

INDIAN AFFAIRS MANUAL

Part 23
Chapter 1

Property Management
Administration

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1.1 Purpose. This chapter establishes the basic policy, authorities, and responsibilities for Indian Affairs (IA) Property Management Program.

1.2 Scope. This policy encompasses all aspects of IA property and fleet management. Policies are applicable to Offices under the Assistant Secretary – Indian Affairs (AS-IA), including BIA organizations reporting to AS-IA Directors, the Bureau of Indian Education (BIE), and programs that are contracted under Pub. L. 93-638.

1.3 Policy. IA is entrusted with responsibility and accountability to the general public and federally recognized Indian tribes to properly, faithfully, and efficiently acquire, use and dispose of real estate, equipment, supplies and material necessary to fulfill its official mission.

1.4 Authorities. These polices have been developed under the following authorities:

A. Statutes.

- a. Title 25 U.S.C. Part 900, Indian Affairs Legislation
- b. Title 40 U.S.C., Federal Property and Administrative Services Act, as amended

B. Regulations.

- a. Title 41 CFR, Chapter 101, Federal Property Management Regulations
- b. Title 2, Section 12.5, General Accounting Office Manual

C. Guidance.

- a. Departmental Manual 410
- b. Applicable Executive Orders and Office of Management and Budget (OMB) Circulars, all of which are incorporated in this manual part reference and made a part hereof.

1.5 Roles, Responsibilities and Official Property Designations. The purpose of property designations is to establish continuity and property control throughout Indian Affairs and to facilitate accountability of government owned property in accordance with Departmental Regulations. All designations are made in writing.

A. Property Management Officer (PMO) is the Chief Financial Officer (CFO) and is designated by the Deputy Assistant Secretary - Indian Affairs (Management). The PMO:

- a. Manages the overall bureau-wide property management program.
- b. Oversees implementation of policy and procedures applicable to the property management program.
- c. Ensures compliance with established procedures in all aspects of property management.
- d. Designates the Property Administrators through the Director, BIA and the Director, BIE when applicable.

- B. Property Administrators (PAs)** are senior management officials at major organization levels of IA. PAs include the Director, Bureau of Indian Affairs; Central Office Directors; Regional Directors; Agency Superintendents; Director, Bureau of Indian Education; and Education Line Officers (ELOs). These designations are made by the PMO. Each PA will:
- a. Provide oversight of the property management program and disseminates information to subordinates.
 - b. Work in concert with the Accountable Property Officers (APO) to ensure that property management program under his/her jurisdiction is run with integrity to protect the government from waste, fraud and abuse.
 - c. Protect and properly maintain the property under his/her control.
 - d. Implement and ensure adherence to property management policies and procedures.
 - e. The PA can be held financially liable and personally responsible for missing, lost or damaged property, if such loss was the result of simple or gross negligence.
- C. Director, Field Operations – Property** is the management official who has direct responsibility for the IA property management program. This designation is made by the PMO. The Director will:
- a. Establish policies and procedures to ensure accountability and internal controls over all property management activities.
 - b. Ensure that required physical inventories are conducted in accordance with established procedures and timelines.
 - c. Ensure that all inventory discrepancies are accurately reconciled to the Fixed Asset Subsystem (FAS).
 - d. Provide guidance in all aspects of the day-to-day property management activities.
 - e. Maintain daily contact with field personnel.
 - f. Oversee corrective actions in response to audits.
 - g. Monitor recordkeeping requirements and documentation in support of daily property transactions.
 - h. Monitor the timely submission of required reports.
 - i. Designate Regional Accountable Property Officers.
- D. Accountable Property Officers (APO)** are Regional Property and Supply employees who are designated by the Director, Field Operations – Property, and Agency Property and Supply employees who are designated by the Superintendent. APOs will:
- a. Provide day-to-day guidance to all program offices within their jurisdiction.

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- b. Designate Custodial Property Officers (CPOs) and Receiving Officers (ROs) in cooperation with the appropriate superior. **Note:** The APO should coordinate the CPO and RO designations with Regional Director, Agency Superintendent, Education Line Officers, as appropriate. (Refer to Property Management Handbook for sample designation letters).
 - c. Designate in writing members of a standing Board of Survey (to include a chair person and at least two members) in cooperation with the appropriate superior and convenes meetings when property irregularities occur.
 - d. Implement the daily responsibilities associated with all aspects of property management. Certifies purchase requests in the Interior Department Electronic Acquisition System (IDEAS) or requisition (Form BIA-4314):
 - (1) To ensure that an intended purchase of equipment is not available through excess.
 - (2) For compliance with funding sources, acquisition thresholds, and proper BOC designations.
 - e. Work closely with CPOs to ensure that all property accountability responsibilities are in compliance with established policies and procedures.
 - f. Prepare and maintain all property accountability records to support property transactions performed in FAS such as acquisitions, transfers, disposals, etc.
 - g. Ensure that property is safeguarded, properly maintained, and used effectively.
 - h. Randomly sample vehicle fleet card statements.
 - i. Issue DI-105, Receipt for Property for the assignment of property.
 - j. Coordinate the utilization and disposal of excess personal property, including providing CPOs instructions regarding disposition and donation to tribal organization.
 - k. Conduct annual physical inventories, reconcile discrepancies, and certify its accuracy.
 - l. Ensure that an inventory is conducted when a CPO transfers or is separated from the IA.
 - m. Function as the Regional Fleet Manager who is responsible for managing the Regional/Agency/School/District fleet. Will process vehicle acquisitions, fleet card applications, and report irregularities to the program managers.
- E. Custodial Property Officers (CPOs)** are program supervisors who have daily control of property that is entrusted to his/her program. Their property management responsibilities cannot be re-designated, reassigned or delegated to another individual.

They are designated by the APO with whom they work on a daily basis. Each CPO will:

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- a. Maintain accountable records for non-sensitive property under \$5,000. They can be maintained in a database program or documented in a file with a hand written list, or a DI-105, Receipt for Property.
- b. Ensure that all expendable and non-expendable Government property assigned to his/her program is used for official duties only.
- c. Ensure the proper use, maintenance, and protection of assigned property.
- d. Report to the APO, all instances of property loss, theft, or any activity that affects the status, disposition, or condition of property.
- e. Identify and report excess or impaired property to the APO.
- f. Maintain DI-105 (Receipt for Property) files which document assigned property.
- g. Maintain custody of assigned property until the property has been transferred or disposed of.
- h. Provide the APO with all supporting documents for property acquisitions, transfers, and disposals to support entries into FAS.
- i. Conduct annual inventories in cooperation with the APO.
- j. Sign the BIA672, (BIAs Fixed Asset Physical Inventory Report) to certify the accuracy of the program inventory.

F. Receiving Officers (ROs) are designated by the APO. ROs will:

- a. Receive all incoming shipments, which are physically counted and inspected to insure that the quantity ordered has been delivered and that articles received
- b. adhere to the specifications. Partial shipments may be officially received if consistent with line items on purchase document.
- c. Complete and certify receipt of property on form BIA-4311, (Receiving Report).
- d. Provide completed Receiving Reports to the APO for appropriate action, (e.g. tagging and encoding of property).
- e. Be responsible for the property received until it is placed on the property records of the APO, or the APO or CPO signs a receipt for such property.
- f. Follow appropriate procedures for reporting and/or returning all property received which is rejected.

NOTE: Except as allowed in IPMD 114-60.502©, **under no circumstances will the employee designated as Receiving Officer for accountable/sensitive property also be the individual who makes the procurement award.** IPMD 114-60.502© states: “Very small offices or field stations, where a clear separation of duties would be difficult or impractical to maintain, may ensure the separation of duties contemplated above in a manner approved, in writing, by the APO or Property Administrator”.

1.6 Definitions.

1. **Accountable Property Officer (APO).** The Regional/Agency Property and Supply Officer designated as being responsible for ensuring establishment and maintenance of property accountability records, to provide for effective control over property assigned to a particular organizational entity (e.g., region, agency, school, or other office). The APO for government property in the custody of contractors, compacts, grantees, concessionaires, cooperators, or other authorized non-government entities, will be the Awarding Official, Contracting Officer, Grant Officer, or Contracting Officers Technical Representative (COTR). An APO must be a federal employee, employed by Indian Affairs (IA).
2. **Accountable Property.** Non-expendable property with a useful life of two years or more for which detailed accountability or property control records are maintained, and which may or may not be charged to a general ledger control account. Accountable property includes system-controlled, bureau-managed, capitalized, non-capitalized, leased, contractor-held property, and stores property. All museum property is accountable with no dollar threshold.
3. **Accountable System-Controlled Property.** Property with an original acquisition cost of \$5,000 or more and sensitive property, regardless of cost, must be controlled in FAS.
4. **Accounting Code Strip.** Refers to the combined fields of the six (6) character Organizational Code; the eight (8) digit Budget Fiscal Year; the five (5) digit Program Code; and the four (4) character Budget Object Class Code (BOC). **Only one line of accounting is allowed for capitalized equipment that is purchased.** The Financial Management Handbook contains valid codes and can be found on the Intranet.
5. **Acquire.** To procure, purchase, or obtain in any manner, including transfer, acquisition from excess, lease or loan for a period of 6 months or more, donation or forfeiture, manufacture, or production at Government-owned plants or facilities.
6. **Acquisition Cost.** The amount paid to acquire assets, or the fair market value of assets including handling, storage, packing, shipping, transportation, installation, and related costs of obtaining the assets in their current form and place, less prompt payment or other discounts. For items received as a result of donation or transfer, a fair market value or actual value at the time of receipt will be established. That value, and any other related costs included above, will represent the acquisition cost.
7. **Ammunition.** Projectiles such as bullets and shot together with their fuses and primers that can be discharged from a weapon or otherwise propelled. The term does not include black powder.
8. **Area.** In the FAS documents, area is an aspect of real property only, and is required for the following Fixed Asset types:

Buildings	BD	square feet
Land	LA	acres
Land Easements	LE	acres

- For newly constructed buildings, the area is obtained from the Capitalization report. For other types of acquisitions, the area is found by measurement, on legal descriptions, survey reports, deeds and/or titles, or other official documentation.
9. **Betterment**. An enhancement to real or personal property that adds value or increases the capability of the item, or extends the useful life one or more years. Betterments meeting, or exceeding, the capitalization threshold for real or personal property must be recorded as a separate item in FAS.
 10. **Board of Survey (BOS)**. A Board of Survey consists of two or more unbiased individuals and one chairperson appointed in writing by the APO for at least one year. BOS are established to review and investigate loss of Government property, report findings, and making determinations for the relief of accountability; make impartial decisions concerning the disposition of property; and arrive at findings, and make determinations as to financial liability.
 11. **Budget Object Class (BOC)**. Identifies the nature of the item acquired and furnishes an integral link between FFS and FAS. BOCs identify those assets that are capitalized, non-capitalized, and sensitive.
 12. **Bureau Managed Property**. Property with an original acquisition cost of less than \$5,000, excluding sensitive and is managed by the CPO.
 13. **Capitalized Personal Property**. Accountable personal property (not including museum property) with an original cost to the Government of \$15,000.00 or more is capitalized. Installation, shipping and handling, and configuration costs are included as part of the original acquisition value and are capitalized. Real Property is capitalized at \$100,000.
 14. **Cognizant Employee**. Any IA or non-IA employee (such as a contractor, volunteer, etc.) who utilizes Government property, and is therefore responsible for the proper and reasonable care, use, safekeeping and return of such property and who may be held financially liable for loss, damage, or destruction in the amount of such loss as prescribed in the Board of Survey findings.
 15. **Construction in Progress (CIP)**. To date costs of real property assets which are being constructed by IA or by outside parties under contract to IA, are posted to both the General Ledger and FAS by documents entered by Division of Accounting Management and Division of Property personnel. Backup documentation for the amount expended is provided by FMCC. A record of the property is entered in FAS when the constructed asset is used or occupied by the IA, whether or not the asset has been fully accepted or final payment made.
 16. **Contractor Inventory**. Any property (including Government-furnished property) acquired by or in the possession of a contractor or subcontractor under a contract, compact, grant, cooperative agreement, concessions contract, or memorandum of understanding, pursuant to terms of where title is vested in the Government. Contractor records of Government property established and maintained under the terms of an agreement are the Government's official Government property records. However, Government property managers are required to maintain records of capitalized

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Government personal property provided to a contractor under the terms of a contract and to report such property to the general ledger financial accounts.

17. **Custodial Property Officer (CPO)**. The official under whose daily control and supervision the personal property is located, usually regional, agency division chiefs. They are responsible for ensuring proper use, care, operation, maintenance and safekeeping of all personal property under their control. The designation as CPO may or may not correspond to the individual's official job title. Designation of a CPO must be in writing from the APO. A CPO must be an IA employee.
18. **Disposable Pay**. The remainder of an individual's pay after the deduction of any amount required by law to be withheld.
19. **Excess Personal Property**. Personal Property that is no longer required for use within IA. This property may be donated to Tribes under existing legal authority. If the property is not donated to a Tribe, it is reported to GSA for reutilization within the Federal Government.
20. **Excess Real Property**. Real Property that is no longer required for use within IA. This property may be donated to Tribes under existing legal authority. If it is not donated to a Tribe, it is reported to GSA for reutilization within the Federal Government.
21. **Expendable Property**. Non-sensitive property with a normal life expectancy of less than two years and an acquisition cost of less than \$300. It is usually consumed in the normal course of its use, or becomes an integral part of another item.
22. **Fair Market Value**. The estimated price that both a buyer and seller would willingly agree to when neither party is under undue pressure to complete the transaction.
23. **Firearms**. Any weapons (including flares and starter guns) which will, or is designed to, or may readily be converted to, expel a projectile by the action of an explosive frame or receiver of any such weapon or any firearm muffler or firearm silencer; or any destructive device. This term does not include antique, or museum collection firearms.
24. **Fleet Manager (Regional Level)**. Regional Property and Supply Officer who is responsible for administering the fleet management program.
25. **Gift**. A tangible or intangible present or donation (other than a decoration) tendered by or received from individuals, institutions or a foreign government.
26. **Government Furnished Property**. Government property that an awarding official authorizes a contractor to use for performance of a Government contract, compact, grant, agreement, etc.
27. **Hazardous Materials**. Solid, liquid, or gaseous waste, or combination of these wastes, which because of its quantity, concentration or physical, chemical, or infectious characteristics may cause or significantly contribute to an increase in mortality or an increase in serious irreversible or incapacitating illness or pose a substantial present of potential hazard to human health or the environment when improperly treated, stored, transported, disposed of, or otherwise managed.

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28. **Heavy Equipment (also motorized equipment).** Any item of equipment which is self-propelled or drawn by mechanical power, and is designed principally to be operated off highway. Includes construction and maintenance equipment, materials handling equipment, forestry and agricultural equipment, vessels, aircraft, and aircraft ground support equipment.
29. **Invoice.** A contractor's original bill or written request for payment for supplies or services provided. In order to be a "proper invoice" it must contain all the information required by the Prompt Payment Act regulations, including the IA contract, purchase and/or delivery order number, description, quantity, unit and extended price for each item, shipping and payment terms, and other information required by the order.
30. **Land.** Land titled to the U.S. Government, which is administered and controlled by the IA, is included in the definition of real property. Land not used in connection with buildings and structures is reported as Stewardship Land. However, all land, and the cost of that land regardless of amount, is recorded and reported in FAS.
31. **Local Survey Officer.** An individual appointed by the APO to survey property as the need arises for such action, but can only be appointed to investigate loss of non-sensitive Government property with an acquisition cost of less than \$15,000.
32. **Motor Vehicle.** Any vehicle, self-propelled or drawn by mechanical power, which is designed to be principally operated on highway or to transport property or passengers. This term includes, but is not limited to, motorcycles, sedans, station wagons or SUVs, carryalls, ambulances, specialized mounted equipment and truck chassis with special purpose bodies (i.e., fire trucks, garbage trucks, etc.).
33. **Museum Property.** (sensitive, non-capitalized) An assemblage of museum objects collected according to some rational scheme and maintained so they can be preserved, studied, or interpreted for public benefit. Museum objects include prehistoric and historic objects, artifacts, works of art, non-record archival documents (see 380 DM 1.11 and 1.12), and natural history specimens that are a part of museum collections. Elements, fragments and components of structures are objects if they are no longer a part of the original structure. Museum property does not include those items necessary to display a collection such as exhibit cases, dioramas, special lighting, graphics, replicas, etc. (Also see 411 DM.)
34. **Neglect and/or Negligence.** Includes both simple and gross negligence. Simple negligence is the failure to exercise that degree of care which a prudent person would exercise under like circumstances. Gross negligence is an act or omission which constitutes misconduct in accordance with 370 DM 752, or a wanton and reckless disregard for the property.
35. **Non-Capitalized Property.** Includes expendable and non-expendable property of which the acquisition cost is less than the capitalization threshold of \$15,000.00 for personal and \$100,000 for real property.

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36. **Non-Expendable Property.** Property which has a continuing use; is not consumed in use, is of a durable nature with an expected service life of two or more years and has an acquisition cost of \$300 or more, or is identified as sensitive property.
37. **Personal Property.** Property of any kind or an interest therein, except (1) real property, (2) records of the Federal Government, and (3) naval vessels of the following categories; battleships, cruisers, aircraft carriers, destroyers, and submarines. Specifically, personal property includes all equipment; materials and supplies; and museum objects. It does not include property which is incorporated in, or permanently affixed to, real property.
38. **Physical Inventory.** The act or process of physically inspecting and counting property items.
39. **Property Accountability.** The assigned responsibility and liability associated with the management of Government property. It includes the responsibility for establishing and maintaining property records, safeguarding property and ensuring its proper use, as well as submitting required reports. It also includes the liability associated with loss, theft, damage, or destruction of Government property.
40. **Property Administrator.** A Central Office Director/Regional Director/Superintendent/Education Line Officer at a major organizational element (Regional or comparable office) who is responsible for the control and administration of property for a major organizational or geographic area and is responsible for dissemination and implementation of policy and guidance to subordinate or serviced offices.
41. **Property Management.** The development, implementation, and administration of policies, programs and procedures for effective and economical acquisition, receipt, storage, issue, use, control and accountability, physical protection, care and maintenance, and complete records of related transaction of all property owned and controlled by IA.
42. **Property Management Officer (PMO).** Is the CFO who is responsible for the overall administration, coordination, and control of the property management program of IA.
43. **Proprietary Program/Software.** A program or software controlled by an owner through the legal right of possession and title. Commonly, the title remains with the owner and its use is allowed with the stipulation that no disclosure of the program or software can be made to any other party without prior agreement between the owner and user. This applies to privately sold programs, program products offered for sale by vendors, and no-charge software by vendors.
44. **Real Property.** Real property includes land, buildings and other structures, held in title of the US Government and administered by IA, that are affixed to the earth. Examples include buildings of all types; portable structures that are on foundations or affixed to permanent utility systems, roads, parking facilities, utility systems, wells, ditches, dams, and property items that are permanently affixed to real property, such as furnaces and sinks.

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45. **Receiving Officer (RO)**. An individual designated in writing by the APO. The RO is responsible for the inspection and receipt of personal property and services, and for ensuring that required documentation is processed.
46. **Receiving Report**. Form BIA-4311 and/or form OF-347 is used to document receipt and acceptance/rejection of goods or services.
47. **Reconciliation**. To settle or resolve differences between or among records, ledgers, and/or actual inventories.
48. **Related Personal Property**. Any personal property which is an integral part of real property or is related to, designed for, or specially adapted to the functional or productive capacity of the real property and the removal of which property would significantly diminish the economic value of the real property. Normally, common use items, including but not limited to general purpose furniture, utensils, office machines, office supplies, or general purpose vehicles are not considered to be related personal property.
49. **Replacement**. Replaces a component of an accountable property item already recorded in FAS. Expenditures for the replacement do not alter the asset's original cost or useful life. Therefore, they are not considered to be a betterment. Examples include vehicle tires, batteries, and carpet.
50. **Reportable Excess Personal Property**. Any personal property that has been determined to be in excess of the needs of the Department and is required to be reported to GSA in accordance with FMR 101-43.
51. **Reviewing Authority**. The Reviewing Authority for Reports of Survey is the appropriate Regional Director and the Reviewing Authority for certificates of unserviceable property is the Regional Accountable Property Officer unless the property is under his/her custodianship and then the Regional Director becomes the Reviewing Authority.
52. **Salvage**. Personal property having value greater than its basic material content but which is in such condition that it has no reasonable prospect of use for any purpose as a unit (either by the holding or other Federal agency), and its repair or rehabilitation for use is clearly impracticable. Repairs or rehabilitation estimated to cost in excess of 65 percent of acquisition cost would be considered "clearly impracticable" for purposes of this definition.
53. **Scrap**. Personal property that has no value except for its basic material content.
54. **Screening Period**. The period in which excess and surplus personal property is made available for excess transfer or surplus donation to eligible recipients. See FMR 102-36.
55. **Sensitive Property**. Property which is controlled, regardless of value, by detailed property accountability records and which is determined to be sensitive because of its high probability of theft or misuse; or misappropriation; or because it has been designated as sensitive by management. Sensitive property designated by IA include, weapons, vehicles, trailers, and ballistic vests.

56. **Shelf Stock**. Small quantities of expendable property located near end-users for their convenience and for immediate use. Quantities of each line item of shelf stock are large enough to meet immediate operating needs but small enough to informally control for the prevention of waste or misuse.
57. **Statement**. A vendor account summary of billings and payments received during the statement period. While a statement may show a “balance due” it is not a proper, itemized invoice and generally may not be used to make payment. In unusual situations, a statement can be used in place of an invoice by special arrangement with the Office of Fiscal Services, Branch of Payments.
58. **Stores Property**. Expendable or non-expendable property acquired for future use, usually in substantial quantity, charged to a general ledger stores account, and controlled in an inventory system, i.e., power poles, boundary signs, etc.
59. **Surplus Personal Property**. Any excess personal property no longer required by Federal Agencies as determined by GSA.
60. **Surplus Release Date**. The date when Federal screening has been completed and excess property becomes surplus.
61. **Survey Action**. Official action taken by a Board of Survey or a Survey Officer as a result of the investigation into the loss, theft, damage, or destruction of Government property; or the determination of unserviceable Government property.
62. **System-Controlled Property**. Property with an original acquisition cost of \$5,000 or more, property with a license plate (e.g. trailer, motor vehicle, motor cycle, all terrain vehicles, etc.) and sensitive property, regardless of cost. System-controlled property must be recorded and controlled in FAS.
63. **Transfer of Property**. Recording a change in custodial and accounting responsibility of a US Government owned asset and its betterments. In *FAS* a transfer is used only when property is transferred within IA. Transfers of property to Tribes or other Federal agencies are treated as a property disposal in FAS.
64. **Traveling Survey Officer**. Appointed by the APO and has the same authorities and responsibilities, and restrictions as a Standing Board of Survey.