

INDIAN AFFAIRS MANUAL

Part 23
Chapter 2

Property Management
Property Accountability

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- 1.1 Purpose.** This chapter establishes Indian Affairs' (IA) Property Management Program policy to efficiently acquire, use, dispose of, and account for federal property, which includes 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), and the Bureau of Indian Education (BIE).
- 1.3 Policy.** It is IA's policy to comply with all federal and Department of the Interior (DOI) requirements for personal and real property. This includes maintaining detailed records for all property acquired by IA, BIA, and BIE.
- 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) P.L. 81-152, Federal Property and Administrative Services Act of 1949, as amended
- 3) P.L. 93-638, Indian Self-Determination and Education Assistance Act (ISDEAA), as amended
- 4) 41 CFR 101, Federal Property Management Regulations
- 5) 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 – Personal Property Management Program
- 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
- 4) Office of Management and Budget (OMB) Circular A-123, Appendix B: Improving the Management of Government Charge Card Programs, January 2009

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C. Handbooks.

- 1) Federal Accounting Standards Advisory Board (FASAB) Handbook of Federal Accounting Standards and Other Pronouncements, as Amended, Statement of Federal Financial Accounting Standards (SFFAS) 3: Accounting for Inventory and Related Property, October 1993
- 2) FASAB Handbook of Federal Accounting Standards and Other Pronouncements, as Amended, SFFAS 8:Supplementary Stewardship Reporting, June 1996

1.5 Responsibilities.

- A. **Deputy Assistant Secretary – Management (DAS-M)** is responsible for administering this policy.
- B. **Directors, BIA and BIE** ensure that the IA Property Management Program is implemented throughout BIA and BIE in compliance with all applicable laws, regulations, policies, and procedures. The Directors also designate BIA and BIE Personal Property Administrators (PAs).
- 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.
- D. **Director, Office of Facilities, Property, and Safety Management (OFPSM), DAS-M** has overall responsibility for the IA Property Management Program policy and oversight, and serves as the IA Property Management Officer (PMO).
- E. **Chief, Division of Property Management, OFPSM, DAS-M** is responsible for implementing the Property Management Program, and for ensuring that IA is in compliance with property management policies and procedures consistent with the General Services Administration (GSA) and DOI regulations and requirements.
- F. **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.

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- G. 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.
- H. 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).
- I. CPO** is responsible for the 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.
- J. Receiving Property Officer** is responsible for the inspection and receipt of personal property and real property, and for ensuring that required documentation is processed.
- K. 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. Accountable Property** is 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 (GL) 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.
- B. Accountable System-Controlled Property** is property with an original acquisition cost of \$5,000 or more, and sensitive property, regardless of cost, all of which must be recorded and controlled in the IA Financial and Business Management System (FBMS).

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- C. Betterments** are enhancements to personal property that add value or increase the capability of the item, or extends the useful life one or more years. Betterments exceeding the capitalization threshold for personal property must be recorded as a separate item in FBMS.
- D. Capitalized Personal Property** is 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.
- E. Expendable Property** is non-sensitive property with an average life expectancy of less than two years, such as office supplies, printer cartridges, copy paper, etc.
- F. Non-Capitalized Property** is personal property with an acquisition cost of \$5,000 to \$14,999.99, and sensitive property, regardless of cost, is considered accountable property and is recorded in FBMS.
- G. Non-Expendable Property** is personal property that is defined as having a continuous use, is not consumed in use, is durable, has an expected service life of two plus years, may be sensitive property, or may not be charged to a GL control account; and for which accountability or property control records are maintained.
- H. Non-Government-Owned Personal Property** means personal property that is owned by the employee and is purchased with his/her funds, such as desktops/laptops, printers, vehicles, etc.
- I. 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.
- J. Real Property** is land, buildings, and other structures held in title by the Federal Government and administered by IA, which are affixed to the earth. Examples include buildings of all types, including 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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- K. Sensitive Personal Property** is property, regardless of value, that requires special controls and accountability by detailed property accountability records. This type of property is determined to be sensitive because of its high probability of theft, misuse, or 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.
- L. Systems furniture** is a modular furniture solution that provides the various parts needed to create workstations. Systems furniture workstations are also referred to as cubicles. Systems furniture is used in multi-workstation configurations where stations can share support and privacy panels, reducing the overall square footage required.

1.7 Requirements and Procedures.

- A. Property Capitalization and Accounting Records.** IA must establish and maintain a system of accounting for capitalized property in accordance with the DOI property management requirements. All non-expendable property items acquired and held by IA with an acquisition cost at or above the approved capitalization threshold will be considered capitalized property. All capitalized personal property must be depreciated based on the useful life of the item and salvage value.

- 1) **Personal Property Capitalization Threshold.** The IA's capitalization threshold for personal property is \$25,000 or more. All personal property with an original acquisition cost of \$25,000 or more will be capitalized in the FBMS unless: (a) the item has a useful life of less than two years, or (b) the item is intended for sale/donation by IA. Betterments to an asset meeting or exceeding the capitalization threshold for personal property must be recorded as a separate item in FBMS. The capitalization threshold for internal use software is \$100,000 per license. Internal use software meeting the capitalization threshold must be recorded and tracked in FBMS (See Departmental Financial Statement Guidance Memo No. 2001-001).
- 2) **Non Capitalized Property** with an acquisition cost of \$5,000 to \$14,999.99 and sensitive property, regardless of the cost, is considered accountable property and is recorded in FBMS.
- 3) **Expendable and Non-Expendable Personal Property Costing Less than \$5,000** is under the responsibility of the CPO for accountability purposes. All expendable property meeting the expendable property definition criteria, with the exception of day-to-day administrative operating supplies (e.g., printer cartridges and copy paper), must be informally controlled and accounted for by the CPO. The property must also be tagged with a "Property of the U.S. BIA" label. Accountable records

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for this property must be maintained in a database program or documented in a file using a hand written list or a DI-105: Receipt for Property form. The documentation should include the make, model, and serial number, location, original acquisition cost, and date the property was received. These documents must be retained for a minimum of three years and should be filed in a manner to easily identify significant losses or excessive purchases.

All other expendable property not meeting the above dollar limitations is considered shelf stock and is not formally controlled. Single pieces of furniture costing \$5,000 or more will be recorded in FBMS by the RPO/APO. Systems furniture is considered to be non-capitalized, non-expendable, and non-sensitive property, and will not be maintained in FBMS.

- B. GL Accounts.** The DOI Property Management DM requires IA to establish and maintain a system of GL accounts to properly account for all Government-owned, capitalized personal property (including inventories of Government property held by non-Government entities).

The GL account, together with the property accountability records, must provide a record of the acquisition and disposition of all capitalized property, as well as provide the information needed for inventory control and management purposes. Detailed entries must support summary totals in the GL accounts. Additionally:

- Property acquired through a loan should not be entered into the GL account.
- Property converted to ownership at the end of a lease period may be capitalized. The original acquisition cost of capitalized property acquired and disposed of should be reflected in the GL account.
- The cost of capitalized equipment must be charged to the appropriate equipment account from the receiving report document. If the assigned object class or type of funds cited on the purchase order/receiving report is incorrect because of the determination of capitalization, the RPO/APO must notify the appropriate finance office of the necessary change.

Such adjustments to the GL account should be made in the month the item is received or disposed of.

- 1) **IA GL Account.** Assets that are acquired via a purchase are established in the GL based on posted payment vouchers. All other FBMS transactions update the GL automatically when documents/transactions are accepted in FBMS. The total values of the GL and property accountability records in FBMS are maintained for all capitalized property.

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The total value of capitalized property recorded in FBMS is reconciled with the related balances shown in the FBMS by OFPSM. Any differences disclosed will be coordinated with the appropriate regional office to ensure records are reconciled and adjusted in accordance with sound accounting practices in order to bring the property accountability records and the GL account into complete agreement.

- 2) **Acquiring Personal Property Through GSAXcess Property.** Property may be acquired and disposed of through the GSAXcess automated system. The CPO will coordinate with the RPO to obtain property through GSAXcess. Property acquired through GSAXcess will be accounted for in FBMS. The RPO will determine the need to record the property in FBMS based on the property classification, such as accountable or non-accountable, and/or value of the property. A signed Standard Form (SF) 122: Transfer Order Excess Personal Property is required for property disposed through GSAXcess.
- 3) **Recording Acquisitions, Transfers, Corrections, and Disposals of Assets in FBMS.** All acquisitions, transfers, corrections, and disposals of assets within FBMS must be completed within 30 days of the action. Therefore, any acquisition of property must be encoded into FBMS within 30 days of receipt of the property. Transfers will be completed in FBMS within 30 days upon receipt of a completed transfer document, DI-104: Transfer of Property form. Corrections must be made within 30 days of identifying an error. Disposals must be completed within 30 days of receipt of all disposal documentation. The forms that document disposal include: DI-103: Report of Survey; DI-103A: Certificate of Unserviceable Property; or BIA 4335 - Donation Document.

- C. Property Accountability Records (Documentation).** Asset files will be established immediately upon receipt of all accountable system-controlled property acquired by purchase, transfer, authorized donation, or other means. The files will be subject to both internal and external audits, and all entries must be supported by valid acquisition and disposal documents. Accountability records must be established and maintained for all Government-owned personal property that is in the custody of a contractor, grantee, or other non-federal recipient in accordance with the terms of any legal instrument. This property is subject to the same inventory, reconciliation, and management controls as any other accountable property held by IA.

The AO and/or Contracting/Grants Officer are responsible for transmitting information regarding such Government-furnished property to the APO. The AO, Contracting/Grants Officer, or CPO assist the APO/RPO with accomplishing physical inventories, reconciling any discrepancies revealed by an inventory, and ensuring such inventories are accomplished in accordance with the contractor/grantee's approved property system. The AO and/or Contracting/Grants Officer provide completed and

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certified inventories to the RPO.

D. Transfer of Accountability and Responsibility for Records. When an RPO is relieved of responsibility for personal property (usually by a change of duties or termination of employment), a physical inventory must be conducted for property prior to relief of custody. Any discrepancies must be reconciled with the accountability records prior to release of responsibility. The RPO will assume total responsibility and control of Government-owned, leased, and/or loaned property involved in the transfer of accountability. If both parties have already departed, the responsibility for the property must be assigned to an interim or acting accountable official. All CPO designation letters will remain in effect until rescinded in writing. The RPO is responsible for ensuring that property in the possession of a CPO is accounted for. This may be done by requiring a physical inventory for the property or a written statement that all property in the CPO's care is accounted for.

- 1) **Relief of Custody.** When a CPO is relieved of responsibility for personal property, it is the responsibility of the RPO to ensure that property entrusted to that individual is accounted for. This may be done by either requiring a physical inventory of the CPO's property, or the RPO may require a written statement that all property entrusted to that person is accounted for. The latter method shifts responsibility for any shortages to the RPO.
- 2) **Responsibility for Records.** Employees are assigned responsibility for accountable-system controlled and sensitive property in their custody by signing a DI-105: Receipt for Property form, upon receipt. Items used by more than one employee must be assigned to a CPO. Any employee having custody or use of Government-owned property may be held financially liable as determined by a Survey Authority for its loss or damage, whether or not the employee has signed a receipt for the property.
- 3) **Property Clearance.** Prior to separation, transfer, or reassignment, an employee must obtain a signed clearance from IA Property Management and a physical inventory must be taken of all property in the employee's custody. The IA Exit Clearance Form is initiated by the employee and certified by the RPO upon completion of the inventory. When an employee is separated or transferred out of the bureau, certification for final salary payment must be withheld until clearance is obtained. Payroll units must be notified when such clearance has been granted.

E. Government-Owned Property Official Use, Restrictions, and Use of Non-Government Property.

IA employees may use Government office equipment only for official business or as otherwise authorized by their immediate supervisor or chain of command.

- 1) Government-owned personal property may be furnished for use only when specific authority exists to do so, and then only within the scope, purpose, and limitations of the authority. Such authority may exist when the use of Government-owned property has been authorized within the written terms and conditions of a legally executed contract, grant, cooperative agreement, purchase order, or memorandum of understanding. The AO and the Contracting/Grants Officer are the only officials who can authorize the provision, acquisition, reimbursement, utilization, or disposal of any Government property so involved.
- 2) Unauthorized use of Government-owned personal property is prohibited. Additionally, Government-owned property may not be used in, or moved to, an employee's residence, unless a DI-105: Receipt of Property form is signed by the employee and the APO/CPO.

IA employees with an approved telework agreement are not required to have a supervisor's written authorization to take their assigned work laptops to their residence to perform official duties. The provisions of this paragraph also do not apply to field equipment used in the performance of authorized work.

- 3) Limited personal use of Government office equipment is allowable as long as the use occurs on non-duty time, does not interfere with official business, is not a commercial gain activity, or is not otherwise prohibited, and the expense to the Government is negligible (see 410 DM 2: Limited Personal Use of Government Office Equipment and Library Collections).
- 4) Non-Government-owned personal property may not be installed in, affixed to, or otherwise made a part of any Government-owned personal or real property in a manner that makes the Government responsible for any loss or damage; or that has the potential to damage the Government-owned property involved; or that subjects the Government to any copyright or license agreement violations. No one may install software on Government-owned Automating Data Processing (ADP) equipment or use software for Government work in violation of a license agreement or copyright.
- 5) Employee-owned property may not be used in the performance of official duties unless approved by the employee's supervisor and as may fulfill a labor union collective bargaining agreement. When authority is granted for employees to use

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their own personal property in the performance of official Government duties, the property is to be used at the risk of the owner/employee. The Government will not be held financially liable for any damage or loss which may occur as a result of such use, unless such liability is defined by and assumed by the office in a written agreement which is signed by the RPO and the employee's supervisor *prior* to using the property.

- 6) The supervisor and the APO's approvals are not required for the use and installation of privately-owned decorative items or memorabilia in the workplace, provided that the structure or the safety of the facility is not thereby compromised and is not offensive to other employees. Such items should be identified as to ownership.
- 7) The requirements set forth in 41 CFR 101-25.100 permit the use of Government-owned personal property in emergency situations which threaten loss of life or property, and will be followed in making determinations as to what constitutes official use under exceptional circumstances.

1.8 Reports and Forms.

All forms referenced throughout as "DI-XX" are DOI forms and are located here: <https://www.doi.gov/eforms> (click on the 'Official Files for Production' link).

BIA/IA forms are located on the IA Online Forms webpage here: <https://www.bia.gov/policy-forms/online-forms>

GSA and SF forms are available here: <https://www.gsa.gov/reference/forms>

Approval

JASON FREIHAGE Digitally signed by JASON FREIHAGE
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Jason Freihage
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Date