, name, and signature of the person receiving the media. This log will be subject to review by local auditors.

c. Rental or Lease Property. Property that is obtained through rental or lease contracts will require valid authorizations and property book accountability if it is retained beyond the 180-day period prescribed for temporary authorization.

d. Petroleum, oil and lubricants. The procedures in AR 710-2 will be followed for controlling all bulk petroleum, oil, and lubricants.

e. Commercial-off-the-Shelf Software Accountability. (Code that is generated as the result of government development efforts for design, modification or maintenance of an automated information system [AIS] will not come under this category.) The appointed unit information management officer (UIMO), in coordination with the DPBO, is responsible for hand receipting organizational software to the user. The DPBO is responsible for issuing all information management processing equipment (IMPE) software to the UIMO. This includes software for individual personal computers. Managing IMPE software does not require property book accounting but the following applies:

(1) Original copies of copyrighted commercial software will be issued and accounted through normal hand receipt procedures by the UIMO. Copyrighted software has specific licensing restrictions by which users must abide.

(2) Pre-loaded software, not purchased separately, and furnished as part of a computer purchase (no back-up disks, manuals or instructional material), may be listed in the nomenclature field of the property book.

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Figure 4-1: Memorandum for Hand Receipt Holders

CELA-SM (710-2)

1 February 2010

MEMORANDUM FOR: Hand Receipts Holder's Name

SUBJECT: Appointment as Hand Receipt Holder, Account No. 109

1. In accordance with ER 700-1-1, paragraph 4-5a, you are designated as the Primary Hand Receipt Holder (PHRH) for all property charged to your office under Hand Receipt Account (HRA) 109. Your designation is effective 1 February 2010 and shall remain in effect until rescinded in writing by the undersigned Division Property Book Officer (DPBO).
2. This designation carries with it direct responsibility for all property charged to you by the undersigned on your HRA. You may be held financially liable for unaccounted property. Further hand receipting (sub-hand receipt) does not transfer direct responsibility nor relieve you of your duties as the responsible employee/HRH.
3. Instructions for the control and management of property are contained in ER 700-1-1. It will be your responsibility to ensure a one hundred percent physical inventory is conducted annually. Please refer all questions and problems to the undersigned.
4. Responsibility as HRH may not be re-delegated; however, it is recommended that you designate an authorized agent to sign property transactions on your behalf.
5. Prior to reassignment or termination of employment, you must notify the DPBO to provide you a current inventory listing necessary for you and your successor to conduct a joint physical inventory. This inventory must be conducted and all discrepancies resolved within 30 days prior to final clearance from District.
6. Please acknowledge receipt of this letter.

DPBO NAME
Division Property Book Officer
ULA-SPD

Receipt Acknowledged: _____
(Signature) (Date)

f. GSA Vehicles. GSA vehicles applied against military authorizations on the TDA will be maintained on the property book for hand receipt control. GSA vehicles not applied against a military authorization must be on the CPAD and placed on the property book. Since the vehicles belong to GSA, the value in APPMS will be entered as zero (0) for the dollar cost.

4-7. Durable Property.

a. Durable property is personal property not consumed in use, and does not require property book accountability, but, because of its unique characteristics, requires control of the property by the DMM in APPMS and hand receipted to the user.

(1) All hand tools in Federal supply classes (FSC) 5110, 5120, 5130, 5133, 5136, 5140, 5180, 5210, 5220, and 5280 with a unit cost of \$50.00 or more, but less than \$300. When the unit of issue contains more than one item (such as, package, box, dozen, and so forth and the cost of a single item (unit of measurement) is less than \$50.00, the hand tool will be treated as an expendable item at the user level, even though it is coded as durable in the AMDF contained on FEDLOG.

(2) All items coded with an ARC of "D" in FEDLOG except specific hand tools identified in AR 735-5, paragraph 7-4a.

(3) Non-consumable supply class 8 items as limited by AR 40-61 and not otherwise coded with an ARC of "N" non-expendable) in FEDLOG.

(4) Commercial and fabricated items similar to those items coded with an ARC of "D" (durable) in FEDLOG.

(5) Audiovisual production master material and copies accounted for under AR 25-1.

(6) Cellular phones, blackberries and pagers with a unit cost of less than \$500.

(7) Information management processing equipment, such as computers, laptops, monitors and printers will be formally accounted for on the property book, as these items are considered highly pilferable.

(8) Software.

(9) All items with assigned FSC 3510, 4110, 4140, 6240, 7105, 7110, 7125, 7195, 7210, 7220, 7230, 7290, 7310, 7320, 7350, 7820 or 7910 and the unit price is over \$300 but less than \$2,500.

b. The DMM will be used to control durable items issued below the property book level.

c. Durable items identified as hand tools with a unit price greater than \$50.00, and which are not classified as non-expendable (see FEDLOG and supply bulletins) will be activated in APPMS in the DMM module and may be controlled using tool box, chit, shadow board or tool room procedures, provided these procedures have been approved by the local commander.

d. Durable property is required to be inventoried by the hand receipt holder on an annual basis. Completion of this inventory, done in a memorandum format, will be furnished to the district DLM for quality assurance. The PHRH conducts management review of durable property. They will document the conduct of the management reviews, stating what the results were, and what corrective actions, if any, were taken. Documentation will be prepared as a memorandum for record (MFR) in duplicate. One copy will be retained at the unit or activity level, and one copy provided to the next level of command. The MFR will be retained for two years IAW AR 710-2.

4-8. Inventory of Property. The DPBO will ensure a one hundred percent physical inventory of all non-expendable property listed on the HRA. This inventory is conducted by the HRHs IAW AR 710-2 or local guidance. The DPBOs will also ensure inventories are made of all holding accounts assigned to the property book section to manage excess property. Barcode technology will be used by the HRHs to conduct the annual inventories. Personnel from the property book section will provide training for the HRHs in sufficient detail to conduct the inventories.

4-9. Reconciliation of Inventories.

a. Upon completion of the inventory, an inventory results listing will be provided by the DPBO to the HRH to reconcile the inventory findings with the established property book record.

b. If items are not found during the inventory, but the DPBO records indicate they belong to the HRH's account, the HRH must physically locate the property, produce transfer or turn-in documents, or promptly submit a DD Form 200, Financial Liability Investigation of Property Loss (FLIPL).

c. After the inventory is completed, the HRH will sign the HRA list which will state that he has conducted a one hundred percent physical inventory of all property on the hand receipt; has reported all property on hand, but not included in the list; and accounted for all discrepancies.

4-10. Reconciliation of Property Records with Finance and Accounting Records. Barcodes for capitalized equipment in APPMS are to be reconciled annually with property identification

numbers that have capitalized work items attached in CEFMS. Coordinate with Finance and Accounting Office (F&A) to verify that the items appearing in APPMS, but not appearing in CEFMS, are legitimate items awaiting placement-in-service. Also, coordinate with F&A to ensure that items disposed of and archived in APPMS are assigned phase code "D" (disposal) in CEFMS.

4-11. Maintenance of the Hand Receipt Account. The DPBO will retain the signed original inventory for one year along with all individual account transaction documents. During the time between annual inventories, the DPBO will file all individual change documents in the hand receipt file as proof of accountability until the new consolidated annual inventory is signed by the HRH.

4-12. Privately-Owned Property. The HRHs must authorize the use of privately owned property within the area under their control. ENG Form 4878, Privately Owned Property, will be used to mark privately owned property so it will not be confused with government-owned property during annual inventories.

4-13. Change of DPBO Inventory. When the DPBO of an organization is replaced, an inventory of all property, not on hand receipt, must be conducted jointly by the incoming and outgoing DPBO. This will be accomplished by following the procedures listed in DA Pam 710-2-1.

4-14. Loan or Lease of Personal Property.

a. Personal property may be loaned or leased. Authority to approve loans and leases of property for use outside a USACE command, but still within USACE, is the responsibility of that commander. Loans or leases of property for use outside USACE require MSC commander approval.

b. Loan of property between subordinate elements of the same district will be accomplished through normal procedures of transferring property through the property book from HRH to HRH. When property is loaned for periods of 30 days or less, a temporary hand receipt may be used.

c. USACE commanders have the authority to loan equipment belonging to their command to other USACE elements for periods of 180 days or less using a hand receipt. Loans exceeding 180 days will be transferred from property book to property book.

d. Under APPMS, approved loans will be accounted for as follows:

(1) Set up a manual loan register and assign a loan serial number. Prepare documentation

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and a responsibility statement as described in AR 700-131.

(2) Set up a hand receipt number that is clearly identifiable as a loan hand receipt. LN1 or LHR could be used. LN1 could allow for loans to additional sites that could be numbered LN2, LN3, etc.

(3) Transfer the loaned item to the loan hand receipt number. The hand receipt will not be signed. The DD 1348-1A and the responsibility statement will be signed. Place the loan serial number in the location field of the Active Property Record.

(4) Maintain a file by loan serial number of the supporting documentation.

e. There is a requirement to inventory loaned equipment annually. The procedures are described in AR 700-131.

4-15. Managing Property During Shift Operations. Supervisors of multiple shift operations will establish procedures to adequately protect property. The supervisor, as the PHRH, remains accountable for the item and in the event of loss, must show all reasonable precautions have been taken to secure property.

4-16. Lost, Damaged, or Destroyed Property.

a. Damaged property must be inspected by a technically qualified inspector (may be a vendor) to determine if it has been rendered unserviceable through fair wear and tear. The DLM must send a recommendation for maintenance or disposition action to the RLM. If the DLM is satisfied that the technical inspection report adequately describes the reason for the damage and there is no evidence of negligence or misconduct, the DLM will recommend a Financial Liability Investigation of Property Loss (FLIPL) be initiated without further investigation (short FLIPL). If there is evidence of negligence or misconduct, the DPBO will recommend a FLIPL be initiated (long FLIPL). A FLIPL will be initiated when:

(1) Negligence or willful misconduct is suspected as the cause, and the individual does not admit liability and refuses to make voluntary reimbursement to the Government for the full value of the loss, less depreciation.

(2) The property lost, damaged, or destroyed involves a change of the accountable officer's inventory and the outgoing accountable officer made no voluntary reimbursement for the full amount of the loss to the Government.

(3) The value of the admitted lost, damaged or destruction exceeds the individual's monthly basic pay (for military) or 1/12th of the annual salary (for civilian employees).

(4) The value of the damages or shortages in occupied Government quarters (real property and furnishings combined) or Government furnishings in non-Government quarters exceeds the individual's monthly basic pay.

(5) The total handling loss of a specific bulk petroleum product exceeds the allowable loss for that product, and the dollar value of the total loss exceeds \$1,000. (See AR 710-2).

(6) The loss or destruction involves a controlled inventory item. Investigate controlled inventory items lost or destroyed per AR 15-6. However, do not use the AR 15-6 investigation as authority to adjust property records or to assess financial liability. Process a DD Form 200 to accomplish either of these actions. When using an AR 15-6 investigation, do not request a separate investigation by a financial liability officer.

(7) The loss or destruction involves public funds or other negotiable instruments and the individual does not voluntarily reimburse the Army for the loss.

(8) Required by higher authority or other HQDA regulatory guidance.

(9) Directed by a DA Form 444, Inventory Adjustment Report (IAR) approving authority.

(10) The loss or damage involves a GSA vehicle.

(11) The loss resulted from a fire, theft or natural disaster.

(12) The total dollar value of Government owned vehicle damage loss exceeds \$1,000.

b. The initiator of a DD Form 200 will normally be the hand receipt holder, the Commander or agency head, the accountable officer or the individual with the most knowledge of the incident. A FLIPL should be provided to the approving authority no later than 15 days after the date of discovering the discrepancy. The FLIPL should not exceed 75 calendar days total processing time.

c. Army officers in command positions in the grade of colonel (COL) or above or DA civilian employees in supervisory positions in the grade of GS-15 are approving authorities for FLIPLs arising within their command or under their supervision. Commanders may delegate approving authority to an Army officer in the grade of COL or above or a DA civilian employee in the grade of GS-15. If a command or agency is not headed by an Army officer in the grade of COL or above or a DA civilian employee in a supervisory position in the grade of GS-15, the approval authority will be the first individual in the chain of supervision or support agreement

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who so qualifies.

d. Colonels and GS-15s may delegate their approval authority to LTCs for FLIPLs with a dollar value less than \$5,000. This exception will not apply to investigations for COMSEC, CCI or sensitive item equipment.

e. Financial liability investigations assessing a final loss of \$100,000 or greater, or loss of a controlled item, the approving authority will be the first general officer or Senior Executive Service (SES) employee in the rating chain. This authority may NOT be delegated.

f. The RLM will review the inspection report and the DLM's recommendation. If he concurs with the DLM, the chief will recommend the commander sign the following statement, "I have reviewed the circumstances surrounding the damage to the above item and find no evidence of negligence or misconduct." The DLM will file the commander's signed statement to substantiate the reason for any repairs.

g. If non-expendable personal property is lost, damaged, or destroyed as a result of suspected negligence or misconduct, a FLIPL will be initiated under the provisions of AR 735-5.

h. Property will be removed from the property book upon assigning a document number to the FLIP and removed from CEFMS, if applicable.

i. DA Form 444 will only be used to adjust losses or shortages of expendable property in accounting records.

j. Commanders will ensure that all changes to the property book are supported by proper inventory adjustment documentation.

4-17. Reportable Item Control Codes (RICC) Reporting Policy.

a. Items that are military-funded, on a Table of Distribution and Allowances (TDA), and have a Reportable Item Control Code (RICC) of 2, A or Z will be reported to WEBUIT through the local central collection activity (CCA). Civil-funded items are not reportable. Military-type items declared excess by the item manager and transferred to the Corps for civil-funded missions are not WEBUIT reportable. Elements with 10 or fewer transactions per year will report on an as required basis. Elements with 11 or more transactions annually will report at least monthly. Reconciliation with the WEBUIT database will be done annually, as coordinated by the Logistics Integration Agency (LIA) through the CCA.

b. RICC A items are reportable under both WEBUIT and the Controlled Cryptographic Item Serialization Program (CCISP). These items must be reported to both CCISP and WEBUIT.

4-18. Army Property in Possession of Contractors.

a. Government property may be furnished to, or acquired by contractors, under the provisions of a contract.

(1) Property provided to a contractor under the terms of a contract assigned or transferred to the Defense Contract Management Agency (DCMA) for administration remains Army property.

(2) Contractor accountability and responsibility will be as set forth in the contract clause. Army property in the hands of the contractor can be items that have been transferred to the contractor by the authority of the appointed Government contracting official.

a. The contracting office that awarded the contract will maintain direct responsibility and control over the property. The contractor will retain stewardship responsibility for property assigned to them via the contract. Internal and external Army reporting requirements, to include but not limited to procedures in DFAS-IN Regulation 37-1, AR 710-3 and AR 735-5, will be satisfied by use of the data required to be maintained and reported by the Federal Acquisition Regulation (FAR) and/or Defense Federal Acquisition Regulation Supplement (DFARS).

b. When contracts are not assigned to DCMA and government furnished equipment (GFE) or government furnished property (GFP) is authorized and stipulated in the contract clause, the issuing contracting officer will appoint a property administrator, using the evaluation criteria in DFARS to administer, oversee and maintain property accountability for the GFE or GFP issued to the contractor.

c. Contracts awarded under the FAR government property clause, accountability of GFP will be transferred to the contracting office having jurisdiction over the contract; however, the DPBO will create and maintain a GFP transfer listing in APPMS, which will have authorization quantity and on-hand quantity on the property book for fiduciary reporting an/or asset visibility purposes.

(1) DPBOs, when directed through proper channels by the official having command responsibility over the property required by a contract, will release the government property to a contractor as GFP. The transfer of accountability of property provided to a contractor will be accomplished by using DD Form 1149 (Requisition and Invoice/Shipping Document) or DD Form 250 (Material Inspection and Receiving Report) or DD Form 1348-1A (Issue Release/Receipt Document). The document transferring accountability will be approved by the same contracting office that approved the contract, or the representative, prior to the GFP being provided to the contractor. DPBOs will use the transfer document to establish a GFP asset listing in APPMS. This asset list will be used to track visibility of GFP contractor equipment.

(2) A joint physical inventory of GFP will be conducted by the losing unit or agency and the contractor prior to the beginning of the contract period. On completion of the inventory and written acknowledgement of receipt by the contractor via the DD Form 250, DD Form 1149 or DD Form 1348-1A, the DPBO will post the transfer document as a loss to the Army's hand receipt and gain to a contractor GFP fiduciary record. The DPBO will continue to maintain the basic property book asset record for visibility of GFP transferred to the contractor. The contracting office's designated representative will notify the DPBO upon contractor receipt, transfer or disposal of any GFP during the life of the contract. The DPBO will update the fiduciary records as changes to GFP are communicated and IAW AR 710-2.

(3) Upon termination or completion of the contract, a joint physical inventory by the contractor and the property administrator will be accomplished. A transfer document, DD Form 200, DD Form 1149 or DD Form 1348-1A, will be used to transfer accountability back to the contracting officer and/or property administrator. The contracting officer will reconcile the transfer document for shortages, approve the transfer prior to the DPBO acknowledging receipt and accept accountability for the returned GFP. Upon completion of the transfer document, the GFP asset listing for that contract will be discontinued.

e. Contracts awarded under FAR, accountability for GFP will be laterally transferred on DD Form 1149, per AR 735-5, to the contracting officer. The official property records will be maintained by the government. The contractor will maintain stewardship records. These records will be kept separate and distinct from installation property book records. Responsibility for GFP will be assigned to the contractor.

f. Contractor acquired property (CAP) is any property acquired, fabricated or otherwise provided by the contractor for performing a contract, and to which the government has title. CAP that is subsequently delivered and accepted by the government for use on the same or another contract is considered GFP.

g. FLIPL process:

(1) When loss of Government furnished equipment (GFE) on an Approved Property System of Record (APSR) involves possible contractor liability under a service contract, the contractor will process and report discrepancies, loss of Government property, physical inventory results, audits and self-assessment corrective action and other property related reports, as directed by the contracting officer (KO).

(2) The KO and the property administrator will investigate the loss and make an independent finding as to the liability of the contractor. Once this is complete, the KO or property administrator will provide a copy of the findings to the DPBO. The KO and property

administrator is the final authority in determining relief or liability in regards to contractors.

4-19. Requesting License Plates for GSA Vehicles/Trailers.

a. Submit a license plate request to CELA-T-Fleet/freight@usace.army.mil. The motor vehicle/trailer should be authorized via ENG Form 6034 or ENG Form 6035. The packet should include:

- (1) ULA Vehicle Registration and License Plate Request (ULA Form 16)
- (2) Certification of Origin/Manufacturer's statement
- (3) Bill of Sale

b. Additional documents may include, but are not limited to:

- (1) Safety Inspection Document
- (2) Proof of Transfer [e.g. Issue/Release Receipt Document (DD Form 1348-1A)]
- (3) Visuals; one photo of vehicle and one photo of VIN

c. District Transportation personnel will acquire a barcode number from Logistics personnel and insert it on the ULA Form 16, prior to forwarding all documentation for processing.

d. Once ULA Transportation personnel have received all documentation, the District Transportation personnel will be notified, if additional information is required. If no additional information is required, the District Transportation personnel will receive notification of the License Plate/Tag number. The vehicle information must be forwarded to Logistics personnel to input into APPMS, for accountability. Vehicle information must be verified in APPMS by the ULA Transportation personnel before the license plate(s) can be mailed to the gaining District. For additional information, please refer to the Transportation QMS process.

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CHAPTER 5

Equipment Usage Management Program

5-1. Purpose. This chapter prescribes the establishment of an equipment usage management program and directs the recording of equipment usage data. Usage standards serve as a yardstick valuable in measuring the effectiveness of investing resources in equipment. Recording usage data and comparing results with established standards gives insights to improvements in productivity and efficiency. Historical usage data allow informed management decisions.

5-2. Equipment Usage Management Program (EUMP). The CSDP will be combined with the EUMP outlined in AR 71-32. A key aspect of this process is the walk-through review prescribed by AR 71-32, Appendix G. These reviews focus on ensuring efficient and cost effective life cycle management and utilization of equipment and associated repair parts.

a. Commanders will implement and conduct documented walk-through reviews with their DPBOs at least semiannually. When visiting field projects, commanders will conduct walk-through reviews with project management personnel and designated equipment coordinators to identify excess or under-utilized equipment.

b. The DPBOs, as part of their CSDP responsibilities, will conduct and document walk-throughs, at least monthly, to identify under-used equipment and plan the semi-annual (or more frequent) commander walk-through reviews. The amount of equipment reviewed each month may vary, but should add up to one hundred percent of equipment reviewed every six months.

c. Each walk-through usage review will result in a report (retained for two years) identifying the scope of the review to include pertinent observations and recommendations. The report will include, as a minimum, those observations identified in AR 71-32, Appendix G. Written justification is required for retention of any under-used equipment identified as a result of the review.

d. Organizations with dispersed sites may designate equipment coordinators to perform the equipment management function at the site and report results to the designated equipment manager. However, periodic spot check reviews of these locations are still required to ensure quality assurance oversight.

5-3. Recording and Reporting. Activities will record daily usage and availability data for all administrative-use and special purpose vehicles (including trailers) in the Vehicle Information Management System (VIMS). Data for all equipment, other than vehicles, meeting the criteria for collection of usage data will be recorded on ENG Form 3662, Administrative Vehicle Operational Record. General-use equipment and similar to that listed in AR 71-32, Appendix F (Table F), will be subject to usage standards. In addition, job-particular equipment, as identified

by USACE listed in Table 5-1, and similar equipment, will also be subject to the usage standards listed. Commanders may identify local reporting requirements and usage standards for additional equipment.

a. Consolidated monthly usage and availability data will be recorded on a locally produced report. As a minimum, this report will include the following categories: date, nomenclature, registration or serial number, life expectancy, usage basis (to include minimum standard and objective standard), mileage, hours operated, days operated, computed percentage of use, and rating; along with the name, title and signature of the report preparer. The usage basis can be miles, hours, operational days, or some other basis.

(1) Each month, actual usage will be recorded and the percentage of use computed using appropriate formulas from AR 71-32. Locally devised formulas may be used when days, hours, and miles are not the basis for usage.

(2) The percentage of use will be compared to the usage standard percentages listed in Table 5 to determine if equipment falls short, meets, or exceeds the applicable standard. One of the following ratings will be assigned: U - used less than the minimum; M - used the minimum, but less than the objective; or O - objective criteria achieved or exceeded.

(3) Floating plant property will be tracked to determine if it meets the standard of a minimum 45 days quarterly use. This includes general-use floating plant (and similar equipment) listed in Appendix F (Table F, Watercraft), AR 71-32, as well as job-particular floating plant (and similar equipment) listed in Table 5-1 (Equipment Category Code LH). This rule will also apply to all capitalized (in financial records) property that does not directly, indirectly or logically fall into any of the other property categories listed in Table 5-1. The miscellaneous category was created to ensure all applicable property will have an established standard as a usage goal to attain.

b. Monthly and availability data will be entered into Facility and Equipment Maintenance (FEM). Data entered into FEM will include the acquisition date, acquisition price, serial number, life expectancy, mileage, hours operated, and days operated. This data will be used to produce the following reports in FEM:

(1) Equipment Replacement Plan: an annual requirement that provides predictive data to Resource Management and the Commanders in planning the new Fiscal Year (FY) budget. It provides information about equipment and items that have exceeded its Maintenance Expenditure Limit (MEL) and have a depreciated value that may not be economical to repair. It also identifies equipment and items that have exceeded its life cycle expectancy.

(2) Usage Reports will be used to capture how often a vehicle is used by capturing the mileage, hours, and the time of day the vehicle or equipment was used.

(3) Availability Reports will be used to capture the availability of an item. Availability is indicated by the number of days an item was available to perform its intended mission.

NOTE: FEM is the only authorized Standard Army Management Information System (STAMIS) to be utilized for use in USACE. Exception will be the use of VIMS (or its replacement when fielded) because a dispatch module is not available in FEM.

c. At the end of each calendar quarter, a consolidated quarterly usage and availability report will be prepared in the same manner as in paragraph a. After the three monthly reports have been consolidated into a quarterly report, the monthly reports may be destroyed. The current quarterly report and the preceding three quarterly reports will be maintained so that an analysis can be made of four consecutive quarterly reports during inspections and reviews. For quarterly reporting, use the following possible days per quarter:

(1) 1st Quarter (1 October through 31 December) = 92 possible days.

(2) 2nd Quarter (1 January through 31 March) = 90 possible days. (Add one day for a leap year.)

(3) 3rd Quarter (1 April through 30 June) = 91 possible days.

(4) 4th Quarter (1 July through 30 September) = 92 possible days.

d. Copies of usage data collected will be submitted as part of justification when requesting additions of similar items to the CPAD/TDA.

5-4. Exemptions. Activities are responsible for documenting equipment that is exempt from usage reporting. A memorandum for record approved and signed by the Commander will be kept on file containing a list of exempt equipment. The following categories are generally exempt from meeting utilization tracking standards:

a. Information Technology Equipment (ITE). This is covered by the AR 25-series.

b. Government-furnished property (GFP). Contracts will include the requirement for the collection and recording of utilization data.

c. Defense Logistics Agency (DLA)-controlled equipment. Although DLA-controlled equipment is exempt from usage collection and reporting, walk-through procedures will be used to evaluate the need for it.

d. Equipment used in direct support of a research, development, test, and evaluation mission (RDT&E). This equipment is exempt from usage collection and reporting. Walk-

through procedures will be used to evaluate the need for it.

e. One-of-a-kind-equipment. Utilization data collection for one-of-a-kind equipment is not required. One-of-a-kind is defined as being that one and only specific piece of equipment located in a district or MSC; not one per project site.

f. Common Tables of Allowance (CTA) equipment. Equipment authorized by CTA, and costing less than \$10,000, does not require collection of utilization data. This means that low-dollar-valued items (e.g., typewriters, calculators, desks, fans, etc.) are exempt from collection of utilization data.

g. Installed equipment. Utilization data collection for installed equipment (such as generators and compressors that are part of a real property facility) is not required.

h. Emergency and medical equipment. Equipment required to be on-hand for emergencies, such as generators, compressors, wreckers, ambulances, fire trucks, etc., does not require utilization data collection. Retention for such equipment will be based on documented justification.

i. Rail equipment. This equipment will be managed per AR 56-3.

5-5. Common Use Equipment. Offices may establish equipment pools, repair exchange activity (RXA), or HRAs for commonly used equipment to facilitate the exchange of repairable items to prevent unnecessary procurement. These methods may also be used to prevent procurement of equipment required for short time periods.

TABLE 5-1

USACE Job-Particular Equipment Usage Tracking List with Standards

Equip. Category Code	Federal Supply Class	Nomenclature	Usage Standard in days/Qtr or % (Minimum)	Usage Standard in % (Objective)
LH	1935	Crane or Derrick, Barge Mounted	45 Days/Qtr	N/A
Miscellaneous		Capitalized equipment not listed in this table (see ER 37-2-10, Chapter 1)	45 Days/Qtr	N/A
NB	3825	Distributor, Water, 1000 Gal and Above	10	25
NF	3805	Excavator	15	30
NJ	3820	Drill & Well Drill Support	20	30
NN	3895	Truck, Concrete Mixer	10	25
NN	3805	Truck, Dump, 20T	20	40
NV	3805	Compactor	10	25
NV	3895	Hammer, Pile Driven	15	25
PA	3950	Crane, Warehouse	20	35
PB	3930	Truck, Forklift, Electric, 4000 Lbs. and Above	15	25
PB	3930	Truck, Forklift, Gas, 4000 Lbs. and Above	25	50
PE	3930	Tractor, Warehouse	25	50
PG	3930	Truck, Forklift, Rough Terrain	25	50
PI	3930	Truck, Forklift, Diesel	25	50
QU	4210	Truck or Pump, Fire Fighting	10	20
SY	3825	Snow-blowers and Snowplows	10	20

CHAPTER 6

Inventory, Management and Accounting of Personal Property

6-1. General. The Department of Defense has identified certain types of personal property that must be accounted for. These items will be controlled using a property book along with a three year, one hundred percent inventory cycle. Exception to this rule is the requirement to perform an inventory on all sensitive items; items valued in excess of \$100,000, and items with a Reportable Item Control Code (RICC) other than "0".

a. Property accountability is a primary metric for protecting the government against fraud, waste and abuse of its resources. All property valued at \$5,000 or greater and that of a sensitive nature, regardless of dollar value, will be accounted for on a formal property book. Property books must be completely inventoried triennially. Items valued at \$100,000 and above must be inventoried annually.

b. A durable listing has been provided and made available from APPMS to the DLM for appropriate managers and PHRH of the items removed from the property book. The items removed from APPMS will be available for review from the USACE Asset Management database available in APPMS at the DMM tab. <https://hqintra1.hq.ds.usace.army.mil/CELD/APPMS%20Training.htm>. Oracle Discover access will be required.

c. Newly acquired durables received after removal of the initial items from the property book will be coded as durable during the "Import Pending Requisitions" process. A new field will be available in the APPMS "Modify Requisitions Record" screen in addition to the "Approved" and "Expendable" fields that allows the DPBO to mark items as "Durable" when reviewing Purchase Requests and Commitments (PR&C) for approval. Items marked as "Durable" on the initial PR&C will automatically populate in the Durables Table during the "Import Received Property" process.

d. Durable property will be monitored IAW AR 735-5, chapter 7, paragraphs 7-4 and 7-5. There is an annual requirement to conduct a management review of all durable property to determine if there are indications of missing items or if there are indications of fraud, waste, or abuse. When there are indications of lost, damaged, or destroyed property, the Commander/activity head will initiate a FLIPL or AR 15-6 investigation to determine causes, corrective measures, and whether financial liability should be accessed. Inventory of petroleum, oil and bulk fuel will be monitored and reported IAW AR 710-2 and DA PAM 710-2-1.

6-2. USACE Inventories.

a. Controlled items, other than weapons and ammunition, will be inventoried quarterly. Controlled items are identified by Controlled Inventory Item Code (CIIC) of "8," "9," "\$," "Q,"

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and “Y”. Additionally, certain cryptographic items and certain isotope containing Nuclear, Biological and Chemical (NBC) items will be inventoried quarterly.

b. The PHRH ensures physical inventory of sensitive, explosive and hazardous items is conducted quarterly; these items are identified by a CIIC of “8,” “9,” “\$,” “Q,” and “Y” (night vision devices and navigation systems).

c. A signed and dated statement of inventory results must be prepared. Output from automated systems will satisfy this requirement. Manual systems use procedures in DA Pam 710-2-1. File and distribute inventory results; HRH retains one copy and forwards one copy to DPBO.

d. The PHRH ensures physical inventories are conducted for items with a CIIC of “1-6,” “N” and “R”, weapons and ammunition.

(1) Weapons by serial number – Monthly

(2) Ammunition and Explosive items by quantity, lot number, and serial number - Monthly

(3) Ammunition and Explosive items rigged or preconfigured for rapid deployment - Monthly

(4) Items over \$100,000 – Annual

- The DLM, warrant officer, officer or DOD civilian will do a serial number inventory. Unit armorers will not perform this inventory nor will the same individual conduct this inventory in consecutive months.

- All civil funded items listed on the property book will be one hundred percent inventoried once every two years.

- The DPBO will notify the PHRH through the DLM 60 days prior to due date for completion of all inventories. Monthly inventories will be done automatically and sent to DLM/Property Section.

- The PHRH will obtain a barcode scanner from the DLM.

- The PHRH must scan one hundred percent of the items listed on the inventory.

- The supply technician will download the data into APPMS and notify the DPBO that the inventory has been completed or that there is a shortage.

- The supply technician will query APPMS for a shortage listing.
- The supply technician will forward a copy of the shortage list to the PHRH and provide a courtesy copy to the DPBO.
- Upon identification of a shortage, the PHRH will have 14 days to find the item(s). If the item cannot be located, the PHRH in conjunction with the supply technician at the DLM will initiate FLIPL Procedures IAW AR 735-5.
- After the inventory listing is reconciled, the supply technician will print a final inventory report for the PHRH's signature. The PHRH will sign and return a copy with original signature to the DLM/Property Section.
- The PHRH must review their utilization and inventory records and dispose of all unused or unneeded items to reduce maintenance and inventory cost.
- The supply technician will forward a copy of the final inventory report with the PHRH's signature to the DPBO, via fax or digital scanner/electronic device and retain the original on file. A copy will also be provided to the PHRH.

6-3. Inventory Frequency.

- a. As described in AR 710-2 and AR 710-3, for Unique Item Tracking (UIT) reportable items (also known as sensitive items); monthly for weapons and ammunition; and quarterly for controlled cryptographic items (CCI).
- b. Annually for other sensitive items not listed as UIT items; items with a Reportable Item Control Code (RICC) other than 0 regardless of cost; and any item valued at \$100,000 or more.
- c. When there is a change of command, change in property custodian or change in the primary hand receipt holder (PHRH).
- d. When directed by the Commander.
- e. As directed by the FAR for government property in the possession of Contractors.

6-4. Bi-annual Inventory Cycle. All USACE civil funded property and equipment assets listed on the property book will be inventoried at least once every two years. No property shall have a last date inventoried older than two years in the Automated Personal Property Management System (APPMS) database.

a. A percentage of HRAs of the total property book (not individual hand receipts) must be inventoried every year, with completion of one hundred percent inventory of the entire property book by the end of the second calendar year.

b. Cyclic inventories shall not be held for the semi-annual inventory, because they only address a portion of a total inventory at a given time. New or unlisted items might get overlooked. DPBOs must take special care to ensure property is added to their inventory list IAW established requirements and procedures.

c. Semi-annual reports will be forwarded summarizing status of the inventory to coincide with the Logistics Directorate Management Review (DMR) reporting requirements (2nd and 4th quarters). Reports will include the percentage of HRAs inventoried, number of items inventoried, and the number of items found to be out of compliance.

d. Property book and HRAs will be monitored for compliance with all policies and procedures through the APPMS and CSDP inspections.

6-5. Property Hand Receipt Holder (PHRH) Inventory.

a. Scan the required items on your hand receipt.

b. Check the items to make sure the item and the description match. Note any differences.

c. Make a visual check of the condition of the property. Make a list of any damaged property. Report damaged equipment to unit maintenance personnel for corrective action.

d. Check end items for completeness.

e. Report differences pertaining to property book items to the DPBO.

f. The DPBO conducts causative research for these differences. Causative research includes but is not limited to, comparing all postings to the applicable property book page against documents that support those postings, verifying all hand receipt change documents, searching storage areas controlled by the DPBO, and ensuring that end identity was not destroyed by consolidation, disassembly or mislabeling.

g. When no conclusive finds are made, take the following actions:

- (1) Turn in overages as “found on installation” property.
- (2) Account for shortages according to AR 735-5, Chapter 13, Financial Liability Investigations of Property Loss.
- (3) Prepare and process an AAR to correct differences within sizes, makes, or models.
- (4) Adjustment documents must be sent to the LAC DPBO to be posted to the property book.

NOTE: No transactions will be processed during the inventory period.

6-6. GSA Vehicle Accidents. The Code of Federal Regulations, Title 41, Chapter 101, known as The Federal Property Management Regulations, requires an investigation within 48 hours after the occurrence of an accident involving a GSA vehicle.

a. Immediately notify supervisor of circumstances and initiate preparation of the Motor Vehicle Accident Report, (SF 91 and DD Form 518) and if applicable, the Witness Statement (SF 94).

b. Associated documentation required to be submitted with the SF 91 includes police reports, repair estimates, damage statements, FLIPL Report (DD Form 200), pictures, Checklist and Tracking Document for FLIPL (DA Form 7531), and DD Form 362. GSA requires all estimates to be no older than thirty days, if the reporting process takes longer you, will have to obtain another estimate.

(1) If employee admits liability and the repair cost is less than one month’s base pay or one twelfth the annual salary and the damages are less than the threshold, and he or she is willing to pay, submit a DD Form 362 as cash collection or payroll deduction with the SF 91, Motor Vehicle Accident Report and SF 94, Witness Statement.

(2) In the instance that liability is not assumed or damage would exceed one month’s base pay of the employee, include a FLIPL with the SF 91 and SF 94.

(3) If estimated repair cost is less than one month’s pay or one twelfth the annual salary and no fault or negligence is suspected, include a damage statement with the SF 91, Motor Vehicle Accident Report, SF 94 and Witness Statement.

c. Once the SF 91 is complete, and associated support documentation has been obtained or completed, forward to the DLM transportation. Copies may be sent concurrently, as required, but may not be sent through another office, section, or division. The DLM requires all accidents be reported, regardless of monetary costs or circumstances, and must be processed through the immediate supervisor up to the Division Chief before sending to the DLM.

6-7. Assign Property Responsibility for Unit and Section Property.

a. The primary hand-receipt holder delegate's responsibility for all unit and section property assigned, to sub-hand receipt holders. The original of any receipt is retained and filed by the person issuing the supplies. The duplicate is provided to the sub-hand receipt holder for their file per AR 710-2, as soon as possible.

b. The Automated Personal Property Management System (APPMS) provides this option to all PHRHs throughout the Division, District, and FOA areas of operation.

6-8. Sub-Hand Receipts. The sub-hand receipt process of APPMS enables you to manage your property by assigning direct responsibility to your users.

a. PHRHs can be given access to APPMS to manage their HRA. Step-by-step training is available on the ULA website at [https://ufc33- 5.ufc.usace.army.mil/logistics/supply/hrh.htm](https://ufc33-5.ufc.usace.army.mil/logistics/supply/hrh.htm).

b. Assign sub-hand receipts by utilizing the Maintain Hand Receipt Account within the "Accounts" drop box. Double click on the HRA and a window opens to allow assignment.

c. Once sub-hand receipts are assigned, property may be designated to desired sub-hand receipt by utilizing "Maintain Active Property" within the "Property" drop box. Double click on the "SUB HRA" block for the property to be assigned. A window opens to allow assignment.

d. Property listings for the sub-hand receipt holders may be printed from the "Property Inventory Report By" option within the "Report" drop box. Select "Sub HRA" and utilize arrowed boxes to select the HRA and Sub-HRA. When OK is selected, the report will appear in PDF format. The report may be viewed, printed, or saved.

e. The DLM staff will work with the sub-hand receipt holder to provide them with the required information to put this option into operation.

6-9. Deliverance of Personal Property. All USACE personal property must be delivered to an official USACE address and received by a designated receiving agent who is trained on barcoding and entering the property into APPMS.

a. The USACE purchases a great deal of equipment. This equipment is USACE property, and accountability of that equipment must be maintained in accordance with the procedures mandated by HQDA and USACE regulations and policies.

b. Non-expendable and durable USACE property should be delivered to a USACE Logistics Activity (ULA) office, or appropriate property accountability activity. Expendable and

consumable supplies should be delivered to an official USACE location or address. The only exception is when property is to be immediately installed at delivery by the vendor/contractor. This procedure is necessary to allow the ULA at all USACE Divisions, Centers and Districts the capability to communicate with designated receiving agents to ensure compliance with USACE OPOD 2011-79 (Personal Property Accountability Campaign). As non-expendable and durable property arrives at the designated USACE official location, it will be barcoded and added to the appropriate hand receipt in the property book before it is delivered to the requesting office or individual. Under no circumstance should USACE purchased property be delivered to a personal address without first being signed for on a hand receipt. All property must be signed for on a hand receipt by the final end user before it can be taken off a USACE official site.

(1) USACE personnel ordering equipment will ensure the shipping and delivery address are that of an official USACE address.

(2) Designated receiving agents will barcode property and notify ULA Supply Technicians and PBOs. E-mails to the PBO or data entry in APPMS are acceptable notification methods.

(3) USACE contractors/vendors will be reminded that the purchased equipment is U.S. Government property and accountability of that property must be maintained IAW HQDA and USACE regulations. The ULA has 48 hours to account for any property item prior to the end user receiving it.

CHAPTER 7

Receiving Property

7-1. Authorized Personnel. The local Commander will designate receiving agents at every DLM office or receiving area to receive property that must be carried on the property book. This action will be coordinated by the DLM supply technician in conjunction with the appointed DPBO. A listing of designated receiving agents will be maintained by the DLM supply technician and updated as required. Hand receipt holders must identify their receiving agents, who must be granted authorized receiver permission in CEFMS. Personnel within the DLM Central Receiving Point (CRP) are considered the designated receiving agents for all hand receipt holders within district headquarters.

7-2. Receiving Personal Property. The Logistics CRP, at the DLMs or other designated receiving agents, will receive all personal property. Deviation from this procedure requires written approval from the Director of Supply and Maintenance Division, and is applicable only for GSA-leased facilities where local requirements differ from USACE policy.

a. Receipt of all personal property will be performed immediately upon delivery of the shipment. Property will be processed by using a commercial invoice; DD Form 250, DD Form 1155, or a DD Form 1449. Partial shipments will be processed and turned over to the PHRH as partial receipts and will not be finalized until all items requisitioned have been received.

b. Shipments received without supporting documentation from the vendor will be processed using DD Form 250, Material Inspection and Receiving Report, to establish an audit trail of the receipt. This document will be the basis to receive, issue, and establish accountability of the item(s). The DLM personnel or other designated receiving agents will also determine if the property belongs to the organization or if it has been misrouted.

c. The PHRH is assigned by the local Commander; the grade of this individual should be at the lowest possible but not lower than the first line supervisor. The first line supervisor will sub-hand receipt all property down to the user.

7-3. All Property: “Non-Expendable/Pilferable/Durable/ Expendable”.

a. Packages/boxes are brought to the CRP or designated receiving agents by delivery personal (i.e., UPS, FedEx, DHL).

b. The supply technician or designated receiving agent signs packing slip or shipping label for

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the packages/boxes.

c. The supply technician or receiving agent checks packages to see if property is non-expendable (accountable), durable or expendable.

d. The supply technician or receiving agent makes a copy of the packing slip or shipping label and enters information into receipt log.

7-4. Non-Expendable Property (Accountable).

a. The supply technician or receiving agent contacts the hand receipt holder to get the PR&C number, contract number, and hand receipt number.

b. The supply technician or receiving agent then completes receiving report in CEFMS.

c. Large orders of 20-200 items may require assistance from the HRH to open/move boxes and unpack items to be barcoded.

d. The supply technician places barcodes on the Non-Expendable Property and fills out ENG Form 4866 for the property to include the nomenclature, make and model, bar tag number, serial number, hand receipt number and other fields on form.

e. When all items have been barcoded and ENG Form 4866 or ENG Form 4900 has been completed, NLT three (3) days after arrival, customer will be notified, that property is ready for pick-up.

f. Property is then stored in receiving area, pending customer pick-up during established operating hours.

g. At pick-up, the customer verifies information on ENG Form 4866 or ENG Form 4900 and barcodes, hand receipt is signed and customer removes property.

7-5. Pilferable Property.

a. Information management processing equipment such as, computers, laptops, monitors and printers will be formally accounted for on the property book, as these items are considered highly pilferable.

b. Receipt of material purchased with the Army purchase card, that is received at a consolidated receiving point or an individual's office or desk, will be reported immediately to the

purchase card holder to confirm receipt of property. Items considered to be pilferable will be reported to the PHRH.

- c. The pilferable item list can be found in Annex B, in this ER.

7-6. Expendable/Durable Property.

- a. The supply technician will notify the customer by phone or email that property has been received and is available for pick-up. The customer will be notified, NLT three (3) days after arrival, that property is ready for pick-up.

- b. The property is added to the automated inventory log and stored in the receiving area pending, customer pick-up during established operating hours.

- c. The customer will sign packing slip or shipping document; and remove property.

- d. The customer is responsible to for inputting the property into CEFMS within three (3) working days of receipt of items.

- e. Only the PHRH or personnel authorized on DA Form-1687 (Notice of Delegation of Authority) will be allowed to sign for non-expendable property.

7-7. Inspection of Personal Property/Equipment.

- a. The inspection performed by the supply technician will be conducted IAW the requirements of AR 710-2, DA PAM 710-2-1, and DA PAM 710-2-2. Inspection will consist of, but is not necessarily limited to, quantity, color, size, type, visual quality, and any visible/hidden damage(s). Any item(s) requiring a technical inspection/testing for acceptance by the U.S. Government must be performed by the customer or the designated technical representative, prior to being placed into service and issued to the PHRH.

- b. All visible or hidden damaged items will be reported immediately to the DLM/supply technician and customer, for return of the item(s) to the commercial vendor(s). Customer will be responsible for contacting the commercial vendor to report shipment discrepancy and obtain shipping instructions.

- c. All items received by the DLM will be issued to the customer using the supporting documentation received with the shipment.

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d. Item(s) will be issued using a commercial invoice, either an ENG Form 4866 or ENG Form 4900. A signature will be obtained from the customer on this document.

e. Item(s) received by the DLM must be processed and issued to the customer within three working days.

f. Shipment discrepancies, identified during the initial inspections that do not meet the specifications and requirements contained in the purchase order, will be placed in a holding area in the CRP pending resolution. The commercial vendor and the responsible contracting officer will be notified. Shortage discrepancies generally results from an error in packing, unless evidence indicates tampering of the original package. In this instance, a report will be prepared and submitted to the LAC transportation officer and delivery courier.

g. Visibly damaged items will be documented on the packing slip and rejected at time of delivery. Other damages discovered after the initial inspection will be processed as follows:

(1) The customer will contact the commercial vendor or contracting officer to obtain a Report of Item Discrepancy (ROID). Notification with the vendor must be conducted within 24 hours upon discovery of the hidden damage(s).

(2) Coordinate with the DLM/receiving agent to process the return of item(s) to the commercial vendor.

7-8. Receipt of Sensitive Property. The DLM/receiving agent must ensure these items are processed prior to issuance to the PHRH.

a. The DLM or receiving agent will receive the property, affix a barcode label to the equipment, issue property to PHRH, and post required data to APPMS.

b. The supply technician/receiving agent will forward an electronic copy of documentation with barcode number, PHRH signature, and date posted with the supply technician/receiving agent's initials to the DPBO.

c. Web UIT will be updated for those items meeting the criteria.

7-9. Deliveries that by-pass Central Receiving Point (CRP). For property that bypasses the DLM, (i.e. is received at project offices, resident offices, etc.) the DPBO will appoint a designated receiving agent in writing. The receiving agent will follow all steps outlined in the DLM receiving process and coordinate with the local supply technician and DPBO, as required.

7-10. Deliveries to the National Capitol Region (NCR). Personal property destined for HQUSACE and the NCR must be received by HECSA and then transported by USACE personnel to the Headquarters building or other designated location.

7-11. Non-Expendable Property Received Directly. There are several instances where non-expendable property may be received directly, by bypassing the CRP. It may come from a field site, contracting, obtained by a credit card or received at no cost. When that happens, the following must be done:

a. The property must be barcoded (if applicable) and the CEFMS receiving report processed within three (3) days by the DPBO designated receiving agent. The invoice, copy of the PR&C, and CEFMS receiving report are sent to the supply technician for completion of the ENG Form 4844-R. The documentation needs to provide as much information as possible to assist the CRP in properly cataloging the property items. The supply technician will enter the item into APPMS using the Receiving function and print the ENG Form 4866 or ENG Form 4900. The ENG Form 4866 or ENG Form 4900 will be printed with the following catalog information added below the signature line.

- (1) PR&C
- (2) Unit Cost
- (3) Model
- (4) Vendor Name
- (5) National Stock Numbers, Equipment Serial/Part Numbers

b. To assist the CRP in properly cataloging property, copies of the acceptance documentation must be attached to the ENG Form 4866 (if the new property is an accessory, insert the barcode of the item it is used with) and serial number. The documentation needs to provide as much information as possible. Barcode tags may be obtained from the DPBO.

7-12. CEFMS Receiving Agent Deliveries. Obtain the PHRH's signature on ENG Form 4866 or ENG Form 4900. Send the ENG Form 4866 or ENG Form 4900 to the CRP and a copy must be maintained by the receiving agent for audit purposes.

CHAPTER 8

Disposal and Disposition of Property

8-1. General. The purpose of this chapter is to promote maximum reutilization or sale of excess serviceable property, and disposal of unserviceable property. All property identified as excess will be reported to the supply technician or the DLM using the ENG Form 4866, or ENG Form 4900.

8-2. Corps of Engineers Requirements. All property identified as excess to the Division will be reported by the PBO to SMD. SMD will assist the Division with the redistribution of the property throughout USACE. SMD has a Reutilization web page on share point with instructions for reporting excess equipment. If the equipment is not needed within USACE, it can be transferred to another federal or state agency.

8-3. Unserviceable Equipment. All unserviceable equipment, external to the Division/District, regardless of ownership, will be turned in for disposal to the nearest disposal warehouse. Equipment will be turned in with a signed ENG Form 4900 from the losing PBO to the gaining PBO before equipment is excepted into the disposal warehouse.

8-4. Corps of Engineers Options.

a. All equipment is processed using the ENG Form 4900 to processes their excess. Once the form has been reviewed, the supply technician will contact the PHRH to arrange for disposition. This may entail the physical movement from customer area to the CRP or other areas. Do not move the property until the ENG Form 4900 has been signed and customer service has his copy signifying release.

b. Unserviceable property, valued less than \$500, may be destroyed based on prior approval. **CAUTION:** Restrictions apply; prior approval must be obtained from the DPBO, DLM and the Commander. This option is limited to remote sites and specific kinds of property.

c. Property not transferred within the Division, USACE, federal agency, or state agency is transferred to DLA Disposition Services (formerly DRMO) or reported to GSA for disposal. DLA Disposition Services developed two options to provide electronic receipt documentation for DOD components. SMD provides instructions and training to supply technicians on how to process the electronic DD Form 1348-1a, the Electronic Turn-in Document (ETID) and the Electronic Document Management System (EDOCS). The supply technician prepares the form

and maintains a copy in a suspense file until the Defense Reutilization and Marketing Service (DRMS) posts the document on their website or returns the DD Form 1348-1a to the LDP. When the PBO receives a copy of the electronic turn-in, the item will be dropped from the property book. Items reported to GSA by SMD will be advertised and auctioned. Sales are conducted online at www.gsaauction.gov. Reportable property items over \$5,000 are required to be reported through the GSA, Federal Disposal System. SMD will track the number of pieces redistributed and funds reimbursement from GSA sales to capture the total cost of savings to USACE.

8-5. Procedures and Processes. The goal is for all serviceable excess property be re-utilized or sold, and that property with a scrap value is sold. Additionally, a reduction in time and effort by hand receipt holders is desired.

- a. The PHRH is responsible for identifying property that is no longer needed in the performance of the organization's mission.
- b. The PHRH will notify the DLM supply technician, of the excess property to be pick-up.
- c. The PHRH completes the Property Control Receipt, ENG Form 4900.
- d. If the property is IT Service Provider (Computer Equipment), the ENG Form 4900 and the equipment must be turned over to Information Management (IM). All computer hard drives must comply with AR 25-1 and the DOD Memorandum, Disposition of Unclassified DOD Computer Hard Drives, dated 4 June 2001 before disposition. All IT equipment hard drives must be removed and destroyed to prevent accidental/incidental exposure of sensitive information. For all other property, the ENG Form 4900 must be sent directly to the supply technician.
- e. The HRH will schedule a pick-up date, arrange to have the property brought to the CRP, DRMS or to have it removed by the contractor, depending on size, type, and quantity of equipment.
- f. The HRH will verify that the property is properly tagged and condition coded before signing the ENG Form 4900 to accept the property.
- g. The supply technician will follow local procedures and arrange for items to be moved to the CRP for further disposition. If an item is too large, a determination can be made to leave the item on-site until final disposition.
- h. The supply technician will contact DRMS and schedule an appointment for turn-in.
- i. The supply technician will electronically submit (via fax or PDF document) a copy of the

ENG Form 4900 to the LAC Supply Division.

j. The supply technician will circulate the property within its local District and the LAC will circulate USACE wide for reutilization. If the property is not reissued within USACE, it can be transferred to another federal agency. If it is not transferred to another federal agency, it can then be donated to a state agency through GSA. If the property is transferred to another district or agency, the receiving entity is responsible for all transportation costs incurred in the transfer. Property not transferred within the local District, USACE, federal agency, or state agency is transferred to DRMS or reported to GSA for disposal.

k. Project/Field Offices in close proximity to a DRMS may dispose of their excess/surplus property directly to DRMS per approval of the DPBO. This requires a signature card identifying the individual, a listing of each authorized action, signature, and a copy of the appointment memorandum signed by the DPBO. A separate signature card and memo will be required for each account.

l. The DRMS requires a DD Form 1348-1A, Issue Release/ Receipt Document, be attached to each item in a packing envelope or consolidate like items. The supply technician or Project Office POC will prepare the form and maintain a copy in a suspense file until DRMS posts the document number on their website or returns the DD Form 1348-1 to the DLM.

m. After disposition, the supply technician or Field Sites Disposal POC will electronically forward the signed copy of the DD Form 1348-1A and a Property Control Receipt, Request for Issue or Turn In, to the DPBO within three (3) days. The DPBO will then remove the item from the Property Book.

n. IAW Executive Order 12999, Educational Technology: Ensuring Opportunity for All Children in the Next Century, surplus computer equipment can be donated to schools and educational non-profit organizations. The school/nonprofit organization must request surplus computers by submitting a letterhead memorandum to include the name, address, telephone number and point of contact. Also, for non-profit organizations, they must include the type of educational program it will be used to support. Schools will be responsible to pick up IT equipment. If there are any shipping expenses, the school pays the balance.

o. Property is normally offered for sale to the public after it has gone through the Utilization and Donation phase. Sales are conducted online at <https://www.gsaauctions.gov>. Reportable property items over \$5,000 are required to be reported through GSA, Federal Disposal System.

Figure 8-2 - GSAXcess

GSAXcess® - Property Data Creation (REPDW130) Page 1 of 2



U.S. General Services Administration

User Guides	FAQ	Program Links	Contact Links
Agency Asset Management System (AAMS)	Energy Asset Disposal System (EADS)	Report Property	GSAXcess® HelpDesk
Basic Search Options	Advanced Search	Want List	Direct Select
Home	Menu	Logout	

Property Report Data Creation

[Report](#)
 [More Items & Retain Common Data Only](#)
 [More Items & Redisplay all Data](#)
 [Su](#)

Fields marked with an asterisk * are required.

Item Control Number * Z02673 - 6031 - - [Upload Pictures](#)

Agency Bureau * *working*

Reporting Agency Address *

Check if Reporting Agency Address and Property Location information are the same

City State ZIP -

Point of Contact *

Check if Point of Contact and Property Custodian information are the same

First Name Last Name
Phone - - Extension
Fax - -
Email Address

Notify Point of Contact when Available for Sale

Property Location *

City State ZIP -

Property Custodian *

First Name Last Name
Phone - - Extension
Fax - -
Email Address

Notify Property Custodian when Available for Sale

Special Instructions:

Contractor Inventory
 OverSeas
 To be sold by GSA

Property Type: *

- Exchange/Sale
 - Yes
- Non-Reimbursable Excess
 - Property does not have special reimbursable authority
 - Surplus Sale Proceeds Retention
 - Property was purchased with working capital or revolving funds

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p. Property received in the disposal condition “S-S” is labeled as scrap and can be sold as scrap metal. Usually a term contract through GSA allows the sale of scrap metal to a scrap metal company.

q. Records and Control: Original copies of all actions will be maintained IAW with applicable laws, regulations, and policies. In cases where financial liability is involved, records will be maintained for five (5) years.

r. The signed copy of the DD Form 1348-1A and Property Control Receipt will be forwarded to the DPBO within three (3) days.

s. Excess property will be transferred to the DRMS within ten (10) days of receipt depending on availability of appointments and the quantity accumulated.

(1) When serviceable excesses are reported, the DLM will promptly advertise the items throughout the District (in some cases Corps wide) for reutilization. If another District desires the property, they are responsible for any shipping costs. If re-utilized within the District, transfer is accomplished by agreement between Hand Receipt Holders on an ENG 4900. NOTE: Receiving Hand Receipt Holder must have an authorized allowance for the item, and appropriate permission from the supervisor.

(2) Concurrent with advertising the items, the LAC or the DLM will report the items to GSA for possible reutilization or donation. There is a 21-day period for Federal Agencies to place the items on hold, and another 5-day period for State Agencies. If no one wants the property, then the items are auctioned on the web at <https://www.gsaauctions.gov>. There will generally be a two-week period between the screening phase and the auction phase. During this period, pictures of the items need to be forwarded to GSA for placement on the auction web site. Items are generally available for bidding for a two-week period. After sale, items will be picked up (or other arrangement made) within 14 days. For items that are transferred to Federal or State Agencies, GSA issues a transfer order. It becomes that agency’s responsibility to pick up the item or arrange for transportation within 15 days, or the item will be disposed.

(3) Scrap metal, or property with a scrap value, will be subject to sale by GSA. Administration of the contract will be accomplished by GSA with little responsibility for the Corps.

(4) Computers must be sent to the DLM/CRP, regardless of condition or disposition. Once the DLM receives the computers, they will be removed from the PHRHs property records. The user will coordinate with Information Management before the computer is sent to the DLM/CRP, IAW SOP for Disposition of Unclassified DOD Computer Hard Drives, dated 09 August 2005, for hard drive overwrite. This will be accomplished by completing ENG

Form 4900.

(5) All Computers will be returned to the Supply System via the CRP when they have reached the end of their useful life, or are no longer economically repairable or become unserviceable.

8-6. Instructions for All Primary Hand Receipt Holders.

a. All barcoded excess property, serviceable or unserviceable, must be reported. All non-barcoded serviceable excess property and property being transferred to DRMS must be reported. No action can be taken by the DLM/CRP until the condition, estimated repair cost, full description, accessories and etc., is reported.

b. Once reported, do nothing to the property, property must stay in the same condition as was reported.

c. Condition Codes must be accurately assigned in order to initiate proper disposition action and maximize reutilization and/or dollars returned to the Corps of Engineers.

d. Safes and security containers will not be accepted unless empty and unlocked, with combination set to 50-25-50. "Remington Rand" and "Diebold" safes and containers must either be funded for disposal or be certified as asbestos free. If not asbestos free, they must be sealed in leak proof containers or wrappings IAW HAZMAT procedures.

8-7. Instructions for Logistics Delivery Point.

a. Excess and unserviceable property reports for computer equipment must be submitted via Information Management. Ensure the ENG Form 4900 is properly annotated in the Information Management Block.

b. The CRP storage space is limited. Property is to be held in your areas until the supply technician can arrange for movement of equipment. All property will be turned in using ENG Form 4900.

8-8. Instructions for Field Sites.

a. All unserviceable barcoded items and other items going to DRMS must be reported using the ENG Form 4900. The user will coordinate with Information Management, IAW SOP for Disposition of Unclassified DOD Computer Hard Drives, dated 09 August 2005, for hard

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drive overwrite.

b. The PHRH will remove batteries, drain fluids, and remove toner cartridges, prior to excess or turning in.

c. The PHRHs located 100 miles or further from a DLM/DRMS with unserviceable property valued less than \$500 may destroy the items on site. Prior approval from the DPBO must be obtained. Submit an e-mail to the supply technician listing the property. The DPBO will grant approval to destroy on site. Once DPBO approval is obtained, certification will be forwarded back to you. The PHRH will complete an ENG Form 4900 listing the item's information. The PHRH destroys the property in the presence of a witness. The PHRH will sign the ENG Form 4900 and return it to the DLM/DPBO. Once certification and the ENG Form 4900 is received, the property will be removed from the property records.

d. Notify the DLM supply technician of scrap metal needing to be sold. Provide estimated weights and type of metal, i.e., steel, aluminum, mixed metal, iron, etc.

8-9. Disposition of Capitalized Property. The supply technician and/or the DPBO will provide a copy of the documentation to RM within three (3) workdays from the date that capitalized personal property is retired or disposed of so that the property can be retired or disposed of in CEFMS.

8-10. Advertising Period. After the Division (seven days) and if applicable USACE (seven days) advertising period, the items meeting the GSA criteria of that Federal Supply Class (FSC), original acquisition cost of over \$1,000 or any furniture with an acquisition cost of over \$500, and has a disposal condition code of 1 through 9, will be advertised to GSA after the following procedures have been accomplished. This is to ensure proper payment of proceeds.

a. The DLM supply technician fills out the Property Report Data Creation sheet from GSAXcess.

b. The item will have to be reviewed by the DLM supply technician to ensure the correct Property Type.

c. The supply technician must ensure that the responses to the below questions are properly completed prior to advertising the item/items on the GSAXcess Property Report.

(1) Non-Reimbursable Excess, property does not have special reimbursable authority or Surplus Sale Proceeds Retention.

(2) Property was purchased with working capital or revolving funds.

- (3) Surplus Sale Proceeds Retention.
- (4) Reimbursable Excess.
- (5) Property is reimbursable when transferred/sold under legislative authority.
- (6) Property was purchased with non-appropriated funds.
- (7) Property is reported by a wholly owned or mixed-ownership Government corporation.
- (8) Agency Location Code (Station Deposit).
- (9) Appropriation or Fund to Be Reimbursed .
- (10) Agency Control Number.

FOR THE COMMANDER:

3 Annexes
Annex A - References
Annex B - Pilferable List
Annex C - Glossary


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COL, EN
Chief of Staff

ANNEX A

References

Title 41, Code of Federal Regulations (CFR), Chapter 101 - Federal Property Management Regulations (FPMR)

DoD 4000.25-2-M Military Standard Transaction Reporting and Accounting Procedures (MILSTRAP), September 2001

DoDM 4140.01 DoD Supply Chain Materiel Management Procedures, February 10, 2014
Volumes 1-11

DoD 4160.21-M Defense Materiel Disposition Manual, August 18, 1997

DoDI 5000.64 Accountability and Management of DoD Equipment and Other Accountable Property, May 19, 2011

DoD 7000.14-R DoD Financial Management Regulations (FMRs)
Volume 12, Financial Liability for Government Property Lost, Damaged, Destroyed, or Stolen, March 2014
Chapter 7

DoD Memorandum Disposition of Unclassified DOD Computer Hard Drives, June 4, 2001

AR 25-1 Army Knowledge Management and Information Technology

AR 25-400-2 The Army Records Information Management System (ARIMS)

AR 40-61 Medical Logistics Policies

AR 70-1 Army Acquisition Policy

AR 71-32 Force Development and Documentation

AR 190-11 Physical Security of Arms, Ammunition and Explosives (Available ONLY from AKO)

AR 190-51 Security of Unclassified Army Property (Sensitive and A-1)

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Nonsensitive)

AR 200-1 AR 700-84	Environmental Protection and Enhancement Issue and Sale of Personal Clothing
AR 700-131	Loan, Lease, and Donation of Army Materiel
AR 710-2	Supply Policy Below the National Level
AR 710-3	Inventory Management Asset and Transaction Reporting Systems
AR 725-1	Special Authorization and Procedures for Issues, Sales, and Loans
AR 725-50	Requisition, Receipt, and Issue System
AR 735-5	Property Accountability Policies
AR 840-1	Department of the Army Seal, and Department of the Army Emblem and Branch of Service Plaques
AR 840-10	Flags, Guidons, Streamers, Tabards, and Automobile and Aircraft Plates
DA PAM 710-2-1	Using Unit Supply System (Manual Procedures)
DA PAM 710-2-2	Supply Support Activity Supply System: Manual Procedures
DA PAM 735-5	Financial Liability Officer's Guide
ER 37-1-30	Financial Administration – Accounting and Reporting
ER 840-1-1	Use and Display of Flags by the U.S. Army Corps of Engineers Automated Personal Property Management System (APPMS) Corp of Engineers Financial Management System (CEFMS)

ANNEX B

Pilferable List
Personal Property Accountability

*Communication Equipment (COMSEC and CCI EQUIPMENT WILL BE LOADED INTO
PBUSE)*

FSC

- 5805 Telephone and Telegraph Equipment (including Blackberries)
- 5815 Teletype and Facsimile Equipment
- 5820 Radio and Television Communication Equipment, Except Airborne
- 5821 Radio and Television Communication Equipment, Airborne
- 5825 Radio Navigation Equipment, Except Airborne
- 5826 Radio Navigation Equipment, Airborne
- 5830 Intercommunication and Public Address Systems, Except Airborne
- 5831 Intercommunication and Public Address Systems, Airborne
- 5835 Sound Recording and Reproducing Equipment
- 5836 Video Recording and Reproducing Equipment
- 5840 Radar Equipment, Except Airborne
- 5841 Radar Equipment, Airborne
- 5845 Underwater Sound Equipment
- 5850 Visible and Invisible Light Communication Equipment
- 5855 Night Vision Equipment, Emitted and Reflected Radiation
- 5860 Stimulated Coherent Radiation Devices, Components, and Accessories
- 5865 Electronic Countermeasures, Counter-Countermeasures and Quick
Reaction Capability Equipment
- 5895 Miscellaneous Communication Equipment

Photographic Equipment

FSC

- 6710 Cameras, Motion Picture
- 6720 Cameras, Still Picture
- 6730 Photographic Projection Equipment
- 6740 Photographic Developing and Finishing Equipment
- 6750 Photographic Supplies
- 6760 Photographic Equipment and Accessories
- 6770 Film, Processed
- 6780 Photographic Sets, Kits, and Outfits

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Training Aids and Devices

FSC

- 6940 Communication Training Devices
- 7010 ADPE System Configuration
- 7020 ADP Central Processing Unit (CPU, Computer), Analog
- 7021 ADP Central Processing Unit (CPU, Computer), Digital
- 7022 ADP Central Processing Unit (CPU, Computer), Hybrid
- 7025 ADP Input/Output and Storage Devices – External Hard Drives
- 7030 ADP Software
- 7035 ADP Support Equipment
- 7042 Mini and Micro Computer Control Devices

ANNEX C

Glossary

Acceptance: Assumption of title to property by HQDA. This does not imply that payment was made at the time the title passed to the Army, nor does it necessarily mean that the government, by assumption of title, forfeited the right to reject any article not conforming to contract specifications at a later time.

Accountability: Obligation, imposed by law, lawful order, or regulation, of a person to keep an accurate record of property, documents, or funds. The person having this obligation may or may not have actual possession of the property, documents, or funds. Accountability is primarily concerned with maintaining records. As a minimum, these records should show debits, credits, and available balances on hand or in use. Records showing quantities due-out and due-in are part of the accountable records.

Accountable Officer: Person officially designated to maintain a formal set of accounting records of property or funds, whether public or quasi-public. This person may or may not have physical possession of the property or funds. There are three types of supply accountable officers as defined below.

- a. Transportation officer - accountable for property entrusted for shipment.
- b. Inventory accountable officer - accountable for supplies from time of receipt until issued, shipped, or dropped from accountability.
- c. Property book officer - accountable for property on receipt and until subsequently turned in, used (consumed) for authorized purposes, or dropped from accountability. (Hand receipt holders are not considered accountable officers.)

Appointing Authority: An officer or qualified civilian, at staff level, authorized to appoint a survey officer to investigate, in detail, circumstances connected with loss, damage or destruction of property listed on the FLIPLs. A person who has direct responsibility or is accountable for property listed on a FLIPL is not authorized to act as appointing authority. In such cases, the commander of the next higher echelon of command will act as the appointing authority. If this commander also is the approval authority for the FLIPL, he will act as both, the appointing and approving authority. The approving authority is responsible for designating a person to act as the appointing authority.

Approving Authority: The approving authority will approve FLIPLs, "by authority of the Secretary of the Army." Responsibilities may be found in AR 735-5.

A person directly responsible or is accountable for property listed on a FLIPL, is not

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authorized to act as the approving authority on that FLIPL. In such cases, the next higher commander will act as the approving authority.

FLIPLs containing recommendations affecting general officers, the approval authority will be the next general officer in the chain of command, senior in grade to the officer being held pecuniary liable or relieved from responsibility.

The approving authority may act as both the appointing and approving authority. In such cases, the approving authority must take all actions required of the appointing authority.

Capital Equipment: Personal property of a capital nature classified as non-expendable in an Army supply manual, or that would be so classified, if included in an Army supply manual/catalog.

Capital Nature: Property that has all or most of the following characteristics:

- a. Does not lose its identity when used for its intended purpose.
- b. As defined by the PRIP manager.
- c. Has a useful life of more than two years when used for intended purpose.
- d. Normally is an investment-type item capitalized in the accounting records.

Causative Research: An investigation of variances in transaction, which consists of a complete review of all transactions since the last inventory or last reconciliation between custodial and the DPBO accountable discrepancies. Unposted or rejected documentation also is reviewed. The purpose of causative research is to assign a cause to a variance so that corrective action may be taken. Causative research ends when the cause of the variance has been determined; or when, after review of transactions back to the last inventory or reconciliation, no conclusive findings were possible.

Civil Property Authorization Document (CPAD): A document that identifies plant equipment that is authorized to a particular USACE command.

Commercial & Government Entity Code (CAGE): A five (5) position alphanumeric code that is assigned to: government agencies which manufactures, control the design and the development of government specifications and/or standards; manufacturers; vendors; or government specifications/standards themselves when no single government source can be identified.

Common Table of Allowances (CTA): An authorization document for items of common and specific usage costing less than \$100,000, and are not covered in other regulations or

authorization documents. Items authorized by the CTA do not require documentation in the CPAD or TAADS.

Consumable Supplies: Supplies consumed in use, such as ammunition, fuel, cleaning and preserving materials, surgical dressings, and drugs, or supplies that lose their separate identity in use, such as repair parts and building materials.

Controlled Inventory Items: Items with characteristics requiring special identification accounting, security, or handling to ensure their safeguard. These items, in order of degree of control normally exercised, are as follows:

- a. Classified item. Materiel requiring protection in the interest of national security.
- b. Sensitive item. Materiel requiring a high degree of protection and control because of statutory requirements or regulations; high-value, highly technical, or hazardous items; and small arms, ammunition, explosives, and demolition materiel. (See Physical Security/Arms, Ammunition, and Explosive Security Risk/Pilferage codes [SEC] in the Federal Logistics [FEDLOG], as explained by AR 708-1.)

Destruction: Action or omission that renders property completely useless. Destruction is damage to the point of complete loss of identity or beyond the prospect of future restoration.

Durable Item: An item of Army property coded with an ARC of "D" in the FEDLOG. Durable items do not require property book accountability after issue, but do require hand receipt control when issued to the user. Commercial and fabricated items similar to items coded "D" in the FEDLOG are considered durable items. **Note**: This category consists of selected hand tools with a unit price greater than \$50.

Durable Register: A listing of durable items issued directly to the user. This listing serves as an audit trail and is maintained at the project site.

Equipment in Place: Non-expendable equipment of a moveable nature affixed to real property, but able to be removed without destroying or reducing the usefulness of the facility. It does not include installed building equipment.

Excess Property: Property that is not needed by USACE, and can be screened for reutilization by other Federal agencies through DLA and GSA.

Expendable Items: An item of Army property coded with an ARC of "X" in the FEDLOG. Expendable items require no formal accountability after issue from an inventory account. Commercial and fabricated items similar to items coded "X" in the FEDLOG are considered expendable items. **Note**: This category consists of those items which are consumed during

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normal usage such as paint, rations, gasoline, office supplies, etc., or are merged into another entity when used for their intended purpose such as nuts and bolts, construction material, repair parts, components and assemblies, etc. This includes all class 1, 3, 5 (except 5L), and 9 items, and those class 2, 4 and 10 items which are not end items or have a unit price of less than \$100. Furniture in FSC 7110, 7125, and 7195 with a unit price of less than \$2500 is also considered expendable.

Financial Liability and Investigation of Property Loss (FLIPL): An instrument for recording circumstances concerning loss, damage, or destroyed Army property. Serves as, or supports, a voucher for dropping articles from property records on which they are listed. Also serves to determine question of responsibility (pecuniary or otherwise) for absence or condition of the article.

Formal Accountability: Obligation to maintain property book or inventory accounts, commissary accounts or TISA sales accounts. All property is subject to formal accountability unless specifically exempted by regulation or specific instructions of HQDA.

Hand Receipt: A signed document acknowledging acceptance of and responsibility for items of property listed thereon that are issued for use and are to be returned.

Hand Receipt Holder: A person who, either by virtue of position or by designation, is charged with direct responsibility for specifically identified government property. This will generally be a first-line supervisor.

Installed Building Equipment: Items of equipment that are affixed and built into the facility, as an integral part of the facility. Equipment that is an integral part of the facility is equipment that is necessary to make the facility complete, and if removed, would destroy or reduce the usefulness of the facility. Use of the equipment determines if it is an integral part of a facility. Installed equipment is not reflected in the TDA, CPAD, or CTA. Further, TDA, CPAD or CTA equipment will not be allowed to become installed equipment.

Inventory Accounting: Establishment and maintenance of accounts for materiel in storage, in a manufacturing process, on hand, in transit, or on consignment in terms of cost or quantity. The accounting process includes maintenance of supporting records and rendition of reports when required. Specific types of inventory accounting are detail, summary, financial, and item accounting.

Inventory Adjustment Report: Used in an inventory account to document adjustments resulting from an inventory. This is not used when discrepancies can be attributed to negligence, or for discrepancies that have an extended line item value of \$50 or less.

Legal/Safety Requirement: Equipment mandated by legislation, presidential directive or other legal decree, such as the minimum dredge fleet. Some districts have mission-related items of equipment specifically required by legislation where disposal is not a legal option. Some mission-related items are required by published safety standards.

Loss: Loss of, damage to, or destruction of property of the U.S. Government under control of the Army, includes loss from government accountability. Property is considered lost when it cannot be accounted for by the person responsible for it.

Non-expendable Items: Items of Army property coded ARC "N" in the FEDLOG are considered non-expendable items. Note: This category consists of end items of equipment that are separately identified. It includes all class 7, all items assigned a line item number (LIN) in SB 700-20, and other selected class 2, 4, and 10 items.

Parent Unit Identification Code: The UIC associated with a parent organization and from which other UICs may be derived. Designation of a parent UIC is AA.

Personal Property: Property of any kind except real property and records of the Federal Government.

Pilferable Property: Material having ready resale value or civilian application to personal possession and, therefore; especially subject to theft. Examples are binoculars, projectors or cameras.

Primary Hand Receipt: Hand receipt between a property book officer and the person receiving the property and assuming direct responsibility for it.

Primary Hand Receipt Holder: A person who is hand-receipted property directly from the property book officer.

Property Administrator: An individual duly designated by the contracting officer to administer contract requirements and obligations relative to government property furnished to or acquired by a contractor. Property book officers shall not be appointed property administrators under contracts with GFP, GFM or GFE. To have the DPBO as the property administrator under a contract is a conflict of interest.

Property Book: A formally designated set of property records maintained under AR 710-2 to account for organizational and installation property in a using unit.

Receiving Officer: An officer charged with custody or storage of property received by means of shipment, distinguished from consignee on the bill of lading, since the consignee on the bill of lading usually is the transportation officer. Usually, the receiving officer is an accountable or

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responsible officer at the station of destination.

Reportable Property: Excess property that, because of its value, condition code and Federal stock class will be circularized within the Federal Government for reutilization action. Property required to be reported is identified in the FPMR 101-43.4801.

Scrap: Personal property that has no value except of its basic material content.

Sub-hand Receipt: A hand receipt between primary hand receipt holder and person subsequently given the property for their use, does not transfer direct responsibility for property to sub-hand receipt holder.

Surplus Property: Property that is not needed by any Federal agency, as determined by GSA, and is available for donation/sale/abandonment/destruction.

System Furniture: An arrangement of modular components utilizing vertical space that meets prescribed functional workstation requirements. The components consist of work surfaces, storage units, power and communications outlets and privacy panel that interconnect and are assembled into workstations of various sizes, configurations, and complexity. Does not include conventional office furniture; i.e., freestanding units and partitions available from the Federal supply system, nor does this include modular furniture. ITE-type furniture identified as high-tech in GSA catalogs will be considered conventional furniture for ordering purposes.

Table of Distribution and Allowances (TDA): An authorization document that prescribes the organizational structure, personnel and equipment requirements and authorizations of a military unit to perform a specific mission.

Transportation Officer: The officer responsible for shipment of property. Initiates and accomplishes bills of lading (BL).

Unserviceable: More inclusive term than damage or destruction. It indicates, in military usage, that the article to which the term is applied is no longer useful for the intended purpose. Damage or destruction may not be involved. The term also indicates property that has deteriorated through use; however, it may include property no longer usable for its original purpose, despite the reason for its condition.