

# **U.S. NUCLEAR REGULATORY COMMISSION**

## **DIRECTIVE TRANSMITTAL**

**TN: DT-02-01**

**To:** NRC Management Directives Custodians

**Subject:** Transmittal of Directive 13.1, "Property Management"

**Purpose:** Directive and Handbook 13.1 have been revised to (1) raise the threshold for nonsensitive items entered into and controlled in the Property and Supply System (PASS) from \$300 to \$500, and require inventory of all items in PASS regardless of depreciated value. (Nonsensitive items falling below the PASS threshold receive red tags.); (2) clarify guidance regarding lost or stolen equipment; (3) require property custodians to submit annual certifications confirming accuracy of accounts; (4) revise tagging procedures to require that purchase card log sheet be documented with tagging information; (5) designate Branch Chief as the individual with authority to approve purchase requests for supplies when the estimated cost is \$300 or less; and make editorial changes.

**Office and Division of Origin:** Office of Administration

**Contact:** Sharon Boone, 415-7567

**Date Approved:** July 31, 1996 (Revised: January 14, 2002)

**Volume:** 13 Transportation, Facilities, and Property

**Directive:** 13.1, Property Management

**Availability:** Rules and Directives Branch  
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**OFFICE OF ADMINISTRATION**

# ***Property Management***

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## ***Directive 13.1***

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## **Contents**

<b>Policy .....</b>	<b>1</b>
<b>Objectives .....</b>	<b>1</b>
<b>Organizational Responsibilities and Delegations of Authority .....</b>	<b>1</b>
Executive Director for Operations (EDO) .....	1
Inspector General (IG) .....	1
Chief Financial Officer (CFO) .....	2
Chief Information Officer (CIO) .....	2
Deputy Executive Director for Management Services (DEDM) .....	2
Director, Office of Administration (ADM) .....	2
Office Directors and Regional Administrators .....	3
Director, Division of Contracts and Property Management (DCPM), ADM .....	3
Director, Division of Administrative Services (DAS), ADM .....	4
Director, Division of Facilities and Security (DFS), ADM .....	5
Director, Division of Accounting and Finance (DAF), Office of the CFO (OCFO) ..	5
<b>Applicability .....</b>	<b>5</b>
<b>Handbook .....</b>	<b>6</b>
<b>References .....</b>	<b>6</b>



# U. S. Nuclear Regulatory Commission

Volume: 13 Transportation, Facilities,  
and Property

ADM

## Property Management Directive 13.1

### Policy (13.1-01)

It is the policy of the U.S. Nuclear Regulatory Commission to manage and use property and supplies in its possession or its contractors' possession effectively and efficiently and to provide sufficient controls to deter or eliminate loss through fraud, waste, or misuse.

### Objectives (13.1-02)

To establish and apply NRC standards and procedures for the use and control of property in accordance with Federal Property Management Regulations (FPMR), the Federal Acquisition Regulation, and guidance provided by the Office of Management and Budget, the General Services Administration, and the General Accounting Office.

### Organizational Responsibilities and Delegations of Authority (13.1-03)

#### Executive Director for Operations (EDO) (031)

Maintains overall responsibility for NRC property and supplies.

#### Inspector General (IG) (032)

Investigates reports of theft or diversion of NRC assets and reviews reports of lost, damaged, or destroyed NRC property.

**Volume 13, Transportation, Facilities, and Property  
Property Management  
Directive 13.1**

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**Chief Financial Officer (CFO)**  
(033)

Maintains overall responsibility for agency assets.

**Chief Information Officer (CIO)**  
(034)

- Approves requests for the acquisition, repair, transfer, or disposal of information technology (IT) hardware and software, network equipment, automated systems, telecommunications equipment, filing equipment and systems, micrographics equipment, library materials, and printing and copying equipment. (a)
- Determines IT equipment suitable for excess or donation under the Computers for Learning Program and provides a listing of this equipment to the Administrative Services Center (ASC), Office of Administration. (b)

**Deputy Executive Director for Management  
Services (DEDM)**  
(035)

Oversees the NRC property management program.

**Director, Office of Administration (ADM)**  
(036)

- Manages the NRC property program. (a)
- Independently reviews Property Survey Board decisions if the affected party appeals. (b)
- Monitors and documents purchases for furnishing, redecorating, or making improvements to the offices of NRC Presidential appointees to ensure that the \$5000 limit is not exceeded (Pub. L. 101-136). (c)

**Office Directors and  
Regional Administrators  
(037)**

- Ensure that requests for furniture, equipment, and related services are fully justified and support mission-related activities. (a)
- Designate in writing to the Property Accountability Officer (PAO), ADM, those individuals who serve as property custodians and alternates to perform the duties specified in Handbook 13.1. (b)
- Support waste reduction and recycling programs implemented by the General Services Administration and building lessors. (c)

**Additional Responsibilities of Regional Administrators:**

- Oversee regional self-inventories. (a)
- Ensure compliance with NRC procedures for issuance and disposal of Government personal property, including reporting excess property for the Computers for Learning Program. (b)
- Submit estimated requirements for furniture, equipment, and other property (e.g., the special needs category) to ADM for planning and budgeting purposes. (c)

**Director, Division of Contracts and  
Property Management (DCPM), ADM  
(038)**

- Implements NRC Government personal property policies and develops procedures. (a)
- Oversees NRC equipment through tagging and inventory programs. (b)
- Directs headquarters equipment inventories, oversees regional equipment inventories, and periodically performs regional property inventories. (c)

**Volume 13, Transportation, Facilities, and Property**  
**Property Management**  
**Directive 13.1**

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**Director, Division of Contracts and**  
**Property Management (DCPM), ADM**  
**(038) (continued)**

- Ensures that statements of work contain adequate property controls and that appropriate terms and conditions regarding the title of property purchased with NRC funds are included in solicitations and contracts. (d)
- Administers the NRC program for Government personal property held by an NRC commercial contractor. (e)
- Provides an annual report regarding contractor-held capital property to the Office of the CFO. (f)
- Designates the PAO. (g)
- Manages the electronic property and supply system. (h)

**Director, Division of Administrative**  
**Services (DAS), ADM**  
**(039)**

- Provides controls and accountability for NRC furniture and supplies. (a)
- Supports NRC requirements for furniture and supplies and labor and warehouse services. (b)
- Conducts supply and furniture inventories. (c)
- Establishes use standards,<sup>1</sup> when appropriate, to ensure uniformity, flexibility, and proper use and disposal of supplies, furniture, equipment, and related services. (d)
- Budgets and monitors expenditures for NRC furniture, general office equipment, and headquarters supplies. (e)

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<sup>1</sup> Use standards are a combination of authority to obtain an item of property together with a justification of why the property is needed. The *Code of Federal Regulations*, 41 CFR Subpart 101-25.3, prescribes the minimum use standards for certain types of Government-owned property. Generally, use standards provide the criteria through which a determination may be made as to when, and in what quantity, certain types of equipment are authorized for use within an Executive agency.

**Director, Division of Administrative  
Services (DAS), ADM**  
(039) (continued)

- Manages the NRC waste reduction and recycling program in accordance with Executive Order 13101 and the Resource Conservation and Recovery Act, and prepares annual reports to Montgomery County and the Federal Environmental Executive. (f)
- Designates the Property Management Officer. (g)

**Director, Division of Facilities and  
Security (DFS), ADM**  
(0310)

- Provides agency oversight, including prompt notification to OIG of suspected instances of loss, damage, or theft of property. (a)
- Approves requests for acquisition, transfer, or disposal of security equipment, systems furniture, and climate control and facility equipment. (b)

**Director, Division of Accounting and Finance (DAF),  
Office of the CFO (OCFO)**  
(0311)

- Manages the financial records for NRC capital property and provides financial reports, as required. (a)
- Collects reimbursements from employees determined to be liable by the Property Survey Board for lost, stolen, destroyed, or damaged property. (b)

**Applicability**  
(13.1-04)

The policy and guidance in this directive and handbook apply to all NRC employees and, where applicable, to NRC contractors.



**Volume 13, Transportation, Facilities, and Property**  
**Property Management**  
**Directive 13.1**

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**Handbook**  
(13.1-05)

Handbook 13.1 contains guidelines and procedures for control and accountability of NRC property and supplies, including property held by commercial contractors and to ensure that Government personal property is protected against waste, theft, or misuse. Management Directive 11.7, "NRC Procedures for Placement and Monitoring of Work With the U. S. Department of Energy (DOE)," governs property purchased with NRC funds through DOE laboratory work orders.

**References**  
(13.1-06)

Budget and Accounting Act, Pub. L. 84-863 (31 U.S.C. 3512).

*Code of Federal Regulations*

Federal Property Management Regulations—

41 CFR 101-25.100, "Use of Government Personal Property and Nonpersonal Services."

41 CFR 101-25.301, "General."

41 CFR 101-25.302, "Office Furniture, Furnishings, and Equipment."

41 CFR 101-26.2, "Federal Requisitioning System."

41 CFR 101-43.3, "Utilization of Excess."

41 CFR 101-44.2, "Donations to Public Agencies and Eligible Nonprofit Tax-Exempt Activities."

41 CFR 101-45.3, "Sale of Personal Property."

41 CFR 101-45.9, "Abandonment and Destruction of Personal Property."

Federal Acquisition Regulation—

48 CFR Part 45, Federal Acquisition Regulations System, "Government Property."

Debt Collection Act of 1982 (5 U.S.C. 5514 Note).

## **References**

(13.1-06) (continued)

Executive Order 12999, "Educational Technology, Ensuring Opportunity for All Children in the Next Century," April 17, 1996.

Executive Order 13101, "Greening the Government Through Waste Prevention, Recycling, and Federal Acquisition," September 14, 1998.

Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 483 and 487).

General Accounting Office, Statement of Federal Financial Accounting Standards No. 6, "Accounting for property, Plant, and Equipment," February 28, 1997.

General Services Administration Bulletin FPMR H-76—Utilization and Disposal, August 10, 1999.

NRC Division of Contracts Instruction 94-05, "Incorporating Property Accountability Standards in Contracts," November 3, 1994.

— Management Directive 3.53, "NRC Records Management Program."

— Management Directive 11.7, "NRC Procedures for Placement and Monitoring of Work With the U.S. Department of Energy (DOE)."

— Office of the Controller Policy Guidance, Chapters 1 and 2, draft of August 17, 1995.

Resource Conservation and Recovery Act of 1976, Section 6002 (42 U.S.C. 6962).

Treasury Department Appropriations Act of 1989 (Pub. L. 101-136, Section 614).

# ***Property Management***

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## ***Handbook 13.1***

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## Contents

### Part I

<b>NRC Property .....</b>	<b>1</b>
General (A) .....	1
Property Management Officer (PMO) (B) .....	1
Property Accountability Officer (PAO) (C) .....	2
Property Custodians (D) .....	3
NRC Employees (E) .....	4
Accountable Property (F) .....	5
NRC Property and Supply System (PASS) (G) .....	5
Tagging and Control of Equipment (H) .....	5
Tagging of Equipment (1) .....	5
Control of Equipment (2) .....	6
Custody of Equipment (I) .....	7
Reassignment or Transfer of Equipment (J) .....	7
Equipment Inventories (K) .....	7
Maintenance and Repair of Property (L) .....	8
Transfer/Donation of Excess Computer Equipment (M) .....	9

### Part II

<b>Requests, Delivery, and Removal of NRC Property .....</b>	<b>11</b>
Property Requests (A) .....	11
Deliveries (B) .....	13
Delivery of Newly Acquired Property Directly to NRC Buildings (1) .....	13
Delivery of Newly Acquired Property to the Warehouse (2) .....	13
Movement of Items To and From Storage (3) .....	14
Regional Office Delivery (4) .....	14
Bringing Privately Owned Property to NRC (C) .....	14
Removing Government Property From NRC (D) .....	14
Returning All Property Upon Separation From NRC (E) .....	15

## **Contents (continued)**

### **Part III**

<b>Financial Liability for Lost, Stolen, or Damaged Property and for the Transfer of Property</b> .....	16
Financial Liability (A) .....	16
Property Survey Board (B) .....	16
Loss or Theft of NRC Property (C) .....	18
Loss of NRC Property (1) .....	18
Theft of NRC Property (2) .....	18
Reporting Government Personal Property for Survey (D) .....	19
Preparing a Report of Property for Survey (1) .....	19
Certification to the PAO and the Property Survey Board (2) .....	19
Actions by the Property Survey Board (3) .....	20
Certificates of Accomplishment (4) .....	21
Destruction or Abandonment of Property (E) .....	21

### **Part IV**

<b>Commercial Contractor-Held Property</b> .....	23
General (A) .....	23
Property Records (B) .....	23
Reporting Requirements (C) .....	23

### **Part V**

<b>Standard Supplies and Furniture</b> .....	25
Just-In-Time Program (A) .....	25
Stocked Supplies (B) .....	25
Supply Store (1) .....	25
Large Supply Requests (2) .....	26
Special Approval of Stocked Supplies (3) .....	26
Delivery of Photocopy Paper (4) .....	26

**Contents (continued)**

**Part V (continued)**

Reuse of Supplies (C) .....	26
Furniture and Supply Inventories (D) .....	27
Stocked Furniture (E) .....	27

## Part I

### NRC Property

#### General (A)

Official NRC personal property records are maintained in an online interactive computer system that functions as the official database for NRC property transactions. The property and supply system (PASS) is managed by the Division of Contracts and Property Management (DCPM), Office of Administration (ADM). All other property records are subordinate to those maintained in PASS. (1)

“Government personal property” is defined as any equipment, furniture, or supply items that are owned, leased, borrowed, donated, forfeited, or transferred from another Federal agency, purchased with NRC funds, or otherwise in the possession or control of the NRC. (2)

“Capital Property” is any NRC-purchased property with an initial acquisition cost of \$50,000 or more. (3)

#### Property Management Officer (PMO) (B)

The Chief of the Administrative Services Center (ASC), Division of Administrative Services (DAS), ADM, serving as the NRC PMO—

- Reviews and approves destruction or abandonment of NRC property with an acquisition cost of \$100,000 or less (1)
- Approves requests for acquisition of non-information-technology (non-IT) equipment, furniture (except systems furniture), or supplies and the transfer, trade-in, and disposal of headquarters property (except systems furniture, climate control and facility equipment, and security equipment) (2)
- Annually reports excess and exchange/sale property to GSA (3)
- Approves headquarters reports of excess property (4)

## **Property Accountability Officer (PAO) (C)**

The Chief of the Property and Acquisition Oversight Branch (PAOB), DCPM, ADM, serving as the NRC PAO—

- Refers determinations of the NRC Property Survey Board to the Division of Accounting and Finance (DAF), Office of the Chief Financial Officer (OCFO), for collection of debts from employees, as appropriate (1)
- Authorizes removal from official records of lost, stolen, or damaged property with a depreciated value of \$500 or less (2)
- Is responsible for PASS, including approval of changes to the system and maintenance of data to ensure control of accountable property (3)
- Establishes property accounts; approves designations of property custodians to serve organizational segments lower than division level; and provides training, guidance, and assistance to designated property custodians (4)
- Designates two members and the chair of the Property Survey Board (5)

## **Property Custodians (D)**

All property custodians—

- Must conduct a joint inventory with his or her successor before custodial responsibilities are reassigned. The successor will have 30 days from the date of his or her custodial training to take appropriate followup action needed to resolve discrepancies. If a successor is not in place before the outgoing custodian leaves, a temporary custodian should be appointed to assist with the inventory. The outgoing custodian must certify to his or her supervisor that the information contained in the account is accurate. The supervisor shall ensure that this process is followed. (1)
- Manage and control assigned property by maintaining and updating PASS records to include equipment location, end user, and sensitive item holder supported by a completed NRC Form 119, "Custodial Receipt for Sensitive Personal Property." (2)



## **Property Custodians (D) (continued)**

- Conduct an annual review of the property account. The review should include all equipment controlled in the PASS and should also include a verification of all custodial receipts (NRC Form 119) for sensitive property. The review is to be conducted during the first quarter of each calendar year. The custodian shall verify and certify to DCPM that all PASS equipment records are accurate and include the assignment of sensitive equipment supported by the completed NRC Form 119. (3)
- Ensure procedures are in place to receive notification when a staff member transfers out of or into their property account and adjust property records accordingly. (4)
- Coordinate equipment moves, pickups, and exchanges with the Information Technology (IT) Coordinator. This task requires that the property custodian be proactive to ensure that such coordination takes place. (5)
- Before a departing employee leaves the agency, perform a search of PASS records to see what property is assigned to the individual and recover the equipment. Equipment can be reassigned to another individual within the property account, transferred to the property custodian for holding purposes for 30 days, or a request can be made through the IT Coordinator to have the equipment picked up. An NRC Form 30 must be completed and submitted to the ASC for return of non-IT equipment. If equipment cannot be located, an NRC Form 395, "Report of Property for Survey," must be submitted to DCPM before the employee separates. (6)
- After the above actions have been completed, sign the NRC Form 270, "Separation Clearance," when employees leave the agency. (7)
- Maintain a sign-out/sign-in log for property that is picked up by employees for use on a temporary basis. Review the log regularly to ensure that the property is returned to the central location in a timely matter. In general, any property to remain with an individual for more than 30 days should be assigned to that individual on a permanent basis. (8)
- Accept or reject proposed transfers in PASS within 3 calendar days of receiving notification that a transfer has been put in action. (9)

## **Property Custodians (D) (continued)**

- Ensure that property holders are made aware of their responsibilities for the use and care of NRC property at the time the property is assigned to them. (10)
- Participate in official property inventories by accompanying the DCPM inventory team, assisting in locating missing equipment, and providing purchase documentation for any nontagged equipment. (11)
- Attend periodic training provided by ADM to keep current on procedures governing the agency's property management program. (12)
- Tag new equipment immediately upon receipt and forward the tag assignment sheet and purchase documentation to DCPM no later than 5 days after the tag is placed on equipment. (13)
- Keep tags secure at all times and use tags sequentially. Ensure that there are no gaps in tag numbers assigned. (The PASS administrator must assume that gaps serve as an indication that property has been tagged but acquisition documentation has not been provided to DCPM in a timely manner.) (14)

## **NRC Employees (E)**

NRC employees have the responsibility to—

- Properly care for, protect, and conserve NRC property assigned to them (1)
- Use NRC property for officially approved purposes only, including property leased to the NRC (2)
- Promptly report the loss, damage, theft, destruction, or removal of property from its assigned location (3)
- Account for all property listed on receiving documents (i.e., parking slips, receipts, invoices) before acceptance and provide copies of the documents to the property custodian (4)
- Sign NRC Form 119 before receiving custody of sensitive property (5)

## Accountable Property (F)

“Accountable property” is defined as any equipment, excluding furniture and supplies, that is complete in itself, is of a durable nature with an expected life of 2 years or more, does not ordinarily lose its identity or become a component of another article, and is not consumed in its useful life. Accountable property is either classified as “sensitive” or “nonsensitive.”

- “Sensitive equipment” is any accountable property that is desirable for personal use and can be easily removed from the premises. A list of the current sensitive items may be found through the NRC internal Web site Program Office icon, ADM, Contracts and Property Management Home Page. DCPM may add new items as necessary. (1)
- “Nonsensitive equipment” is any accountable property that does not meet the definition of sensitive equipment. (2)

## NRC Property and Supply System (PASS) (G)

PASS contains records of—(1)

- NRC sensitive and nonsensitive equipment, acquisition and depreciated costs, date of acquisition, item description, manufacturer, model number, serial number, stock number, property custodians, and sensitive item holders, when appropriate (a)
- Repairs that the ASC, DAS, ADM, makes on NRC equipment (b)
- Furniture and supply purchases (c)

DCPM manages PASS, which is accessed by DAS staff for recordkeeping on pending supplies and furniture purchases. Property custodians also access the system for information and to change location of property in their accounts. (2)

## Tagging and Control of Equipment (H)

### Tagging of Equipment (1)

Property custodians are responsible for tagging new equipment immediately upon acceptance and forwarding the tag assignment sheet and documentation necessary to establish equipment records to DCPM no later than 5 workdays after receipt of the item. ADM

## **Tagging and Control of Equipment (H) (continued)**

### **Tagging of Equipment (1) (continued)**

provides headquarters and regional property custodians a block of sequentially numbered blue and red tags for this purpose. (a)

Documentation submitted to DCPM (for both red and blue tags) includes the tagging data sheet containing the model number, the serial number, the manufacturer, the warranty information (if appropriate), and a copy of the acquisition document (purchase order, contract, or Purchase Card Log). Purchase Card holders must enter the tag number on the Purchase Card Log sheet and provide the property custodian with a copy at the time the item is tagged. An NRC Form 119 must also accompany the tagging sheet if the item being tagged is a sensitive item. Regional offices submit documentation for blue tags only and retain copies of their NRC Form 119s. DCPM staff enter all tagging information in the property system. (b)

If an item is delivered to the warehouse, ASC staff will receive, inspect, and tag the item before it is delivered to the requester and will send purchase documentation to DCPM. When sensitive equipment is received in the warehouse, the NRC Form 119 is prepared by ASC and delivered to the appropriate property custodian when the equipment is delivered. Although the ASC will prepare the form, it is the responsibility of the property custodian to ensure that the form is complete and accurate, obtain the appropriate signature, forward the original copy to DCPM, and retain a copy for his or her files. (c)

### **Control of Equipment (2)**

#### **Blue NRC Tag (a)**

A blue NRC property tag is used for sensitive items, regardless of cost, and nonsensitive equipment with an acquisition cost of \$500 or above. All items with a blue property tag are controlled in PASS.

#### **Red NRC Tag (b)**

A red NRC property tag is used for nonsensitive equipment with an acquisition cost of below \$500. The red tag is for general control purposes only and is not entered in PASS.

## **Custody of Equipment (I)**

**Sensitive equipment** is assigned to a specific individual. The NRC Form 119 is used to establish responsibility for the physical protection and safekeeping of sensitive items. At headquarters, the property custodian will submit to DCPM an NRC Form 119 signed by the user for each piece of sensitive equipment assigned. The property custodian should also retain a copy of the form for his or her files. In regional offices, the property custodian retains the NRC Form 119 after obtaining the signature of the individual using the property. (1)

An individual who is assigned sensitive equipment shall safeguard and protect it. The individual who signs NRC Form 119 may be found financially liable for the loss, theft, or damage of sensitive equipment if the Property Survey Board, appointed by the Property Accountability Officer, DCPM, ADM, determines that the individual exhibited careless disregard in protecting the equipment. (2)

**Nonsensitive equipment** is assigned to the individual using it or to the property custodian if the equipment is for general office use. (3)

## **Reassignment or Transfer of Equipment (J)**

When nonsensitive equipment is to be reassigned from one individual to another or transferred from one property account to another, the property custodian can document the transfer in PASS and electronically notify the property custodian of the recipient of the property. The property custodian to whom the property is being transferred must physically verify the location of the property before accepting the transfer. Property custodians must take action on transfers within 3 days of receiving notification. If the equipment cannot be physically verified, the receiving property custodian must notify the sender in order to rectify discrepancies. (1)

When sensitive equipment is to be reassigned from one individual to another, the responsible property custodian initiates a new NRC Form 119, obtains the signature of the individual using the property, notes the name of the former sensitive equipment holder on the NRC Form 119, and sends the new form to DCPM. In regional offices, the property custodian retains the form for his or her files. (2)

## **Equipment Inventories (K)**

Physical inventories of all NRC equipment will be conducted every 2 years. The Director of DCPM determines the scope and timing of inventories. (1)

## **Equipment Inventories (K) (continued)**

At headquarters, DCPM staff will conduct physical inventories jointly with the responsible property custodian. Regional offices will conduct self-inventories and report the results to DCPM. (2)

DCPM staff periodically will review each region's property management program and conduct a regional property inventory. DCPM will report the results of these reviews to senior management. (3)

Once an inventory is completed, all recorded information must be reconciled in PASS. DCPM staff and the property custodian will resolve discrepancies in data. The property custodian will submit to DCPM a completed NRC Form 395, "Report of Property for Survey" (which may be accessed through the online forms icon [Informs]), for missing items at the time the reconciliation report is turned in to DCPM. (4)

After final reconciliation, the results of the inventory will be reported to NRC senior management and a final accounting of all capitalized property will be provided to DAF, OCFO. (5)

## **Maintenance and Repair of Property (L)**

The maintenance and repair of NRC-owned or -leased property will be accomplished by the most cost-effective method available to accomplish the NRC mission. (1)

Maintenance and repair of the following property, located at headquarters, may be obtained by contacting the responsible offices, listed below. (2)

- **Audio-visual/photographic equipment** (e.g., televisions, VCRs, and cameras), Audiovisual Services, ASC, ADM (a)
- **Telecommunications, computers, and all other information technology (IT) items**, Customer Services Branch, Office of the Chief Information Officer (OCIO) (b)
- **Copy equipment or electronic easels**, designated equipment key operator or the NRC Print Shop, OCIO (c)
- **Microfiche reader-printers**, Micrographics Services, OCIO (d)
- **Lock services or filing cabinets**, DFS, ADM (e)

## **Maintenance and Repair of Property (L) (continued)**

- **Systems furniture workstations, fans, humidifiers, heaters, Facilities and Security Branch, ADM (f)**
- **General office furniture, ASC, ADM (g)**
- **Other types of general office equipment (e.g., typewriters, calculators, and time stamps), the White Flint Supply Store, ADM (h)**

## **Transfer/Donation of Excess Computer Equipment (M)**

The following priorities are considered when transferring or donating excess computer equipment to other organizations: (1)

- **Organizations Administering or Participating in NRC Mission-Related Programs.** These organizations include Agreement States needing computers to run required agency codes or Native American groups requiring enhanced environmental data to monitor NRC waste disposal decisionmaking. If the requesting organization is not a Federal agency, the transfer or donation must be coordinated through the General Services Administration (GSA). (a)
- **Other Federal Agencies.** NRC may directly transfer excess computer equipment to other Federal agencies. (b)
- **Computers for Learning Program.** This program was originally established under Executive Order (E.O.) 12821, which was superseded on April 17, 1996, by E.O. 12999. Under this program, schools are eligible to receive donations if they are public, private, or parochial schools serving pre-kindergarten through grade 12 students. Nonprofit educational organizations also are eligible if they are classified as tax-exempt under Section 501(c) of the United States Tax Code and serve pre-kindergarten through grade 12 students. (c)

Schools wishing to become recipients of NRC donations from headquarters should submit a letter to the NRC Property Management Officer, ASC, ADM. Donations will be made as equipment becomes available. Generally, transfers are made to school districts because they can best determine which schools have the greatest computer needs; however, transfers may be made to an individual school. NRC ensures that equipment identified for transfer to a school is in good working condition and is Y2K compliant. The receiving school picks up and transports the equipment. Any damage to the property after it is

## **Transfer/Donation of Excess Computer Equipment (M) (continued)**

picked up will be the school's responsibility; the property is not returnable to NRC. Related peripheral equipment, such as printers, modems, routers, servers, telecommunications equipment, and research equipment (including equipment in any Federal laboratory), also may be donated. (2)

OCIO identifies excess property suitable for the Computers for Learning Program and provides the list to ASC, ADM, for approval and processing of the transfers. All IT equipment must be identified as "Y2K compliant," "Y2K noncompliant," or "Y2K status unknown" before being donated. The Y2K status must be visible on the equipment and all report documents. In the regions, the property custodians coordinate the program and the Director of the Division of Resource Management and Administration approves transfers. Regional property custodians forward copies of completed transfer documents to ASC. (3)



## Part II

# Requests, Delivery, and Removal of NRC Property

### Property Requests (A)

At headquarters, requests for non-information-technology (non-IT) equipment valued at over the micropurchase level (\$2,500) and for all supplies and furniture must be submitted to the Administrative Services Center (ASC), Division of Administrative Services (DAS), Office of Administration (ADM), using the ADM Service Request System or NRC Form 30, "Request for Administrative Services." These requests require a justification, and the following approvals are required: (1)

<u>Item</u>	<u>Approval Level</u>	<u>Approval Authorities</u>
Furniture	All purchases	Property Custodian Branch Chief
Non-IT equipment	Below \$300 \$300 and above	None Property Custodian Branch Chief
Office supplies	Below \$300 \$300 and above	None Branch Chief

The Directors of Resource Management and Administration (DRMA) in the regions should submit E-mail requests to "Property" for approval of all furniture purchases. The ASC, ADM, budgets regional office furniture requirements of less than \$10,000, and the regional offices budget for furniture requests of \$10,000 or above. (2)

## **Property Requests (A) (continued)**

The Property Management Officer (PMO) determines if suitable substitutes may be made from NRC stock or excess property before approving a procurement action. (3)

ASC sends requests for certain property to the following offices for review before approval: (4)

<b>Property</b>	<b>Reviewing Office</b>
Safes, document shredders, secure communications equipment, and other security-related items	Division of Facilities and Security, ADM
Filing equipment and systems, nonstocked filing supplies, bookcases, micrographics equipment, file folders, and records holding boxes	Chief, Records Management Branch, Office of the Chief Information Officer (OCIO)
Copy and printing equipment, electronic easels, colored paper, and related printed items	Publishing Services Branch, OCIO
IT equipment, including graphics, network, automated systems, and telecommunications equipment	OCIO
Systems furniture and other items that require mounting on walls (e.g., planning boards, pamphlet racks)	Facilities Branch, Division of Facilities and Security, ADM
Equipment or furniture to accommodate employees with disabilities	Human Resources Services and Operations, Office of Human Resources

## **Property Requests (A) (continued)**

U.S. and NRC flags and their accoutrements	Office of the Secretary of the Commission
Desk lamps	Facilities and Security Branch, Division of Facilities and Security, ADM
All regional requests for NRC forms	NRC Forms Manager, Publishing Services Branch, Office of the Chief Information Officer

Once the PMO has approved a request, ASC forwards the request directly to the Division of Contracts and Property Management (DCPM), ADM, or to the DRMA in the regions for procurement except when funding has not been certified. If funds have not been certified, ASC forwards an E-mail request to the appropriate funding office. (5)

## **Deliveries (B)**

### **Delivery of Newly Acquired Property Directly to NRC Buildings (1)**

Requests for small items in limited quantities should specify delivery to the buildings at the White Flint North Complex. Items may be delivered to the Supply Store between the hours of 8:30 a.m. and 4:00 p.m. for the requester to pick up. The purchaser must sign appropriate paperwork (receiving report or Purchase Card statement) certifying receipt of items and forward it for payment to the Division of Accounting and Finance (DAF), Office of the Chief Financial Officer (OCFO). The purchaser is responsible for notifying his or her property custodian to have items tagged and recorded in the property system. The property custodian shall ensure that this process is followed. (See Part I (H), "Tagging and Control of Equipment.")

### **Delivery of Newly Acquired Property to the Warehouse (2)**

Requests for large equipment items or bulk quantities of items should specify delivery to the warehouse. The purchaser should E-mail the warehouse in advance of the delivery and supply the following information: name of vendor, list of item(s), quantity, contact name, phone number, and anticipated delivery date. ASC will receive, inspect, and tag the item before it is delivered to the requester. The ASC receiver will send completed Receiving Reports to DAF, OCFO,

## **Deliveries (B) (continued)**

### **Delivery of Newly Acquired Property to the Warehouse (2) (continued)**

and to DCPM. ASC then will coordinate delivery of the item from storage to the requester. (a)

For Purchase Card purchases requiring warehouse delivery, ASC will receive, inspect, and tag the item before it is delivered to the purchaser. The purchaser must sign appropriate paperwork (Purchase Card statement) certifying receipt of items and forward it to OCFO for payment. (b)

### **Movement of Items To and From Storage (3)**

Requests to store or remove items from storage must be processed through ASC. ASC will arrange for warehouse delivery to the customer and the customer will sign a receipt for items delivered.

### **Regional Office Delivery (4)**

DCPM provides the regional offices with blocks of NRC property tags. The regional property custodian ensures the property tags are affixed to equipment in accordance with DCPM guidance. The property custodian will provide copies of completed receiving documents, tag assignments, and other data necessary for establishing equipment records to DCPM within 5 days of receipt of equipment.

## **Bringing Privately Owned Property to NRC (C)**

Sales representatives, contractors, and other personnel who are not NRC employees and bring privately owned equipment into an NRC building must declare such property at the nearest security guard station. The guard will issue a pass for the declared property using NRC Form 466, "Property Pass." The individual must return the property pass to the guard station when leaving NRC premises with the property.

## **Removing Government Property From NRC (D)**

When NRC property is to be removed from the premises for any reason, the property custodian prepares NRC Form 466, citing the reason the property will be removed and the expected return date. The property custodian keeps one copy of the form for his or her files and a copy is given to the security guard. If property is being removed for

## **Removing Government Property From NRC (D) (continued)**

purposes of repair, the repair contractor will be instructed to show the item and the property pass upon his or her return to NRC. The property custodian will note on the property pass that the item has been returned. In regional offices, the NRC Form 119 serves the same purpose as an NRC Form 466.

## **Returning All Property Upon Separation From NRC (E)**

NRC requires that all Government-furnished property, including supplies, assigned to NRC employees be returned or accounted for at least 10 working days before separation, and all items must be returned before clearance from NRC. For members of the Advisory Committees on Reactors Safeguards and on Nuclear Waste, property must be returned 30 working days before separation. The property custodian will recover all equipment and either reassign it within the property account or complete an NRC Form 30 for return of the equipment to ASC. Sensitive equipment must be reassigned before DCPM can approve separation clearance for an individual. All furniture items will remain in place pending determination of future space occupation. Supplies should be returned to the White Flint Supply Store or redistributed to other employees. (1)

If sensitive equipment cannot be found, an employee may be held financially liable by the Board of Survey on the basis of the standards described in Part III of this handbook. (2)

## **Part III**

# **Financial Liability for Lost, Stolen, or Damaged Property and for the Transfer of Property**

### **Financial Liability (A)**

Unless relieved of liability, employees may be held financially liable for the loss or disappearance of or damage to property entrusted to them. If liable, an employee shall reimburse the Government for the depreciated value of the property at the time of loss or disappearance or for cost of repair if damage to the property was the result of the employee's careless disregard or willful act. "Careless disregard" is defined as the failure to maintain adequate due care, awareness, or proper safekeeping that a reasonable person would be expected to use in the same or similar circumstances. Employees should provide the same degree of safeguards and care for Government property as a reasonable person would provide for his or her own personal property.

### **Property Survey Board (B)**

The three-member Property Survey Board, appointed by the Property Accountability Officer (PAO), Division of Contracts and Property Management, Office of Administration (ADM), performs the following functions: (1)

- Reviews property reported for survey on NRC Form 395, "Report of Property for Survey" (a)
- Determines the financial liability, or release from liability, of property custodian(s) or accountable individuals (b)

## **Property Survey Board (B) (continued)**

- Acts as reviewing authority for the destruction or abandonment of property with an acquisition cost exceeding \$100,000 (c)

In its role of determining financial liability, the board is tasked with distinguishing between simple negligence and careless disregard. The board considers the ease with which an item may be misplaced, the environment in which it is used, and the difference between negligence and disregard. To assist the board, the following guidance and examples are provided: (2)

- The loss or disappearance of an item entrusted to one's care that is not determined to be stolen is considered at least simple negligence. Simple negligence is not necessarily sufficient to hold an individual financially liable. For example, an individual assigned a pager loses it during an airline flight. This simple negligence is insufficient as a single incident to cause an individual to be held financially liable. The loss of a pager coupled with a history of other documented lost items for which the individual has been adequately warned may be considered careless disregard. (a)
- An individual may be held financially liable for stolen equipment if it can be shown that the individual did not take proper due care that a reasonable person would take under similar circumstances. For example, a laptop computer is stolen because an individual left it in plain sight in an unlocked car. Individuals should take extra precautions for items that are targeted for theft like laptop computers, cameras, and cellular telephones. (b)
- An individual may be held financially liable for missing equipment attributable to lack of due care and safekeeping when the individual has little or vague recollection of subsequent events after taking possession of the property. (c)
- If the board determines that recordkeeping and notification practices are inadequate or not followed and it is not clear who was the last person accountable for the missing item, the property custodian may be held financially liable for these items. Property custodians must ensure that adequate procedures are in effect and followed so that accountability may be determined. (d)
- An accountable individual will normally be excused from liability when it is shown that the property missing is the result of a natural disaster (i.e., fire, flood, earthquake). (e)

## **Property Survey Board (B) (continued)**

- An accountable individual will be held financially liable if he or she refuses to provide information necessary for the board to make a determination of liability. (f)

## **Loss or Theft of NRC Property (C)**

### **Loss of NRC Property (1)**

In the event of loss of NRC property, the employee who had custody of the property should immediately notify the property custodian so that he or she can conduct a thorough search to ensure that the item has not been moved or misplaced. If the property is not recovered within 10 days, the responsible property custodian will submit an NRC Form 395 to the PAO. The PAO will furnish a copy to the Chief of the Physical Security Branch (PSB).

### **Theft of NRC Property (2)**

When theft is suspected at headquarters, the following steps are to be immediately followed: (a)

- The employee who had custody of the property shall notify the nearest guard station. (i)
- The guard will complete an NRC security incident report (NRC Form 135, "Security Incident Report") and submit it to the Chief of PSB. Copies of the NRC Form 135 are not provided to NRC employees unless specifically requested from PSB. (ii)
- The Chief of PSB will forward the results of his investigation, along with a copy of the NRC Form 135, to the Office of the Inspector General (OIG) within 24 hours after the loss or suspected theft. If the theft occurs at a regional office or a remote NRC location, the employee must notify the Property Custodian, PSB, and the IG within 24 hours of the loss or suspected theft. (iii)
- If the equipment is not located by PSB, the property custodian will submit an NRC Form 395 to DCPM within 10 days of the loss. The property custodian should note on the NRC Form 395 if an investigation is ongoing. (iv)



## **Loss or Theft of NRC Property (C) (continued)**

### **Theft of NRC Property (2) (continued)**

When a theft occurs outside headquarters (e.g., airline, car, home burglarized, etc.), the theft must be reported to the appropriate authorities immediately. It is the responsibility of the employee to file a claim with the airline or insurance carrier for all Government property as soon as possible after the theft occurs. The employee must also obtain a copy of the police report and statements received from the insurance company as supporting documentation for NRC records. If the property is not recovered within 10 days, the employee's property custodian will submit an NRC Form 395 to the PAO. The PAO will send a copy of the NRC Form 395 to the Chief of PSB and a copy to OIG. (b)

## **Reporting Government Personal Property for Survey (D)**

NRC Form 395 provides the means for determining financial liability, if any, for Government personal property that is lost, stolen, or damaged. This form also authorizes property records to be adjusted to reflect such occurrences.

### **Preparing a Report of Property for Survey (1)**

The accountable individual or the responsible property custodian shall complete items 2 through 7 of NRC Form 395 within 10 days of the incident. A copy of the NRC incident report (NRC Form 135) must be attached if theft is suspected. Whenever the accountable individual cannot or will not initiate the report, the property custodian initiates it with reasons clearly stated. Only one item of equipment may be included on the report. The reporting individual forwards the NRC Form 395 to the property custodian who shall sign under item 11 and forward it for signature to the office/division director at headquarters or the regional administrator/division director in the region.

### **Certification to the PAO and the Property Survey Board (2)**

The headquarters office/division director or regional administrator/division director reviews NRC Form 395 and ensures the statements made by the accountable individual are responsive. The headquarters office/division director or regional administrator/division director obtains any additional information if necessary, signs under item 12 of NRC Form 395, and forwards the report to the PAO, who—

## **Reporting Government Personal Property for Survey (D) (continued)**

### **Certification to the PAO and the Property Survey Board (2) (continued)**

- Verifies that information on NRC Form 395 is in agreement with the agency property management system records (a)
- Completes items 8, 9, and 10 and assigns a survey number under item 1 (b)
- Reviews NRC Form 395 and, if the depreciated value in item 10 is \$500 or less, the PAO signs under item 13 authorizing the removal of a lost or damaged item from the property records without action by the Property Survey Board. In this situation, completed action constitutes authority to remove subject property from NRC records. However, if the depreciated value is greater than \$500, circumstances indicate that an NRC employee's action may meet the criteria for careless disregard, or if there are indications of waste or misuse, the PAO signs under item 13 referring the report to the Property Survey Board for action. (c)

### **Actions by the Property Survey Board (3)**

The board shall complete action within 45 days from receipt of NRC Form 395. (a)

The board examines all data included in the report and takes any or all of the following additional actions deemed necessary to establish the facts and complete its findings and recommendations: (b)

- Requires additional statements, preferably in writing, from anyone having direct knowledge or responsibility relating to the case (i)
- Refers the case for investigation to OIG if there is an indication or allegation of theft, embezzlement, fraud, or other unlawful activity (ii)

If the board decides, on a preliminary basis, that the employee should be held liable, it will give the employee an opportunity to present all relevant facts to the board at a subsequent meeting by sending a memorandum to the employee. A bargaining unit employee would have the right to union representation at this time, if he or she so desired. (c)

## Reporting Government Personal Property for Survey (D) (continued)

### Actions by the Property Survey Board (3) (continued)

After the employee has been heard, or has been given an opportunity to be heard, the board will finally determine whether the employee is financially liable and, if so, in what amount on the basis of standard methods of depreciation. (d)

The board enters its findings and recommendations under item 14 on the original of NRC Form 395 over the signature of the Board Chairman and all concurring members and forwards its findings to the PAO and the accountable individual. Completed action constitutes authority to remove the subject property from NRC records. (e)

Employees wishing to appeal the decision of the Property Survey Board may, within 10 days of receipt of the board's final decision, appeal in writing to the Director of ADM. (f)

### Certificates of Accomplishment (4)

The PAO completes item 15a of NRC Form 395 for the certificate of accomplishment. Where financial liability has been determined, the PAO forwards the original of NRC Form 395 to the Director of the Division of Accounting and Finance (DAF), Office of the Chief Financial Officer. (a)

DAF institutes collection procedures and completes item 15b of NRC Form 395, which is returned to the PAO, within 30 days, to be filed in accordance with established retention schedules. (b)

The PAO sends a copy of the completed NRC Form 395 to each accountable person. (c)

## Destruction or Abandonment of Property (E)

An NRC employee may not destroy or discard any agency equipment, regardless of condition. Any item of equipment being retired from service must be returned to the Administrative Services Center for a decision on disposal. The Property Management Officer (PMO) makes final determinations concerning the destruction or abandonment of excess property with an acquisition cost below \$100,000 and the Property Survey Board for property with an acquisition cost exceeding

## **Destruction or Abandonment of Property (E) (continued)**

\$100,000, in accordance with 41 CFR 101-45.9. The PMO will exhaust all efforts through the sale or donation process before abandoning the property. (1)

Regional Property Custodians must submit all items for abandonment or destruction on GSA Form 120 to the PMO for review and approval before abandonment or destruction can take place. (2)

## Part IV

# Commercial Contractor-Held Property

### General (A)

The Division of Contracts and Property Management (DCPM), Office of Administration (ADM), administers NRC's program for Government personal property held by an NRC commercial contractor. This program pertains to property purchased with NRC funds by the contractor or to property furnished by the NRC to the contractor. It does not cover property purchased with NRC funds through a Department of Energy laboratory work order (see Management Directive 11.7, "NRC Procedures for Placement and Monitoring of Work With the U.S. Department of Energy (DOE)," for property purchases of this nature). (1)

All commercial contractors in possession of NRC property must comply with the provisions of the Federal Acquisition Regulation (FAR, 48 CFR Part 45). Specifically, a contractor shall establish and maintain a system to control and protect, preserve, and maintain all Government property. DCPM may audit contractor property management systems when there are indications a contractor is not in compliance with the FAR. (2)

### Property Records (B)

An NRC contractor's records of property must be detailed for any contractor-acquired or Government-furnished equipment. These records must include a description of the property; the manufacturer, model, and serial numbers; and the acquisition cost and date.

### Reporting Requirements (C)

DCPM maintains a copy of any contract, task order, or modification that contains a provision for Government-furnished property. (1)

Contractors must report the purchase of any item of capital property (any NRC-purchased property with an initial acquisition cost of \$50,000 or more) in the current monthly financial status report. Detailed information must be submitted for each item. DCPM will

## **Reporting Requirements (C) (continued)**

obtain any additional information required by the NRC Chief Financial Officer. (2)

Contractors must conduct an annual inventory and report at the end of each fiscal year all capital property in their possession that was purchased with NRC funds. This report must be included in the September financial status report. (3)

At the time the contract is closed, the contractor must provide a final reconciled report listing all NRC-funded property in its possession. The Property Management Officer, Administrative Services Center, ADM, or designee, will provide disposition instructions to all appropriate parties for any contractor-held property during the closeout process. (4)

To the extent special accountability issues arise, property custodians should consult with the Property Accountability Officer, DCPM, ADM. (5)

## Part V

### Standard Supplies and Furniture

The Supply Store provides convenience for headquarters employees through a self-service system of expendable supplies. The Administrative Services Center (ASC), Office of Administration (ADM), will process requests for and purchase special supplies and furniture needs not in stock, using the Government Purchase Card or the Just-In-Time (JIT) purchasing agreement. If necessary, requests will be forwarded to the Division of Contracts and Property Management, ADM, for procurement.

#### Just-In-Time Program (A)

The JIT program is a method of procuring supplies, furniture, and equipment at the time the property is needed, thus reducing costs associated with bulk purchases and storage. ASC administers the program.

#### Stocked Supplies (B)

##### Supply Store (1)

NRC employees at headquarters may use the self-service Supply Store for their daily needs. Operating hours are 8:00 a.m. to 4:30 p.m., Monday through Friday. The store provides shopping carts, hand baskets, and plastic carrying bags for customer convenience. Items stocked in the store may be delivered if the amount required cannot be loaded into a store shopping cart or if the delivery location is other than the White Flint North complex. In addition to supplies, the store has a "loaner" equipment program that enables employees to borrow audiovisual equipment (e.g., overhead projectors, 35-millimeter projectors, computer projectors, videocassette recorders and televisions) for a short time. Employees must pick up and return the equipment; store personnel do not deliver or pick up this equipment. Video recorders and televisions are on wheeled carts so that

## **Stocked Supplies (B) (continued)**

### **Supply Store (1) (continued)**

they can be rolled to the location desired. NRC employees may reserve items using the ADM Service Request System or by calling the store at 415-2050. (a)

NRC contractor personnel may not directly request Government-furnished supplies, nor (unless specifically authorized by the contract) use the Supply Store. If authorized by the contract, project officers may request supplies for contractor use or accompany contractors to the Supply Store. (b)

### **Large Supply Requests (2)**

To obtain a large quantity of stocked supplies (other than copy or bond paper), you may call the "phone-in" service at 415-2050 or send an E-mail request to "SUPPLY STORE." Requests should contain the items required, amount, stock numbers, requester's name, delivery location, requester's telephone number and the date the items are required. Store personnel will process the request and arrange for the delivery of the items.

### **Special Approval of Stocked Supplies (3)**

Certain stocked supply items may require approval before processing and/or delivery. See Part II, Section A, of this handbook for specific items that require approval.

### **Delivery of Photocopy Paper (4)**

On a periodic basis, warehouse personnel will deliver photocopy paper to copy machines located in satellite copy rooms in the White Flint North complex. Photocopy and bond paper is not delivered to other copy machines or laser printer and LAN (local area network) printer stations.

## **Reuse of Supplies (C)**

NRC employees should protect and conserve Government property, including supplies. Unneeded supplies should be returned to the Supply Store or placed in supply return boxes located in each building. Specific locations for these boxes are given on the ADM Web site, Administrative Services Home Page, under "Recycling." Returned supplies will be examined by store personnel to determine if they are reusable. Usable supplies will be placed on Supply Store shelves, and



## **Reuse of Supplies (C) (continued)**

employees are encouraged to reuse these items rather than take new supplies.

## **Furniture and Supply Inventories (D)**

A complete inventory of all furniture and supplies held in the warehouse is conducted every 2 years or more frequently when directed by the Director of the Division of Administrative Services. A statistically sampled inventory will be conducted in the year a complete inventory is not conducted. A plan for the inventory is developed in conjunction with the agency statistician and stratified to focus on high-volume or high-dollar items. (1)

Supply and furniture transactions are reviewed annually to ensure accurate accounting documentation for all ASC purchases of supply and furniture stocks. (2)

## **Stocked Furniture (E)**

ASC stocks standard furniture at the NRC warehouse that cannot be obtained through JIT purchases. Records of this furniture are maintained in PASS. Furniture may be requested using the ADM Service Request System, or an NRC Form 30, "Request for Administrative Services," may be submitted through the requestor's division director to the ASC. Delivery of stocked items from the warehouse is normally accomplished within 10 days of receipt of the request.