

# INDIAN AFFAIRS MANUAL

Part 23

Property Management

Chapter 3

Personal & Real Property Inventory

Page 1

- 1.1 Purpose.** This chapter documents Indian Affairs (IA) policy for conducting annual physical inventories of IA personal and real property.
- 1.2 Scope.** This policy applies to all offices under the Assistant Secretary - Indian Affairs (AS-IA), including offices reporting to the AS-IA, the Bureau of Indian Affairs (BIA), the Bureau of Indian Education (BIE), and the Bureau of Trust Funds Administration (BTFA).
- 1.3 Policy.** It is IA's policy to ensure proper classification, identification, use, maintenance, care, accountability, inventory, and disposition of all personal and real property under IA control, regardless of where the property originated or what type of funding is used to acquire the property. All employees, contractors, and other individuals are responsible for the proper control, care, use, and accountability of IA property whether it is assigned for the exclusive use of employees, other individuals, or shared by employees or units. IA personal and real property should be used for official business purposes only.
- 1.4 Authority.**
- A. Statutes and Regulations.**
- 1) 25 U.S.C. Part 900 – Contracts under the Indian Self-Determination and Education Assistance Act Subpart I – Property Donation Procedures
  - 2) 40 U.S.C. § 506, Inventory controls and systems
  - 3) P.L. 81-152, Federal Property and Administrative Services Act of 1949, as amended
  - 4) P.L. 93-638, Indian Self-Determination and Education Assistance Act (ISDEAA), as amended
  - 5) 41 CFR 101, Federal Property Management Regulations
  - 6) 41 CFR 102, Subchapter B, Federal Management Regulation (FMR) – Personal Property
- B. Guidance.**
- 1) 410 Departmental Manual (DM) 1 – 2: Personal Property Management
  - 2) Interior Property Management Directive (IPMD) 114-60.3 – Property Inventories

# INDIAN AFFAIRS MANUAL

- 3) Department of the Interior (DOI) Financial Statement Guidance Memo No. 2001.001, DOI's Standard for Capitalizing the Cost of Internal Use Software, March 2001

## C. Handbooks.

- 1) Federal Accounting Standards Advisory Board (FASAB) Handbook of Federal Accounting Standards and Other Pronouncements, as Amended (current version), Statement of Federal Financial Accounting Standards (SFFAS) 3: Accounting for Inventory and Related Property

## 1.5 Responsibilities.

- A. **Deputy Assistant Secretary – Management (DAS-M)** is responsible for administering this policy.
- B. **Directors, BIA, BIE, and BTFA** ensure that the IA Property Management Program is implemented throughout BIA, BIE, and BTFA, respectively, in compliance with all applicable laws, regulations, policies, and procedures. They also designate BIA, BIE, and BTFA Property Administrators (PAs) and are required to send their Inventory Certifications by email to the Office of Facilities, Property, and Safety Management's (OFPSM) Division of Property Management (DPM) by June 30th each year.
- C. **Deputy Bureau Director (DBD), Office of Justice Service (OJS), BIA** ensures that the OJS Property Management Program is implemented throughout OJS offices in compliance with all applicable laws, regulations, policies, and procedures. The DBD, OJS also designates OJS PAs, and is required to send his/her Inventory Certification by email to the DPM by June 30<sup>th</sup> each year.
- D. **BIA Regional Directors** are responsible for implementing IA property management policies and procedures, and to provide advice and guidance on day-to-day property operations to the offices they support and their management. Regional Directors are required to send their Inventory Certifications by email to the DPM by June 30th each year.
- E. **Director, OFPSM, DAS-M** has overall responsibility for the IA Property Management Program, including policy and oversight, and serves as the IA Property Management Officer (PMO).
- F. **Chief, DPM, OFPSM** is responsible for implementing the Property Management Program, and for ensuring that IA complies with property management policies and procedures consistent with the General Services Administration (GSA) and the

## INDIAN AFFAIRS MANUAL

Department of the Interior (DOI) regulations and requirements.

- G. PA** provides oversight of the Property Management Program within his/her jurisdiction and disseminates information to subordinates. He/she works in concert with the Regional Property Officer (RPO)/Accountable Property Officer (APO) to ensure that the Property Management Program operates pursuant to established policies and procedures to protect the government from waste, fraud, and abuse. Furthermore, he/she protects and properly maintains the property under his/her control and designates an APO(s) for his/her program offices.
- H. RPO** oversees the Property Management Program in his/her respective region, including implementing and executing BIA property management policies and procedures to ensure compliance. He/she also provides advice and guidance on day-to-day personal and real property matters to the respective regional offices.
- I. APO** provides operational guidance to all program offices within his/her geographical jurisdiction and executes the functional responsibilities of property management. Additionally, APOs designate Custodial Property Officers (CPOs) and Receiving Property Officers in cooperation with the appropriate supervisor approval. The APO also designates Awarding Officials (AO).
- J. CPO** is responsible for day-to-day property management operations, to include personal and real property management, entrusted to his/her program through the CPO designation letter. The CPO's property management responsibilities cannot be re-designated, re-assigned, or re-delegated to another individual unless done by the RPO/APO upon direction from his/her Program Manager/supervisor.
- K. Receiving Property Officer** is responsible for the inspection and receipt of personal property and real property, and for ensuring that required documentation is processed.
- L. AOs and/or Contracting/Grants Officers** are responsible for transmitting information regarding Government-furnished property to the APO. The AO and/or the Contracting/Grants Officer must provide completed and certified inventories to the RPO.

### 1.6 Definitions.

- A. Acquisition** means the acquiring by contract with appropriated funds of supplies or services (including construction) by and for the use of the Federal Government through purchase or lease, whether the supplies or services are already in existence or must be created, developed, demonstrated, and evaluated. Acquisition begins at the point when agency needs are established and includes the description of requirements to satisfy

## INDIAN AFFAIRS MANUAL

Part 23  
Chapter 3

Property Management  
Personal & Real Property Inventory

Page 4

agency needs, solicitation and selection of sources, award of contracts, contract financing, contract performance, contract administration, and those technical and management functions directly related to the process of fulfilling agency needs by contract.

- B. Acquisition Cost** is the original purchase price of an item.
- C. Asset** is personal and real property acquired by IA for use in accomplishing its mission that has been physically received, paid for, or accepted from an external transfer, incoming donation/in-kind gift, or grant. Capitalized, sensitive assets are recorded at their original acquisition cost.
- D. Capitalized Property** means accountable personal property (not including museum property) with an original cost to the Federal Government of \$25,000 or more. 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.
- E. Classification of Personal Property** is determined by its characteristics as to whether it is expendable or non-expendable. It is further classified to indicate whether it is accountable, non-accountable, system-controlled, sensitive, capitalized, or non-capitalized. User Product Codes (UPC) are used to identify these classifications and determine whether an item is system-controlled.
- F. Condition** means the physical state of an asset. The condition of an asset is based on an evaluation of the physical status/state of an asset, its ability to perform as planned, and its continued usefulness.
- G. Disposition** is any authorized method of permanently divesting of the control of, and responsibility for, an asset.
- H. Government-Furnished Equipment** means Federal Government property that an AO authorizes a contractor to use for performance of a Government contract, compact, grant, agreement, etc.
- I. Inventory** means a formal listing of all accountable property items assigned to an agency, along with a formal process to verify the condition, location, and quantity of such items. This term may also be used as a verb to indicate the actions leading to the development of a listing. In this sense, an inventory must be conducted using an actual physical count, electronic means, and/or statistical methods.

## INDIAN AFFAIRS MANUAL

- J. Maintenance** means the act of keeping assets in useable condition. It includes preventative maintenance, normal repairs, replacement of parts and structural components, and other activities needed to preserve the asset so that it provides acceptable services and achieves its expected life. Maintenance excludes activities aimed at expanding the capacity of an asset or otherwise upgrading it to serve different needs than, or significantly greater than, those originally intended.
- K. Missing Asset** means any IA personal property that cannot be found after a reasonable search, and is determined lost.
- L. Non-Capitalized Property** is personal property with an acquisition cost of \$5,000 to \$24,999.99. This does not apply to property deemed “sensitive”.
- M. Personal Property** is 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 that is incorporated in, or permanently affixed to, real property.
- N. Physical Inventory** is a method used to verify the capitalized, sensitive, and unit-controlled inventory count against a unit’s personal property inventory records.
- O. Property Accountability** is 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 Federal Government property.
- P. Personal Property Record** means the record created and maintained within the Financial Business Management System (FBMS) by the DPM that includes the required information to accurately track a capitalized or sensitive personal property asset.
- Q. Real Property** is any land, buildings and other structures, fixtures, and improvements of any type located thereon. The term “real” should be associated with realty, land, or something attached thereto. Real property may also include heritage assets and land.
- R. Reconciliation** means the process of ensuring that individual records contained in the asset management system are fully consistent with the actual status of the assets, including the physical location, actual acquisition cost, etc.

# INDIAN AFFAIRS MANUAL

**S. Sensitive Property** means property which is controlled, regardless of value, by detailed property accountability records and is determined to be sensitive because of its high probability of theft or misuse; misappropriation; or because it has been designated as “sensitive” by management. Sensitive property designated by IA includes weapons, vehicles, trailers, tablets/iPads, tasers, laptops, Central Processing Units (CPUs), radio communication equipment (RCU), ballistic vests, ammunition, and explosives.

## 1.7 Procedures and Reporting.

The annual inventory procedure covers all bureau-owned accountable, capitalized, and sensitive property for real and personal assets. This includes property identified as “government-furnished equipment (property)” under P.L. 93-638 contracts, grants, compacts, and/or cooperative agreements. All property identified through the inventory process must be reconciled and/or documented in IA’s property system, the FBMS.

IA’s annual property inventory procedure is a property management process which requires constant monitoring and updating of records for both real and personal property assets.

The comprehensive inventory procedures, including inventory deadlines and required documentation, are provided by the DPM each year via email during the first week of January. However, a general overview of the procedures and reporting requirements is provided below.

### A. Inventory Procedures

- 1) The annual inventory process has requirements that must be met throughout the year, with a start and an end date. The RPOs must provide an inventory status report to the DPM one week after the inventory starting date and every subsequent week thereafter until the inventory is completed. The weekly inventory report is due on each Monday and is submitted through the Maximo property inventory status module.
- 2) After the completion of the annual physical inventory and the reconciliation and adjustment of property records, certifications must occur.

### B. Certification Procedures

- 1) Regional Directors, the DBD OJS, and the Directors of BIA, BIE, and BTFA are required to send their Inventory Certifications by email to the DPM by June 30th each year. These certifications are statements verifying that an annual property inventory was conducted and completed within their responsible program offices’ cost centers. Each Inventory Certification should also be kept and maintained

# INDIAN AFFAIRS MANUAL

Part 23  
Chapter 3

Property Management  
Personal & Real Property Inventory

Page 7

internally by the Regional Directors and Directors for their records, and for auditing and property management review purposes.

- 2) Additionally, the APO, RPO, and PA are responsible for the Inventory Certifications listed below to document the completion of their annual inventories:
  - a. The APO must certify in writing to the RPO that all inventories for which they are responsible have been conducted, and that subsidiary property records reflect actual quantities on hand.
  - b. The RPO must certify in writing to the PA that all inventories for which they are responsible have been conducted, updated as necessary, and validated.
  - c. Each PA must certify in writing to the PMO that all inventories have been conducted for the locations under his/her geographical jurisdiction.

## Approval

JASON  
FREIHAGE

Digitally signed by JASON  
FREIHAGE  
Date: 2020.12.02 08:23:30 -05'00'

Jason Freihage  
Deputy Assistant Secretary – Management (DAS-M)

Date