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**NASA**  
**Procedural**  
**Requirements**

**NPR 4200.1G**  
Effective Date: March 30, 2010  
Expiration Date: January 30,  
2017

**COMPLIANCE IS MANDATORY**

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# **NASA Equipment Management Procedural Requirements**

**Responsible Office: Logistics Management Division**

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# Preface

## P.1 Purpose

a. This NASA Procedural Requirements (NPR) 4200.1, NASA Equipment Management Procedural Requirements, supports the policy outlined in the NASA Policy Directive (NPD) 4200.1, Equipment Management. It contains procedures to use for the acquisition, management, assigning responsibility, identifying the points of contact, and use of NASA-owned equipment. Consistent with the requirements contained within this NPR, Centers are encouraged to customize their equipment management procedures to meet their local requirements. The Federal Acquisition Regulations (FAR), Part 45; the NASA FAR Supplement, Part 1845; and the terms and conditions of individual contracts establish the policies and procedures for contractor-accountable, NASA-owned equipment and for Center-accountable, NASA-owned equipment. The Installation Accountable Government Property (IAGP) clause and NASA FAR Supplement 1852.245-71 also apply. Equipment acquired and/or furnished under NASA grants and cooperative agreements is subject to the requirements of NPR 5800.1, NASA Grant and Cooperative Agreement Handbook.

b. A deviation of this NPR is considered to be any of the following:

(1) Use of a form other than a Standard Form (SF), NASA Form (NF) or Department of Defense Form or equivalent prescribed by this procedural requirement.

(2) Alteration of an SF or NF, except as authorized by this NPR.

(3) Any policy, procedure, method, or practice that is inconsistent with this NPR. Deviations from this NPR shall be authorized only when special circumstances make such deviations clearly in the best interests of the Government. Only the Director, Logistics Management Division (LMD) NASA Headquarters, is authorized to approve such deviations.

## P.2 Applicability

a. This NPR is applicable to NASA Headquarters and NASA Centers, including Component Facilities and Technical and Service Support Centers.

b. This language applies to JPL (a Federally Funded Research and Development Center), other contractors, grant recipients, or parties to agreements only to the extent specified or referenced in the appropriate contracts, grants, or agreements.

c. This NPR applies to all components of the Logistics Management Operations (LMO) including personal property and transportation managed and used by NASA Headquarters, NASA Space Centers, research centers, laboratories, and test facilities.

## P.3 Authority

a. 42 U.S.C. 2473 (C) (1), Section 203(c) (1) of the National Aeronautics and Space Act of 1958, as amended.

b. 40 U.S.C. 251 et seq., the Federal Property and Administrative Services Act of 1949, as amended.

c. Public Law 102-564, Small Business Research and Development Enhancement Act of 1992.

- d. 41 CFR Chapter 101, Federal Property Management Regulations, (FPMR).
- e. 41 CFR Chapter 102, Federal Management Regulation (FMR), Subchapter B, Personal Property.
- f. FAR Parts 45 and 52.245-1 through 52.245-9 and 48 CFR Parts 52.245-1 through 52.245-9 Government Property.
- g. NPD 4200.1, Equipment Management.

## **P.4 Applicable Documents**

- a. NASA Interim Directive: Equipment Manual NM 4200.62
- b. NPD 1387.1, NASA Exhibits Program.
- c. NPD 1440.6, NASA Records Management.
- d. NPD, 2540.1, Personal Use of Government Office Equipment Including Information Technology Equipment.
- e. NPD 4300.1, NASA Personal Property Disposal Policy.
- f. NPD 7900.4, Aircraft Operations Management.
- g. NPD 9250.1, Identifying Capital Assets and Accumulation of Costs.
- h. NPD 1387.1, NASA Exhibits Program.
- i. NPR 1441.1, NASA Records Retention Schedules.
- j. NPR 2190.1, NASA Export Control Program.
- k. NPR 3752.1, Disciplinary and Adverse Actions.
- l. NPR 4200.2, Equipment Management Manual for Property Custodians.
- m. NPR 4300.1, NASA Personal Property Disposal Procedural Requirements.
- n. NPR 4310.1, Identification and Disposition of NASA Artifacts.
- o. NPR 5800.1, Grant and Cooperative Agreement Handbook.
- p. NPR 6200.1, NASA Transportation and General Traffic Management.
- q. NPR 7900.3, Aircraft Operations Management.
- r. NPR 8621.1, NASA Procedural Requirements for Mishap and Close Call Reporting, Investigating, and Recordkeeping.
- s. NPR 8715.3, NASA Safety Manual.
- t. NPR 9250.1, Property, Plant, and Equipment and Operating Materials and Supplies.
- u. NASA FAR Supplement Parts, 1852.245-70 through 1852.245.80, and 48 CFR Parts 52.245-1 through 52.245-71, Government Property.

## **P.5 Measurement/Verification**

The LMD Compensation Controls Review (CCR) process is a formal assessment of how well an LMO function performs its mission and the quality of the logistics organization, staffing, and management controls. The review identifies significant management indicators and benchmarks that highlight potential successes and deficiencies. The CCR program evaluates and monitors the LMO to ensure that sufficient checks and balances reflect Agency policy.

## **P.6 Cancellation**

NPR 4200.1F, Equipment Management Procedural Requirements, dated November 14, 2006.

/s/ Thomas Luedtke  
Assistant Administrator for  
Institutions and Management

# Chapter 1: General Information

## 1.1 General Information for Equipment Management

### 1.1.1 Purpose

This chapter sets forth comprehensive requirements with respect to the acquisition, documentation, utilization, maintenance, inventory, and disposal of NASA-owned equipment.

### 1.1.2 General

1.1.2.1 Government equipment is owned by the Government and is to be used exclusively for the conduct of official business. Appropriate accountability measures shall be used to move such equipment from one use, user, or location to another, including movement among offices, functions, programs, contractors, and Centers.

1.1.2.2 NASA division directors (or equivalent organization heads), through their Center Directors, are the primary officials responsible for equipment assigned to their organizations. This responsibility includes ensuring that the equipment is maintained in a serviceable condition and that its use is in accordance with Federal regulations, NPRs, and NPDs.

1.1.2.3 All equipment acquired by NASA, including that held under lease or loan, shall be managed in accordance with this NPR.

1.1.2.4 All NASA organizations shall use the NASA Integrated Asset Management (IAM) Property, Plant, and Equipment (PP&E) System described in NPD 4200.1 and the NASA Interim Directive Equipment Manual NM 4200.62, to identify, account for, and control Center-held equipment. The NASA PP&E System is an Agency-wide tool hosted at the NASA Enterprise Applications Competency Center (NEACC) which is located at NASA's Marshall Space Flight Center. The NASA PP&E System consists of the following components: systems, applications, and products (SAP); N-PROP, the Web-based front end; DSPL, the DiSPosaL component; and Business Warehouse (BW) (Appendix B). The SAP component contains the following modules: the Asset Accounting (containing the Asset Master Records (AMR) and Plant Maintenance (containing the Equipment Master Records (EMR)).

1.1.2.5 NASA PP&E System requires the recording of accurate and complete item descriptions, locations, and equipment information to ensure cost-effective Agency-wide control, equipment accountability and reutilization.

### 1.1.3 Equipment Acquisition

1.1.3.1 NASA shall acquire only that equipment necessary for the performance of Agency requirements. Each Center should evaluate alternative methods such as utilizing existing equipment, leasing, borrowing, or using contractor-owned equipment before the initiation of a new procurement or fabrication.

1.1.3.2 Prior to acquisition of equipment valued at \$25,000 or more, existing equipment resources shall be screened in accordance with NPR 4300.1, NASA Personal Property Disposal Procedural Requirements. Equipment valued at less than \$25,000 is screened at the option of the purchaser or equipment management organization, on a case by case basis.

1.1.3.3 Equipment nomenclature and description provided by the requiring office shall be of sufficient detail to facilitate screening and subsequent identification and documentation consistent

with the provisions of this NPR (see Appendix D, Equipment Master Record (EMR) for the NASA PP&E System).

#### 1.1.4 Recordkeeping

1.1.4.1 Records describing NASA equipment and actions affecting this equipment shall be maintained as prescribed in this NPR, other applicable regulations, NPR 9250.1, Property, Plant, and Equipment and Operating Materials and Supplies Procedural Requirements, and NPR 1441.1, NASA Records Retention Schedules Procedural Requirements. For recordkeeping duties, see sections 1.1.5.1, 1.1.5.4 and 1.2.4.10.

#### 1.1.5 Documentation Archiving

1.1.5.1 The SEMO shall operate a document archiving system to ensure that an adequate audit trail is maintained for all Agency-controlled equipment.

1.1.5.2 Source documents, including those for the inventory subsystem, shall be compiled and indexed by date (day/mo/year) and ECN sequence, and shall be archived on a routine basis.

1.1.5.3 The original source documents need not be retained by the equipment management organization (sections 1.2.4.19 and 3.2.6).

1.1.5.4 The Center Equipment Manager shall maintain appropriate archiving retrieval equipment to support retrieval and hard copy printing of archived records, as necessary, to support the needs of the Center.

#### 1.1.6 Utilization

1.1.6.1 The primary official identified in Section 1.1.2.2 shall perform annual walk through inspections to ensure that equipment assigned to the organization is classified in the appropriate use status. Equipment no longer required for the performance of a specific NASA requirement shall be declared excess (by using proper documentation) and forwarded to the Property Disposal Officer. In the NASA PP&E System, all EMRs are active, unless the EMR has been deactivated. The Center Equipment Manager implements procedures to identify equipment considered by the Center as inactive (excluding equipment declared as excess).

1.1.6.2 All equipment which meets the criteria as controlled property as defined by the NASA PP&E System, shall be assigned to a user, and the user's name shall be entered into the EMR (see sections 3.6.1.2.7 a and 3.6.4).

#### 1.1.7 Inventory

1.1.7.1 NASA-held equipment shall be inventoried pursuant to the requirements set forth in Chapter 4 of this NPR.

#### 1.1.8 Disposal

1.1.8.1 Each Center shall maintain an effective program for timely disposal of equipment no longer required by NASA. Disposal is accomplished in accordance with the requirements set forth in NPR 4300.1, NASA Personal Property Disposal Procedural Requirements.

#### 1.1.9 Equipment Loans

1.1.9.1 NASA equipment and materials are allowable for loans to organizations, private individuals, corporations, or other entities, provided the loan of such equipment is in the public interest and meets the conditions described in NPD 4200.1, NASA Equipment Management, and NPD 1387.1, NASA Exhibits Program. Loans to NASA and on-site contractor employees shall comply with these

NPRs. All loans are documented and managed by the Center equipment management organization.

1.1.9.2 Government-owned equipment furnished under contracts or grants shall be managed under the terms of the appropriate instrument and subject to the requirements of the FAR, the NASA FAR Supplement, and NPR 5800.1, Grant and Cooperative Agreement Handbook.

1.1.9.3 Equipment loaned solely for use as a display or for use in an exhibit shall be provided under the provisions of NPD 1387.1, NASA Exhibits Program. Controlled equipment, used for display or exhibit purposes, remains in the NASA PP&E System as accountable to the responsible property custodian and/or assigned users.

1.1.10 Equipment Acquired with Reimbursable Funds from Other Federal Agencies

1.1.10.1 All equipment acquired with reimbursable funds from another Federal agency shall be controlled and accounted for by NASA, as prescribed in this NPR.

1.1.11 Equipment transferred to or from other Federal agencies.

1.1.11.1 The National Aeronautics and Space Act of 1958, as amended, Section 203 (c)(6), provides that "Each department and agency of the Federal Government shall cooperate fully with the Administration (NASA) in making its services, equipment, personnel, and facilities available to the Administration, and any such department or agency is authorized, notwithstanding any other provision of law, to transfer to or to receive from the Administration, without reimbursement, aeronautical and space vehicles, and supplies and equipment other than administrative supplies or equipment." Transfers of equipment to or from other Federal agencies under this authority require the approval of the Center Director (or designee), in accordance with NPR 4300.1, NASA Procedural Requirements, section 1.4.1, and coordination with the Center's SEMO.

1.1.11.2 Transfer of excess personal property requires approval by the Center Property Disposal Officer and coordination with the General Services Administration (GSA), as described in NPR 4300.1, NASA Procedural Requirements.

1.1.12 Equipment on Lease or Loan to NASA.

1.1.12.1 Equipment on lease or loan to NASA shall be identified and tracked by the Center equipment management organization.

## **1.2 Equipment Management Responsibilities**

1.2.1 Purpose

1.2.1.1 This part sets forth the responsibilities of appropriate personnel at NASA Headquarters and each NASA Center for oversight and management of NASA's equipment management program.

1.2.2 Responsibility

1.2.2.1 The Assistant Administrator for the Office of Infrastructure is responsible for establishing equipment management policies and requirements for assessing the effectiveness of implementation. The Director of each Center shall appoint a SEMO to implement an effective equipment management program.

1.2.2.2 Each Center shall develop appropriate local procedures, for all operating locations, that conform to the requirements of NPD 4200.1, NASA Equipment Management, and this NPR. Any deviations from NPD 4200.1 or this NPR should be approved by the Director, LMD, NASA Headquarters.

### 1.2.3 Director, LMD, NASA Headquarters. The Director, LMD, shall:

- a. Establish policies for and provide requirements to the SEMOs.
- b. Provide direction for, and ensure allocation of, necessary resources to execute equipment management responsibilities, operations, and maintenance of the NASA PP&E System and related processes and procedures as established in this NPR.
- c. Review and initiate actions to issue, amend, or cancel NASA directives that govern the equipment management activities of the Agency.
- d. Assist NASA Centers in the development and operation of internal processes, procedures, and systems to ensure compatibility with Agency programs.
- e. Establish necessary Agency performance measures and reports on the overall implementation of equipment management programs, and report periodically on that implementation to Center and NASA senior management in accordance with this NPR.
- f. Conduct reviews and assessments of equipment management activities, and report significant findings to Center and NASA senior management.
- g. Define training requirements for all personnel in the property field, both civil servant and contractor, to ensure properly trained property personnel across the Agency.

### 1.2.4 SEMO. The SEMO at each Center shall:

- 1.2.4.1 Provide functional management, leadership, and necessary resources to ensure the implementation of an effective equipment management program.
- 1.2.4.2 Establish a process to ensure that all personnel associated with the utilization of Government equipment receive up-to-date property users training (with special emphasis on the consequences (Sections 3.5.3.2, 3.5.4.3, Appendices H and I) of poor stewardship and negligent use).
- 1.2.4.3 Ensure that equipment personnel are performing assigned property functions (that is consistent with the provisions of this NPR) by prescribing appropriate procedures for user management of equipment.
- 1.2.4.4 Ensure that heads of organizations report to the SEMO on user concerns and relevant property issues. This would include the results of walk through inspections and physical inventories (See Sections 1.1.6.1 and 3.6.5), and the use and effectiveness of equipment pools.
- 1.2.4.5 Ensure that all equipment loans, including those that support special programs, are properly administered.
- 1.2.4.6 Provide guidance to the division directors and assigned users to report all controlled property to the logistics organization for proper control and use, including direct deliveries regardless of the acquisition method.
- 1.2.4.7 Ensure that organizations and users are aware of the requirement to identify inactive equipment and ensure its reuse or disposal, as appropriate.
- 1.2.4.8 Ensure compliance with the procedures regarding the loss, damage, destruction, or theft of Center-held Government property and ensure that the functions of the Property Survey Board are being administered (See Section 1.2.16).
- 1.2.4.9 Implement the necessary equipment control procedures to ensure that the Center equipment

management processes and procedures adequately provide for the care, management, and protection of Center-held equipment.

1.2.4.10 Provide for the establishment, operation, and maintenance of the NASA PP&E System; appoint a Center Equipment Manager; and approve and periodically evaluate the NASA PP&E System, and the implementation of policies and procedures by reviewing the following:

- a. Maintenance control procedures established for the NASA PP&E System at the Center.
- b. Items designated for control as sensitive equipment.
- c. Controls established and maintained for sensitive equipment.
- d. Records of the Center's and its contractors' controlled equipment actions with respect to the NASA PP&E System updates.
- e. Property management areas and property custodian assignments and training.
- f. Inventory documentation, follow up actions, and results.

1.2.4.11 Assign the Center Equipment Manager or other designee to support mass (global) changes to the NASA PP&E System.

1.2.4.12 Designate, in writing, the Center inventory team and establish an inventory process.

1.2.4.13 Ensure that prescribed physical inventories of controlled equipment are conducted; and that adjustment(s) to property records are accomplished and coordinated in accordance with Center policy. The Center Finance Property Accountant shall be informed of changes due to inventories via the NASA PP&E System by performing a review of the EMR/AMR Integration Report.

1.2.4.14 Ensure that physical inventories are conducted when a new property custodian is assigned, and direct special inventories, as appropriate.

1.2.4.15 Ensure that the Property Survey Officer and Property Survey Board have been appointed and are fully informed of their duties (See Sections 1.2.15 & 1.2.16).

1.2.4.16 Assist the Center Finance Property Accountant, as needed, during periodic financial analysis.

1.2.4.17 Enforce the Center's policy concerning the disposition of property.

1.2.4.18 Identify equipment at the Center, which shall be controlled as sensitive equipment; in addition to the sensitive items listed in Appendix C: Agency Minimum Standard Sensitive Items List.

1.2.4.19 Ensure that whenever there is a transfer of assets from one entity to another, the receiver retains the asset classification (Federal Supply Class) as designated by the losing entity. Any reclassification shall be approved by the SEMO and recorded in the NASA PP&E System, (after the transfer is initially recorded). The financial organization of the receiver is informed of the change via the NASA PP&E System by performing a review of the EMR/AMR Integration Report.

1.2.4.20 Designate and monitor Center receiving zones to properly track incoming equipment.

1.2.4.21 Provide equipment losses survey summary reports and other statistical data to NASA Headquarters LMD in accordance with NPR 4200.1, Equipment Management Procedural Requirements.

1.2.4.22 Ensure that all qualified personal property purchased and processed through central

receiving are properly controlled and tagged upon official receipt, regardless of procurement method. The SEMO shall establish procedures to ensure that items which cannot be opened at the central receiving without voiding the warranty are properly tagged upon opening at the point of destination.

1.2.5 Division director (Note: In NPR4300.1, Equipment Management Procedural Requirements, division director includes chief or equivalent organization head or designee). The division director is the principal official in the NASA Equipment Management Program responsible for all equipment, controlled and non-controlled, assigned to the organization and in use by personnel within that organization, including all aspects of equipment condition and use. The division director shall:

1.2.5.1 Appoint appropriate property custodians (unless the Center utilizes full time property custodians) and ensure that appointees have proper oversight and knowledge of the equipment used within their areas.

1.2.5.2 Ensure employees are aware of their responsibilities as users of Government property (See Section 1.2.7).

1.2.5.3 Ensure that equipment removed from the Center is in full compliance with the Center policies and procedures.

1.2.5.4 Ensure that all equipment loans are documented and tracked and are essential to accomplish assigned projects.

1.2.5.5 Ensure that lost, damaged, destroyed, or stolen Government property is promptly reported, investigated, and reviewed to prevent and take corrective actions as recommended by the Property Survey Officer or Board. When property is damaged or destroyed, the NASA Center Safety Office is contacted and asked to initiate an investigation per NPR 8621.1, Mishap and Close Call Reporting, Investigating, and Recordkeeping.

1.2.5.6 Ensure that procedures are in place for equipment received through direct deliveries; regardless of the acquisition method (to include credit card purchases), that equipment is properly controlled and tagged.

1.2.5.7 Assume responsibility and accountability for any controlled property not assigned to a specific, active user within their area of responsibility.

## 1.2.6 Property Custodians

1.2.6.1 Property custodians are designated for each property management area or program area by the head of the organization (unless the Center utilizes full time property custodians), usually the division director or chief, with the approval of the SEMO.

1.2.6.2 Full time property custodians are appointed by the SEMO.

1.2.6.3 Property custodian responsibilities and procedures are defined in NPR 4200.2, NASA Equipment Management Manual for Property Custodians.

1.2.7 NASA employees have a responsibility, as the users of Government property, to protect and conserve all equipment, supplies, and other property and materials entrusted to them. It is the user's responsibility to follow all rules and regulations associated with the property in their control. Additional employee responsibilities include the following:

a. Acknowledging receipt of newly assigned equipment (See Section 3.6.4).

b. Notifying the responsible property custodian and supervisor if equipment cannot be located. If

theft of Government property is suspected, the property custodian or supervisor shall notify the Center Security Office immediately, regardless of whether the theft, loss, damage, or destruction occurred on or off the Center.

- c. Preparing Part I of NASA Form 598, Property Survey Report, for the lost, damaged, destroyed, or stolen Government property. After completion of Part I of the Survey Report, the user shall submit the document to the division director (or the next highest level of management if the Government employee is the division director) through the accountable property custodian.
- d. Identifying and reporting to their respective property custodians on the status of equipment not being actively used in pursuit of approved NASA programs and projects.
- e. Ensuring that equipment is turned in to the responsible property custodian when no longer needed. Under no circumstances shall an employee personally dispose of Government equipment.
- f. Retaining stewardship (Appendix I, User Responsibility for Safeguarding Government Property) of all items, controlled and non-controlled, assigned to them and ensuring that the property custodian is immediately informed when he or she is no longer the assigned user.
- g. Notifying responsible property custodians of all activity/movement associated with the assigned user's equipment.
- h. Notifying responsible property custodian of any modification to the equipment that changes the value of the equipment or the work in process.
- i. Immediately notify central receiving, equipment management, or the responsible property custodian of receipt of any controlled equipment regardless of the procurement method (to include credit card purchase), which by-passed central receiving (direct deliveries); so the equipment can be properly controlled and tagged in accordance with the Center's policy.

1.2.8 Center Equipment Manager. The Center Equipment Manager is responsible for ensuring Center compliance with the Federal Property Management Regulations to maximize equipment utilization and to minimize procurement of new equipment. The Center Equipment Manager is appointed by the Center's SEMO and serves as the key interface among the equipment-using organizations, the property custodians, and the assigned users. The Center Equipment Manager is primarily responsible for the following:

- a. Establishing appropriate controls, maintaining adequate records, and overseeing cataloging functions for all equipment at the Center.
- b. Controlling mass (global) changes to the NASA PP&E System.
- c. Ensuring the designation of property management areas and the appointment and training of property custodians.
- d. Providing property custodians, as necessary, with written inventory summary reports for controlled equipment items in their assigned property management area, if they are unable to access the NASA PP&E System.
- e. Reviewing recordkeeping procedures and monitoring the performance of property custodians.
- f. Developing the cyclic, sensitive item, and capital equipment inventory schedules.
- g. Reconciling and adjusting equipment records as a result of inventory actions.
- h. Ensuring that the equipment record adjustments resulting from physical inventories and other actions are made available to the SEMO for review.

- i. Documenting inventory results for submittal by the SEMO to division directors and property custodians, and ensuring that written inventory summary reports are provided to other appropriate Center personnel and are properly maintained.
- j. Assisting the Center Finance Property Accountant, as needed, during financial analyses.

### 1.2.9 NASA Contractors and Contracting Officers

1.2.9.1 NASA contractors are responsible for equipment and other property as set forth in the FAR, the NASA FAR Supplement, and the applicable contract.

1.2.9.2 Contracting Officers (CO) are responsible for ensuring that Government-furnished equipment (GFE) or contractor acquired equipment is managed pursuant to the provisions of the contract. In authorizing contractors' purchase or use of Government equipment, COs shall ensure the following:

- a. Requirements are verified by the appropriate project office. The CO's written consent is obtained pursuant to NASA FAR Supplement 1845 and NFS 1852.245-70.
- b. Written determinations is made pursuant to FAR 45.-102.
- c. Existing Government assets are screened pursuant to NASA FAR Supplement.
- d. NASA requirements for property management by contractors are included in the delegation instructions when property administration is delegated to other agencies.
- e. Onsite contractors comply with the provisions herein as they pertain to contractor employee loans.

### 1.2.10 Industrial Property Officer (IPO)

The IPO is the individual designated by the Center Director to manage and coordinate Center property matters among the various contracting officers, technical officials, contractor officials, delegated property administrators, and plant clearance officers. The responsibilities of the IPO, under the Contract Property Management Program, are outlined in NASA FAR Supplement. Generally, the IPO is responsible for the Contract Property Management function. This function includes the performance of required property administration and plant clearance, when required, but is not delegated to the DOD.

1.2.11 Center Equipment Management Personnel, as designated by the Center's Equipment Manager and approved by the SEMO, are further responsible for the following:

- a. Identifying, categorizing, classifying, tagging and coding all existing, newly acquired Center-held equipment and contractor-held equipment (See 3.3.2.4). Before an equipment record is created, the designated controller shall review and record the valid manufacturer, model number, and standard item name by a major noun with appropriate modifiers.
- b. Reviewing requests for changes to equipment records in the NASA PP&E System submitted by property custodians and ensuring that appropriate supporting documentation is attached.
- c. Assisting property custodians and assigned users in the proper procedures and documentation of equipment actions such as: loans, transfers, borrows, excesses, repairs, storage, modifications or cannibalizations, fabrications, found on stations, and survey reports for lost, damaged, destroyed, or stolen Government property.
- d. Ensuring the proper function of Center equipment control operations. Standard operating procedures include creating, updating, and deactivating equipment records in the NASA PP&E

System and reviewing supporting documentation for accuracy and completeness in response to change requests submitted by the SEMO, the property custodians, assigned users, etc. All supporting records subsequently microfiche, microfilmed, or stored electronically shall be stored in accordance with NPD 1441.6H, NASA Records Management.

1.2.12 The NEACC shall create an Agency Configuration Control Board group that is responsible for maintaining configuration control for the NASA PP&E System.

1.2.13 The Center Finance Property Accountant (Center Deputy Chief Financial Officer).

1.2.13.1 The Center Deputy Chief Financial Officer shall conduct periodic financial asset analysis, as determined by financial management, with assistance from the SEMO as needed.

1.2.13.2 The Center Finance Property Accountant shall be informed of any changes made to the EMR via the NASA PP&E System by reviewing the EMR/AMR Integration Report.

1.2.14 Center Security Officer. The Center Security Officer shall keep the SEMO fully informed concerning the status of reported or suspected thefts of Government property regardless of whether the theft, loss, damage, or destruction occurred on or off the Center.

1.2.15 Center Property Survey Officer. An individual appointed (inherently Governmental) to investigate the circumstances and make findings and recommendations relating to lost, damaged, destroyed, or stolen Government property listed on a Property Survey Report. Center Directors shall appoint, for a specified term, a Center Property Survey Officer with authority to approve all survey reports and investigate survey reports not handled by the Property Survey Board or NASA Center Safety Office.

1.2.15.1 The SEMOs, their supervisors, or subordinates shall not be designated as Property Survey Officers.

1.2.15.2 The Property Survey Officer is an independent officer while carrying out those responsibilities.

1.2.15.3 Loss, damage, destruction, or theft of Government property cases involving items valued under \$5,000 does not require Property Survey Board reviews. These cases require only the Property Survey Officer's actions to complete the survey report in accordance with this NPR.

1.2.15.4 The Property Survey Officer shall refer surveys for loss, damage, destruction, or theft of Government property with an acquisition cost equal to or greater than \$5,000 to the Property Survey Board whether the theft, loss, damage, or destruction occurred on or off the Center.

1.2.15.5 The Property Survey Officer shall confer with the Center SEMO frequently to ensure that required survey report processing times are met; to request assistance and advice; or other related actions. The SEMO shall extend processing times as needed (See Appendix H.5.2) in accordance with this NPR.

1.2.16 The Property Survey Board or Equivalent. Center Directors shall establish an independent Property Survey Board (inherently Governmental), for a specified or unlimited term, composed of two or more members (with alternates, as appropriate) and a chairperson who investigates and makes recommendations to the appropriate management level concerning the loss, damage, destruction, or theft of Government property (to include sensitive items (Appendix C)) equal to or greater than \$5,000 in acquisition value. Also, it is recommended that a representative from the Chief Counsel Office and the Security Office be members of the Property Survey Board.

1.2.17 Per NASA Procedural Requirements for Mishap and Close Call Reporting, Investigating, and Recordkeeping, NPR 8621.1, Center Directors shall appoint an investigating authority to investigate property damage or destruction that occurs at a NASA Center, to identify proximate and root cause, and to generate recommendations to prevent recurrence.

Note: Mishaps shall be classified based on the dollar value of the property damage. All cases involving property damage or destruction of Government property should be recorded in the NASA Incident Reporting Information System (IRIS).

1.2.17.1 Per NPR 8621.1, NASA Procedural Requirements for Mishap and Close Call Reporting, Investigating, and Recordkeeping, Mission Directorate Associate Administrators shall appoint an investigating authority to investigate property damage or destruction that occurs at an offsite location (outside a NASA Center's gates), on contractor property, in flight, and/or in space; identify proximate and root cause, and generate recommendations to prevent recurrence.

1.2.18 The Property Disposal Officer (PDO). The PDO (inherently Governmental) is responsible for the reutilization and marketing (in accordance with the Federal Asset Sales Memorandum of Agreement with GSA) of NASA personal property no longer needed by the accountable organization. The responsibilities of the PDO are outlined in NPR 4300.1, Personal Property Disposal Procedural Requirements, Chapter 1, and NPR 4310.1, Identification and Disposition of NASA Artifacts, Section 2.5.1.

## **1.3 Support for Special Programs**

1.3.1 Purpose. This part sets forth equipment policies and practices necessary to support special programs sponsored by the Federal Government.

### **1.3.2 Small Business Innovation Research (SBIR) Program**

1.3.2.1 To comply with Public Law 102-564, Small Business Research and Development Enhancement Act of 1992 (an amendment to Public Law 97-219, effective July 22, 1982), special provisions regarding equipment loans shall be implemented by the Agency. When transfer of title to property developed under phases of the SBIR program is not cost effective for NASA, profit-seeking organizations participating in the SBIR program receives bailment (loans) of Government property, developed under prior phases, in accordance with the following paragraphs:

- a. Only property developed as a requirement of the prior phases of the SBIR is loaned. Commercial property acquired by the contractor for performance of the contract or other procurement vehicle shall be disposed in accordance with the requirements of the contract or other procurement vehicle.
- b. When it is not cost effective to NASA to permit retention and title transfer to the small business, a bailment (loan) of property to the small business is authorized for a period of not less than two years from the initiation of Phase III. See Public Law 97-219, Section 4 of the SBIR.

1.3.2.2 Loan agreements for Phase III activity shall be requested by the Contracting Officer and accomplished by the SEMO to include the following special provisions:

- a. The Phase III loan agreements are separate agreements from the Phase I and Phase II contracts.
- b. Loans to the SBIR and other profit-making organizations are administered by placing equipment on loan under the Center inventory control and shall be certified annually.
- c. Loan agreements require annual recertification or renewal on the second anniversary of its issuance.

- d. Loan agreements are accomplished based on the special needs of the organization requesting the loan. If more than one request is submitted for the same item, a decision shall be made by the SEMO based on priority.
- e. Loans under the SBIR program shall be authorized and approved by the Center Director or designee.
- f. The provisions of this section apply to SBIR loans in addition to existing loan provisions.
- g. Accountability of loans administered in accordance with the provisions of this NPR.

### 1.3.3 High Performance Computing and Communications (HPCC) Program

1.3.3.1 To comply with the HPCC Act of 1991 (15 U.S.C. 5501 et seq.), special provisions regarding equipment loans shall be implemented by the Agency.

- a. Schools participating in the HPCC program receive special consideration relating to Government property.
- b. The acquisition of equipment for the purpose of loans to K-12 schools is permitted in accordance with the HPCC Act.

1.3.3.2 Loan agreements for HPCC activities are requested by participating schools and shall include the following special provisions:

- a. The loan shall be coordinated with the appropriate Center HPCC organization and the Office of Chief Counsel.
- b. The SEMO is authorized to sign HPCC loans.
- c. The provisions of this section apply to the HPCC program in lieu of existing loan provisions. Accountability and control aspects of the loans shall be administered in accordance with the provisions of NPR 5800.1, Grant and Cooperative Agreement Handbook, (See Section 3.4).

# Chapter 2: Equipment Acquisition

## 2.1 Equipment Acquisition

2.1.1 Purpose. To establish uniform requirements for the administration of equipment acquisition concerning property control and the logistics organization, including the preparation and coordination of equipment specifications, identification of unique equipment, and the approval to acquire the equipment. Receipt of any equipment from sources other than the Central Receiving shall immediately be reported by the recipient to the Center Equipment Manager. NASA equipment shall be acquired and used only to support official program or institutional operations. Equipment is defined as a tangible asset that is functionally complete for its intended purpose, durable, and nonexpendable. Equipment is not intended for sale and does not ordinarily lose its identity or become a component part of another article when put in use. Equipment includes all items of property configured as mechanical, electrical, or electronic tools and apparatus which function independently, or in conjunction with other equipment that has a useful life of two years or more and is not consumed in an experiment. This section applies to equipment-using organizations and controlled equipment which is acquired and used by NASA Centers. Controlled equipment is defined in Appendix A, Definition of Terms. This chapter sets forth administrative requirements for the acquisition and use of new or replacement equipment. NASA contractors are required to acquire equipment in accordance with the FAR and NASA FAR Supplement.

### 2.1.2 Identification of Unique Equipment

2.1.2.1 Specialized equipment items or equipment systems generally not commercially available which, by design or function are subsequently redistributed and used for other purposes, shall be designated as unique equipment at the time the equipment becomes inactive. The responsible division director or chief makes this determination in coordination with the Center Equipment Manager. When unique equipment becomes inactive, it is reviewed throughout NASA for other use, following the screening procedures.

### 2.1.3 Equipment Acquisition Documents

2.1.3.1 Copies of purchase orders or documentation supporting the estimated acquisition costs of fabricated or prototype items are used as supporting documents for the NASA PP&E System.

### 2.1.4 Procedures for Approving High Value Equipment Acquisitions

2.1.4.1 These procedures shall establish equipment approval authority at a level which ensures that the approving officer is knowledgeable of the overall equipment requirements, the Center Director's equipment acquisition policy, and other Agency policy. The approving official shall ensure that a review of the requirement is made by technically qualified personnel, preferably independent of the requiring office, and shall ensure that coordination is effected with any offices functionally responsible for management and control of the equipment. Examples of equipment that are subject to such reviews are transportation, photographic, automatic data processing, aircraft, safety equipment, and weapons.

2.1.4.2 Prior to acquisition of an item valued at more than \$25,000, the CO shall ensure that appropriate consideration has been given to the Agency's existing equipment assets and that screening efforts have been accomplished through the Center's Disposal Office or by using the NASA PP&E System to screen for equipment.

2.1.4.3 When transfer or loan from another Government agency or NASA Center is involved, the SEMO and requesting organization should be contacted for shipping and handling instructions. Requests for NASA Headquarters assistance in obtaining equipment from other Government agencies shall be coordinated by the SEMO, the Property Disposal Officer, and, if needed, NASA Headquarters, Logistics Management Division.

#### 2.1.5 Prescreening of NASA's Excess Equipment

2.1.5.1 For an item with an estimated cost of more than \$25,000, the requesting office should contact the Center Property Disposal Officer for the screening of NASA's excess equipment or equipment disposal case records in the PP&E System prior to initiation of a procurement request. Screening should be done to determine the availability of candidate equipment that satisfies the requirement and, thus, avoid a new acquisition.

#### 2.1.6 Approving Contractor Proposals for Equipment

2.1.6.1 Contractor proposals for equipment acquisition shall be processed and administered pursuant to the requirements set forth in the FAR and NASA FAR Supplement and shall be submitted to the responsible contracting officer for approval.

#### 2.1.7 Equipment Subject to Special Controls and Reporting Requirements

2.1.7.1 Additional special controls and reporting requirements are established for the following equipment:

2.1.7.2 Motor Vehicles. Separate annual calls are made for the Office of Management and Budget (OMB) and congressional budget submissions. Specific policies and procedures for the authorization, acquisition, utilization, and disposition of vehicles are set forth in NPR 6200.1, NASA Transportation and General Traffic Management. 41 CFR 102-34.55 requires that passenger vehicles and trucks achieve a fleet average fuel economy as established by the Secretary of Transportation.

2.1.7.3 Aircraft. The policies and procedures for aircraft acquisition are set forth in NPD 7900.4, Aircraft Operations Management, and NPR 7900.3, Aircraft Operations Management. The requirements herein are for aircraft accountability and control.

a. To ensure accountability, control, and visibility of NASA aircraft, the Center Flight Operations offices/departments shall designate an Aircraft Inventory Management Officer (AIMO), whose responsibility shall be to coordinate with the Center SEMO in updating the NASA PP&E System on all aircraft acquisitions, disposals, and permanent modifications. Based on the documentation provided by the AIMO, the Center SEMO shall ensure that the aircraft equipment records are updated in the NASA PP&E System.

b. The AIMO shall identify to the SEMO the purpose and use of all NASA-owned aircraft, active and inactive (e.g., decommissioned, displayed, parts, program support, research). The AIMO identifies aircraft obtained solely for spare parts. These aircraft are accounted for in the NASA PP&E System as spare parts aircraft. The purpose and use are incorporated into the item name or are documented in the NASA data tab of the Equipment Master Record (EMR) (See Appendix D).

c. The AIMO shall provide the Federal Aviation Administration Registry Number or the NASA tail number of each aircraft to the Center SEMO. The number shall be entered into the NASA data tab of the EMR.

d. The AIMO submits to the Center SEMO a Cannibalization/Modification Request (NASA Form 1617) for each aircraft acquired or identified as a spare parts aircraft. The AIMO shall coordinate

with the Center SEMO in notifying the Center Deputy Chief Financial Officer annually of all value adjustments, or when the value of the aircraft drops 10 percent or more. The Cannibalization/Modification Request form shall be reviewed, approved, and maintained on file and the cost value adjustments shall be processed accordingly. Based on the information provided by the AIMO, the Center Equipment Manager shall ensure that the EMR for the aircraft is accurately updated.

e. Center-owned aircraft and stock shall be under appropriate Center inventory controls. Annual physical inventories of Center-owned aircraft, including (aircraft) spare parts, shall be taken to determine the accuracy of the aircraft equipment records in the NASA PP&E System. The results shall be reconciled by the AIMO and the Center SEMO. The Center Finance Property Accountant shall be informed of changes due to inventories via the NASA PP&E System by performing a review of the EMR/AMR Integration Report.

#### 2.1.8 Equipment Acquired for Use in Mission Support under the Space Tracking and Data Systems Program

2.1.8.1 The acquisition of space tracking and data systems equipment shall be subject to the Work Authorization Document (WAD) procedures established by the Space Operations Program. The acquisition of all tracking and data acquisition equipment is administered only in accordance with these established procedures.

2.1.8.2 The Deputy Associate Administrator for Space Communications, Space Operations Missions Contract, shall provide input to the SEMO for the Congressional budget for WAD-approved equipment acquisitions as set forth in the annual budget call. In addition, by November 15 of each year, the Office of Space Flight provides a report, for the preceding fiscal year, of actions taken by Centers for the acquisition of equipment as required.

#### 2.1.9 Fabrication of Equipment

2.1.9.1 Equipment that is fabricated at, or by, a NASA Center shall be sufficiently identified to enable appropriate Federal Supply Class identification and equipment accountability by the responsible office.

2.1.9.2 Documentation for, and description of, fabricated equipment shall be developed and furnished to the SEMO for use in determinations regarding the physical control of such items by the responsible office.

#### 2.1.10 Acquisition of Office Furniture

2.1.10.1 Before purchasing new furniture, the activity shall screen the local excess inventory for items that can be reused. Items of office furnishings costing \$5,000 or more shall be controlled, as set forth in Chapter 3, Equipment Administrative Procedures and Use, of this NPR.

# Chapter 3: Equipment Administrative Procedures and Use

## 3.1 Equipment Control

3.1.1 Purpose. This chapter is intended primarily for equipment management personnel. It applies to Center-held equipment and sets forth the administrative requirements for establishing and maintaining the following:

- a. Equipment identification and accountability.
- b. Procedures for reporting the loss, damage, destruction, or theft of Government property.
- c. Equipment loan procedures.
- d. Offsite use of Government equipment by employees.

### 3.1.2 Controlled Equipment Classification and Control

3.1.2.1 Pursuant to the policy set forth in NPD 4200.1, Equipment Management, each NASA Center shall establish and maintain local procedures, meeting the NASA PP&E System requirements for the administrative control of equipment. The procedures should apply to all equipment classifications (use Federal Supply Classifications, as listed in the Federal Catalog H2 Series). Such equipment is referred to generically as controlled equipment. Center polices, at a minimum, meet the requirements of this section.

3.1.2.2 Centers shall control the following equipment:

- a. Capital Equipment is defined as equipment with a value of at least \$100,000 and subject to the financial control, accounting, and reporting capitalization requirements of NPR 9250.1, Property, Plant, and Equipment and Operating Materials and Supplies.
- b. Non-Capital Equipment is defined as equipment with a value of at least \$5,000 and not subject to the capitalization requirements of NPR 9250.1, Property, Plant, and Equipment and Operating Materials and Supplies.
- c. Sensitive Equipment is the equipment due to its pilferable nature, or the possibility of it being a hazard, that requires a stringent degree of control. Sensitive items are items listed in NPR 4200.1, Equipment Management, Appendix C: Agency (NASA) Minimum Standard Sensitive Items List, with a value of \$500 or more. Weapons and hazardous equipment, or devices, shall be controlled regardless of their value, and equipment determined to be pilferable shall be controlled by the Center SEMO.

3.1.2.3 The Federal Supply Classification Codes, as listed in the Federal Cataloging Handbook H2 series, shall be used to classify all controlled equipment in the NASA PP&E System.

3.1.2.4 Centers shall establish control of equipment, within three to five days of receipt and acceptance, by marking the equipment with an Equipment Control Number (ECN) barcode tag and entering the required data into the NASA PP&E System.

3.1.2.5 Centers shall assign an ECN and control each system, subsystem, or part of a subsystem that meets the criteria for control and is supplied as a unit of controlled equipment on an acquisition

document when:

- a. Component equipment items of the system or subsystem are interchangeable.
- b. Spare component equipment items are held for replacement of like component equipment items except when they are identified as Line Replaceable Units (LRU) in an inventory management system.
- c. They are stocked in a supply management repair program that controls repairable equipment items by issue location.

3.1.2.6 When acquisition documents do not identify equipment to the component level, Centers should enlist the assistance of technical personnel to identify and establish whether component equipment items meet any of the qualifications for control as prescribed under Sections 3.1.2.2 and 3.1.2.4.

3.1.2.7 Contractor use of Government property at an onsite location is subject to the requirements of NASA FAR Supplement (NFS) clause 1852.245-71, IAGP, and the terms and conditions of its contract. NFS 1852.245-71 requires onsite contractors to observe and comply with NASA Procedural Requirements for property and supply management, as well as any stated Center procedures.

3.1.2.8 When controlled equipment is furnished to an offsite contractor, the contractor's records shall serve as NASA's "stewardship" or custodial records for that equipment in accordance with the FAR "Government Property" clause at 52.245-1 and contract requirements.

3.1.2.9 When controlled Government Furnished Property (GFP) is provided to an offsite contractor, the Center Equipment Manager shall deactivate the EMR in the NASA PP&E System by doing a "Transfer of Government Furnished Equipment (GFE) to a Contractor," (Inactive Reason Code 67). The supporting (shipping) documentation is approved by the CO and forwarded to the Center Equipment Manager through the Center IPO.

3.1.2.10 When an offsite contractor reports that equipment is no longer required (disposal shall be done in accordance with FAR regulations) for the performance of the contract, NASA may opt for the following:

- a. NASA chooses to use the property for performance of work at the NASA Center. The Center IPO shall coordinate the physical transfer and receipt of the property. On notification of receipt, the Center Equipment Manager should activate an EMR with the acquisition method 06 - "Receipt by Transfer - From Contractor" or reactivate the inactive EMR, using the same acquisition method, and place the items in the appropriate property custodial account.

- b. NASA chooses to reassign the property from one offsite contract to another offsite contract. Only the equipment which meets the criteria for "Capital" shall be activated (or reactivated) using acquisition method 06 - "Receipt by Transfer - From a Contractor" to document in the NASA PP&E System that the equipment was returned to NASA's control. Subsequently, the EMR for the "Capital" equipment is deactivated as a "Transfer of GFE to a Contractor" (Inactive Reason 67) to the succeeding contract. Supporting transfer documents are approved by the CO and routed through the Center IPO.

- c. NASA chooses to assign the GFP to a different Center for NASA's use. The Center Equipment Manager for the losing/transferring Center shall reactivate or activate the EMR (as necessary) for all controlled property and transfer the property to the gaining Center in the NASA PP&E System. The Center Equipment Manager at the gaining Center acknowledges receipt of the property in the NASA PP&E System. Afterwards, the gaining Center executes Section 3.1.2.10. a above.

d. NASA chooses to assign "Capital" GFP to an offsite contractor at a different Center. The Center Equipment Manager for the losing/transferring Center shall reactivate/activate the EMR (as necessary) for only those Capital EMRs and transfer the property to the gaining Center in the NASA PP&E System. The Center Equipment Manager at the gaining Center acknowledges receipt of the property in the NASA PP&E System. Subsequently, the EMR for the "Capital" equipment is deactivated as a "Transfer of GFE to a Contractor" to the succeeding contract. The supporting (shipping) documentation is to be approved by the CO and coordinated by the Center's IPO.

### 3.1.3 Non-Controlled Equipment

3.1.3.1 Non-Controlled Equipment is equipment having an acquisition cost of less than \$5,000 (excluding items which have been designated as sensitive items); including equipment acquired and used under outsourcing initiatives and managed under procedures established by the holding Center, in accordance with NPR 4200.1, NASA Equipment Procedural Requirements. Each Center shall develop internal procedures for managers, custodians, and users on the "what and how" of handling non-controlled equipment. Such equipment is processed with appropriate documentation after receipt.

3.1.3.2 Each item of non-controlled equipment shall be affixed with a "Property of U.S. Government" decal, NF 1517 or 1517A, except when not physically or technologically feasible. Smaller versions of the decal are also available for use on small items of non-controlled equipment. The use of NF 1517 on non-controlled office furniture is optional.

### 3.1.4 Experimental and Fabricated Equipment

3.1.4.1 Center equipment that is designed or fabricated and meets the criteria for controlled equipment shall be controlled as defined in Section 3.1.2.2, except equipment integrated with test articles being experimented on and subject to frequent configuration change. If an item configuration and use becomes stable and otherwise meets the criteria for controlled equipment, Centers establish equipment control in accordance with this chapter.

3.1.4.2 Centers shall monitor sources and locations of experimental and fabricated equipment to ensure that appropriate equipment control actions are accomplished when such equipment meets the criteria for control.

### 3.1.5 Equipment Located at NASA Centers Other Than the Funding Center

3.1.5.1 The Center that owns the equipment is responsible for equipment control and accountability, regardless of geographical separation from the funding or acquiring Center except under short-term loans (3.4.7) of equipment for tests, inspections, and other uses.

3.1.5.2 The Center responsible for administration of a contract is responsible for control and accountability of equipment furnished to that contract.

### 3.1.6 Equipment Directly Delivered to Nonfunding Centers

3.1.6.1 When equipment is directly delivered to another Center, the Center responsible for the procurement of the equipment shall control the equipment until accountability and control are transferred to and accepted by the Center that received the shipment.

#### 3.1.6.2 Establishing Control:

a. The receiving Center is responsible for the security of received property, regardless of the funding or procuring Center.

- b. The procuring Center's SEMO shall provide all available acquisition information to the receiving Center's SEMO when they become aware of situations in which equipment acquired by their Center procurement activity is directly delivered to another Center. If the procuring Center differs from the funding Center, the procuring Center's SEMO also provides all available acquisition information to the funding Center's SEMO.
- c. Once the receiving Center's SEMO receives the equipment and sends a copy of all receiving and inspection documentation to the funding Center's Equipment Manager, the receiving documentation should contain sufficient information to establish an EMR in the NASA PP&E System (See Sections 3.1.2.2 and 3.1.24).
- d. The funding Center's Equipment Manager shall add the equipment item(s) to the NASA PP&E System according to, and on receipt of, the receiving and inspection documentation.
- e. As soon as possible after processing receipt of the item, the funding Center's Equipment Manager processes a transfer action to the receiving Center.
- f. The receiving Center's Equipment Manager processes a transfer action in the NASA PP&E System to receive the transferred property from the funding Center. The receiving Center's Equipment Manager shall retain the receipt and inspection form and contract or purchase order as the authorizing source documents.
- g. The receiving Center shall return appropriate documentation to the funding Center's Equipment Manager to acknowledge receipt and acceptance of the equipment.

3.1.6.3 The receiving Center shall report (to the funding Center Equipment Manager) that the equipment has been received, accepted, and tagged. The funding Center's Equipment Manager should immediately create an EMR in the NASA PP&E System using the acquisition method "Purchase by NASA, Receipt by Purchase - NASA funded," and using the contract or purchase order as the authorizing source document. Afterwards, the funding Center Equipment Manager puts the EMR into a transfer status. The receiving Center completes the transfer by taking the EMR out of transfer status.

### 3.1.7 Equipment Found on Station (FOS)

3.1.7.1 The Center SEMO shall take immediate action to establish equipment accountability and control of all items found that meet the control criteria but that are not controlled in the Center's equipment records.

3.1.7.2 The Center SEMO is responsible for ensuring that a documented investigation is conducted for each case to determine the circumstances that allowed the equipment to be onsite (at the Center) without equipment management control. NF 1618, Found on Station Equipment Investigation, shall be used to document the circumstances and investigations (instructions are contained on the reverse side of the form).

3.1.7.3 Upon conclusion of the investigation, the SEMO should analyze all findings and facts developed and forward a report to senior management, if necessary, recommending corrective actions necessary to prevent similar occurrences.

### 3.1.8 Classified Equipment

3.1.8.1 The NASA PP&E System shall be used throughout the Agency to identify, control, and account for Government-owned equipment acquired by or in use by NASA, which includes equipment that processes national security information and meets the parameters established by NPD 4200.1, Equipment Management.

3.1.8.2 The only exceptions are Communications Security (COMSEC) materials and equipment, which are addressed in Section 3.1.8.5, and national security systems equipment deemed to be classified having Operations Security (OPSEC) impact. In such cases, only the NASA Principal Accreditation Authority (PAA) exempts such equipment from the NASA PP&E System, which shall be documented and placed in the applicable System Security Authority Agreement /System Security Plan (SSAA/SSP) and requires from the NASA Designated Approval Authority/Certifying Authority (DAA/CA) to implement equipment accountability equivalent to, or more stringent than, the NASA PP&E System.

3.1.8.3 When equipment that processes national security information is placed in the NASA PP&E System, the tagging and tracking of national security systems equipment shall be done in such a way as to not divulge the security characteristics of the system or national security information itself.

3.1.8.4 OPSEC shall be factored into the accounting process and dictate the specifics. National security systems are appropriately sanitized prior to access for tagging and accounting requirements by Center Equipment Management personnel. Classified magnetic media or National Security System (NSS) output is not placed into the NASA PP&E System.

3.1.8.5 COMSEC materials and equipment (e.g., secure telephones) protect our Nation's most sensitive national security interests. This type of equipment requires special processes, special clearances, and special access. Only individuals with a need-to-know basis and holding an active security clearance at the appropriate level shall have access to this type of equipment. Therefore, NASA COMSEC materials and equipment participate in the national Consolidated Material Control System (CMCS) process for accountability and are not to be recorded into the NASA PP&E System.

3.1.9 Furniture and Furnishings. Office furniture and furnishings under \$5,000 are non-controlled items and shall be tracked in accordance with the Center's policies for non-controlled property (See Sections 2.1.10 and 3.1.3).

3.1.10 Vendor-Owned Equipment Onsite. In the instance when a vendor installs or uses vendor-owned equipment at a NASA Center, and retains title, such equipment is clearly identified as being the property of that vendor.

3.1.11 Centers that allow employee-owned equipment onsite shall ensure in local policy that such equipment is clearly identified as being the personal equipment of the employee with the purpose to establish accountability.

3.1.12 Contractor Equipment Onsite. Pursuant to NASA FAR Supplement 1852.245-77, contractors shall secure a written consent from their responsible COs prior to the use of equipment owned or leased by the contractors at a NASA facility, or of the use of other equipment for which the contractors are accountable under any other Government contracts.

## **3.2 Controlled Equipment Accountability**

3.2.1 Purpose. This section sets forth requirements for establishing and maintaining effective controlled equipment accountability that provides a continuous audit trail of an item from receipt until transfer of accountability or disposal.

3.2.2 ECN. Each item of controlled equipment shall be physically identified with a singular ECN (See Section 3.2.4).

3.2.3 ECN Register. Each Center shall establish and maintain an ECN register. The SEMO uses the register to control the distribution of ECNs. The register includes the following data: ECN, the

signature of person(s) accepting the blocks of tags prior to assignment, and date assigned.

3.2.4 Tagging of Equipment. Each item of controlled equipment, to include Flight Hardware Class I, Class II, and Class III, shall be affixed with an ECN (tag) upon receipt, inspection, and acceptance at the Center. This ECN is affixed by means of an Equipment Control Tag, or a mini Equipment Control Tag for small components, and firmly affixed in a conspicuous place, preferably on the front of the item. The ECN is legibly etched, engraved, or marked with a permanent marker on items not conducive to the application of tags.

3.2.4.1 Assets that cannot be physically tagged due to form, fit, and/or function are tagged using a virtual tagging process. This process shall be applied by exception only and could include putting the tag on a printed hardcopy of the item's EMR, picture, or other traceable document.

3.2.4.2 For virtual tagging, the user shall submit a written request with a detailed justification to the SEMO for approval. 3.2.5 Reconciliation, Adjustment, and Reporting of Property Records and Financial Account Balances.

3.2.5.1 The Center Finance Property Accountant shall be informed of changes of property capital equipment via the NASA PP&E System by performing a review of the EMR/AMR Integration Report.

3.2.5.2 The Center SEMO shall assist the Center Finance Property Accountant, as needed, during periodic financial analyses.

3.2.6 Control of Documents. The Center shall develop detailed procedures to ensure that all documentation and actions affecting the accountable records (such as activations, deactivations, and cost adjustments) are serially controlled and processed promptly. Since the NASA PP&E System does not generate an equipment reference number for supporting documents, the source documents, including those for the inventory subsystem, should be annotated/compiled and indexed by Date (day/mo/year) and ECN sequence and archived on a routine basis. The Center's Equipment Manager ensures that copies of this documentation are maintained in accordance with NPD 1441.6, NASA Records Management, and NPR 1441.1, NASA Records Retention Schedules.

3.2.7 Receiving and Inspection of Equipment. Each Center shall establish a centralized receiving location for the processing of controlled items.

a. All qualified personal property purchased and processed through central receiving is tagged when applicable (upon official receipt) regardless of procurement method unless opening the package voids the warranty. In those situations, the SEMO shall establish procedures to ensure those items are tagged upon opening of the package at the point of destination.

b. Upon receipt of purchased equipment and prior to acceptance, an inspection is conducted to ensure that the items received are consistent with the requirements of the acquisitions documents. The equipment should be inspected for possible damage and defects.

c. Accountability shall be established for controlled equipment by preparing the documentation necessary for entering the equipment data into the NASA PP&E System. Equipment delivered on a Department of Defense (DD) Form 250, Material Inspection and Receiving Report, or equivalent acceptance document or method, shall be fully priced per line item. An incomplete DD Form 250 should be referred to the appropriate CO for correction. The assigned ECNs are to be annotated on the receipt and inspection report along with any serial numbers, model numbers, or other appropriate identifying markings.

3.2.7.1 Other receipts of equipment shall be received and reviewed against the accompanying shipping documentation and, if accountable to the Center as controlled equipment, assigned an ECN

the same as purchased equipment. Controlled equipment received as a transfer from another NASA Center retains the ECN assigned by the initial acquiring Center.

3.2.7.2 Equipment entering the Center on loan or lease shall be handled and identified as required (See Section 3.4.5).

3.2.7.3 For direct deliveries of equipment, regardless of the acquisition method (to include credit card purchases), the user shall request the item to be tagged via N-PROP, or immediately notify the corresponding property custodian, central receiving, or the equipment manager in accordance with the Center's policies. Each Center establishes internal procedures to ensure that items delivered directly to the user are properly controlled and tagged. This would include hazardous material controls, if appropriate.

3.2.8 Shipment of Equipment. Equipment to be hand-carried or shipped from the Center shall be documented and coordinated with the SEMO prior to the physical movement of the equipment to ensure that the proper actions and any adjustments are made in the NASA PP&E System.

3.2.9 Removal of Tags and Other NASA Identification

3.2.9.1 For NASA-held property, the NASA Equipment Control Tag shall be removed or obliterated when NASA-controlled equipment permanently leaves NASA custodial responsibility.

3.2.9.2 For equipment shipped to contractors as GFE under their contracts, the Equipment Control Tags or other NASA identification shall not be removed from the equipment.

3.2.9.3 Other forms of NASA identification, including, but not limited to, NASA forms 1517 and 1517a, Property of NASA, U.S. Government decals need not be removed at, or during disposition.

3.2.9.4 The removal of NASA equipment control decals, as required by NPR 4200.1, is accomplished by the recipient of the property, when such action is required as a condition of disposition transfer, donation, or sale.

3.2.10 The removal of equipment from the Center for repair under the terms of the warranty. The Center shall maintain control over equipment that is removed from the Center for repair, calibration, or under the terms of the purchase warranty in accordance with the Center's procedures.

## **3.3 Equipment Loans**

3.3.1 Purpose. This section sets forth the authority, requirements, responsibilities, and procedures for authorizing and accomplishing the loan of NASA equipment. This section does not apply to the equipment loan policy for NASA employees or Center support contractors.

3.3.2 Policy. Loans made external to NASA shall be made by an appropriate instrument/(legal documentation). These loan agreements are reviewed by the Office of the Chief Counsel (for equipment at a Center) or the Office of the General Counsel (for equipment at Headquarters) and other appropriate officials and approved by the Center SEMO in accordance with the provisions or procedures of NPD 4200.1, NASA Equipment Management, and NPR 1387.1, NASA Exhibits Program. 3.3.3 Procedures

3.3.3.1 Any NASA employee receiving a request for the external loan of NASA equipment shall refer the request to the Center SEMO. Contact requests received regarding proposed loans shall be made far enough in advance to permit orderly review and approval of the request and timely preparation of the necessary documentation.

3.3.3.2 The SEMO shall coordinate loan requests with the user organizations. The division director

or designee should certify that the equipment to be loaned is released without adversely affecting Center requirements.

3.3.3.3 When the concurrence of the authorizing official has been obtained and the loan is to be made external to NASA, the SEMO shall determine the appropriate method for accomplishing the loan.

3.3.3.4 If the loan is to be made from one NASA Center to another NASA Center, it is considered internal and referred to as a "borrow" in the NASA PP&E System.

3.3.3.5 If the loan is effected pursuant to the terms of any other type of agreement, the loan documents, correspondence, subordinate loan agreements, and shipping documents shall be approved by the SEMO.

3.3.3.6 If the loan is to be effected with any foreign government or organization, it should be approved by the Office of External Relations, NASA Headquarters and NPR 2190.1, NASA Export Control Program.

3.3.3.7 The actual physical movement of the equipment shall be coordinated with the Center SEMO.

3.3.3.8 For each loan, the SEMO shall ensure that a case file is established containing appropriate copies of authorizing agreements and all other pertinent supporting documentation.

## **3.4 Loan of Equipment to Government and Non-Government Organizations**

3.4.1 NASA equipment is available to be loaned to Government and non-Government organizations, private individuals, corporations, or other entities, provided the loan is in the public interest and meets the following criteria:

- a. The borrower has both the facilities and capability to secure and safely operate the equipment, including the submission of training/certifications to operate the equipment.
- b. The loan is temporary.
- c. It benefits the Government.
- d. The borrower acquires no rights to the equipment.
- e. The equipment is not modified (if modifications are required, deviations should be obtained).
- f. The Center SEMO approves and, where applicable, the Office of the Chief Counsel (or the Office of the General Counsel for Headquarters property) concurs.

3.4.1.2 Custodian records of loaned or borrowed equipment are maintained by the lending property custodian. All loans offsite of the Center shall be made as prescribed in this NPR.

3.4.1.3 Loans made for the purpose of public display, such as to museum and special events, are addressed in NPR 1387.1, NASA Exhibits Program, and copies of the loan agreements shall be provided to the Center SEMO.

3.4.2 Policy and Procedures for the Loan of NASA Equipment to Profit- Making Organizations for Purposes Not Covered in a Procurement Contract or Other Agreement.

3.4.2.1 NASA equipment is available to profit making organizations when authorized by the Space Act and specified in the loan agreement. Equipment loans under this paragraph shall be authorized

and approved by the Center's Director or designee.

3.4.2.2 Before an equipment loan is accomplished, the following shall be included in the supporting loan file:

- a. A statement from the user organization that release of equipment does not adversely impact the organization's operations.
- b. Documentation of coordination with the Center Procurement Officer to ensure that the user does not receive an unfair competitive advantage for a Government contract.
- c. A determination of whether monetary consideration is required for use of the property.

3.4.2.3 Each loan and its supporting file shall be concurred on and approved by the Office of the Chief Counsel (or the Office of the General Counsel, as appropriate) before execution by the Center SEMO or designee.

3.4.2.4 NASA Headquarters, Logistics Management Division shall be provided executed copies of all loan agreements involving equipment costing \$100,000 or more.

### 3.4.3 Inventory Control of Loans (Other Than Employee Loans) and Leases

3.4.3.1 The authorizing officials shall ensure that each loan agreement does not exceed one year. A provision shall be established requiring the borrowing activity (to which the loan was made) to report and provide annually to the lending Center SEMO, on the anniversary date of the loan, a recertification statement. The recertification statement contains the identification number assigned to the equipment, its description, current location, date physically sighted, current use, and validation of the requirement for continuation of the loan.

3.4.3.2 The SEMO or designee shall develop and maintain a suspense system for loans and leased equipment to ensure that equipment is returned or leases are extended. An Out Status Expiration Report from Business Warehouse in the NASA PP&E System can be generated to review the status and expiration of loans or leased equipment. If loan extensions are determined to be necessary, the loaning official submits a recertification statement. Authorizing officials review and certify extensions of expired leases before renewal to ensure outgoing leases do not exceed temporary-use policy.

### 3.4.4 Control of Incoming Loans and Leases

3.4.4.1 All incoming loans and leases of equipment that meet the criteria for control, regardless of source, shall be processed at the time of receipt by the SEMO with the following exceptions (not be recorded in the NASA PP&E System):

- a. Equipment under NASA-wide contracts, such as cost-per-copy-service contracts
- b. Equipment provided under seat contracts, in which a service is acquired by the Agency, and the property is owned by the contractor, incidental to the service
- c. GSA retains ownership to GSA vehicles leased by NASA. GSA-leased vehicles shall be accounted for in the NASA fleet management system.

3.4.4.2 Any non-government organization loaning or leasing equipment to NASA shall have a written agreement with NASA, stating the loan purpose and period. Before the loan is finalized, the SEMO submits the document governing the loan or lease of the equipment to the Office of Chief Counsel for review.

3.4.4.3 All loaned or leased equipment meeting the criteria for control shall be entered in the NASA

PP&E System in accordance with the following requirements:

- a. Equipment identified in writing for lease or loan for 60 calendar days or less need not be accountable in the NASA PP&E System if appropriate documentation is on file in the equipment organization and the equipment is physically identified as belonging to the activity. The NASA activity to which the loan or lease was made is responsible for returning the equipment, through the equipment organization, within 60 calendar days.
- b. For equipment (loaned or leased for at least 60 days) meeting the control criteria, adequate controls shall be established by processing a Receipt from "Loan In" or a Receipt by "Lease In" in the NASA PP&E System, as applicable.
- c. The recorded acquisition cost on the EMR for incoming loaned and leased items is the estimated original acquisition cost.
- d. The Center Equipment Manager shall obtain from the NASA PP&E System (Business Warehouse) a Lease/Loan In Expiration Report, monthly. This report generates all incoming loans and leases due to expire within a selected date range. The using official reviews the loan or lease requirement and arranges for return of the loaned or leased equipment or requests an extension of the loan from the authorizing official or leasing organization.

3.4.4.4 Leased equipment is subject to capitalization if the original acquisition cost (value of asset, not value of lease) is \$100,000 or more as determined by the Finance Property Accountant.

3.4.4.5 All incoming leased equipment shall be reviewed by the financial management organization to determine when capitalization requirements apply. When a leased item is not subject to capitalization, the Center Equipment Manager shall be notified to remove the link to the AMR.

3.4.5 Identification of Equipment on Loan or Lease to the Center. Each Center shall affix a loan/lease tag to incoming loaned or leased equipment at the time of receipt to show clearly that such equipment is not owned by the Center.

3.4.6 Leased Equipment Converted to Purchase. When NASA takes title to a leased item, the lease tag should be replaced with an Equipment Control Tag and a Convert Lease to Purchase to the EMR in the NASA PP&E System shall be executed.

3.4.7 Control of Internal Loans between NASA Centers. The term "Center Borrow" in the NASA PP&E System is used to track equipment from one Center to another Center for temporary use. The owning NASA Center sending the equipment to another Center shall change the location information and out status information on the EMR in the NASA PP&E System to reflect the equipment is in an "Out Status - Center Borrow." When the borrowed equipment has been returned, the owning Center updates the EMR in the NASA PP&E System to reflect the equipment is no longer in an out status. The SEMO, the Center Equipment Manager, or designee, initiates NASA Center's equipment loan requests through locally established documentation. Also, the "Out Status Expiration Report" from the NASA PP&E System (Business Warehouse) is generated to monitor equipment return dates.

## **3.5 Removal and Use of Equipment by Employees**

3.5.1 Purpose. This section describes procedures and responsibilities for the removal and use of Government equipment offsite (controlled and non-controlled) by NASA civil service or onsite contractors.

3.5.2 General Policy

3.5.2.1 Loans of equipment for use at home or for telecommuting initiatives should be necessary or beneficial to the conduct of NASA's missions or other official Government purposes.

3.5.2.2 External loans (outside of NASA) in the NASA PP&E System refer to temporary loans from or to non-NASA entities. Equipment temporarily loaned to employees for use at home or elsewhere, when the authorizing official determines it is necessary or beneficial in the conduct of NASA's missions or other official Government purposes, shall be processed as a "borrow" in the NASA PP&E System.

3.5.2.3 Determinations shall be made in writing and specify the loan purpose and duration. Extensions should be requested prior to the expiration date of the loan. Equipment is returned when the specified purpose for the loan is no longer valid or at the end of the approved loan period, whichever is earlier. Flexible workplace agreements contains provisions for long term equipment loan to individual employees. Equipment loaned in this manner need not be returned for inventory/inspection until the agreement is terminated.

3.5.2.4 Employee loans shall be issued for an initial period of up to six months or, if shorter, upon completion of the project. Renewal beyond the initial six-month period is reviewed by the division director and approved by the SEMO. If the equipment is required beyond 12 months, the employee submits a written explanation requesting continued use of the item. The request is forwarded to the appropriate approving authority, using the original loan number and data from the original request.

### 3.5.3 Approval to Remove Equipment

3.5.3.1 Approval to remove equipment from the Center for offsite use by a NASA employee shall be granted by the division director and approved by the Center Equipment Manager, provided the request is in accordance with the policy of this paragraph and Center policy. The division director also provides certification that removal of the property does not adversely affect the performance of official duties in the division by the requesting employee or any other division employee and that the equipment being removed is not excess equipment. For on-site contractors, the additional approval of the Contracting Officer's Technical Representative (COTR) and the CO is required before removal.

3.5.3.2 Failure to meet these policy requirements can lead to disciplinary action or financial liability for the employee, especially if loss, damage, destruction, or theft occurs during the removal period regardless if the theft, loss, damage, or destruction occurred onsite or offsite of the Center.

### 3.5.4 Procedures

3.5.4.1 Prior to the removal of Government-owned equipment from a NASA Center (for offsite use), the requester shall perform the following:

- a. For Short-Term Loans (not to exceed 30 days): Loans shall be documented using NF 892, Property Pass Request and Removal Permit, or equivalent. The Center policy determines the length of time for the pass (i.e., telework each time or over a specific period).
- b. Loans exceeding 30 days (but less than 180 days) shall be documented using a Center loan agreement between NASA and the loan employee.
- c. Loan documentation shall indicate the requester's name and organization identification, the purpose for use and removal of the equipment, and an explanation of why the official use cannot be accomplished onsite during normal business hours. Loan agreements are approved by the division director and concurred on by the Center Equipment Manager.
- d. The requester submits the NF 892 to the property custodian for signature. A copy of the NF 892

or the loan agreement is retained by the applicable property custodian until return of the equipment has been verified.

e. The requester returns the equipment by the return date shown on the NF 892 or loan agreement or requests an extension beyond the originally approved period. The extension is submitted in writing to the division director and submitted to the Center Equipment Manager for final approval.

3.5.4.2 Loans of controlled equipment exceeding 30 days. The Center Equipment Manager changes the location information and out status information on the EMR in the NASA PP&E System to an "Out Status - Same Center Borrow." When the property is returned, updates the out status as returned.

3.5.4.3 Loan agreements shall specifically detail the responsibilities of the employee with regard to the proper care and treatment of the equipment and clearly state that the employee is subject to disciplinary action or financial liability resulting from the loss, damage, destruction, or theft of the property if negligence, wanton, or willful misconduct is proven.

3.5.4.4 Employees shall notify the responsible property custodian when the borrowed equipment is returned. The property custodian provides appropriate notification to the Center Equipment Manager.

3.5.5 Limited Personal Use of Government Office Equipment, Including Information Technology

3.5.5.1 In accordance with NPD 2540.1, Personal Use of Government Office Equipment Including Information Technology, NASA employees are authorized the use of Government office equipment for personal needs if the use does not interfere with official business and involves minimal additional expense to the Government. This limited personal use of Government office equipment should not take place during the employee's scheduled work time, with limited exceptions, including brief exchanges of information with doctors' offices, car repair shops, child care facilities, and schools during their establishment's regular office hours. Employees are specifically prohibited from using Government office equipment to maintain or support a personal private business or to assist relatives, friends, or other persons in such activities. For further definition of "Limited Personal Use," employees are encouraged to review NPD 2540.1, Personal Use of Government Office Equipment Including Information Technology, or contact their Center Equipment Manager.

3.5.6 Shipping Equipment by Center. The NF 892 shall not be used in lieu of a shipping document. In cases where shipment by the Center is required, a properly prepared shipping document accompanies the equipment. A shipping document is prepared for items of equipment that are hand-carried.

## **3.6 Equipment Use**

3.6.1 Purpose. This section establishes requirements for the use, custody, care, and reporting of controlled equipment while in the hands of using organizations.

3.6.2 Property Management Areas

3.6.2.1 Appointed property custodians shall ensure that effective management controls are in place for the areas where controlled equipment is maintained. The SEMO is required to establish a property custodial account number for each area. The custodian account number identifies all controlled equipment assigned within the area for which the management of the user organization is responsible.

3.6.3 Assignment and Responsibilities of Property Custodians

3.6.3.1 A property custodian shall be assigned for each defined property management area. The duties of the property custodian are set forth in NPR 4200.2, NASA Equipment Management Manual for Property Custodians.

3.6.4 All equipment shall be assigned to a user.

3.6.4.1 The assigned user assumes responsibility for stewardship of the equipment in accordance with Appendix I (User Responsibility for Safeguarding Government Property) of this NPR. The user can use N-PROP (the Web-based front end of the NASA PP&E System) to update equipment records, as appropriate, or report any changes of status, location, or user to the responsible property custodian.

3.6.4.2 Users can access N-PROP via i-View or via direct Internet access in the NASA PP&E System. N-PROP provides users the ability to: accept or reject receipt for equipment and to cancel a pending property action; view assigned property, as well as history; update property location; transfer property from one property custodian account to another property custodian account; generate a property pass; request property control tags; and request excess of controlled equipment.

3.6.4.3 Users receive an e-mail to notify them of any new equipment assigned to them and have to accept or reject the assignment.

3.6.4.4 Users are NOT authorized to delegate their acceptance of property.

3.6.4.5 To accept, users acknowledge receipt by one of the following methods:

- a. Accepting responsibility in N-PROP (Actions Tab on Home Page, then Accept or Reject Tab).
- b. Printing out the e-mail notification, signing it, and returning a signed copy to the property custodian.
- c. Signing a User's Acceptance Form and returning a signed copy to the property custodian.

3.6.5 Walk Through Inspections

3.6.5.1 Walk through inspections are required by FPMR Section 101-43.101 and 40 U.S.C Section 524(a) (2), and shall be performed by each division director, or designee, accompanied by the property custodian. The walk through inspection includes all locations both onsite and offsite for each property management area; identifying inactive or underused equipment (for internal re-use by NASA) that is no longer required or which is expected to become inactive in the near future. The equipment is routinely inspected to ensure that scheduled or necessary maintenance is being performed and that the equipment is up to date and in keeping with established performance requirements.

3.6.5.2 Each item in the NASA PP&E System that is identified as no longer needed or excess, including those in storage facilities, shall be reported to the Center Equipment Manager.

3.6.5.3 A Memorandum for the Record, covering the results of the walk through, shall be prepared by the division director. A copy is maintained on file by each property custodian for each property management area, and a copy is forwarded to the SEMO.

3.6.5.4 The SEMO shall prepare a report annually for the Center Director, describing the walk through program and results.

3.6.6 Sensitive Equipment Items

3.6.6.1 Generally, equipment items that have an acquisition cost of \$500 or more and are easily

pilferable or desirable for personal use shall be identified as sensitive equipment. Also, weapons and other potentially hazardous equipment items, that are dangerous in nature, are controlled as sensitive, regardless of cost or value. Some items of historic significance, regardless of historical value, also are considered sensitive. Sensitive items are indicated with the high-risk flag on the EMR in the NASA PP&E System.

3.6.6.2 Items identified in Appendix C of this NPR shall be controlled as sensitive. Additionally, Center policy can prescribe more rigorous requirements than Agency policy but cannot prescribe less rigorous policy. For example, you could choose to control a camera even if it is less than \$500. However, if it is more than \$500, it is controlled. The Center SEMO submits a request to NASA Headquarters to add items to Appendix C, Agency's Minimum Standard Sensitive Item List, with detailed justification to support the item(s) being considered sensitive. Approval or disapproval is made by the NASA Headquarters, Director, Logistics Management Division.

3.6.6.3 Each property custodian shall establish the following special controls for the sensitive items that have been identified in their respective custodian account(s):

- a. Sensitive items are assigned to a user in the NASA PP&E System.
- b. The user assumes responsibility for the surveillance of sensitive items (Appendix I, User Responsibility for Safeguarding Government Property) and secures these items when not in use.
- c. The user updates the EMR for sensitive items through N-PROP, or by contacting the responsible property custodian for changes of equipment status, location, or user.
- d. Sensitive items should not be out of the possession or control of the person to whom they are assigned.
- e. All loans of sensitive items are revalidated as policy requires; however, sensitive items in Center-wide pools are exempt from this revalidation requirement.
- f. The assigned user shall be able to produce all sensitive items not on current documented loan for inventories.
- g. Due to their inherent potential for being pilfered, special care should be taken to ensure that underutilized or idle sensitive items are properly secured or turned in as excess when no longer required.

3.6.6.4 The SEMO shall annually perform a 20-percent random sample physical inventory of the Center's sensitive items. This requirement does not apply if the Center is performing the annual wall-to-wall physical inventory of all its controlled property.

3.6.6.5 The 20-percent random sample physical inventory of sensitive items shall be performed by property management personnel or contractor representatives. This inventory shall verify that special controls have been established and that all the sensitive items listed on the sample are accounted for, as required. The SEMO utilizes listings of sensitive items generated by the NASA PP&E System to obtain the sample inventory.

3.6.6.6 If a custodian account cannot produce all of the sensitive items listed on the sample inventory within seven working days after the inventory, the Center Equipment Manager shall require a 100-percent physical inventory of all sensitive items for that custodian account.

### 3.6.7 Cannibalization of Equipment

3.6.7.1 With prior written request from the responsible division director, equipment is cannibalized when justified to fulfill equipment requirements. Written approval from the SEMO is obtained prior

to disassembly of equipment. This approval is documented using NF 1617.

3.6.7.2 Requests shall include the equipment control number and a brief description to include the item name, manufacturer, model number, serial number, date of manufacture (if known), and value of the item to be cannibalized. Additionally, requests shall include a brief statement as to the reason for the cannibalization and whether or not the cannibalized item is retained for future use. Cannibalization or modification requirements do not apply to the removal and replacement of system components for operational purposes.

3.6.7.3 An approved NF 1617 shall be submitted to the Center Equipment Manager for appropriate adjustment of the equipment control record. Any residual, unused materials are turned-in for reutilization or disposal. When cannibalized capital equipment is removed from the NASA PP&E System, the Center Finance Property Accountant is informed of the adjustments to capital equipment via the NASA PP&E System by performing a review of the EMR/AMR Integration Report.

3.6.7.4 In those cases where an item that has been modified, and only the value has changed, the new value for the item is still reported to the Center Equipment Manager on NF 1617 for adjustment of the equipment control record. The Center Finance Property Accountant is informed of changes of property capital equipment, via the NASA PP&E System, by performing a review of the EMR/AMR Integration Report.

3.6.7.5 Normally, equipment available from other NASA Centers, contractors, or other Government agencies is not acquired solely for cannibalization. Exceptions to this rule require directorate or higher level approval. The Center Equipment Manager maintains the approval document in accordance with NPD 1440.6, NASA Records Management, and NPR 1441.1, NASA Records Retention Schedules.

3.6.8 Retention of Inactive Equipment. The nature of NASA operations occasionally makes it desirable to retain equipment, not in current use, for a specified time for other potential needs before further disposition. Inactive equipment is retained by the Center for one of the following specific purposes and under the conditions indicated below: (The NASA PP&E System does not have a status for equipment which is retained under the below circumstances. The SEMO develops a method to track equipment which is inactive).

3.6.8.1 Firm Future Requirement. A firm future requirement is considered a specific purpose for equipment retention, provided that the equipment has been identified for use on a project, program, or other work activity, the planning of which has been approved by the Center Director. All equipment held for firm requirements shall be recertified annually by the director of the owning organization.

3.6.8.2 Heritage Asset. Equipment is only classified as a heritage asset if it meets one or more of the following criteria (see NASA Property, Plant, and Equipment and NPR 9250.1, Operating Materials and Supplies, for Heritage information):

- a. Historical or natural significance.
- b. Cultural, educational, or artistic (e.g., aesthetic) importance.
- c. Significant architectural characteristics.

3.6.8.3 Retention of equipment designated by the Center Director for emergency standby purposes should be justified. The director of the owning organization, for continued retention, reviews this equipment annually.

3.6.9 Reporting and Control of Inactive Equipment Retained by NASA Centers

3.6.9.1 Inactive equipment shall be reported to the SEMO for further processing in accordance with existing storage requirements:

- a. The turn-in document is annotated to reflect the purpose for retention and the length of time the equipment is to be held.
- b. The equipment documentation reflects pertinent data relating to the designation of the equipment, including the results of cyclic review and recertification.
- c. The NASA PP&E System does not have a status for equipment which is retained as inactive equipment. The SEMOs should develop a method to identify equipment which is inactive.
- d. Equipment that is not readily movable or is specifically located for emergency purposes should be held in place and labeled or tagged to indicate that it is inactive.
- e. For continued retention of inactive equipment, an annual written recertification shall be provided by the division director or designee of the storing organization.
- f. The SEMO shall submit, monthly, a list of all inactive equipment (for example, heritage assets, firm-fixed future requirements or equipment in storage) to the Deputy Chief Financial Officer for removal of the item from the financial records. The SEMO is to annotate the inactive asset classification (e.g., heritage asset) on the monthly listing provided to the Office of Chief Financial Officer.

### 3.6.10 Unconditional Donations of Property to NASA from Entities other than Federal Agencies

3.6.10.1 NASA accepts unconditional donations of property from external entities (i.e. private industry, academia) provided that the external entity submits a written statement to the Center indicating that the donation is unconditional.

- a. The written statement from the external entity should also specify the property being donated to include an item description, model number, serial number, and fair market value.
- b. Additionally, the NASA technical organization requesting the property should submit a justification to the Center Equipment Management stating how the property is to be utilized. The written statement from the external entity, along with the justification from the technical organization, is submitted to the Center Equipment Management organization.
- c. The Center Equipment Management Officer reviews the statement from the external entity and the justification from the technical organization. If the justification indicates that the property is actively utilized, all documentation is forwarded to the Center's Office of the Chief Counsel for review. If the Office of the Chief Counsel indicates there is no legal reason why the property cannot be accepted, SEMO approval is obtained. After SEMO approval, the entity is notified to release the property to NASA. Once received by the Center, the property is processed in accordance with this NPR.

### 3.6.11 Artifacts

3.6.11.1 The handling of artifacts shall follow the procedures stated in NPR 4310.1, Identification and Disposition of NASA Artifacts.

3.6.11.2 An artifact is only considered a Heritage Asset if it meets one of the following criteria (see Property, Plant, and Equipment and Operating Materials and Supplies, NPR 9250.1 for Heritage information):

- a. Historical or natural significance.
- b. Cultural, educational, or artistic (e.g., aesthetic) importance.



# Chapter 4: Equipment Physical Inventories

## 4.1 Inventory Scheduling and Personnel

4.1.1 Purpose. To define requirements and procedures for conducting physical inventories of Center equipment, the following is provided:

- a. Objectives of the inventory process.
- b. Types of inventories.
- c. Inventory schedules.
- d. Personnel and resources required to conduct equipment physical inventories.

### 4.1.2 General Objectives.

4.1.2.1 As an essential element of the NASA Equipment Management Program, physical inventories provide a means for the following:

- a. Determining the completeness and accuracy of the equipment records in the NASA PP&E System.
- b. Reconciling and adjusting the equipment records in the NASA PP&E System, as required.
- c. Assessing the effectiveness of equipment control procedures and operations.
- d. Obtaining information needed for accomplishing broader aspects of equipment management, such as equipment utilization and repair.

4.1.2.2 Physical inventories are designed to achieve the following objectives, depending on the type of inventory being taken:

- a. Verifying that recorded equipment is still on hand.
- b. Confirming or determining current user location and custodial responsibility for equipment.
- c. Identifying unrecorded equipment that qualifies for control.
- d. Locating or identifying missing equipment.
- e. Identifying obviously unused or underutilized equipment.
- f. Identifying equipment obviously in need of repair or rehabilitation.

### 4.1.3 Types and Frequency of Inventories

4.1.3.1 A complete physical inventory of capital equipment shall be performed annually at each Center. This requirement does not apply if the Center is performing a (wall-to-wall) physical inventory of all its controlled property annually.

4.1.3.2 A complete physical inventory of all controlled equipment shall be completed at each Center at least once every three years. The inventory method, at a minimum, is designed to achieve the objectives stated herein, with reconciliation being completed before the inventory campaign is closed. Each Center should utilize or design an inventory, by exception process, to achieve a complete inventory. The inventory by exception (See Section 4.1.3.2.c) process is at the discretion of

the Center's SEMO.

- a. The inventory is accomplished through a combination of various methods such as visual inspections, custodian validations, and activities in the NASA PP&E System or is conducted through the traditional wall-to-wall visual inspection and recording.
- b. A cyclic inventory is achieved by the objectives as set forth in Section 4.1.2.2. An inventory that merely serves to locate items currently charged to a property management account area does not meet the requirement for a complete physical inventory.
- c. Inventories by exception are conducted using various equipment record updates involving "touching" the equipment, such as new user acceptance, or equipment returned from an out status.
- d. Items on borrow (to another NASA entity or employee borrow) or on loan (to organizations outside NASA) shall be identified in the NASA PP&E System with an "out" status code. The Out Status Expiration Report in Business Warehouse provides a list of equipment on borrow or loan. The Center Equipment Manager ensures that equipment status code (loan and borrow) is current and has not expired. Equipment in an out code status is not reflected in the inventory results, and scanned, should produce an overage during the reconciliation. To resolve the overage, the out code status on the EMR shall be updated.

4.1.3.3 SEMOs shall perform a 20-percent random physical inventory of the Center's sensitive items annually; this requirement does not apply if the Center is performing a (wall-to-wall) physical inventory of all its controlled property annually. If a custodian account cannot account for all of the sensitive items listed on the sample inventory, the SEMO requires a 100-percent sensitive item inventory be done on that custodian account. The Center Equipment Manager assigns a responsible person to ensure that corrective actions are taken in a timely manner. The results of the inventory are documented and kept on file.

4.1.3.4 When a property custodian account changes hands, the outgoing and incoming custodians jointly conduct a full inventory of the account before acceptance by the incoming custodian. The inventory can be waived if both the incoming and outgoing property custodians agree and receive written approval from the division directors and Center Equipment Manager. Documentation to support this agreement should be retained by the Center Equipment Manager.

4.1.3.5 Special inventories are conducted at the discretion of the Center's SEMO. The special inventory would be designed to achieve one or more objectives, depending on the purpose for which the inventory is taken. The results of special inventories can also be credited to cyclic and the property custodian's inventory requirements.

#### 4.1.4 Inventory Schedule

4.1.4.1 The Center Equipment Manager shall develop a written schedule and plan, including allowances for contingencies, for accomplishing all physical inventories (See Sections 4.1.3.1, 4.1.3.2, and 4.1.3.3). A copy of the inventory schedule is forwarded to the NASA Headquarters, Logistics Management Division.

4.1.4.2 Pre-inventory reports are provided in the Inventory Campaign under the Plant Maintenance Module in the NASA PP&E System to aid each Center in the development of its inventory schedule.

4.1.4.3 Current information comparing the status of inventory progress to the schedule shall be maintained and used to revise the schedule, when necessary, to ensure the completion of all inventories.

4.1.4.4 The inventory schedule is manual or automated and contains, at a minimum, the data

elements listed below:

- a. Identification.
- b. Name of property custodian.
- c. Identification of the custodian account.
- d. Location of accounts.
- e. Events.
- f. Scheduled start date.
- g. Actual start date.
- h. Notifications.
  - (1) Date of pre-inventory notification.
  - (2) Date custodian notified of results.
  - (3) Date division notified of results.

#### 4.1.5 Inventory Personnel

4.1.5.1 The SEMO designates, in writing, individuals responsible for conducting complete, cyclic, capital, sensitive, and special inventories. These individuals are fully instructed in inventory techniques technologies. The property custodian, the Center Equipment Manager, the program/project directors, or other persons, as deemed necessary, assist in physical inventories.

## 4.2 Inventory Procedures

4.2.1 Purpose. This section establishes basic procedures required to prepare for and complete cyclic, capital, sensitive, special, and new property custodian inventories. The detailed operating instructions used by each Center shall, at a minimum, incorporate these procedures.

#### 4.2.2 Pre-inventory Actions for Cyclic Inventory

4.2.2.1 The SEMO shall provide written notification to the property custodian and division director of the planned inventory at least 30 work days in advance. The notification shall include the following:

- a. Instructions regarding actions to be taken to expedite the inventory.
- b. The inventory method to be used and an advisement to the property custodian and division director or chief of the anticipated impact to the organization.
- c. Assurance that upon request, the property custodian can provide a current record of all controlled equipment charged to the custodian's area.

#### 4.2.3 Actions During an Inventory

4.2.3.1 The inventory team shall conduct the inventory discreetly and with minimal disturbance to the organization.

4.2.3.2 Items found borrowed from other management areas are reconciled by the responsible property custodian.

4.2.3.3 Equipment on loan or lease from organizations outside the Center should contain bar coded loan or lease tags, which are identified or scanned as they are found within the inventory accounts. Loan and lease items shall be processed as inventory updates if the equipment account and location correspond to the account and location recorded in the NASA PP&E System.

4.2.3.4 Equipment that appears to be excess, worn out, or in need of repair are noted during an inventory. The results of the inventory report will highlight the finding for follow-up action by the appropriate property custodian or assigned user.

4.2.3.5 Equipment that appears to be unused or underutilized shall be noted during an inventory. The results of the inventory report highlight the findings for the appropriate property custodian to obtain user verification of status or return.

4.2.3.6 Equipment Found on Station (FOS) during the inventory, which meets the criteria for control, shall be identified to the using organization, tagged, and recorded during the inventory using NF 1618, FOS Investigation Report.

#### 4.2.4 Cyclic Inventory Reconciliation and Adjustment

4.2.4.1 Reconciliation and adjustment to the NASA PP&E System is accomplished prior to closing the cyclic inventory, but no longer than 60 working days from the completion of the physical inventory. All reconciliation and adjustments to the inventory are supported by documentation.

4.2.4.2 The Center Equipment Manager takes actions to input data on controlled equipment during the inventory to the appropriate EMR. This action is completed within 30 working days after such discovery.

4.2.4.3 NASA Form 598, Report of Survey, is initiated by the property custodian for all items not found during the inventory. With the implementation of the NASA PP&E System, NF 1602 is no longer used and is not submitted to the Center SEMO with the Survey Report. The Center Equipment Manager leaves the block for "1602 Obtained" in Part III (Equipment Management Use Only) of the NF 598 unchecked.

#### 4.2.5 Sensitive Item Inventory

4.2.5.1 A 20-percent random physical inventory of sensitive items is conducted annually by the SEMO. The NASA PP&E System generates a 20-percent random sample of the Center's sensitive items and sorts the sample by property custodian account.

4.2.5.2 The sensitive item inventory requires an actual sighting of the sensitive item. A separate sensitive inventory file should be established to document the results of each sensitive item inventory. If a custodian account cannot produce all of the sensitive items listed on the sample inventory within seven work days after the inventory, the Center Equipment Manager shall require a 100-percent physical inventory of all sensitive items for that custodian account.

4.2.5.3 The sensitive item inventory is considered complete when all items are accounted for and Survey Reports are submitted for missing items.

#### 4.2.6 New Property Custodian Inventory

4.2.6.1 When a property custodian account is assigned to a new property custodian, a 100-percent inventory should be taken of the area. The outgoing and incoming custodians have the responsibility to perform this inventory together. However, inventory personnel are contacted for assistance. Prior to the outgoing property custodian's departure, the director or chief shall submit a statement to the Center Equipment Manager and the incoming property custodian. The statement confirms that all

items were found or reports of surveys were submitted. Each Center sets its own policy and procedure regarding the use of the standard inventory scanners and bar code readers for this type of inventory.

4.2.7 Other Special Inventory. Special inventories are conducted as directed by the SEMO.

## 4.3 Inventory Reports and Files

4.3.1 Purpose. This section identifies the inventory reports to be provided to the division directors, the property custodians, and the Center Director. It also prescribes the cyclic inventory files to be maintained for each property management area. 4.3.2 Inventory Reports to Division Directors and Property Custodians

4.3.2.1 Within 30 working days after completion of the inventory of a property management area or grid location, the SEMO provides the property custodian(s) and the appropriate division director a report of inventory results. The report is submitted in an electronic form for streamlined communication objectives and shall, at a minimum, include the following:

- a. Start and completion dates of the inventory.
- b. Number and value of recorded items charged to the property custodian account that were found in the area.
- c. Number and value of recorded items charged to the property custodian account that were not found in the area and not covered by documented loans.
- d. Number and value of unrecorded items found in the area that meet the criteria for control.

4.3.2.2 The property custodian has 30 work days to correct cited discrepancies and submit survey reports, unless the SEMO grants an extension in writing.

4.3.2.3 After all accounts within a division or grid location have been inventoried, the SEMO provides the responsible division director with a summary report of all accounts within the division.

### 4.3.3 Inventory Results to Management

4.3.3.1 A report indicating the results of the physical inventory, including capital equipment and sensitive item inventories, during the inventory period shall be prepared annually by the Center SEMO. This report is submitted within 90 work days to the Center Director or one-level subordinate to the Center Director. A copy is forwarded to the NASA Headquarters, Logistics Management Division, within 120 calendar days from the close of the inventory. This report includes the following:

- a. Number of property management areas and number of items scheduled for inventory during the period.
- b. Number of property management areas for which a physical inventory was completed during the period.
- c. Number of items and value of equipment inventoried.
- d. Number and value of items added to the records as a result of the physical inventory.
- e. Number and value of lost items surveyed from the records as a result of physical inventory.
- f. Number and value of items that were previously surveyed and added to the records as a result of

the physical inventory.

g. Conclusions and any procedural changes initiated following analysis of the inventory results; Including any equipment or items found that are no longer required and have been turned in to the Disposal Office for action.

4.3.3.2 The final report for each cycle is accompanied by a summary report that reflects the overall results of the inventory for the period. Center senior management, SEMO, and the Center Equipment Manager at NASA Headquarters should also be informed of reasons for large increases or decreases in adjustments, additions, and surveys.

#### 4.3.4 Inventory Files

4.3.4.1 In addition to the overall inventory schedule and plan prescribed in this section, files are established and maintained for each property management area or custodian account. Each file should contain all necessary documents to clearly indicate the status and results of the inventory in each area. Examples of documents to be included are the following:

- a. Notification to the property custodian of the schedule for inventory.
- b. Designation of individuals responsible for taking the inventory.
- c. Upon request, a listing of items charged to the area at the beginning of the inventory; the size of the listing for a large account prohibits retention in the central file.
- d. Upon request, a report to the property custodian and the respective division director or chief of the inventory results, as prescribed in Section 4.3.3.

4.3.4.2 A new file for each property management area or custodian account shall be established for each inventory cycle. Files generated during the preceding inventory cycle are retained at the Center.

# Chapter 5. Compensating Control Reviews

## 5.1 Purpose

NASA Headquarters Site Visits/Compensating Control Reviews replaces the previous self assessment program reviews conducted by the Centers.

5.1.1 NASA Headquarters Site Visits /Compensating Control Reviews.

5.1.2 NASA Headquarters Compensating Control Reviews (CCRs) shall be conducted at all NASA sites to review current processes and procedures, and evaluate Centers alignment with Agency policy. The focus of these reviews is to highlight issues/concerns and share best practices Agency-wide.

5.1.3 Site Visit Responsibilities

5.1.3.1 The SEMO is the principal management contact associated with site visits and is responsible for the following:

- a. Coordinating with the CCR Manager and NASA Headquarters in support of the site visit.
- b. Providing technical and functional support to the site visit team.
- c. Implementing functional logistics improvements identified by the site visit.

5.1.3.2 The Headquarters' (Agency) CCR Manager is the principal functional contact associated with the site visits, and the CCR Manager is responsible for:

- a. Coordinating the equipment management operations and workload to support the site visits.
- b. Accomplishing any necessary data analysis in preparation for the site visit.
- c. Developing a review summary highlighting findings, observations, and opportunities for logistics management improvement at each Center.

# Appendix A: Definition of Terms

**A.1 Administrative Property** - Property that is not specifically scientific or technical in nature. The equipment is being used primarily for administrative purposes.

**A.2 Activate** -Term used to create or establish a new Equipment Master Record in the NASA PP&E System.

**A.3 Alternative Future Use** - Having a planned use on a project other than the one for which it is originally purchased which is identified and objectively measured at the beginning of a project or at the time the purchase occurs or fabrication commences. This determination is not an Equipment Management responsibility, but is a Financial Management process.

**A.4 Artifacts** - Artifacts, as applied to NASA, are unique objects that document the history of the science and technology of aeronautics and astronautics. Their significance and interest stem mainly from their relation to the following: historic flights, programs, activities, or incidents; achievements or improvements in technology; our understanding of the universe; and important or well-known personalities.

**A.5 Asset Master Record (AMR)** - A financial record in SAP that identifies capital equipment.

**A.6 Auxiliary or Accessorial Automatic Data Processing (AADP) Equipment** - Auxiliary or accessorial ADP equipment including plotters, tape cleaners, tape testers, data conversion equipment, source data automation recording equipment (optical character recognition devices, microfilm, and other data acquisition devices), or computer performance evaluation equipment designed for use with digital, analog, or hybrid computer equipment, either cable or modem connected, wire connected, or stand alone, and whether selected or acquired with a computer or separately.

**A.7 Borrows** - Temporary loan of equipment which is strictly internal to NASA. There are two types of borrows in the NASA PP&E System: "Center Borrow" for loans between NASA Centers and "Same Center Borrow" for loans to employees, or to onsite contractors.

**A.8 Business Warehouse (BW)** - Part of the NASA PP&E System where the user performs equipment searches and generates reports upon request.

**A.9 Calibration** - The process of determining the deviation from a standard so as to ascertain the proper correction factors for measuring instruments.

**A.10 Cannibalization** - The removal of serviceable parts, components, or assemblies from one piece of equipment to be used as replacement parts in other equipment or to fabricate another item.

**A.11 Capital Equipment** - Equipment with a value of at least \$100,000 and subject to the financial control, accounting, and reporting capitalization requirements of the Property, Plant, and Equipment and NPR 9250.1, Operating Materials and Supplies.

**A.12 Center Equipment Manager** - The key individual(s) within the Center equipment management organization interfacing with the property custodians and equipment users. Maintains and controls equipment records and assists custodians and users in property procedures for and documentation of equipment transaction.

**A.13 Component Equipment Item** - An item of equipment that is used as a subassembly to a larger assembly. Parts are not to be considered component equipment items.

**A.14 Condition** - A code assigned to indicate the physical condition and usability of equipment.

**A.15 Configuration Control Board** - A permanent technical control group that is responsible for maintaining system configuration control. Membership is comprised of representatives from Centers and NASA Headquarters. The Board chairperson convenes the group as necessary.

**A.16 Contractor Acquired Equipment** - Equipment procured or otherwise provided by the contractor for the performance of a contract, title to which is vested in the Government.

**A.17 Contractor Inventory** - Personal property furnished to, or acquired by, and possession of a contractor pursuant to the terms of a contract, title to which is vested in the Government.

**A.18 Contract Number** - A unique identifier assigned to each NASA contract, pursuant to the NASA FAR Supplement 1804.71.

**A.19 Contracting Officer (CO)** - Any person with the authority to enter into, administer, and/or terminate contracts and make related determinations.

**A.20 Contracting Officer Technical Representative (COTR)** - An authorized representative of a CO acting within the limits of his/her authority.

**A.21 Control** - The ongoing function of maintaining physical oversight and surveillance of personal property throughout its life cycle using various management tools.

**A.22 Controlled Equipment** - All equipment which has been identified by the Agency and/or Center as sensitive (flagged high risk in the NASA PP&E System), and all non-sensitive equipment with an acquisition cost of \$5,000 or more with an estimated service life of two years or more and is not consumed or expended in an experiment.

**A.23 Custodian Records** - Memoranda in any form, written or electronic, that documents the life cycle of property.

**A.24 Deactivate** - Term used to make the Equipment Master Record in the NASA PP&E System inactive or retired.

**A.25 Disposal** - The processes involved in the removal of personal property from use and from the property accounting system because of trade-in, utilization by another Federal agency, donation, sale, or abandonment/destruction. NASA's disposal policy is located in NPD 4300.1, NASA Personal Disposal Policy.

**A.26 End User Procedures (EUP)** - Written procedures located in the Enterprise Performance Support System (EPSS) that provides detailed directions for users of the NASA PP&E System.

**A.27 Enterprise Performance Support System (EPSS)** - Provides procedures, job aids, and help content via the Intranet.

**A.28 Enterprise Resource Planning (ERP)** - An integrated system in which all of the modules are designed to share information and automatically create transactions based on various business processes.

**A.29 Equipment** - A tangible asset that is functionally complete for its intended purpose, durable, and nonexpendable. Equipment is not intended for sale and does not ordinarily lose its identity or become a component part of another article when put into use. Equipment includes all items of NASA personal property that are configured as mechanical, electrical, or electronic machines, tools, devices, and apparatuses that have a useful life of two years or more and is not consumed or expended in an experiment.

**A.30 Equipment Control** - The section within the Center equipment management operations which manages all the processes, records, and documents used to achieve the objective of equipment management.

**A.31 Equipment Control Number (ECN)** - The identification or barcode number assigned and affixed to each item of equipment for control purposes by a tag.

**A.32 Equipment Control Number Register** - A written or electronic record of the assignment of ECNs.

**A.33 Equipment Master Record** - A record in the NASA PP&E System that identifies and provides selected information about each item of controlled equipment.

**A.34 Equipment Pool** - The collection, at a central point, of equipment under control for issue to individuals or organizations.

**A.35 Equipment Systems** - Assemblies of component equipment items designed and operated to accomplish specific functions.

**A.36 Equipment Utilization** - A program to ensure maximum effectiveness in the management and utilization of NASA equipment.

**A.37 Excess** - Personal property determined unnecessary for the need and discharge of the holding organization and, therefore, returned to the Center Property Disposal Officer for reutilization or disposal.

**A.38 Fabricated Item** - Personal property that is manufactured for, or constructed by, the using organization. Fabricated items meeting the controlled equipment criteria are controlled.

**A.39 Federal Supply Group (FSG)** - A four-digit property identification code describing commodity classification. See Federal Cataloging Handbook H2.

**A.40 Flight Hardware** - Property that is certified for use in space flight operations.

**A.41 Found on Station (FOS)** - Any equipment meeting the criteria for control for which records accountability has not been established.

**A.42 Government Furnished Property (GFP)** - Equipment furnished to a contractor (to include Government Furnished Equipment - GFE), or acquired by the contractor, as in Contractor-Acquired Equipment.

**A.43 Government Office Equipment Including Information Technology** - Includes but is not limited to: personal computers and related peripheral equipment and software, library resources, telephones and wireless communications devices (e.g., cell phones, blackberries, pagers, etc.), facsimile machines, photocopiers, office supplies, Internet connectivity and access to Internet services, and e-mail. This list is provided to show examples of office equipment as envisioned by Personal Use of Government Office Equipment Including Information Technology Equipment, NPD 2540.1.

**A.44 GSAXcess<sup>®</sup>** - The customer interface to the Federal Disposal System (FEDS). GSAXcess<sup>®</sup> is a totally Web-enabled platform that eligible customers use to access all customer functions of FEDS: reporting, searching, and selecting property. GSAXcess<sup>®</sup> provides agencies a means of electronically reporting their unrequired personal property to GSA. GSAXcess<sup>®</sup> is also used as a source of supply for customers seeking property that has been reported and is available for transfer.

**A.45 Heritage Assets** - Heritage assets are property, plant, and equipment (PP&E) that are unique

for the following reasons: historical or natural significance; cultural, educational, or artistic (i.e. aesthetic) importance; and significant architectural characteristics. This determination is not an Equipment Management responsibility, but is a Financial Management process.

**A.46 Inactive Equipment** -The nature of NASA operations occasionally makes it desirable to retain equipment, not in current use, for a specified time for other potential needs before further disposition (see Section 3.6.8).

**A.47 Inactive Reason Code** - Code used to provide the reason for deactivating an Equipment Management Record in the NASA PP&E System.

**A.48 Information Technology** - Any equipment or interconnected system or subsystem of equipment that is used in the automatic acquisition, storage, manipulation, management, movement control, display, switching, interchange, transmission, or reception of data or information.

**A.49 Installation** - Terminology used in the NASA PP&E System for "Centers."

**A.50 Inventory** - The sighting, tagging or marking, describing, recording and reporting the property concerned and reconciling the property recorded with the property records.

**A.51 Inventory Adjustments** - Changes made to the official property record when physical inventories and official records do not agree. All changes require approval and some type of documentation trail for audit purposes.

**A.52 Leased Equipment** - Equipment that has been conveyed by or to NASA by contract for a certain consideration of payment of rental fee.

**A.53 Line Replaceable Unit (LRU)** - A fairly expensive spare part that is refurbished or repaired quickly (after each use) to restore a large system to service.

**A.54 Loaned Equipment** - Equipment in temporary use to or from non-NASA entities (outside of NASA). In the NASA PP&E System, execute a "Loan In" or "Loan Out" to the Equipment Master Record, as applicable.

**A.55 Maintenance and Repair of Equipment** - Recurring day-to-day, periodic, or scheduled activity required to keep equipment in working condition or to resolve it or its components to a condition substantially equivalent to its originally designed capacity and efficiency.

**A.56 Mass (Global) Changes** - Updates that affect a large number of Equipment Master Records, usually associated with records organizational realignments, custodian and assigned user changes, building locations, and room changes.

**A.57 Modification** - A basic or functional change made to an equipment item to give it a new orientation or allow it to serve a new purpose.

**A.58 NASA FAR Supplement** - A document that, with the Federal Acquisition Regulation (FAR), establishes uniform policies and procedures relating to the procurement of property and services. The NASA FAR Supplement applies to all purchases and contracts made by NASA for property and services that obligate appropriated funds.

**A.59 NASA Property, Plant, and Equipment (PP&E) System** - The Integrated Asset Management (IAM), Property, Plant, and Equipment (PP&E) System, herein referred to as the NASA PP&E System used throughout the Agency to identify, control, and account for Government-owned equipment acquired by or in use by NASA and its onsite NASA contractors under the NASA FAR Supplement (NFS) clause 1852.245-71 (Installation Accountable Government Property). The PP&E System is an Agency-wide tool hosted at the NEACC at NASA's

Marshall Space Flight Center and consists of the following components: Systems, Applications, and Products (SAP); N-PROP (the Web based front end), DSPL, (the disposal component), and Business Warehouse (BW). The SAP component contains the following modules: Asset Accounting (containing the Asset Master Records (AMR)), and Plant Maintenance (containing the Equipment Master Records (EMR)).

**A.60 Non-Capital Equipment** - Equipment with a value of at least \$5,000 and not subject to the capitalization requirements of Property, Plant & Equipment, and NPR 9250.1, Operating Materials and Supplies.

**A.61 Non-Controlled Equipment** - Equipment having an acquisition cost of less than \$5,000 (excluding items which have been designated as sensitive items); including equipment acquired and used under outsourcing initiatives, managed under procedures established by the holding Center, in accordance with this NPR.

**A.62 Negligence** - Simple negligence is the failure or omission to observe, for the protection of Government interests, that degree of care, precaution and vigilance, which the circumstances justly demand and that an ordinarily prudent person in the same or similar situation would exercise to protect Government property from loss, damage, destruction, or theft. Gross negligence is the intentional failure, misconduct, willful negligence, or reckless disregard to safeguard Government property.

**A.63 N-PROP** - The Web-based front end of the NASA PP&E System. Users access N-PROP via i-View or via direct Internet access. N-PROP provides users the ability to: accept or reject receipt for equipment and to cancel a pending property action; view assigned property, as well as history; update property location; transfer property from one custodian account to another property custodian account; generate a property pass; request property control tags; request excess of controlled equipment.; or report any changes of status, location, or user to the responsible property custodian.

**A.64 Personal Property** - Property of any kind, including equipment, materials, and supplies, but excluding real property.

**A.65 Physical Inventory** - The verification of existence, location, and quantity of property.

**A.66 Plant Clearance** - All actions related to the screening, redistribution, and disposal of contractor inventory from a contractor's plant or work site. Contractor's plant includes a Government facility when contractor operated.

**A.67 Plant Equipment** - Personal property consisting of equipment, machine tools, test equipment, furniture, vehicles, and accessory and auxiliary items but excluding special tooling and special test equipment that is used, or is capable of use, in the manufacturing of supplies, in the performance of services, or for any administrative or general plant purpose. Note: This definition applies only to contractor-held property so classified for contract purposes.

**A.68 Pre-Screening** - The examination of existing equipment documentation for the purpose of fulfilling equipment requirements through reassignment. This is accomplished through the Business Warehouse module of the NASA PP&E System.

**A.69 Property Accountability** - A record of transactions, systematically maintained, which at any given time discloses item identification, quantity, cost, location, and custodial responsibility of personal property controlled by a Center or a contractor.

**A.70 Property Administrator** - An individual duly designated by the CO to administer contract requirements and obligations relative to Government property. The Property Administrator is an authorized representative of the contracting officer (See NASA FAR Supplement Subpart 1845.72).

**A.71 Property Custodian** - An individual organizationally or geographically assigned who is responsible for all controlled equipment assigned to a designated property management area.

**A.72 Property Disposal Officer** - The official appointed by the Center Director who is responsible for managing the Center's screening, redistribution, and disposal functions.

**A.73 Property Management Area** - An area of property management responsibility by organization or by a geographic area, selected by the Supply and Equipment Management Officer in conjunction with the head of the organizational unit, for the assignment of a property custodian for property control.

**A.74 Property Plant & Equipment (PP&E)** - Tangible assets, including land, that meet the following criteria: (1) have estimated useful lives of 2 years or more, (2) are not intended for sale in the ordinary course of operations, and (3) have been acquired or constructed with the intention of being used or being available for use by the entity.

**A.75 Property Survey Officer** - An individual appointed to investigate the circumstances and make findings and recommendations relating to lost, damaged, destroyed, or stolen Government property listed on a Property Survey Report.

**A.76 Property Survey Board** - Composed of two or more members (with alternates as appropriate) and a chairperson to investigate and make recommendations to division directors and other appropriate Center officials concerning the loss, damage, or destruction of controlled equipment exceeding \$5,000 in acquisition value. Also, it is recommended that a representative from the Chief Counsel and the Security Officer be members of the Property Survey Board.

**A.77 Proximate Cause** - The employee's acts or omissions that were the cause in a natural and continuous sequence, unbroken by a new cause, resulting in the loss, damage, destruction, or theft and, without which, the loss, damage, destruction, or theft would not have occurred.

**A.78 Purchase Request or Purchase Order** - A document utilized to state requirements for and to authorize purchase of goods and services.

**A.79 Reactivate** - Making an inactive or retired Equipment Management Record in the NASA PP&E System active again.

**A. 80 Receiving** - The process of equipment being accepted into an organization or facility and the point at which an organization's obligation, liability, and accountability begins.

**A.81 Reconciliation** - Comparison of the property located during the physical inventory against the official property records. To include actions to reconcile overages and shortages with the official property records, using the appropriate adjustment instrument or documentation to make the records whole and accurate.

**A.82 Reutilization** - The program that identifies excess, idle, or items no longer needed by one discipline within an organization and manages the transfer of the assets to another location that has a requirement.

**A.83 Salvage** - Property that has a value greater than its basic material content but for which repair or rehabilitation is clearly impractical and uneconomical.

**A.84 SAP** - Software product capable of integrating multiple business applications, with each application representing a specific business area. SAP is categorized into three core functional areas: Logistics, Finance, and Human Resources.

**A.85 Sensitive Equipment** - Equipment, due to its pilferable nature or the possibility of it being a hazard, requires a stringent degree of control. Sensitive items are items listed in NPR 4200.1, NASA Equipment Management Procedural Requirements, Appendix C: Agency (NASA) Minimum Standard Sensitive Items List, with a value of \$500 or more; weapons and hazardous equipment or devices are controlled regardless of their value; and equipment determined to be pilferable by the Center SEMO.

**A.86 Screening** - To review or compare property on hand against a known or anticipated requirement.

**A.87 Shipping Document/Request for Shipping** - The authorization and acceptance document that accompanies equipment when it is being sent to another location.

**A.88 Spare** - An item peculiar to a system or an end item and held in reserve.

**A.89 Special Test Equipment** - As set forth in the FAR Subpart 45.101, either single or multipurpose integrated test units engineered, designed, fabricated, or modified to accomplish special purpose testing in performing a contract. A testing unit consists of all electrical, electronic, hydraulic, pneumatic, mechanical, or other items or assemblies of equipment including standard or general purpose items or components that are mechanically, electrically, or electronically interconnected so as to become a new functional entity. This causes the individual item or items to become interdependent and essential in the performance of special purpose testing in the development or production of particular supplies or services. The term "special test equipment" does not include the following: material, special tooling, buildings and non-serviceable structures (except foundations and similar improvements necessary for installing special test equipment), and plant equipment items used for general plant testing purposes. Note: This definition applies only to contractor-held property so classified for contract purposes.

**A.90 Subinstallation** - Center data that has been further divided into subs, based on Government-held property, contractor-held property, or location of property.

**A.91 Supply and Equipment Management Officer** - The SEMO is responsible for managing the NASA Center's equipment program - providing functional management, leadership, and necessary resources to ensure the implementation of an effective equipment management program (See 1.2.4).

**A.92 Surplus Personal Property** - Personal property not required for the needs and the discharge of the responsibilities of all Federal agencies.

**A.93 Survey Report** - A report of administrative action taken to investigate and review the loss, damage, destruction, or theft of Government property and to assemble pertinent facts and determine the extent of such loss, damage, destruction, or theft.

**A.94 Transaction** - Refers to document identifiers IE01 and IE02 type transactions to the Equipment Management Records in the NASA PP&E System.

**A.95 Unconditional Donations** - Equipment provided to NASA as a cost-free donation from a non-Federal source.

**A.96 Utilization** - The identification, reporting, and transfer of excess personal property among Federal agencies to fill current or future authorized requirements in lieu of new procurements.

**A.97 Unique Equipment** - Specialized equipment items, or equipment systems normally not commercially available, that are identified as unique when the equipment becomes idle.

**A.98 Virtual tagging** - the concept of assigning a NASA property tag when the tag cannot be attached.

**A.99 Willful Misconduct** - Any intentional wrongful or unlawful act or omission relating to Government property.

# Appendix B: The NASA Property, Plant and Equipment System

## B.1 Background

B.1.1 Purpose. This appendix sets forth a general description of the NASA PP&E System which replaced the legacy equipment management system, NEMS. This appendix addresses how equipment is managed in SAP and describes the Centers' responsibilities and users' roles and relationships.

B.1.2 The NASA Equipment Management Program requires utilization of the NASA PP&E System by all NASA Centers. The system requires accurate and complete information.

## B.2 General System Description

B.2.1 The NASA PP&E System is a standard, Agency-wide automated tool hosted at the NASA Enterprise Applications Competency Center (NEACC) at NASA's Marshall Space Flight Center and is designed to simplify, standardize, and reduce the cost of managing and controlling NASA's equipment. The system consists of the following components: SAP; N-PROP (the Web-based front end), DSPL, (the disposal component), and Business Warehouse (BW). The SAP component contains the following modules: Asset Accounting (containing the Asset Master Records), and Plant Maintenance (containing the Equipment Master Records).

B.2.2 The NASA PP&E System provides all NASA Centers with an integrated system to identify, account for, and control NASA-held equipment.

## B.3 Centers' Responsibilities

B.3.1 NASA Centers collects necessary data to maintain the Equipment Master Record (EMR) data in the NASA PP&E System. Each Center selects and provides the inputs which enable the NASA PP&E System to be a working integrated accounting and control system. The effectiveness, accuracy, quality, and visibility of the system depends on the quality of each Center's effort.

B.3.2 Each Center acts as the input source and prime user of output data by collecting data about its contractor-held equipment and in-house holdings and providing the basic information necessary to operate the NASA PP&E System. In return, the Center is furnished with control and redistribution data.

B.3.3 Each Center has the following focal points for its NASA PP&E System: the SEMO, the Center Equipment Manager, and Center Equipment Control Center personnel; Property Disposal Officer and Property Disposal Clerk (See NPR 4300.1, NASA Personal Property Disposal Procedural Requirement).

B.3.4 The Center Equipment Manager ensures the following:

- a. Standardization and updating of information pertaining to the NASA PP&E System Center-held equipment.
- b. Requiring follow-ups to resolve problems related to data submission.
- c. Monitoring and

evaluation of the use of the NASA PP&E System data and providing reports as needed.

d. Overseeing the Center Equipment Control Center.

## **B.4 Roles for Equipment Management**

B.4.1 The level of access to the NASA PP&E System is determined by the users' "role name." The role name is not the same as job titles for NASA civil servants and onsite contractors, but is related to the responsibilities the user has in the NASA PP&E System.

B.4.2 There are two categories of user roles for equipment management, SAP Roles and N-PROP Roles; see Appendix G for N-PROP Roles.

## **B.5 SAP Roles**

B.5.1 Logistics Super User.

B.5.1.1 The Logistics Super User processes all Center-to-Center transfers for the Center receiving the transferred equipment.

B.5.1.2 Maps to existing jobs: Center Equipment Manager; the NASA PP&E System Administrator; and Center Equipment Control Personnel

B.5.1.3 Functions performed in SAP:

- a. Update equipment for all Subinstallations.
- b. Display equipment for Subinstallations.
- c. Find/List equipment - Change/Display.

B.5.2 Mass (Global) Change

B.5.2.1 This role processes all mass (global) change transactions for the Equipment Master Record data.

B.5.2.2 Maps to existing jobs: Center Equipment Manager and Center Equipment Control Personnel.

B.5.2.3 Functions performed in SAP:

- a. Perform mass changes to EMRs.
- b. Find/list equipment - change/display.

B.5.3 Center Logistics User

B.5.3.1 The Center Equipment Control Personnel processes create, update, and deactivate Equipment Master Records for the Subinstallation associated with their organization (Center) role and Subinstallation role. B.5.3.2 Functions include creation of EMRs for equipment:

- a. Purchase - NASA Funded.
- b. Purchase - OGA Funded.
- c. Transfer - From OGA.
- d. Transfer - From Contractor.

- e. Lease In.
- f. Loan In.
- g. Fabrication.
- h. Assembly/Disassembly.
- i. Found on Station, FOS.
- j. From Excess outside of NASA.
- k. Retagging.
- l. Transfer of Real to Personal Property.
- m. Equipment from Non-Government Source.
- n. Equipment Not Previously Meeting Criteria for Tagging.

B.5.3.3 Functions include updates of EMRs for equipment:

- a. Transfer - From NASA Installation (Sending Center data).
- b. Transfer - From Contractor.
- c. Assembly/Disassembly.
- d. From Excess inside NASA.
- e. Reinstating Item Previously Surveyed.
- f. Conversion of Lease to Purchase.
- g. End User/Custodian Changes.
- h. Various other attribute changes (High Risk Flag, FSC code, etc.).

B.5.3.4 Functions include deactivation of Equipment Master Records for equipment:

- a. Transfer to Other Government Agency.
- b. Transfer of GFE to a Contractor.
- c. Lease In - Returned.
- d. Loan In - Returned.
- e. Survey (Missing Equipment).
- f. Decontrol (Removal of Tag).
- g. Deletes Resulting from Assembly/Disassembly.
- h. Delete From Retag.
- i. Delete Resulting from Trade-in.
- j. Transfer to Real Property.
- l. Excess.

B.5.3.5 Maps to existing jobs: Center Equipment Manager; Center Equipment Control Personnel;

and Full-Time Property Custodians.

#### B.5.3.6 Functions performed in SAP:

- a. Create EMRs for associated Center and Subinstallation.
- b. Update EMRs for associated Center and Subinstallation.
- c. Display EMRs for associated Center and Subinstallation.
- d. Find/List Equipment - change for associated Center and Subinstallation/Display.
- e. Create Customers for Customer Account Group.
- f. Update Customers for Customer Account Group.
- g. Display Customers for Customer Account Group.

#### B.5.4 Center Inventory Manager

B.5.4.1 The Center Inventory Manager opens and closes inventory campaigns, and perform all Center Inventory processes for the Sub Installations associated with their Organization role and Sub Installation role.

B.5.4.2 Maps to existing jobs: Center Inventory Manager.

#### B.5.4.3 Functions performed in SAP:

- a. Update Equipment for associated Center and Subinstallation.
- b. Open/Close Inventory Campaign for associated Center and Subinstallation.
- c. Post Inventory Report for associated Center and Subinstallation.
- d. Document Inventory Override for associated Center and Subinstallation.
- e. Upload Barcode Data for associated Center and Subinstallation.
- f. Inventory Missing Item Report.
- g. Inventory Overage Report.
- h. Sensitive Items Report.
- i. In/Out Code Status Report.
- j. Inventory Override Report.
- l. Display Equipment.

#### B.5.5. Center Inventory Team

B.5.5.1 The Center Inventory Team uploads scanned barcode data for an Inventory. Document Inventory Overrides and process various Inventory Campaign reports for the Subinstallation associated with their organization role and Subinstallation role.

B.5.5.2 Maps to existing jobs: Center Inventory Personnel/Team.

#### B.5.5.3 Functions performed in SAP:

- a. Update EMRs for associated Center and Subinstallation.

- b. Document Inventory Override for associated Center and Subinstallation.
- c. Upload barcode Data for associated Center and Subinstallation.
- d. Inventory Missing Item Report.
- e. Inventory Overage Report.
- f. Sensitive Items Report.
- g. In/Out Code Status Report.
- h. Inventory Override Report.
- i. Display Equipment.

# Appendix C: Agency (NASA) Minimum Standard Sensitive Items List

## C.1 Items, regardless of acquisition value.

C.1.1 Weapons, all types including, but not limited to, air, spring, powder, or other propulsions system.

C.1.2 Hazardous Devices, including environmentally hazardous devices.

## C.2 Items with an acquisition value of \$500 or more.

C.2.1 Automatic Data Processing Equipment (ADPE), which includes the following:

a. Computers, all microcomputers and personal computers, including desktop systems, work stations, laptops, notebooks, handheld computers (palms), and other portables, but excluding mainframes and minicomputers.

b. External Computer Peripherals, including:

(1) Printers.

(2) Disk Drives, (Fixed and Removable Media).

(3) Tape Drives.

(4) CD and DVD Drives.

(5) Scanners.

(6) Monitors.

(7) Terminals.

c. Cameras, all types.

d. Recorders and players, including, but not limited to, digital, laser, cassette, and reel-to-reel.

e. Radios.

f. Receivers.

g. Transceivers.

h. Televisions

# Appendix D: Equipment Master Record (EMR) for the NASA PP&E System

## D.1 Equipment Data

D.1.1 Basic Equipment Data and Fields. Equipment data in the NASA PP&E System resides in the Equipment Master Records (EMR). Each "object" of equipment has its own EMR where the basic information that identifies the equipment is stored. The fields for this information are required data as described in the following table:

Field Name	R/O/C	Description
Equipment	R	Equipment Control Number (ECN) - Number by which a piece of equipment is clearly identified. Match code icon displays drop down/search screen for ECNs.
Valid On	R	The date the Equipment Record was created. Match code icon displays a calendar.
Equipment Category	R	Key for types of equipment categorized according to attributes, such as value and use. Match code icon displays drop down: <b>M</b> -NASA Held Capital Equipment <b>N</b> - Controlled Equipment <b>X</b> - Non-Controlled
Description	R	Description of the equipment in the form of a short text. Long text is available for complete descriptions.
Status	R	The system status that is currently valid. This field defaults to the current date.
Valid From	R	Beginning date of validity. This field defaults to the current date.
Valid To	R	Date indicating up to when an entry is valid.

## D.2 Data Tabs and Fields.

In addition, each EMR contains four data tabs:

- General.
- Location.
- Structure.
- NASA Data.

Within each of these tabs are several data fields that contain information about the equipment. Some of the fields are required (R) to be complete, some are optional (O), and some are conditional (C), depending on the equipment. The following tables below provide a description of each field:

## D.3 General Tab:

Field Name	R/O/C	Description
Class	N/A	Not used at NASA.
Object Class	O	Key that describes the type of technical object. Match code icon displays a drop down/search screen. Defaults based on the first two digits of the FSC code.
Weight	O	The weight of the equipment.
Size/Dimension	O	The size/dimension of the equipment.
Start-up date	R	The date the installation acquired the equipment. Defaults to current system date.
Acquisition Value	R	The acquisition value of the equipment.
Acquisition Date	R	The date NASA acquired the equipment. Match code icon displays a calendar. Defaults to current date.
Manufacturer Code	R	The manufacturer of the object. Match code icon displays a drop down/search screen. Example: 002B3 - Dell Computers
Warranty Begin	O	The begin date of the vendor/Manufacturer warranty. Match code icon displays a calendar.
Warranty Ends	O	The end date of the vendor/Manufacturer warranty. Match code icon displays a calendar.
Model Number	R	The manufacturer model number of the object.
Constr.Yr/Mth	R	The year and month the object was constructed.
Manuf Part No	O	The manufacturer part number of the object.
Manuf Serial No	R	The manufacturer serial number of the object.

## D.4 Location Tab:

Field Name	R/O/C	Description
Maint Plant	R	The Center where this object is located. Match code icon displays a drop down screen for locations. <b>Example: GRC - John H. Glenn Research Center</b>

Location	R	The building within the Center in which this object is located. Match code icon displays a drop down/search screen. <b>Example: GR-110</b> - Microgravity Research
Room	O	The room in which the object is located.
Plant Section	R	The sub-installation in which this object is located. Match code icon displays a drop down for locations. <b>Example: 03</b> - Glenn
Sort Field	O	This field is for a Center's internal use. Enter Center-specific information for this object.
Company Code	R	The organization that owns this equipment. Always is NASA. Match code provides only this selection.
Business Area	R	The Center that has ownership of this object. Match code icon displays a drop down to select Center. <b>Example: 22</b> - Glenn Research Center
Asset	R	This field populates if the equipment is capital, otherwise it is blank. Match code icon displays a drop down.

## D.5 Structure Tab:

Field Name	R/O/C	Description
Functional Location	N/A	Not used at NASA.
Description	N/A	Not used at NASA.
Super Ord Equip.	N/A	Not used at NASA.
Description	N/A	Not used at NASA.
Position	N/A	Not used at NASA.
Tech Ident No.	C	Free form text for the tail number of the aircraft.

## D.6 The NASA Data Tab is further divided into user data tabs:

- Acquisition Tab.
- Custodian Tab.
- End User Tab.
- In Status Tab.
- Out Status Tab.
- Codes Tab.
- Flags Tab.
- Vehicles Tab.
- Miscellaneous Tab.

Within each of these tabs are additional data fields. The tables below provide a description of each

field:

**D.6.1 Acquisition Tab:**

<b>Field Name</b>	<b>R/O/C</b>	<b>Description</b>
Acquisition Method	R	The method the object was acquired by the Center. Match code icon displays a drop down. See Appendix E
PO/Contract Number	C	Unique number that identifies the Purchase Order or other acquisition document used to acquire the object. Match code icon displays a drop down/search screen. This field is required if the Equipment Category is M and for the following Acquisition Methods: 01 - Receipt by Purchase - NASA funded. 02 - Receipt by Purchase - OGA funded. 08 - Receipt from Lease In. For Controlled and Non-Controlled Equipment, either a valid PO/Contract Number or Reference Number is required.
WBS Element	C	The Work Breakdown Structure Element. This populates if a PO/Contract Number is entered and the equipment is capital.
WBS Group	C	A grouping or set that contains more than one WBS element. This grouping is used by Property Accountants when there is more than one ALI associated to a PLI on a given contract. It is displayed on the Asset Master Record when the PO/Contract Number is entered.
Reference Number	C	A field to reference any documents associated to this record. For equipment procured on a non SAP PO, the contract number or loan/lease number that was used to acquire the equipment.
FSC Code	R	The Federal Supply Class (FSC) code of the equipment. Match code icon displays a drop down/search screen. The following FSC codes require the Vehicle tab to be completed: 2310 - Passenger Motor Vehicles 2320 - Trucks & Truck Tractors, Wheeled 2330 - Trailers
Subinstallation	R	Sub Installation that owns equipment. Match code icon displays a drop down to select a subinstallation. Example: 08 - Marshall
System Cost	N/A	Not used at NASA.

NASA Held/ Contractor Held	N/A	This field defaults based on sub installation; display only.
Last Inventory On	N/A	This field defaults based on latest inventory information; display only.
Previous ECN	R	This field is only used for retagging. Otherwise, leave blank. Match code icon displays a drop down/search screen.

## D.6.2 Custodian Tab:

Field Name	R/O/C	Description
Property Custodian Number	R	Unique identifier that identifies the individual organizationally or geographically assigned and who is responsible for all controlled equipment within a designated property management area. (Custodian detail is available). Match code icon displays a drop down/search screen.
Property Custodian Name	N/A	This field defaults from the custodian information. This is a display only field.
Custodian Account	R	Account assigned to the Property Custodian for a subset of an organization's equipment. Match code icon displays a drop down/search screen to populate this field.
Custodian Organization Code	R	Organization to which the custodian account number is assigned. Match code icon displays a drop down/search screen to populate this field.
Custodian E-Mail	N/A	This field defaults from the custodian account. This is a display only field.

## D.6.3 End User Tab:

Field Name	R/O/C	Description
End User Number	R	Unique identifier that identifies the person responsible for the stewardship of the assigned equipment. (End user detail is available.) Match code icon displays a search screen to populate this field.
End User Name	N/A	This field defaults from the End User information. This is a display only field.

End User Accept Indicator	R	Flag that shows if the End User has accepted accountability for the equipment. Match code icon displays a search screen to populate this field. Defaults to Pending.
End User E-Mail	N/A	E-mail address of the end user. This field defaults from the End User information. This is a display only field.
End User Comment	O	Free-form text field for comments.

## D.6.4 In Status Tab:

Field Name	R/O/C	Description
Lease/Loan Status	C	The status for the leased/loaned equipment. Match code icon displays a drop down to populate this field: For lease, select Leased In. For loan, select Loan In.
Lease/Loan In Date	C	The date the installation accepts accountability for the leased/loaned equipment. Match code icon displays a calendar.
Lease/Loan Due Date	C	The date when the leased/loaned equipment expires/is due back. Match code icon displays a calendar.
Lease/Loan Return Date	C	The date the leased/loaned equipment was physically returned. Match code icon displays a calendar.

## D.6.5 Out Status Tab:

Field Name	R/O/C	Description
On Loan Agreement Number.	C	The On Loan Agreement Number.
Detail Status	C	The code that specifies the reason equipment is in out status. Match code icon displays a drop down screen to populate this field: <b>Example: 1</b> - Loaned Out
Status Type	C	Specifies the type of loan. Match code icon displays a drop down screen to populate this field: <b>Example: L</b> - Loan
Status Sub-Type	C	Distinguishes between profit, non-profit, and educational entities. Match code icon displays a drop down screen to populate this field: <b>Example: 3</b> - Education

Status Law	C	Code that specifies the authorization for a specific type of loan. Match code icon displays a drop down/search screen to populate this field: <b>Example: 2 - SBIR</b>
Loan Type (Outgoing)	C	Code that identifies the purpose of the loan. Match code icon displays a drop down/search screen to populate this field: <b>Example: ED - Educational Institute (Non-Profit, Non-Federal)</b>
Customer ID	C	Unique Customer ID to identify the Customer that equipment was loaned out to. Match code icon displays a drop down/search screen to populate this field: <b>Example: 900017 - Univ. of Florida</b>
Detail Status Out Date	C	Date the Installation released the equipment to an out status. Match code icon displays a calendar.
Detail Status Due Date	C	Date the Installation expects the equipment to be returned from out status. Match code icon displays a calendar.
Detail Status Ship Date	C	Date the equipment is shipped out. Match code icon displays a calendar.

## D.6.6 Codes Tab:

Field Name	R/O/C	Description
Inactive Reason Code	N/A	Code to describe the reason for the Equipment Record status being set to Inactive; this is a display only field. This field is only updated when the record has been deactivated and is not used when creating an Equipment Master Record. Match code icon displays a drop down/search screen.
Precious Metal Code	C	Code that specifies the specific type of precious metal in the equipment. Match code icon displays a drop down/search screen to populate this field.
Demilitarization Code	C	Code that specifies the specific type of demilitarization required for the equipment. Match code icon displays a drop down/search screen to populate this field.
Hazard Material Code	C	Code that specifies the specific type of hazardous content of the equipment. Match code icon displays a drop down screen to populate this field: M -the equipment contains a hazardous material: W - the equipment contains a hazardous waste.

Heritage Code	C	Code that specifies the specific heritage type of the equipment. Match code icon displays a drop down/search screen to populate this field. Example: M - Multi Use Heritage Asset. Heritage asset equipment has: a. Historical or natural significance. b. Cultural, educational, or artistic (e.g., aesthetic) importance. c. Significant architectural characteristics. Heritage assets are single or multiple use.
Survey Reason Code	O	Code that explains the reason why the equipment item has been deactivated due to a survey or missing status. Match code icon displays a drop down/search screen to populate this field. This field is not used when creating an Equipment Master Record.
Survey Report Number	O	The control number from the survey report (NF 598). This field is not used when creating an Equipment Master Record.
Survey Board Recommendations	O	The Survey Board Recommendations detail the Survey Board's findings for the cause of the equipment to be surveyed. Match code icon displays a drop down/search screen to populate this field. This field is not used when creating an Equipment Master Record.

## D.6.7 Flags Tab:

Field Name	R/O/C	Description
Inventory Flag	O	The Inventory Flag is checked by the user for equipment created/added due to Inventory Campaign overages, Items Reactivated that were previously deactivated due to survey, or any items to create/reactivate/deactivate due to Inventory Campaign updates. (on or off check box)
High-Risk Flag	O	Flag that identifies whether equipment is sensitive. (on or off check box)
Unattached Tag	O	ECN tag held by Property Custodian. (on or off check box)
Space Flight Indicator	O	Identifies equipment that has flown in space. (on or off check box)
Converted Record	N/A	Identifies records converted from the legacy system. This is a display only field.

Inactive Record	N/A	Flag indicates that Equipment Record is inactive. This is a display-only field.
Inactive Date	N/A	Date the Equipment Record was inactivated. This is a display only field.

## D.6.8 Vehicle Tab:

Field Name	R/O/C	Description
Body Type Code	O	The code that specifies the configuration type of a vehicle. Match code icon displays a drop down/search screen to populate this field. Example: BU - BUS
License Plate	O	The license plate number. (Free form text)
Manufacturer VIN	O	The vehicle identification number. (Free-form text)

## D.6.9 Miscellaneous Tab:

Field Name	R/O/C	Description
Other Govt Agency	C	Specifies the name of the Government Agency that equipment was either received from or transferred to. Match code icon displays a drop down/search screen to populate this field. This field is required when Acquisition Method 05 - Receipt by Transfer - From OGA is entered on the NASA Data - Acquisition tab.
Contract Number	O	The contract number of the contractor getting the equipment. Match code icon displays a drop down/search screen to populate this field.
Local Data	O	Field to specify Center local data is used to specify Weapon data.

**D.6.10** Some of these fields, such as vehicles or disposal, are not visible until they are needed. There are several ways for a field to be populated with data:

a. System generated--The system provides the data for the field by using information already provided the system. Example: The object code is system generated using the acquisition method and the FSC code for the equipment item.

b. Match Code Icon--The icon provides either a drop down list to select from or a search screen. Example: The Acquisition Method Field has a drop down list to select how the equipment was acquired by the Center. A search screen is provided for PO numbers.

c. Copy with reference--This process "pulls" data from fields in an existing EMR to populate a new EMR. Example: Three identical items of equipment with different serial numbers are received. So one new EMR is created in its entirety and the other two are created by copying the first EMR to populate their fields and then manually change the serial numbers. This can also be used when a new EMR is created to retag equipment.

d. Updates through integrations with N-PROP & DSPL--This process keeps the data in the EMR fields up to date and accurate by automatically changing EMR data when certain data fields in N-PROP & DSPL are changed. Example: A new user accepts responsibility for new equipment, and the user field in N-PROP is changed to the new user. The user field in the EMR is automatically updated with the new user's name.

e. Text Fields--These fields are filled in manually. Examples: Equipment Model Numbers, Equipment Serial Numbers, etc. are all text fields and are populated via the keyboard. Text Fields are also made available for notes.

# Appendix E: Acquisition Methods in the NASA PP&E System

**E.1** The following is the drop down table that is displayed with the match code icon for the Acquisition Method:

<b>If Receipt is</b>	<b>Then Select</b>
Purchased by NASA	<b>01</b> - Receipt by Purchase - NASA funded
Purchase by another Government Agency on behalf of NASA	<b>02</b> - Receipt by Purchase - OGA Funded
Transferred from a NASA Installation	<b>04</b> - Receipt by Transfer - From NASA Installation
Transferred from another Government Agency	<b>05</b> - Receipt by Transfer - From OGA
Transferred from a Contractor	<b>06</b> - Receipt by Transfer - From Contractor
Lease in	<b>08</b> - Receipt from Lease In
Loan in	<b>09</b> - Receipt from Loan In
Fabrication	<b>10</b> - Receipt from Fabrication
Assembly or Disassembly <b>Example:</b> An item that has to be assembled.	<b>11</b> - Receipt from Assembly/Disassembly
Found on Station	<b>12</b> - Receipt from Found on Station
Excess	<b>13</b> - Receipt from Excess
Retagging	<b>14</b> - Receipt from Retagging
Transfer of Real to Personal Property	<b>16</b> - Receipt from Transfer of Real to Personal Property
Non-Government source <b>Example:</b> Unsolicited equipment, donation	<b>17</b> - Receipt from Non-Government Source
Not previously meeting criteria for tagging <b>Example:</b> Piece of equipment that did not meet the criteria for being tagged, but does now.	<b>18</b> - Receipt from Not Previously Meeting Criteria for Tagging
Reinstating item previously surveyed <b>Example:</b> The equipment was lost, stolen, missing, etc. and then found.	<b>19</b> - Receipt from Reinstating Item Previously Surveyed

Lease to a purchase

**Example:** The equipment was leased and during the lease term it was decided to purchase the equipment.

**21 - Receipt Resulting from Conversion of Lease to Purchase**

# Appendix F: Searching for Equipment in the NASA PP&E System

**F.1** This appendix sets forth a general description of the use of the NASA PP&E System for the screening of available active and excess equipment across the Agency.

## **F.2 Using the NASA PP&E System for Equipment Availability Searches and Redistribution**

**F.2.1 Purpose.** The following sections describe the recommendations and requirements for screening before new procurements are undertaken, the components of the NASA PP&E System to use for screening, and how to redistribute equipment.

**F.2.2 Screening New Procurements.** Before new items of equipment are procured, purchase requests, which have a unit cost of \$25,000 or more, are screened to determine if the desired item, or an acceptable substitute, is available (active or excess) in the Business Warehouse (BW) module in the NASA PP&E System.

## **F.3 Informal Review of Item Availability**

**F.3.1** NASA civil servants and onsite contractors use N-PROP and/or BW to do informal screening of available assets (active and excess) in the NASA PP&E System. This capability permits technical users of equipment to rapidly determine the availability of particular types of equipment to fulfill requirements prior to the initiation of a procurement request. This informal review permits a user to quickly examine several makes and types of equipment Agency-wide that meet equipment requirements.

**F.3.2** In addition to querying N-PROP and/or BW, Centers develop other informal screening by using procedures most suitable to the particular Center. Generally, a telephone service or simple form developed by the Center Equipment Manager is adequate to accomplish this requirement; or the user can visit their Center Property Disposal Office to screen excess equipment.

## **F.4 Formal Procurement Request Screening**

**F.4.1** All Center procurement requests for items of equipment with an estimated unit cost of \$25,000 or more are routed through the Center Equipment Manager for screening; or the SEMO coordinates with their Center Procurement where the Procurement Specialist has access to BW to accomplish the screening (FAR part 8.002 (a) (1)).

**F.4.2** At a minimum, a manufacturer model search of the item is performed in BW.

**F.4.3** If no candidate items are found as a result of the manufacturer model search, records are selected by item name. BW allows for complete item name search or a partial item name search using a wild card (\*) to increase the chances of selecting all available items (e.g., select; computer, personal; or compu\*).

## **F.5 Supplemental Screening. The following additional screening steps are available:**

a. Equipment items are screened through the Defense Reutilization and Marketing Services (DRMS), the Plant Clearance Automated Reutilization Screening System (PCARSS), and GSAXcess<sup>®</sup>. The Center IPO coordinates screening with the procurement request originator.

b. The active equipment in the NASA PP&E System is screened for possible loan or transfer of accountability if the need for the item is urgent. If an appropriate item is located in the active

equipment list, the Center Equipment Manager coordinates with the holding Center to ensure that the requirement is of such a nature that the holding Center can provide assistance to the requesting Center. It is advisable to have the requester confer with the technical personnel holding the item to determine if it fulfills the requirements.

## **F.6 Screening. Approved Contractor Requirements**

F.6.1 Pursuant to the requirements established in the NASA FAR Supplement, prior to new acquisition of items, contractors are required to submit a request to the CO. If the CO authorizes provision and the contractors are not authorized to self screen, the Center IPO coordinates the screening process with the Center Equipment Manager in accordance with Center procedures.

F.6.2 If the item requested on the DD Form 1419 is not available from BW in the NASA PP&E System, a certificate of non-availability is issued and returned to the contractor for further action. If an item is identified as being available, steps are taken to redistribute this item.

F.6.3 A waiver for screening unique items that are not obviously found in BW is acquired through a request to the SEMO.

# Appendix G: The NASA PP&E SYSTEM: N-PROP

## G.1 Purpose

G.1.1 This appendix sets forth a general description of the NASA PP&E System users' roles and relationships within N-PROP.

G.1.2 The NASA Equipment Management Program requires utilization of the NASA PP&E System by all NASA Centers. The system requires accurate and complete information.

## G.2 General System Description

G.2.1 N-PROP is the Web based front end to the NASA PP&E System. Users can access N-PROP via i-View or via direct Internet access.

G.2.2 N-PROP is an integrated part of NASA PP&E System, NASA's Agency-wide initiative to improve the accountability and visibility of assets utilized by all NASA installations, programs, and projects.

G.2.3 N-PROP is an easy to access, user friendly, Web-based application that facilitates the real time updating, tracking, managing, and reporting of controlled equipment for property custodians (full and part time), assigned equipment users, and users who do not have assigned equipment.

G.2.4 N-PROP is available to NASA civil servant employees and onsite contractor employees.

## G.3 Roles and Relationships

G.3.1 NASA Centers collects necessary data to maintain the NASA PP&E System. Each Center selects and provides the inputs which enable the NASA PP&E System to be a working integrated accounting and control system. The effectiveness, accuracy, quality, and visibility of the system depends on the quality of each Center's effort.

G.3.2 Generally, N-PROP provides users the ability to: accept or reject receipt for equipment and to cancel a pending property action; view assigned property, as well as history; update property location; transfer property from one custodian account to another property custodian account; generate a property pass; request property control tags; request excess of controlled equipment.; or report any changes of status, location, or user to the responsible property custodian.

G.3.3 Each Center has the following focal points for N-PROP: Assigned Property Custodians (full and part time), users who have equipment assigned, and users who do not have equipment assigned.

## G.4 Custodian Role

G.4.1 The custodian role has the responsibility, as the custodian of Government property, to establish procedures for the accountability and tracking of controlled equipment, including sensitive items in N-PROP. Generally, the N-PROP custodian role maintains assigned property accounts, processes location changes, custodian account changes, end user changes, and prepares equipment-related forms for processing.

G.4.2 Maps to existing jobs: Various property custodians with multiple job titles; full-time property custodians, part-time property custodians.

### G.4.3 Functions performed in N-PROP:

- a. Maintaining records in accordance with equipment control procedures and for all controlled equipment assigned to their custodial account.
- b. Processing location changes.
- c. Processing custodian account changes.
- d. Validating end user changes.
- e. Initiating end user and custodian changes.
- f. Initiating location and room changes
- g. Searching for equipment (active and inactive).
- h. Requesting Equipment Control Tag for untagged equipment.
- i. Viewing all equipment assigned to custodian account.
- j. Declaring equipment excess.

G.4.3.1 If a user chooses not to use N-PROP or the change needed cannot be made in N-PROP, then the responsible property custodian or the Center Equipment Management office makes the change to the Equipment Master Record in the NASA PP&E System.

### **G.5 End User (With Assigned Equipment) Role**

G.5.1 End Users assigned Government equipment have the responsibility to protect and conserve all equipment, supplies, and other property and materials entrusted to them. It is the user's responsibility to follow all rules and regulations associated with the property in their control.

G.5.2 Maps to existing jobs: multiple users with multiple job titles; assigned users with equipment.

### G.5.3 Functions performed in N-PROP:

- a. Accept or reject receipt of equipment as the end user.
- b. Initiate end user changes.
- c. Accept equipment as the result of a change of end user.
- d. Initiate location changes.
- e. Create property pass.
- f. Request tags for new equipment or replace damaged or missing tags
- g. Search for equipment (active and excess).
- h. View all equipment assigned to the end user.
- i. Declare equipment as excess.
- j. Transfer equipment to another Custodian (from a Custodian).
- k. Change equipment to another Assigned User (from a Custodian or an Assigned Equipment User).
- l. Initiate a request for excess controlled property.

- m. Print transportation documents for excess property.
- n. Automatically route e-mail messages to assist with notification of actions.

G.5.3.1 If a user chooses not to use N-PROP or the change needed cannot be made in N-PROP, then the assigned equipment user notifies the responsible property custodian or the Center Equipment Management office to make the change to the Equipment Master Record in the NASA PP&E System.

### **G.6 End User (With No Equipment Assigned) Role**

G.6.1 This role applies to NASA civil servants and onsite contractors who are not assigned equipment as the end user.

G.6.2 Maps to existing jobs: Multiple uses with multiple titles; assigned users without equipment.

G.6.3 Functions performed in N-PROP:

- a. Create property pass.
- b. Request tag for untagged property.
- c. Search for equipment (active and excess).

# Appendix H: Lost, Damaged, Destroyed, or Stolen Government Property

**H.1 Purpose.** These requirements provide the administrative and procedural requirements for the survey of lost, damaged, destroyed, or stolen Government property. A survey is an administrative action whereby the loss, damage, destruction, or theft of Government property is documented, reported, and reviewed to determine pertinent facts, and the extent or absence of personal responsibility. A survey is also used to notify the Center Equipment Manager of the loss, damage, destruction, or theft of Government property and to support adjustments to the property records.

## H.1.2 Applicability

H.1.2.1 This requirement is applicable to Government-owned property at NASA Headquarters and Centers when equipment accountability is the responsibility of the Government and the official records are maintained in the NASA PP&E System.

H.1.2.2 These requirements are applicable and are used to review and provide recommendations for corrective action when there are repetitive or significant cumulative losses of, low value, administratively managed non-controlled Government property.

H.1.2.3 These requirements have limited applicability to onsite contractors whose contracts operate under the Installation Accountable Government Property (IAGP) clause of NASA FAR 1852.245-71. The IAGP clause requires contractors to establish and adhere to a system of written procedures for compliance with the user's responsibilities. Such procedures include holding employees financially accountable, when appropriate, for the loss, damage, destruction, or theft of Government property. Recommendations of the Property Survey Officer and the Property Survey Board are referred to the CO for final action.

H.1.2.4 These requirements do not apply to Government property held by a contractor or grantee outside a NASA Center whose records serve as the custodial property records and whose equipment is accountable under a NASA contract or grant. Absent the IAGP contract clause, the applicable contract or grant language from the FAR, the NFS, and/or the NASA Grants Guidance governs Government property held by contractors or grantees.

**H.2 General Policy.** A survey is an administrative action whereby the loss, damage, destruction, or theft of Government property is documented, investigated, and reviewed for the purpose of adjusting NASA property records and determining whether financial liability exists. A survey is initiated immediately after discovery that Government property has been lost, damaged, destroyed, or stolen. When theft is suspected, the Center Security Office is notified immediately regardless of the theft, loss, damage, or destruction occurred on or off Center. A copy of the Security Officer's investigative report and findings becomes part of the Survey Report when issued. When Government property is damaged or destroyed, a mishap investigation is conducted by the contractor per NPR 8621.1, NASA Procedural Requirements for Mishap and Close Call Reporting, Investigating, and Recordkeeping. When the property damage or destruction exceeds \$25,000 (Type C mishap or higher), the contractor is notified by the responsible NASA Center Safety Office and determines if NASA wants to investigate the mishap per NPR 8621.

## H.2.1 Procedures for Submitting a Property Survey Report

H.2.2 When Government property becomes lost, damaged, destroyed, or stolen, the user or supervisor immediately notifies their property custodian. If theft is suspected, the user, supervisor, or

property custodian notifies the Center Security Office immediately, regardless of whether the theft, loss, damage, or destruction occurred on or off Center. The user or the individual who last had possession of the property then prepares Part I of a Survey Report, NASA Form 598. After completion of Part I of the Survey Report, the user or individual who last had possession of the property submits the document to the division director through the responsible property custodian. If the user and/or the individual who last had possession of the Government property are unknown or no longer a NASA employee, it is the responsibility of the property custodian to complete Part I of the property Survey Report. With the implementation of the NASA PP&E System, NF 1602 (NASA Equipment Management System (NEMS) Transaction Document) is no longer used, and is not submitted to the Center SEMO with the Survey Report. The Center Equipment Manager leaves the block for "1602 Obtained" in Part III (Equipment Management Use Only) of NF 598 unchecked.

H.2.3 The division director (or the next higher level of management if the NASA employee is the division director) reviews the survey report(s) submitted by the user or the individual who last had possession of the Government property, specifies in Part II the corrective action that is proposed or has been taken to prevent recurrence, signs Part II of the Survey Report, and forwards it to the Supply and Equipment Management Officer through the property custodian.

### **H.3 The Center Supply and Equipment Management Officer or designee shall:**

H.3.1 Verify or ascertain the value of the lost, damaged, destroyed, or stolen Government property and authorize the processing of a deactivation of the EMR in NASA IAM PP&E System, as appropriate. The value of the damaged or destroyed property is recorded in the NASA IRIS.

H.3.2 Ensure maintenance of a property Survey Report Register. Each report is assigned a number and entered in the register upon initial receipt. All documents pertaining to a Survey Report are identified with the report number.

H.3.3 Refer Survey Reports to either the Property Survey Board or the Property Survey Officer, as appropriate.

H.3.4 Ensure follow-up on the recommendations arising from the property survey process for adequate internal control.

H.3.5 Forward a copy of all reports initiated on items valued at \$100,000 or more to the NASA Headquarters, Director, Logistics management Division.

**H.4** In cases of damage, appropriate technical personnel of the Agency assist in developing repair cost estimates which are included as part of the report. All lost, damaged, destroyed, or stolen NASA-controlled property with a total acquisition cost greater than \$5,000 are referred by the Property Survey Officer to the Property Survey Board for investigation and disposition. Investigations are thorough but consistent with the item classification, acquisition value, and the probability of individual negligence or misconduct. Government property surveyed as lost or stolen, but found later, is reinstated in the NASA PP&E System.

### **H.5 Time Limit on Submitting Survey Reports and Completing Action**

H.5.1 Property Survey Reports are submitted by the division director (or the next higher level of management if the Government employee is the division director) to the Center SEMO within 30 working days of the discovery of loss, damage, destruction or theft of Government property. If the Survey Report is submitted late, unless granted an extension from the SEMO, a memorandum explaining why the property Survey Report was submitted late accompanies the Survey Report, signed by the director, and shall become a part of the Survey Report.

H.5.2 Recommended action(s) by the Property Survey Board should be completed within 90

working days of the division director's submittal. The 90 working days time limit is at the discretion of the Center SEMO and is extended or reduced as necessary. The Property Survey Board holds meetings as often as necessary to meet the required processing times.

H.5.3 Supporting documentation for Survey Report actions are retained by the Center SEMO. Therefore, all supporting documentation is forwarded to the SEMO by the Property Survey Officer or the Property Survey Board, or equivalent forum, for inclusion in the official survey files.

## **H.6 Investigation and Findings by the Property Survey Officer or Property Survey Board.**

Note: Property that is damaged or destroyed is investigated by two groups, the Safety Office per NASA Procedural Requirements for Mishap and Close Call Reporting, Investigating, and Recordkeeping, NPR 8621.1 to identify cause and prevent recurrence, and the Property Survey Board to identify establish responsibility. These are two independent and concurrent investigations. Completions of both investigations are required.

H.6.1 The Property Survey Officer or Property Survey Board applies the definitions below to determine responsibility, culpability, and proximate cause when determining financial liability:

### a. Establishing responsibility.

1. Supervisory responsibility is the supervisor's obligation to establish and enforce necessary administrative and security measures to ensure proper preservation and use of all Government property under his/her jurisdiction.
2. Personal responsibility is the obligation of an individual to exercise reasonable and prudent actions to properly use, care for, safeguard and properly dispose of all Government property in their physical possession. It applies to all Government property issued for, acquired for, or converted to a person's exclusive use, with or without receipt.

### b. Culpability.

1. Before an employee(s) can be held financially accountable, the facts should show that they, through negligence or willful misconduct, failed in their responsibility involving the care of the Government property.
2. Simple negligence is the failure or omission to observe, for the protection of Government interests, that degree of care, precaution, and vigilance that an ordinarily prudent person in the same or similar situation would exercise to protect Government property from loss, damage, destruction, or theft.
3. Gross negligence is the intentional failure to safeguard Government property in reckless disregard of the consequences to the Government property.
4. However, an employee is held financially accountable when it is determined that the loss, damage, destruction, or theft of the Government property was the result or the outcome of willful misconduct or negligence. This includes, but is not limited to, the following: deliberate misuse; unauthorized use (e.g. use of property for private business purposes); improper authorization of use (e.g. uses of property by spouse for private business purposes or use by children for school/homework); or related to failure to comply with property pass or loan procedures.

c. Proximate cause. Before holding an employee financially accountable for a loss to the Government, the facts shall clearly show that the employee's conduct was the "proximate" cause of the loss, damage, destruction, or theft of the Government property. That is, the employee's acts or omissions were the cause that, in a natural and continuous sequence, unbroken by a new cause, produced the loss, damage, destruction, or theft and without which the loss damage, destruction, or

theft would not have occurred.

H.6.2 Each Property Survey Report is fully investigated and the written findings are made by the Property Survey Officer or Property Survey Board as to the facts concerning the loss, damage, destruction, or theft of the Government property. Such findings include the extent or absence of personal responsibility, including findings as to whether the loss, damage, destruction, or theft resulted from negligence, misuse, or misconduct on the part of the employee. All evidence, testimony, or other information considered during the investigation is clearly and properly documented.

H.6.3 If the loss, damage, destruction, or theft of Government property is found to have resulted from negligence, or willful misconduct on the part of the employee and financial liability is recommended, the Property Survey Officer or Property Survey Board consults with the Office of the Chief Counsel prior to forwarding proposed findings and recommendations to the Government employee.

H.6.3.1 When the employee is an onsite contractor whose contract operates under the IAGP clause, the survey should be addressed with the respective CO for recommendation (See Section H.8).

H.6.4 The Property Survey Officer or Property Survey Board determines the reimbursable amount (See Section H.10.4) when Government employee it being recommended financial accountable for lost, damaged, destroyed, or stolen Government property due to their negligence or willful misconduct, and which their negligence or willful misconduct was the proximate cause for the loss, damage, destruction, or theft.

H.6.4.1 After consulting with the Office of the Chief Counsel or Office of the General Counsel, the Property Survey Officer or Property Survey Board sends written notification and proposed findings and recommendations to the Government employee in question and affords such individual the opportunity to present a written statement of the facts concerning the loss, damage, destruction, or theft of the Government property. A copy is also forwarded to the cognizant division director.

H.6.4.2 A written notification of findings and recommendations is sent to the individual. The notification shall be sent by certified mail, if the individual has retired, or is no longer employed by the Agency. The notification shall become a part of the Survey Report.

H.6.4.3 The written notification to the individual sent by the Property Survey Officer or Property Survey Board, shall inform the individual, he or she has 15 working days from the date of receipt to respond to the findings and recommendations.

H.6.4.4 If the individual submits a written statement relative to the facts surrounding the loss, damage, destruction, or theft of the Government property, the individual's written statement shall become part or the Survey Report.

H.6.4.5 If the individual fails to submit a written statement within the specified time, the Property Survey Officer, or Property Survey Board, shall continue to process the Survey Report.

H.6.5 The Property Survey Board holds meetings as required, and all actions shall be documented in written minutes. These minutes, in addition to the statements included in the Survey Reports, shall constitute part of the investigation record.

## **H.7 Recommendations by the Property Survey Officer or the Property Survey Board for Government Employees.**

H.7.1 On the basis of the investigation and findings, the Property Survey Officer or Property Survey Board shall make recommendations to the division director (or the next higher level of management

if the Government employee is the division director) concerning whether the Government employee shall:

H.7.1.1 Be held financially accountable and responsible for the loss, damage, destruction, or theft of the Government property. Prior to this determination, the Property Survey Officer or Property Survey Board shall have the Office of the Chief Counsel review and concur with the Survey Report.

H.7.1.2 Be disciplined pursuant to NPR 3752.1, Disciplinary and Adverse Actions. Prior to recommending disciplinary action against a Government employee for the loss, damage, destruction, or theft of Government property, the Property Survey Officer or Property Survey Board coordinates the recommendation with the Office of Human Resources, and the Office of the Chief Counsel reviews the Survey Report for concurrence. It is the responsibility of the Employee Relations Specialist, in conjunction with the Office of the Chief Counsel, to assist the supervisor in the proposal and initiation of any disciplinary action against a Government employee. H.7.1.3 Be relieved from accountability and responsibility for the loss, damage, destruction, or theft of the Government property.

H.7.2 Recommend specific corrective or preventive action to reduce the probability of recurrence.

## **H.8 Recommendations by the Property Survey Officer or the Property Survey Board for NASA Contractors Operating under the IAGP Clause.**

H.8.1 Prior to recommending that a NASA contractor, who operates under the IAGP clause be held financially accountable for the loss, damage, destruction, or theft of Government property, the Property Survey Officer or Property Survey Board consults with the Office of the Chief Counsel for review and concurrence with the Survey Report.

H.8.2 On the basis of the investigation and findings, the Property Survey Officer or Property Survey Board makes one of the following recommendations and refers the survey to the CO for further action:

H.8.2.1 That the contractor be held financially accountable and responsible for the loss, damage, destruction, or theft of Government property, and the CO recovers the value of the lost, damaged, destroyed, or stolen Government property, in accordance with the FAR.

H.8.2.2 That the contractor be relieved from accountability and responsibility for the loss, damage, destruction, or theft of Government property.

H.8.3 The Property Survey Officer or the Property Survey Board also recommends specific corrective or preventive action to reduce the probability of recurrence.

## **H.9 Approvals by Property Survey Officer**

H.9.1 The Property Survey Officer reviews all survey reports and related evidence and returns survey reports to the Property Survey Board for further information or analysis, if needed. The Property Survey Officer has final approval authority for all survey reports.

H.9.2 Once a survey report is approved by the Property Survey Officer, the Property Survey Officer or Property Survey Board ensures that the following actions are accomplished:

H.9.2.1 The specific corrective or preventive action set forth in the Survey Report is taken or the reason for rejection (See Section H.10.6), is documented by the appropriate organizations and/or offices.

H.9.2.2 The Center management is fully informed of the implementation of all recommendations concerning specific corrective or preventive action arising from the survey process.

H.9.2.3 Complete documentation on the loss, damage, destruction, or theft is forwarded to the SEMO for retention and appropriate distribution, as defined in this section.

## **H.10 Disposition of Survey Reports**

H.10.1 Recommendation shall be made by the Property Survey Officer or Property Survey Board for the loss, damage, destruction, or theft of Government property: for a NASA contractor operating under the IAGP clause. The Government CO:

H.10.1.1 Determines the appropriate corrective action to take for the loss, damage, destruction, or theft of the Government property.

H.10.1.2 Returns the completed Survey Report to the Property Survey Officer, or the Property Survey Board and the SEMO once the determination has been made.

H.10.2 The Division Director (or the next higher level of management if the Division Director is the Government employee being held accountable), shall adopt the recommendations of the Property Survey Officer or Property Survey Board (See Section H.10.3) that a Government employee be held financially accountable for the loss, damage, destruction, or theft of Government property in consultation the Center's Chief Counsel (or the Office of the General Counsel, NASA Headquarters).

### **H.10.3 Recommendation to Hold Employee Financially Responsible Adopted**

H.10.3.1 The division director (or the next higher level of management if the Government employee is the division director), requests collection actions be taken for the loss, damage, destruction, or theft of the Government property with the Center Finance Officer in accordance with the recommendations. The Division Director ensures that a copy of the request is provided to the Property Survey Officer or Property Survey Board, and the SEMO.

H.10.4 The Center Financial Officer applies the following standards in determining the amount of liability:

H.10.4.1 For lost, destroyed, or stolen Government property, the amount of liability is limited to the depreciated value (acquisition cost, less depreciation) of the property; or fair market value, whichever is less.

H.10.4.2 For damaged Government property, the amount is the lesser of the following: the actual cost to the Government to restore the property to the same condition it was in immediately preceding the damage or the depreciated value (acquisition cost, less depreciation) of the property.

H.10.4.3 The amounts found owing to the Government as a result of the loss, damage, destruction, or theft may be voluntarily remitted by the Government employee upon the request of the Financial Office or may be collected by administrative offset, pursuant to applicable regulations implementing 5 U.S.C. 5514, as amended.

### **H.10.5 Recommendation for Disciplinary Action Adopted**

H.10.5.1 If the findings and recommendations of the Survey Report indicate that the loss, damage, destruction, or theft of the Government property resulted from negligence, or willful misconduct on the part of the employee, disciplinary action is taken in accordance with NPR 3752.1, Disciplinary and Adverse Actions. Supervisors shall seek assistance and guidance from the Office of Human Resources with these matters, as early as possible. The Employee Relations Specialist coordinates the proposal and initiation of any disciplinary action with the Office of the Chief Counsel.

## H.10.6 Recommendation Rejected or Amended

H.10.6.1 If the division director (or the next higher level of management if the Government employee is the division director) amends or rejects the recommendations, he or she prepares a written statement fully explaining why the Property Survey Officer's or Property Survey Board's recommendations were not adopted.

H.10.6.2 The written statement is submitted to the Property Survey Officer or Property Survey Board and the SEMO. The SEMO includes this data in their report to the Center Director (See Section H.11).

## H.11 Reporting

H.11.1 The Center Property Survey Officer, in conjunction with the Chairperson, Property Survey Board, or designee, ensures that feedback is provided to the Center Director via a written report, at least annually, through official channels.

H.11.2 This report, at a minimum, includes the total number of Survey Reports processed at the Center during the reporting period, the total number of Survey Reports submitted by each directorate or equivalent organization, the acquisition cost, lost, damaged, destroyed, and/or stolen Government property, the total number of employees held financially accountable for each directorate or equivalent organization, and general information regarding significant actions, problems, or other matters of substance related to Survey Reports, including trends by organization, location, or equipment type.

H.11.3 The Center SEMO submits to the Director, LMD on an annual basis, at the end of each Fiscal Year (FY). The report is a summary of the following data:

- a. Number of Survey Reports initiated during the reporting period.
- b. Reasons for the loss (examples missing, office move, etc.), damage, destruction, or theft.
- c. Number of Survey Reports initiated due to physical inventories.
- d. Total acquisition cost for Survey Reports initiated due to physical inventories.
- e. Number of other Survey Reports during the period.
- f. Total acquisition cost for other Survey Reports initiated during the period.
- g. Total number of Survey Reports where employees were held financially accountable.
- h. Total dollar amount where employees were held financially accountable.
- j. Total number of Survey Reports where disciplinary action was taken.

H.11.3.1 The reports cutoff date is September 30 of each fiscal year. The reports are due to LMD no later than 30 work days after the cutoff date.

## H.12 Optional Use of Investigation Report of Motor Vehicle Accident (Standard Form 91)

H.12.1 To avoid duplication of investigation and reporting, NASA Headquarters and NASA Centers, including Component Facilities, are authorized to use the Investigation Report of Motor Vehicle Accident, Standard Form 91, in lieu of the Property Survey Report, NASA Form 598, when a motor vehicle is damaged or destroyed in an accident.

H.12.2 Completed copies of Standard Form 91 received by the Supply and Equipment Management Officer are processed in the same manner as NASA Form 598.

H.12.3 Complete property survey procedures need not be followed when a motor vehicle is damaged and the cost of replacement or repair is less \$1,000; there is no bodily injury; and the Transportation Motor Vehicle Operations Officer, with approval of the Center's Chief Counsel Office, determines there is no negligence. However, a Standard Form 91 is submitted to the Center Transportation Motor Vehicle Operations Officer.

H.12.4 Accidents involving a NASA employee operating a GSA motor pool vehicle is investigated and reported as prescribed in Federal Property Management Regulations, Subpart 101-39.

### **H.13 Other Government Property Damage Reporting and Investigation Requirements**

H.13.1 The Property Survey Report process is applied in conjunction with (other damage reporting and investigations processes) the Mishap Reporting process as defined in NPR 8621.1. Mishap reporting and investigations determine mishap causes for the purpose of preventing their recurrence. The scope of mishaps, as defined in NPR 8621.1, includes damage to Government property. Any damage is reported to the Center Safety Office and recorded in the NASA IRIS that meets the criteria of a mishap or close call in accordance with the requirements of NPR 8621.1. An investigating authority is appointed, per NPR 8621.1, to determine the cause of damage. The Property Survey Officer or Property Survey Board performs their assessment after completion of the mishap investigation. The determination of the cost of damage, by the Property Survey Officer or Property Survey Board, is entered into IRIS.

H.13.2 In addition to the requirements in NPR 8621.1, the requirements in Aircraft Operations Management, NPR 7900.3, and Federal Property Management Regulations, FPMR 101-37.1105 also apply to mishaps involving damage or destruction to aircraft. The Supply and Equipment Management Officer obtains approved copies of the appropriate mishap reports to delete the aircraft from the NASA property records (in the cases of loss or destruction) and notifies the Center financial management organization of the adjustment to the records. In the case of damage, aircraft is not be deleted from the NASA property records, and the cost should not be adjusted if fully repaired. However, the Supply and Equipment Management Officer keeps copies of the approved mishap reports on file.

# Appendix I: User Responsibility for Safeguarding Government Property

**I.1 General:** NASA employees are required to exercise the proper care to safeguard Government property. Failure to exercise minimum safeguards results in the employee being held financially liable for the loss, damage, destruction, or theft of Government property, when negligence is determined. The following are examples of precautions employees should take to minimize the loss, damage, destruction, or theft of Government property:

## **I.2 Office and Laboratories**

I.2.1 Items such as cell phones, palm pilots, blackberries, calculators, etc. should be kept under continued control.

I.2.2 Doors to laboratories, which house equipment, should be under positive control.

I.2.3 Doors to offices, which house equipment, should be locked whenever practical.

## **I.3 Travel**

I.3.1 Keep sensitive property under your positive control and do not leave unattended. Airlines and temporary lodgings do not assume responsibility for lost or stolen valuables. Do not check sensitive equipment as baggage on transportation carriers (airplanes, trains, buses, etc.).

I.3.2 If you leave sensitive property in a room in your temporary lodging while you are out of the room, store the item in a security safe (room or hotel) whenever possible. However, if a room safe is not available, place the property out of sight upon leaving the room and double check that the room door is locked.

I.3.3 Before traveling outside of the U.S., always contact your Center Export Administrative Office and local Security Officer about the items and data in your possession.

## **I.4 Equipment in a Motor Vehicle**

I.4.1 Lock the vehicle any time it is left unattended.

I.4.2 Do not leave sensitive items inside vehicles; unless secured in locking glove box or car trunk, and never leave these items inside of unattended motor vehicles overnight or for extended periods.

I.4.3 Do not leave portable equipment or instruments in open work trucks beds.

## **I.5 Office Moves**

I.5.1 Once the move is completed, report anything that you cannot find immediately to the property custodian and the person in charge of the move.

I.5.2 Notify the property custodian of the location change so that the property records can be updated to reflect the new location.

## **I.6 Acquired Property Which Has Not Been Processed Through Central Receiving**

I.6.1 Notify Central Receiving, Center Equipment Management, or the responsible property custodian in accordance with the Center's policy immediately upon receipt (direct deliveries) of any controlled equipment, regardless of the procurement method so the equipment is properly controlled

and tagged.

## **I.7 Others**

I.7.1 Do not leave controlled or sensitive items in unsecured areas (hallways, outside, etc.).

I.7.2 When changing organizations or office location, notify your property custodian.

I.7.3 Notify your property custodian of any property no longer needed.

I.7.4 Use property only for its intended purpose.

I.7.5 Use property only for official purposes.

I.7.6 Obtain a property pass for Government property leaving the NASA Installation or Subinstallation.

I.7.7 Via NF 598, Property Survey Report, immediately report to the property custodian property that you cannot find.

I.7.8 Whenever theft of property is suspected, immediately notify your supervisor, the corresponding property custodian, and the NASA Security Office immediately.