

DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE MANUAL

TRANSMITTAL SHEET

Release No. 92

April 3, 1986

SUBJECT: Administrative Series
Part 400 Property Management
Chapter 1 Accountability and Responsibility

EXPLANATION OF MATERIAL TRANSMITTED:

This chapter is revised to reflect Department of the Interior changes in terminology, designate the Administrative Service Center Manager as the Reviewing Officer, provide procedures for the transfer of inventory accountability from one Accountable or Custodial Property Officer to another, and specify acceptable Property Officer positions. The handbook associated with this chapter will soon be released.


Director

FILING INSTRUCTIONS:

REMOVE:

INSERT:

<u>Part</u>	<u>Chapter</u>	<u>Pages</u>	<u>Release</u>	<u>Part</u>	<u>Chapter</u>	<u>Pages</u>	<u>Release</u>
400	1	1-12	30	400	1	1-12	92

OPR: Property Management Section
General Services Branch
Procurement and General Services Division
Office of Administration

Supersedes Release No. 30

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Administrative Series

MMS Addition to DM/FPMR

Chapter 1, Accountability and Responsibility

400.1.1

1. Purpose. This chapter prescribes policies, responsibilities, and procedures for the management of the Minerals Management Service (MMS) personal property. The provisions of this chapter emphasize employee accountability and responsibilities which are applicable to all activities of the MMS.

2. Objective. The objective of this chapter is to achieve effective management in the administration, protection, preservation, and utilization of personal property.

3. Authority.

A. Interior Property Management Regulations (IPMR),
41 CFR 114-60;

B. Departmental Manual (400 DM addition to IPMR); and

C. Federal Property Management Regulations (FPMR),
41 CFR 101-42 through 101-46.

4. Definitions. See the Glossary, Appendix 1.

5. Policy.

A. The MMS Property Management Program has three levels of accountability:

(1) The Accountable Property Officer (APO) is at the level of the Director, Associate Directors, Assistant Directors, Regional Directors, Administrative Service Center Managers, or their Administrative Officers, and/or Special Assistants. Seasonal, part-time, temporary, and intermittent employees are never designated as APO's or Custodial Property Officers.

(2) The Custodial Property Officer (CPO) is designated in writing by the APO and is not lower than the head of an organizational section/unit or is a responsible individual having jurisdiction over the property; i.e., Administrative Assistants; Division, Branch, Section and/or Unit Chiefs. At the field level the CPO is designated in consultation with the Administrative Service Center and is at a level that can assure effective management of the property.

(3) The Cognizant Employee (CE) is the Federal employee actually using the equipment.

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FORM 100-1000

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B. All capitalized property (acquisition cost of over \$300) and property determined to be sensitive (regardless of cost) is controlled. Controlled property acquired by the MMS, regardless of source of acquisition, will be documented and charged to an APO/CPO immediately upon receipt.

C. The control, maintenance, and safeguarding of personal property acquired by contractors in the performance of MMS funded contracts will be vested with the contractor for the duration of the contract. Procedures, as set forth in this chapter, will govern personal property furnished by the Government to MMS contractors.

D. Accountability for property remains fixed until property is transferred, sold, condemned, destroyed, abandoned, donated, surveyed, or otherwise disposed of in accordance with provisions of the IPMR and FPMR.

E. Any irregularities in use of, or accountability for, MMS property will be reported promptly to the Chief, Procurement and General Services Division, through the Assistant Director for Administration, for appropriate action under the provisions of 355 DM 2 and 356 DM 1.

F. No employee of the MMS will use, or authorize the use of, Government property for other than official purposes except as permitted by law. The use of property while assisting in major disasters or other emergencies is considered official.

6. Responsibilities.

A. The Assistant Director for Administration is responsible for the overall policies of the Property Management Program.

B. The Chief, Procurement and General Services Division, is responsible for the overall development and implementation of MMS policies, procedures, and guidelines relating to all aspects of the utilization, accountability, management, and disposition of personal property. These responsibilities are delegated to the Chief, Property Management Section, General Services Branch. The Chief, Procurement and General Services Division, also serves as the reviewing officer for the Headquarters Property Survey Board (MMSM 400.1.6I).

C. The Chief, General Services Branch, Procurement and General Services Division, is assigned staff responsibility for the formulation, development, and implementation of MMS policies, procedures, and guidelines relating to all aspects of the utilization, accountability, management, and disposition of personal property.

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D. The Chief, Property Management Section, General Services Branch, Procurement and General Services Division, is the Property Management Officer and is responsible for the development and implementation of policies, procedures, and guidelines; and for the day-to-day operation of the Property Management Program.

E. The Administrative Service Centers (ASC's) Managers are responsible for carrying out the policies and procedures for the Property Management Program in their respective areas. Changes in designation of APO's or CPO's are to be submitted in writing to the headquarters Property Management Section, General Services Branch.

F. The Accountable Property Officer has the overall responsibility for ensuring that adequate property records are kept and thorough physical inventories are taken each year. The APO certifies the CPO's inventories within 30 days of date of their receipt. Additionally, APO's are responsible for designating CPO's. Changes to CPO designation must be submitted in writing to the appropriate ASC or, for APO's in the Washington metropolitan area, to the Property Management Section.

G. The Custodial Property Officers are responsible for the use, protection, maintenance, and handling of MMS property. More specifically, they are responsible for the following:

- (1) designating the CE's and keeping appropriate accountability records, such as Form DI-105, Receipt for Property (Illustration 1);
- (2) completing promptly and correctly such forms as are necessary to maintain accurate control records, and reconciling and returning Form MMS-067A, Property Inventory--Exception Listing (Illustration 2), to the APO;
- (3) returning to the nearest warehouse, controlled property for which no need is anticipated;
- (4) acknowledging promptly receipt of property on appropriate forms;
- (5) furnishing on request, by direct transfer, any excess personal property, controlled or noncontrolled, required by another CPO;
- (6) reporting promptly and accurately loss or damage of MMS property to the APO, the Security Officer, and the appropriate Property Survey Board; and

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(7) recommending additions and deletions to the list of controlled property.

H. The Cognizant Employee is responsible for the daily use and safeguarding of MMS property under the supervision of the CPO.

I. The Headquarter's Property Survey Board consists of the Chief, Property Management Section (who provides technical guidance), and representatives from each MMS program office and the Office of Administration. Three members of this Board constitute a majority. This Board is responsible for:

(1) reviewing requests for relief of accountability for missing, damaged, obsolete, or unserviceable property, and submitting recommendations to the reviewing officer (Chief, Procurement and General Services Division) for final determination;

(2) reviewing suggested changes in nomenclature for controlled items; and

(3) reviewing suggested additions and deletions to the list of controlled property.

J. The ASC Property Survey Boards are comprised similar to headquarters, and act upon requests for relief of accountability for employees within their respective serviced area. Each board will consist of the ASC Property Officer (to provide technical guidance) and a representative from each of the local MMS program offices. Recommendations for relief of accountability will be forwarded to the reviewing officer (ASC Manager) for final determination.

7. Accountability. An employee having custody of MMS property is accountable for the care and safekeeping of such property and may be held financially liable for loss or damage to the property. The employee in charge of a warehouse facility is accountable for the warehouse property. Accountability will be placed at the level where the property can be controlled. The designated CPO should determine the administrative level for employee accountability (cognizant employee). The name of the CPO should be indicated for all property items on the requisition Form MMS-2016 and the Transfer Order Excess Personal Property (SF-122).

8. Relief of Accountability. Employees may be relieved of accountability for controlled property upon receipt of adequate documentation.

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9. Inventory of Property. Property inventory procedures are designed to permit the most efficient use of property. These procedures also enable the Property Management Section to maintain a record of controlled property assigned to the APO's and the CPO's.

A. Property Management System (PMS). The PMS is an automated inventory of all accountable property within the MMS. The system is maintained by and reports are generated and distributed by the Property Management Section, General Services Branch, Procurement and General Services Division.

B. Annual Inventory. On an annual basis, every CPO, through the APO, is furnished a summary of all the property charged to him or her. This summary, Inventory of Controlled Property, is used to complete a physical inventory. From this inventory, a Property Inventory--Exception Listing (Illustration 2) is generated. The CPO must reconcile all items not found during the physical inventory, certify to the accuracy of his/her inventory, and return the listing to the APO.

C. APO/CPO Changes in Accountability. If, for any reason, it becomes necessary to transfer the entire inventory from one APO or CPO to another, the outgoing Officer shall perform a physical inventory, reconcile any differences, and sign the inventory certifying its accuracy. The incoming Officer shall accept accountability and responsibility for all Government-owned leased or loaned property involved in the transfer of accountability. In the event the incoming APO/CPO is unavailable, accountability in the interim period will be transferred to the next highest level of supervision until the new APO/CPO is appointed.

D. Inventory Audit. To ensure the continued accuracy of all property inventories, appointed administrative officials may make quarterly physical inventories of controlled property. The Property Management Section, General Services Branch, Procurement and General Services Division, will randomly select lists for reinventory and recertification and will provide them to the appointed official.

10. Loss of Property.

A. Report of Loss. The Federal Protective Service, General Services Administration, should be notified of any missing property in Government buildings. In buildings where there is no Federal Protective Service, the loss must be reported directly to the building manager and/or appropriate official

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responsible for that area or to the local police. The guard or authorized official will complete a GSA Form-3155, Preliminary Investigation, in accordance with the instructions contained on the form. The employee reporting the loss should request a copy of the GSA report for the CPO to attach to the Form MMS-066, Report of Property Survey (Illustration 3), when requesting relief of accountability on lost Government property. The MMS will not be held liable for the loss of employee-owned or contractor-owned personal property brought to Government-controlled buildings.

B. Investigation. If an investigation is determined to be necessary, it will be made by the Office of the Inspector General (OIG), in accordance with 355 DM 2 and IPMR 114-60.105, upon request by the Assistant Director for Administration.

11. Report of Irregularities. Irregularities in the use of Government property are reported to the Chief, Procurement and General Services Division, who, through the Assistant Director for Administration, submits a report to the OIG. The OIG has primary responsibility for investigations concerning the misuse of Government property (41 CFR 114-60.105).

12. Property Pass. To control the removal of property from Government buildings, an OF-7, Property Pass, is required for all property, regardless of ownership, when being removed from Government-controlled buildings. (For example, rental equipment, equipment loaned to the Government for demonstration or other purposes, and sensitive items such as cameras, radios, typewriters, voice recording devices, electrical-electronic instruments, tools, etc., must be accompanied by an OF-7.) The property pass should describe the equipment being removed in sufficient detail to clearly identify the property; since space is limited, an attachment may be necessary. The description must also include appropriate serial numbers and/or property identification numbers. For example:

OPTIONAL FORM 7 NOVEMBER 1950 PRESCRIBED BY GSA FPMR (41 CFR) 101-19.100		PROPERTY PASS	1. DATE ISSUED 1/31/84
This pass is to be used whenever property is removed from the building. It is to be properly filled in and signed and handed to the guard when leaving the building.			
2. NAME John Doe <i>[Signature]</i>		3. BUILDING Herndon	
4. DESCRIPTION OF PROPERTY BEING REMOVED Calculator, Monroe Mdl. T-4 Serial #11112121, Property # M-333333			
5. PROPERTY BELONGS TO Minerals Mgmt. Service		6. DEPARTMENT OR AGENCY Department of the Interior	
7. SIGNATURE OF PERSON AUTHORIZING REMOVAL OF PROPERTY <i>[Signature: Joe Blow]</i>		8. TITLE Chief, Property Mgmt. Section	
		9. PASS GOOD UNTIL 4/30/84	
* U.S. GPO: 1976-0-205-245 EI 430R14328 MSP-100			

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A. Authorization. All designated officials authorized by the MMS Security Officer to issue OF-7's will forward two 3 x 5 cards to the MMS Security Officer, Mail Stop 635, reflecting the following information: (1) The typed statement "The following individual is authorized to sign property passes for the Minerals Management Service in the building (state what building)," (2) the signature and printed name of the designated official, and (3) the telephone number of the designated official.

B. Procedures. The APO and/or CPO accountable for an item of property will prepare the OF-7 and initial it, then obtain the issuing official's signature. The remaining procedures listed below pertain primarily to headquarters offices; however, officials at field locations will establish similar systems for the control of property removed from buildings/offices under their jurisdiction.

(1) Property passes are prepared in triplicate.

(a) Original. Provide to the Building Security Force. If there is no security force in the building, send to Security Officer, Mail Stop 635 (for headquarters area), by effective date of the OF-7. Field locations should follow instructions from their ASC's.

(b) Copy 2. To be retained by individual removing property from the building.

(c) Copy 3. Is sent to the Property Management Section, Mail Stop 635, or to the appropriate ASC unit, by effective date of the OF-7.

(2) The terms "indefinite" and/or "until revoked" or other unspecified periods are not to be cited as validation periods on the OF-7. The OF-7 will be approved only for the specific period the equipment is needed and in no case for longer than 90 days.

(3) The Property Management Section will recall Government-owned property on the date established on the property pass, or, if the continued offsite use of the property is officially required, they will extend the due date for no more than 90 days. After Government-owned property has been returned, both the copy kept by the individual removing the property and the copy kept by the Property Management Section will be destroyed. Property passes issued for non-Government property will be retained by the Property Management Section for 30 days after the expiration date as possible supporting evidence for reports of loss, and then destroyed.

Glossary

Personal Property is all equipment, materials, and supplies not permanently affixed to real property.

Property Management Officer is the individual designated as responsible for the MMS-wide Property Management Program.

Accountable Property Officer (APO) is the individual designated as having overall responsibility for ensuring the establishment and maintenance of adequate property accounting records and effective control over the property assigned to the Custodial Property Officers for use within the organization.

Custodial Property Officer (CPO) is the individual delegated the responsibility for the use, protection, maintenance, and handling of MMS property under his or her jurisdiction.

Cognizant Employee (CE) is the individual responsible for the daily use and care of property entrusted to his or her possession.

Property Accountability is the means by which the APO and CPO establish and maintain adequate property accounting records and safeguards to ensure effective control over property.

Capitalized Property is equipment that:

(1) costs \$300 or more or is equivalent to items that cost \$300 or more if currently purchased; and

(2) is complete in itself and does not lose its identity or become component parts of another article; and

(3) is of a durable nature and has an expected life span of 1 year or more.

Non-Capitalized Property is property that has continuing use as a self-contained unit, is not consumed in use, does not lose its identity in use, has a service life of 1 year or more, and costs less than \$300.

Sensitive Property is equipment determined to be controllable property regardless of the acquisition cost, that:

(1) is of a durable nature and has an expected lifespan of 1 year or more; and

(2) due to its high risk of loss or theft is classified as accountable personal property.

Expendable Property is property which, when put to use, is consumed, loses its identity, or becomes an integral part of other property, and property which, although nonexpendable by definition, is administratively considered and treated as expendable because of its high rate of breakage in service, short service life, or relatively insignificant value.

Nonexpendable Property is property which has continuing use as a self-contained unit, is not consumed in use, does not lose its identity when put to use, or does not ordinarily become a component of other equipment.

Neglect and Negligence is the failure to observe, for the protection of the interests of the MMS, that degree of care, precaution, and vigilance which the circumstances justly demand, whereby the MMS suffers loss, damage, or destruction of property.

Loss and Property Damage are losses of, damages to, or destruction of property of the United States, or more specifically, the MMS.

Government-Furnished Property is property in the possession of, or acquired directly by, the Government and subsequently delivered to or made available to the contractor.

Contractor-Acquired Property is property procured or provided by the contractor in connection with the performance of a contract and for the cost of which the contractor is entitled to be reimbursed as a direct item of cost under such contract. Title to such property shall be vested in the Government unless otherwise authorized by the terms of the contract.

MMS Program Offices are each of the major programs in MMS (Offshore Minerals Management and Royalty Management).

RECEIPT FOR PROPERTY

PROPERTY NO.		NAME OF ARTICLE		QUANTITY	UNIT	UNIT PRICE	COST	
M-123456		CALCULATOR, TEXAS INSTRUMENTS, MDL. TI-55		1	ea		38	00
		SERIAL NUMBER 1111333345						

DI-105
 (Approved April 1942)

UNITED STATES
 DEPARTMENT OF THE INTERIOR
 MINERALS MANAGEMENT
 SERVICE

ORIGINAL
 Copy for employee issuing property

RECEIPT FOR PROPERTY

It is understood that I am personally responsible for the property listed above and that if any of same is lost, stolen, damaged or destroyed through my neglect or carelessness pay-roll deduction will be made to cover the value thereof. In case of breakage, the broken tool or other property shall be returned and credit given me for full value of same.

Received from JOHN DOE 4/5/86
 Custodial Property Officer

Signed Barbara J.
 Cognizant Employee

Authorized by JOHN SMITH
 Accountable Property Officer

*U.S. GOVERNMENT PRINTING OFFICE: 1984-439-725

REPORT OF PROPERTY SURVEY

U.S. DEPARTMENT OF THE INTERIOR MINERALS MANAGEMENT SERVICE REPORT OF PROPERTY SURVEY					
TO: PROPERTY SURVEY BOARD		Complete address of property location <u>1110 Herndon Parkway</u> <u>Herndon, Va. 22070</u>			
Control No _____		For further information contact <u>Jane Doe</u> <small>Name</small>			
		<u>703 435-6140</u>		<u>4/1/86</u>	
Below-listed property has been		Telephone		Date	
<input type="checkbox"/> Lost		<input checked="" type="checkbox"/> Stolen		<input type="checkbox"/> Damaged beyond repair	
				<input type="checkbox"/> Rendered obsolete or otherwise unserviceable	
NAME OF ITEM	COND CODE (See Reverse)	MMS IDENTIFICATION NO	MANUFACTURER'S SERIAL NO	Do not write in this space	
				COST	YEAR ACQUIRED
DICTAPHONE, LANIER PORTABLE POCKET		M-1122334	L-2343444	\$269.00	1982
State below in full detail the circumstances leading to this request for relief of accountability. (Use additional paper as required.)					
<p>The dictaphone unit was in active use on a daily basis and stored inside the upper left-hand desk drawer in room 213. This unit was used on Tuesday afternoon, March 4, 1986. After using it Tuesday, I placed it in the desk drawer prior to leaving for the evening. On Thursday March 6, I went to use it again, and it was missing. After checking with everyone else in the immediate office and the surrounding offices, I concluded it must have been stolen. I contacted the Security Officer and have attached the GSA 3155. I have since this incident, put a lock on my desk and will in the future keep such items locked up when not in use. I request that I be relieved of accountability.</p>					
I certify that the above statement is true to the best of my knowledge and belief.					
_____ <small>(Signature of Cognizant Employee last having custody of property if other than below)</small>				_____ <small>Date</small>	
_____ <small>(Signature and Title of Custodial Officer)</small>				_____ <small>Date</small>	
Accountable Officer's recommendation and signature					
I concur with the above statement and certify that every effort has been made to locate the Dictaphone.					
_____ <small>(SEE REVERSE FOR ACTION BY PROPERTY SURVEY BOARD)</small>					

Form MMS 066 (Revised 8-85)
(Supersedes Form MMS 066
Sept. 1983 which will not be used)