

PART 2024 - PROPERTY AND SUPPLY

Subpart H - Custody, Control, Utilization, and Disposal of
Personal Property

TABLE OF CONTENTS

<u>Sec.</u>		<u>Page</u>
2024.351	Scope.	1
2024.352	Definitions.	1
2024.353	Designations.	3
	(a) Agency Property Management Officer.	3
	(b) Property Management Officer (PMO).	3
	(c) Accountable Property Officer.	3
	(d) Property Custodian.	3
	(e) Departmental Excess Personal Property Coordinator	3
2024.354	[Reserved]	3
2024.355	Responsibilities.	4
	(a) Employees.	4
	(b) Property Custodian (PC).	4
	(c) Accountable Property Officers (APO).	4
	(d) Property Management Officer.	5
	(e) State Directors.	5
	(f) Agency Property Management Officer.	5
2024.356	Property Utilization.	6
	(a) Use Standards.	6
	(b) Reporting Excess Personal Property.	6
	(c) Requesting Excess Personal Property.	8
	(d) Office Machine Repair.	8
2024.357	Unofficial or Unauthorized Use of Personal Property.	8
2024.358	Inventory Routines.	9
	(a) Physical Inventories.	9
	(b) Reconciliation of Personal Property Records and Physical Inventories.	10
2024.359	Inventory file.	10

<u>Sec.</u>		<u>Page</u>
2024.360	Lost, Stolen, Damaged, Destroyed or Unserviceable Property.	10
	(a) Report Requirements.	10
	(b) Obsolete or Unserviceable Property.	11
	(c) Lost or Stolen Property.	11
	(d) Damaged or Destroyed Property.	12
	(e) Review of Form AD-112 by the PMO.	12
	(f) Determination of Employee Liability.	12
	(g) Payment for Lost, Stolen, Damaged or Destroyed Personal Property.	13
2024.361	Change of Accountability.	14
	(a) Succeeding PC.	14
	(b) Succeeding APO.	14
	(c) Other Successions.	15
2024.362	Transfers of Personal Property.	15
	(a) Within Rural Development.	15
	(b) Within the Department.	15
	(c) Within the Federal Government.	15
	(d) Shipment by Freight.	15
2024.363	Borrowing and Lending of Government-Owned Personal Property.	16
2024.364	Storage of Excess Personal Property.	16
2024.365	Identification of Personal Property.	16
2024.366	Personal Property Security.	16
2024.367	Rental and Lease of Personal Property.	17
2024.368	- 2024.369 [Reserved]	17
2024.370	Sales.	17
	(a) General Services Administration Sales.	17
	(b) Sales to Employees.	17
2024.371	Donations.	18
2024.372	Destruction or Abandonment.	18
2024.373	- 2024.400 [Reserved]	19
Exhibit A	- Condition Codes	
Exhibit B	- PROP 302, Personal Property Physical Inventory Report	

PART 2024 - PROPERTY AND SUPPLY

Subpart H - Custody, Control, Utilization, and Disposal of
Personal Property.

§ 2024.351 Scope.

This subpart provides policies, routines, and responsibilities for the custody, control, utilization, and disposal of personal property by State and Field Office staff. National Office Property Management Officers (PMOs) and Accountable Property Officers (APOs) should refer to the Personal Property Standard Operating Procedure for personal property guidance and responsibilities.

§ 2024.352 Definitions.

Accountable Personal Property. All capital leases (this would exclude operating leases for personal property) and all owned personal property having an acquisition cost of \$5,000 or more. (See Agriculture Property Management Regulation (AGPMR) § 104-50.001-18 for definition of leases.) Accountable property valued at \$5,000 and above must be maintained in the Property Management Information System/Personal Property System (PMIS/PROP).

Accountable Property Officer (APO). The APO is the official responsible for Rural Development personal property within their jurisdiction.

Agency Property Management Officer (APMO). The APMO is the official responsible for the Rural Development personal property management program policy, direction and oversight.

Departmental Excess Personal Property Coordinator (DEPPC). The DEPPC is the United States Department of Agriculture (USDA) point of contact for field offices obtaining or disposing of excess personal property.

Excess Personal Property. Any personal property in the custody of Rural Development which is no longer needed to enable Rural Development to accomplish its mission.

Gross Negligence. The intended, willful, or wanton failure to exercise a reasonable degree of care to protect property in one's custody.

DISTRIBUTION: WSAL

Administrative Services
Property and Supply

Nonaccountable Personal Property. Includes all personal property not described as accountable personal property. Nonaccountable property will not be reflected on the PMIS/PROP. Agency officials are responsible for maintaining reasonable controls over all personal property to protect it against improper use, theft, and undue deterioration.

Nonexpendable Personal Property. Personal property with a normal life expectancy that exceeds 2 years; has a continuous use as a self-contained unit; and does not lose its identity or is destroyed when put into use.

Property Custodian (PC). The PC is the designated individual responsible for Rural Development personal property within the location where the property is utilized.

Property Management Information System/Personal Property System (PMIS/PROP). The PMIS/PROP is maintained by the National Finance Center (NFC) which is located in New Orleans, Louisiana. PMIS/PROP provides property management control and accountability and is the official inventory system for USDA accountable personal property as prescribed in the AGPMR 104-50 Subchapter N. PMIS/PROP interfaces with the United States Department of Agriculture (USDA) Foundation Financial Information System (FFIS). PMIS/PROP provides uniform data for management and control of accountable, leased, loaned, and excess personal property. Detailed instructions regarding the operating procedures for PMIS/PROP are provided in the Personal Property Inventory Manual prepared and revised by the APMO and in the NFC Procedures Manual. The complete and most current PMIS/PROP manual is available on the NFC Internet home page at www.nfc.usda.gov.

Property Management Officer (PMO). The PMO is the official responsible for Rural Development personal property management in respective State Offices.

Sensitive Property. Nonexpendable personal property that is potentially dangerous to the public safety or security if stolen, lost, or misplaced; and subject to exceptional physical security, protection, control, and accountability. The APMO has determined that Rural Development does not have sensitive property. Therefore, budget object classification code 3141, Sensitive Property, will not be used in Agency procurement activities.

§ 2024.352 (Con.)

Serviceable Personal Property. Those items useable "as is" or repairable under Exhibit A of this Instruction (condition codes "1", "4", and "7").

Surplus Personal Property. Any excess personal property not required for the needs of any Federal agency, as determined by the Administrator of General Services Federal Management Regulations (FMR) 102-36.40.

Unserviceable Personal Property. Those items not economically repairable under Exhibit A of this Instruction (condition codes "X" and "S").

§ 2024.353 Designations.

(a) Agency Property Management Officer (APMO). The Chief, Property, Procurement, and Mail Management Branch (PPMMB), Property and Supply Management Division, (PSMD), St. Louis, Missouri, is designated as APMO for Rural Development.

(b) Property Management Officer (PMO). The Director, Administrative Programs (DAP), Administrative Officer (AO) or equivalent position, is the PMO for personal property in the Rural Development State Offices which would include jurisdiction over the area and local offices within the State.

(c) Accountable Property Officer (APO). The APO is the official responsible for Rural Development personal property within their jurisdiction.

(d) Property Custodian (PC). The Supervisor, Director or equivalent within a Rural Development area or local office is the designated PC.

(e) Departmental Excess Personal Property Coordinator (DEPPC). DEPPC is located in the Property, Procurement, and Mail Management Branch (PPMMB), Property and Supply Management Division (PSMD), Rural Development, St. Louis, Missouri.

§ 2024.354 [Reserved]

§ 2024.355 Responsibilities.

(a) Employees. Each employee is directly responsible for the proper use and protection of any Government property assigned to them, and may be held financially responsible in cases of gross negligence. Whenever property is lost, stolen, damaged, or destroyed, the employee shall notify the PC or APO immediately.

(b) Property Custodian. The PC is responsible for the personal property within their given location and shall ensure that property is properly maintained, effectively utilized and controlled to protect it against improper use, theft, and undue deterioration, and that all reporting requirements are met.

(c) Accountable Property Officers. APOs must account for personal property under their control. This includes the following:

(1) Generate the PROP 304, PMIS Suspense Listing at least monthly and reconcile outstanding items on the listing ensuring that feeder items are processed accurately within 60 days of the date received from FFIS.

(2) Reference procurement documents to ensure that the FFIS/PROP interface has transmitted accountable property items to PROP in conjunction with item 1 above.

(3) Effectively utilize property under their control.

(4) Authorize excess property transfers between offices under their jurisdiction and to other USDA activities.

(5) Report excess property not applicable to item 4 above to the DEPPC.

(6) Report lost, stolen, damaged, destroyed, or unserviceable property to the PMO.

(7) Maintain and safeguard property under their control and conduct and reconcile a physical inventory of all records of PMIS/PROP accountable personal property biennially or as directed by the PMO or APMO, and update the APO inventory date on the PMIS/PROP system.

§ 2024.355 (Con.)

(d) Property Management Officer.

(1) PMOs shall assume ultimate responsibility for personal property under their control. This includes the following:

(i) Implementation of Agency policies, procedures and standards.

(ii) Initial determinations regarding apparent gross negligence for property within their jurisdiction.

(iii) Authorization of direct transfers of excess property to other Federal agencies in accordance with FMR 102-36.145;

(iv) Issuance of disposal instructions for excess property determined by the General Services Administration (GSA) to be surplus personal property in accordance with the FMR and the AGPMR.

(v) Coordination of all transfer or disposal of Information Technology (IT) equipment with the Agency State Office Information Resource Manager (IRM).

(vi) Retention in Agency files of Forms AD-112, "Report of Unserviceable, Lost, Stolen, Damaged, or Destroyed Property," and supporting documentation from date signed by PMO and applicable transfer/disposition forms for a period of three (3) years.

(2) PMOs/APOs shall not allow property to be used for any purpose other than official Rural Development duties. PMOs/APOs must ensure that these responsibilities are effectively executed in all offices under their jurisdiction. Failure to comply with any of these responsibilities will be cause for official action. Depending on the individual circumstances, financial penalty or other disciplinary action may be appropriate.

(e) State Directors. The State Directors shall enforce personal property policies within their jurisdiction.

(f) Agency Property Management Officer. The APMO shall be responsible for Rural Development personal property. This includes the following:

- (1) Developing and implementing Agency policies, procedures, and standards for the effective utilization, accountability, control, and disposition of personal property.
- (2) Directing periodic property surveys to evaluate Agency personal property programs.
- (3) Ensuring that all accountable personal property acquired is appropriately accounted for by the PMOs.
- (4) Making final determinations, if required, regarding apparent gross negligence for Agency personal property.
- (5) Reporting to the Department regarding personal property management activities within the Agency.
- (6) Training State Office personnel responsible for personal property management and updating, as appropriate, the Training Manual/Desk Reference Guide.

§ 2024.356 Property Utilization.

- (a) Use Standards. Rural Development shall furnish and maintain Agency offices in accordance with reasonable standards of appearance, working efficiency, and comfort. PMOs/APOs should utilize existing available personal property prior to requesting new.
- (b) Reporting Excess Personal Property. Excess property will be reported to the APO on Standard Form (SF) 120, "Report of Excess Personal Property," in the following manner:
 - (1) The PC in the office where the property is located prepares the SF-120. The SF-120 must include the serial/NFC Identification number when applicable, a full description of the property including its condition (see Exhibit A), and the estimated cost of local repair when known.

Note: If expedited disposal is required due to an office move or closure, complete an SF-120 and include the statement "Accelerated screening requested-office listed in block 14 is closing on (date)." The SF-120 should be approved by the APO and submitted to the DEPPC.

§ 2024.356(b) (Con.)

(2) The PC forwards the SF-120 to the State Office and places a copy in a suspense file to await final disposition instructions from the APO.

(3) The APO electronically enters the property into excess status through the PMIS/PROP. When entering excess property, the APO will allow the "Reimb" data field to default to "2" which allows the surplus property to enter GSA sales after Federal utilization and donation screening has been completed. A copy of the SF-120 is retained in a suspense file to await final disposition instructions from the DEPPC or GSA via the PMO.

(4) After Departmental screening is completed, the DEPPC authorizes Departmental transfers and notifies the PMO. When no USDA requests are received for reported property, the excess reports will be electronically transmitted to GSA. GSA will offer the property for transfer to other Federal agencies and donation to Federal recipients. This screening, including processing time, is approximately 35 calendar days after which the surplus property enters GSA sales. If GSA elects not to offer the property for sale or is unable to sell the property, the excess reports will be returned to the Agency. The PMO authorizes and issues instructions for disposition of the property.

NOTE: Excess reports will be returned to the PMO for donation under the guidance of 7 Code of Federal Regulations (CFR) Part 2812 if donation authorization has been requested or for transfer following procedures outlined in 7 CFR Chapter XXXII if property has been requested. Property to be donated or transferred under these procedures will not be reported to GSA.

NOTE: Donations of personal property under 7 CFR Part 2812 must be reported to the APMO annually by October 15.

NOTE: For disposal of Information Technology (IT) commercial software, refer to AGPMR Part 104-43, "Utilization of Personal Property," Subpart 104-43.6, "Disposition of Information Technology (IT) Excess Personal Property."

(c) Requesting Excess Personal Property. The FMR 102-36.65 states "Using excess personal property to the maximum extent practicable maximizes the return on Government dollars spent and minimizes expenditures for new procurement. Before purchasing new property, check for any available excess personal property that may be suitable for your needs." Field offices needing property shall, to the maximum extent practicable, utilize Departmental excess property, and consider available excess from other Federal agencies. The monthly USDA "Excess Property Catalog" may be accessed through the Internet at <http://www.nfc.usda.gov/propexcs/>. Requests for excess items should be electronically transmitted by the APO through the PMIS/PROP. The DEPPC also maintains a "wants list" of items of excess property needed by field offices. In some instances, excess property may be acquired from other Federal agencies. To request this property, the APO shall prepare an SF-122, "Transfer Order Excess Personal Property," as directed in FMR 102-36.145.

(d) Office Machine Repair. Decisions to repair or replace office machines should be based on a comparison of the equipment's estimated repair cost, age, and repair history. Other factors such as loss of productivity due to downtime, the availability of repair parts, and technological obsolescence should also be considered. The key is that an objective decision be made in consideration of all the facts and that it be well documented.

§ 2024.357 Unofficial or Unauthorized Use of Personal Property.

If an employee knows or suspects that Agency personal property has been, is, or will be misused, appropriated for personal use, or used for unofficial or unauthorized purposes, such instances shall be reported as follows:

(a) The employee having such knowledge will immediately report it to his/her supervisor.

(b) The supervisor will immediately transmit this information through the PC, APO, and PMO. The report shall include names, dates, description of property, and other pertinent information that is readily available.

(c) The PMO will determine the action to be taken and advise the State Director.

§ 2024.358 Inventory Routines.

Official property records for accountable property are maintained on PMIS/PROP. These records are accessible to the PMOs, APOs, and their designees. Physical inventories of personal property on the PMIS/PROP system should be conducted every two (2) years. The Area and Local Offices shall forward copies of the verified inventory reports to the State Office for reconciliation. The State Office conducts and reconciles its own inventory and maintains records of all offices within the State. Inventories will also be conducted when there is a change of accountability as outlined in § 2024.361 of this Instruction. Additionally, the APMO may request physical inventories more frequently as deemed essential for control and protection.

(a) Physical Inventories. The PMO and/or APO will request inventories from their offices. The APO will furnish two copies of PROP302, Personal Property Physical Inventory Report (see Exhibit B) to the PC for physical inventory. When the physical inventory has been completed and all supporting documentation attached, the PC must sign the inventory certification sheet for the PROP302 report and forward with the reports to the APO. The PC retains the second copy.

(1) In conducting physical inventories, PCs or APOs should physically locate each item on their PROP 302 report. Once the item is located, information related to the item should be verified, i.e., acquisition cost, acquisition date, serial number, document number, etc. Special emphasis should be placed on verifying the financial data on the PROP 302 report.

The PC should take the necessary actions to ensure that **all** personal property is properly secured and utilized. Any obvious misuse or theft should be reported to the APO via telephone, followed with a Form AD-112, "Report of Unserviceable, Lost, Stolen, Damaged or Destroyed Property," and if applicable, a police report. When reports are received, the PMO will determine what actions are required.

(2) If items are found that should be on the PROP 302 report but are not, they should be annotated on the property inventory report. Acquisition documentation, i.e., purchase order, credit card documentation, invoices, transfer order, etc., should be attached to the PROP 302 report.

(3) If items listed on the physical inventory report are not found, disposal documentation for these items must be provided. Documentation should include any evidence indicating disposal or transfer authorizations. In the absence of authorized disposal documentation, a Form AD-112 should be prepared by the PC and attached to the property inventory report.

(4) PCs and APOs should take this opportunity to identify and report all excess or unserviceable personal property for disposal as outlined in § 2024.356(b) of this Instruction.

(b) Reconciliation of Personal Property Records and Physical Inventories. Inventories shall be completed at least every two (2) years and forwarded to the APO. The APO will reconcile and update the PMIS/PROP system after receipt of the PROP 302 report and supporting documents from the PCs. The APO is responsible for conducting, reconciling, and updating the State Office PMIS/PROP 302 report information in the PMIS/PROP system. When the inventories are reconciled and updated, the APO will change the inventory date on the PMIS/PROP records to reflect the date of completion.

The PMO will sign the physical inventory certification sheets and file with reports in the appropriate office inventory file.

§ 2024.359 Inventory File.

The APO shall maintain an inventory file for all offices within their jurisdiction. All documents and correspondence pertaining to accountable personal property should be kept in the inventory file. Retention is two (2) fiscal years (FY) after the fiscal year in which the record was created.

§ 2024.360 Lost, Stolen, Damaged, Destroyed, or Unserviceable Property.

When personal property is obsolete, lost, stolen, damaged, or destroyed, PCs shall prepare and submit a Form AD-112 as outlined below.

(a) Report Requirements.

(1) The PC will prepare an original and two copies of Form AD-112 and sign and date in block four (4). The preparing office retains one copy. The original and one copy, along with any supporting documentation, are sent to the APO for review.

§ 2024.360(a) (Con.)

(2) The APO reviews the Form AD-112, ensuring the information shown in Section III of this section is accurate and complete. The APO includes recommendations and signs and dates in block five (5). The APO sends the original of the Form AD-112 to the PMO for determination of action to be taken. Estimates of repairs, police reports, or any other information supporting the circumstances shall be submitted as appropriate. Original of the Form AD-112 and supporting documentation are retained in State Office files for three (3) years from date signed by PMO. The information on these forms may be used in preparation of annual reports.

(b) Obsolete or Unserviceable Property. The PC uses Form AD-112 for reporting personal property that has become unserviceable through normal usage. The following information must be included:

- (1) Description of the property with serial/NFC ID number (if applicable).
- (2) Explanation of the condition that makes the property unserviceable. Avoid using statements such as "the property is in 'bad condition' or 'unserviceable.'" The PC retains one copy of Form AD-112 and a copy is sent to the APO for review. The APO reviews the Form AD-112 and includes recommendations and signature. The APO forwards the AD-112 to the PMO for determination.

(c) Lost or Stolen Property. Employee liability for lost or stolen personal property is based on the facts provided on Form AD-112. The following information must be included:

- (1) Description of the property and serial/NFC ID number (if applicable).
- (2) Date the property was determined lost or stolen.
- (3) Last date the property was known to be in the office.
- (4) Details of APOs efforts to locate the property.
- (5) Date the property was reported stolen either to the local law enforcement unit, building manager, or GSA guard office. Attach a copy of their report to the Form AD-112. If a report cannot be obtained, the APO must include a statement that the loss was reported to the police, but a copy of their report was not made available.

(d) Damaged or Destroyed Property. For personal property damaged by other than normal usage, the following information must be included on Form AD-112:

- (1) Description of the property with serial/NFC ID number (when applicable).
- (2) Extent of damage.
- (3) Cost of repairs (estimated, if not known).
- (4) How the damage occurred.
- (5) Name of person responsible (when applicable).

(e) Review of Form AD-112 by the PMO. When the Form AD-112 is received the PMO will determine the action to be taken, sign, and date in Section II/Section III as appropriate.

(f) Determination of Employee Liability. All reports of lost, stolen, damaged, or destroyed personal property are reviewed by the PMO to determine possible employee gross negligence. If the PMO determines that loss or damage did not result from negligence, the Form AD-112 will be approved. When facts show possible employee gross negligence, the PMO will determine liability. All evidence included on the Form AD-112, investigative reports, and the APO's written statements will be considered in determining whether the employee was negligent, and whether they will be held financially liable. The PMO annotates Form AD-112 with the decision and forwards it to the APO. If the employee has been relieved of liability, a copy of the Form AD-112 will be forwarded through the appropriate APO to the employee. If the determination is to hold the employee liable, the PMO will issue a letter to collect for the loss or damage under the provision of 31 US Code, Chapter 37, Claims. This letter and the Form AD-112 will be sent through the APO to the employee. Cases of negligence may also be referred to Agency personnel officials for consideration of disciplinary action. Liability and the rights of employee appeal are determined as follows:

- (1) Employee liability is normally determined when the facts indicate that the employee did not take prudent steps to safeguard the property.

§ 2024.360(f) (Con.)

(2) The amount to be charged employees for lost, stolen, or destroyed property is based on the inventory value, less reasonable depreciation, or the replacement value, whichever is less.

(3) The amount to be charged employees for damaged property is the actual cost to the Government to restore the property to its condition before the damage occurred.

If the item cannot be economically repaired, the amount charged is based on inventory value, less reasonable depreciation, and less its estimated or actual sale value without repairs.

An employee charged with gross negligence and found liable for lost, stolen, damaged, or destroyed property has the right to appeal to the Agency Administrator under the hearing process prescribed by 31 US Code, Chapter 37, Claims.

(g) Payment for Lost, Stolen, Damaged, or Destroyed Personal Property.

An employee found liable can make payment by submitting a certified cashiers check made to Rural Development for the full amount or by requesting in writing that the full amount be withheld from their pay. The certified cashiers check should be sent to the corresponding PMO. The PMO will be responsible for submitting the check for deposit using the 9-digit accounting code (last digit of FY) JM100028. The check should be forwarded to the following address:

USDA Rural Development
Administrative Collections
P.O. Box 70792
Chicago, Illinois 60673

(h) If an employee does not make full payment or does not consent to withholding from current salary payments, the debt will be certified to the Treasury Department for offset against final payment at the time the employee leaves the Agency.

§ 2024.361 Change of Accountability.

Upon the death, resignation, retirement, transfer, reassignment, or extended absence of a PC, APO, or PMO, an inventory shall be conducted of all property under their jurisdiction. When possible, such inventories shall be conducted by the incumbents and their successors who jointly certify to their accuracy. Where such action is not feasible, the employee assuming the responsibility for the personal property shall conduct and certify the inventory. The former PC, APO, PMO or his/her estate may be held financially liable for all accountable property not accounted for.

(a) Succeeding PC. When a PC is succeeded in office, the individual transfers to the successor all personal property for which he/she is responsible as outlined below. Printouts of current inventories can be obtained from NFC by the APO for this purpose (see exhibit B of this Instruction).

(1) The outgoing PC verifies an inventory report for their ending period in an original and two copies, and types on the report the words "Change in Custody."

(2) The incoming PC certifies the accuracy of the inventory by signing the original and one copy. Missing items are lined out and initialed by both the outgoing and incoming PC. The incoming PC does not sign for property on loan unless there is an authorization of the loan signed by the APO and the PMO on file. Loaned property accountability is the responsibility of the outgoing PC.

(3) The outgoing PC sends the signed original of the inventory report to the APO, keeps a signed copy, and gives the second copy to the incoming PC. Missing items on the inventory report are reported to the APO on Form AD-112. Prompt processing of these forms assists in final salary payment when an employee is leaving the Agency because final salary is withheld until accountability has been cleared. Therefore, clearances should be started 30 days in advance, if possible.

(4) The incoming PC puts the second copy of the inventory report in the inventory file.

(b) Succeeding APO. Procedures similar to paragraph (a) of this section shall be followed. However, the inventory report will be submitted to the PMO for clearance.

§ 2024.361 (Con.)

(c) Other Successions. If any other custodial relationship is to be terminated and a succeeding official has not been appointed, State Directors, PMOs (or the APMO) will designate a temporary official. Procedures similar to paragraph (a) of this section will then be followed.

§ 2024.362 Transfers of Personal Property.

(a) Within Rural Development. APOs can authorize the transfer of personal property within their jurisdiction. With verbal approval from the APO, the transferring office prepares Form AD-107, "Report of Transfer or Other Disposition or Construction of Property."

(b) Within the Department. When excess personal property is not needed within Rural Development, the PC should make it available to other local USDA activities. The APO must authorize any transfer. If the excess property is not needed locally within USDA, the APO reports it to the DEPPC, as described in § 2024.356(b) of this Instruction. Property not needed within USDA will be electronically transmitted to GSA for possible Federal utilization, donation, and sale. The APO will provide the property location with the necessary documents, i.e., Forms AD-107, SF-122, SF-123, "Transfer Order Surplus Personal Property," and instructions for transfer or other disposition and relief of accountability.

(c) Within the Federal Government. PMOs will authorize direct transfer of excess personal property to other Federal agencies in accordance with Federal Management Regulations FMR 102-36.145.

(d) Shipment by Freight. Refer to 41 CFR 102-117 and 41 CFR 102-118 for shipping instructions. Rural Development personnel during regularly scheduled travel should transport all small items of equipment and furniture, where possible, to minimize transportation costs.

NOTE: Copies of all completed forms for transfers or other disposition of personal property will be provided to the PMO for retention in State Office files for three (3) years from date received. The information on these forms may be used in the preparation of annual reports.

§ 2024.363 Borrowing and Lending of Government-Owned Personal Property.

Careful consideration should be given to whether needs could be satisfied by borrowing personal property, which may be available from other agencies. An agency lending property to another agency may provide, by agreement, that the property is returned in the same condition as when it was loaned. The expense of placing the property in such condition will be borne by the borrowing agency. Area and local offices shall not lend property to other USDA Agencies without prior written authorization from the APO. Offices can lend property to Rural Development employees on official business; however, a receipt on Optional Form (OF) 7, "Property Pass," and documentation of the inventory file is required. Personal property in the custody of Rural Development will not be loaned to any private person or concern.

§ 2024.364 Storage of Excess Personal Property.

Excess personal property will not be put in paid storage without the APMOs prior approval.

§ 2024.365 Identification of Personal Property.

Decals to identify all Agency personal property should be placed on items such as chairs, tables, bulletin boards, desk lamps, and similar items, which might become mixed with other agencies' property in collocated offices. Any such decals, including those available from the Rural Development warehouse, are acceptable.

§ 2024.366 Personal Property Security.

(a) PCs, APOs, and PMOs should ensure that Government personal property, including Government-furnished equipment (GFE), is properly secured and that employees are aware of security procedures. Nonexpendable Government property should be secured in locked offices or cabinets, as appropriate, to minimize risk of loss or unauthorized use. When property must be removed from the office to conduct official business off site, employees should use OF-7. This form should also be used for the removal of personally owned property when security regulations are in force in a given building. An original and two copies of the OF-7 are to be completed and signed by the PC or APO

§ 2024.366 (a) (Con.)

authorizing the property removal. One copy will be furnished to the person authorized to remove the property, who will surrender the copy of the OF-7 upon request to the guard when leaving the building. The PC or APO should retain the duplicate copy of the OF-7 until the Government property is returned. The original copy should be retained in the inventory file. Damage, theft, or loss of this property should be reported immediately.

(b) Removable property, i.e., air conditioners, service counters, etc., in private buildings may be abandoned during office relocations only when it is not cost effective to remove and restore the premises. PCs/APOs will advise the PMO of estimated costs to remove and restore the premises, if required. The PMO will advise the PC/APO of the action to be taken.

§ 2024.367 Rental and Lease of Personal Property.

Personal property should only be rented or leased in emergency situations and/or when it is financially advantageous to the Government.

Note: Requests to rent automated data processing equipment for field offices must be sent to the Chief Information Officer (CIO), in Washington, DC.

§§ 2024.368 - 2024.369 [Reserved]

§ 2024.370 Sales.

(a) GSA Sales. GSA will notify the PMO when personal property has been reported for disposal by sale. The PC will:

- (1) Cooperate with any reasonable requests from GSA.
- (2) Ensure that no offers are solicited until forms and instructions are received from GSA.
- (3) Advise the PMO when the sale has been completed and the property released to the buyer.

(b) Sales to Employees. Rural Development employees can buy personal property in Rural Development custody only when it is offered for sale on the basis of competitive bids. An employee who formerly used property, was accountable for it, or who was in any way connected with its condemnation, declaration as excess, or sale cannot purchase property, either directly or indirectly.

§ 2024.371 Donations.

(a) Personal property, which is surplus to the Government's needs, can be donated to public bodies under conditions established by the PMO. As defined in FMR 102-36.320, "public body" is any department, agency, special purpose district, or other instrumentality of a State or local government; any Indian tribe; or any agency of the Federal Government. Those who accept donated property must pay for its packing and removal.

NOTE: If there is interest from an eligible non-profit organization (as defined in 41 CFR Part 101-44) that is not a public body in acquiring the property, you must contact the regional GSA Personal Property Management office and implement donation procedures in accordance with 41 CFR Part 101-44.

(b) Eligible property may be donated to educational institutions and educational non-profit organizations as authorized by section 11(I) of the Stevenson/Wydler Technology Act (Pub.L.102-245) and Executive Order 12999 after DEPPC screening has been accomplished. See 7 CFR Part 2812 for donation procedures.

(c) IT equipment officially determined obsolete by the CIO does not require DEPPC screening and may be donated with PMO approval.

(d) Following DEPPC screening, eligible property may also be transferred to the 1890 Land Grant Institutions (including Tuskegee University), the 1994 Land Grant Institutions and the Hispanic-Serving Institutions as authorized by section 923 of the Federal Agriculture Improvement and Reform Act (FAIR) of 1996 (Pub. L.104-127). See 7 CFR Chapter XXXII for transfer procedures.

§ 2024.372 Destruction or Abandonment.

When property is to be abandoned or destroyed, the PC and APO will request disposal in Section I of Form AD 112 and forward to the PMO. The PMO will authorize disposal as applicable in Section III of the form and return to the APO.

§ 2024.372 (Con.)

The APO will then forward the form to the PC for the authorized action. After the authorized disposal action is complete, the PC will certify this in Section IV and return to the APO. The APO will then certify that the records have been adjusted, retain a completed copy of the Form AD-112 and forward copies to both the PC and PMO to complete and document the disposal process.

§§ 2024.373 - 2024.400 [Reserved]

Attachments: Exhibits A and B.

oOo

CONDITION CODES
(Prescribed by GSA Effective December 1, 1998)

- 1 - Excellent - Property which is in new condition or unused condition and can be used immediately without modifications or repairs.

- 4 - Usable - Property which shows some wear, but can be used without significant repair.

- 7 - Repairable - Property which is unusable in its current condition, but can be economically repaired.

- X - Salvage - Property which has value in excess of its basic material content, but repair or rehabilitation is impractical and/or uneconomical.

- S - Scrap - Property which has no value except for its basic material content.

DATE 02/25/2003
PROP302

UNITED STATES DEPARTMENT OF AGRICULTURE
PERSONAL PROPERTY PHYSICAL INVENTORY REPORT
FEDERAL SUPPLY CLASS/SERIAL-NUMBER

07AGAK0729708004AR PAGE 1
PREPARED BY USDA/OFM/NFC

SHEILA PALMER
USDA-RD PERS PROP MGMT BR (PPMB)
1520 MARKET STREET ROOM 2132
ST LOUIS MO 63103

A.O. NO: AK-07-29-7080-04-BH PHONE: 314-335-8184
LAST DATE INVENTORIED: 07-30-2002

FUND	DOC	DOCUMENT	LINE	SERIAL	ACQUISITION	DATE				
ID NUMBER	FSC	TYPE	NUMBER	ITEM	NUMBER	COST	ACQUIRED	MODEL	DESCRIPTION	MFG
TYPE										
AG0002573844	5830	838	4064KX03822	0001		11,774.00	02/14/91	TC10	PUBLIC STORAGE TECH ELECT	A
0700660730	7110	CONV	CONV	0001	S0000179865	14,292.61	01/01/78	004	RECORDS STORAGE 004	A
A. O. TOTAL NUMBER OF ITEMS			2	ACQ COST	26,066.61					

DATE 02/25/2003
PROP302

UNITED STATES DEPARTMENT OF AGRICULTURE
PERSONAL PROPERTY PHYSICAL INVENTORY REPORT
BY FEDERAL SUPPLY CLASS/SERIAL-NUMBER

07AGAK0729708004BH Page 2
PREPARED BY DA/OFM/NFC

SHEILA PALMER
USDA-RD PERS PROP MGMT BR (PPMB)
1520 MARKET STREET ROOM 2132
ST LOUIS MO 63103

A.O. NO: AK-07-29-7080-04-BH PHONE: 314-335-8184
LAST DATE INVENTORIED: 07-30-2002

ON THE ATTACHED LIST ARE ALL OF THE PERSONAL PROPERTY ITEMS FOR WHICH YOU ARE THE ACCOUNTABLE OFFICER. YOU ARE REQUESTED TO MAKE OR CAUSE TO BE MADE A COMPLETE PHYSICAL INVENTORY OF ALL OF THE LISTED ITEMS.

FOR ITEMS NOT ACCOUNTED FOR THAT ARE LISTED ON THIS REPORT AND/OR FOR ITEMS ACCOUNTED FOR BUT NOT LISTED ON THIS REPORT, AN UPDATE SHOWING THE CORRECT DISPOSITION MUST BE ENTERED THROUGH THE ON-LINE PROPERTY SYSTEM.

----- C E R T I F I C A T I O N -----

I CERTIFY THAT I HAVE MADE OR CAUSED TO BE MADE A PHYSICAL INVENTORY OF ALL OF THE PERSONAL PROPERTY ITEMS LISTED ON THE PERSONAL PROPERTY INVENTORY REPORT AND THAT THE ITEMS AS INDICATED ON THE REPORT WERE ON HAND AT THE CLOSE OF BUSINESS ON _____, EXCEPT FOR THE FOLLOWING ITEMS: (LIST NFC I.D. NUMBERS).

SIGNATURE OF ACCOUNTABLE OFFICER DATE REVIEWED BY SIGNATURE OF PROPERTY MANAGEMENT OFFICER

oOo