

## **SMITHSONIAN ASTROPHYSICAL OBSERVATORY**

### **PROPERTY MANAGEMENT STAFF HANDBOOK**

#### **1.0 COVERAGE**

This document covers all expendable and non-expendable property acquired by or in custody of SAO, except real property and records. The document is organized in three parts as follows:

##### **Part I**

- Authorities, Property Management Organization (section 2.0)
- Definitions of Property by Ownership (section 3.0) and
- Definition of Property by Kind (section 4.0)

##### **Part II**

- Acquisition of Property (section 5.0)

##### **Part III**

- Responsibilities of Property Custodians (section 6.0 through 17.0)

## **Part I**

### **2.0 AUTHORITIES AND PROPERTY MANAGEMENT ORGANIZATION**

#### **2.1 Accountable Property Officer (APO)**

The Accountable Property Officer (APO) or her/his alternate is the principal officer responsible for designating Property Custodians and for coordination and direction of their activities. This person performs these duties under the supervision of the Manager, Financial Management Department (FMD).

The APO, or his/her alternate, is responsible for compliance with all Smithsonian Directives (SD), Property Management Clauses required by the Federal Acquisition Regulation (FAR) and other non-government contracts and grants. This compliance includes the proper inventorying, reporting and final close-out of all accountable property.

#### **2.2 Property Custodians**

The Property Custodians (PC), designated in writing by the APO or her/his alternate, are responsible for proper custody, use, maintenance and care of the property entrusted in their possession or under their supervision, as further defined in this document. POs will conduct a physical inventory and, at the completion of a contract or grant, provide a Final Property Accounting as requested by the APO.

#### **2.3 Board of Survey**

The Board of Survey, consisting of the Deputy Director for Administration and the Manager of the Financial Management Department (FMD), will be convened by the APO or her/his alternate as necessary to recommend or approve sales of excess private property; investigate shortage, loss, damage, theft, or destruction of property; fix responsibility for loss; determine condition of property reported as scrap or salvage; and prepare a report of Survey for the APO.

#### **2.4 Government Property in the Control of Subcontractors**

Subcontract administrators must ensure that the Federal Acquisition Regulation (FAR) Property Management clauses required in the prime contract are incorporated in all subcontracts issued by SAO. Grant provisions should be incorporated in grant subcontracts.

Subcontract administrators shall ensure that subcontractors provide the APO all interim and final property reports required by the FAR and other non-government requirements.

### 3.0 DEFINITION OF PROPERTY BY OWNERSHIP

SAO uses six distinct ownership categories of property. Each category is defined below.

#### 3.1 Federal Property

All property which is:

- acquired through purchase using Federal funds (normally S&E)
- acquired through transfer from other Federal agencies (from excess)
- constructed or fabricated in-house with Federal funds.

Title to this property is vested in the Federal Government.

#### 3.2 Government Property

All property which is:

- furnished by a Government contracting or granting agency to SAO as a contractor or grantee (this category of property is referred to as "Government Furnished Equipment" - GFE)
- acquired by SAO through purchase for the performance under a contract and the cost of which is charged to the contract
- constructed or fabricated in-house for the performance under a contract and the cost of which is charged to that contract.

Title to this property is vested in the respective Government contracting or granting agency.

#### 3.3 Contract/Grant Property

All property which is:

- acquired by SAO through purchase for the performance under a contract/grant, with the unit cost of \$5,000.00 or more and the cost charged to that contract/grant
- constructed or fabricated in-house for the performance under a contract/grant, with the unit cost of \$5,000.00 or more and the cost charged to that grant.

Although title to this property is vested in the Smithsonian (Private), the granting agency has the right to require transfer of the title within a specified period of time following the completion of the contract/grant (except for NASA & NSF grants).

### 3.4 Smithsonian (Private) Property

All property which is:

- acquired by SAO through purchase, construction or fabrication in-house in the performance of a NASA/NSF grant, with the unit cost of \$5,000.00 or more and the cost charged to that grant
- acquired via title transfer from a Government contracting agency to the Smithsonian (i.e., former Government property)
- acquired from a Government granting agency that did not exercise its right to recall title within the specified time period after the closing of a contract/grant (i.e., former contract/grant property)
- acquired with Smithsonian restricted or unrestricted Private funds.

Title to this property is vested in the Smithsonian (Private).

### 3.5 Loaned, Rented or Leased Property

All property which is:

- on loan, rented, or leased by SAO from a Government agency, a non-government organization or an individual.

Title to this property is vested in the entity from which the loan, rental, or lease was acquired.

### 3.6 Entrusted Property

All property which is:

- delivered to SAO for storage purposes only, from another agency, organization or individual.

Title to this property remains with the entity for which the property is being stored.

#### **4.0 DEFINITION OF PROPERTY BY KIND**

This section defines two kinds of property: expendable and non-expendable.

##### **4.1 Expendable Property**

All property, irrespective of ownership, having an acquisition unit value of less than \$5,000.00, or which is consumed when used, forms a minor part of non-expendable property or loses its identity when put in use.

##### **4.2 Non-Expendable Accountable Property**

All property, irrespective of ownership, having an acquisition unit value of \$5,000.00 or more, which is complete in itself, is of a durable nature (one year or more expected service life), retains its identity throughout its useful life, does not lose its identity, and becomes a component part of another item of non-expendable property. Some articles of lesser value (sensitive items, etc.) may come within the non-expendable accountable property classification, as determined by the PMO or her/his alternate.

##### **4.3 Unit Controlled Property**

All property, irrespective of ownership, having an acquisition cost between \$500 - \$4,999 (except those items of property deemed sensitive) which is complete in itself, is of a durable nature (1 year or more expected service life), retains its identity throughout its useful life, does not lose its identity, and does not become a component of another item of property. Unit controlled property is not issued a property tag, nor is unit controlled property tracked as accountable.

## **PART II**

### **5.0 ACQUISITION AND RECORD KEEPING OF PROPERTY**

This section identifies how property is acquired and the record keeping procedure for non-expendable property.

#### 5.1 Acquisition of Federal Property

##### 5.1.1 Acquisition Through Transfer

Acquisition of Federal property through transfer (i.e., from excess) will be processed for accountability purposes by the APO or his/her alternate, upon receipt of a duly completed transfer order. Acquisition of Federal property by transfer may also be made for the specific purpose of cannibalization provided the justification for such action is clearly stated on a separate Requisition, and explains the reason therefore.

##### 5.1.2 Acquisition Through Purchase

Acquisition of Federal property through purchase will be processed for accountability purposes by the APO or his/her alternate, upon receipt of a duly completed, authorized and approved Purchase Order, except as provided in the Purchasing Procedure for Mt. Hopkins.

##### 5.1.3 Acquisition Through In-House Construction or Fabrication

Proposed in-house construction or fabrication of non- property must be reported by the cognizant Accountable Officer to the PMO at the time when such construction or fabrication is planned. Acquisition of the necessary parts, components, etc., will be accomplished in accordance with [5.1.1](#) and/or [5.1.2](#) above.

#### 5.2 Acquisition of Government Property

##### 5.2.1 Property Furnished by the Contracting/Granting Agency

Furnishing of such property is agreed to between the C&G Department and the Contracting/Granting Agency and listed in the contract/grant document. Property furnished on government contracts is usually referred to as Government Furnished Equipment (GFE).

##### 5.2.2 Acquisition Through Purchase

Acquisition of Government property through purchase will be processed by the Subcontracts and Procurement (SP) Department upon receipt of a duly

completed, authorized and approved Purchase Order, except as provided in the Purchasing procedure for Mt. Hopkins.

#### 5.2.3 Acquisition Through In-House Construction or Fabrication

Same as [5.1.3](#) above, except that the acquisition of the necessary parts, components, etc., will be accomplished in accordance with [5.2.1](#) and/or [5.2.2](#) above.

#### 5.3 Acquisition of Grant Property

Acquisition of contract/grant property will be accomplished in accordance with [5.2.2](#) and [5.2.3](#) above.

#### 5.4 Acquisition of Smithsonian (Private) Property

##### 5.4.1 Acquisition Through Purchase

Acquisition through purchase will be accomplished in accordance with [5.2.2](#) above.

##### 5.4.2 Acquisition through In-House Construction or Fabrication

Same as [5.1.3](#) above, except that the acquisition of necessary parts, components, etc., will be accomplished in accordance with [5.2.2](#) above.

##### 5.4.3 Acquisition Through Transfer of Title

All requests for acquisition of Government or contract/grant property through transfer of title will be coordinated by the APO or his/her alternate.

#### 5.5 Acquisition Through Loan

Loans of property to be used for official SAO purposes will be processed by the APO or his/her alternate. All loans must be confirmed annually.

#### 5.6 Acquisition Through Rental or Lease

Acquisition through rental or lease will be accomplished in the same manner as acquisition through purchase (see [5.1.2](#) , [5.2.2](#) , [5.3](#) and [5.4.1](#) ).

#### 5.7 Acquisition of "Entrusted Property"

Property Custodians are responsible for complying with the *Property Storage Procedure for Visiting Scientists and Invitees* dated 12 May 1999.

## 5.8 Record Keeping

When non-expendable property of any category has been received, tagged and delivered to the end user, and a signed "Receiving Certificate" has been returned to the Property Management Office, the pertinent data will be submitted to SI for entry into the asset module of PeopleSoft, bi-monthly as required by SD-315.

When disposition instructions for non-expendable property are received by way of Board of Survey action for Trust property, GSA instructions for Federal property or direction from the Government Property Administrator for Government property, the property will be deleted from the Property Database immediately following the disposition action and reference to the deletion authority entered as a part of the record.

## **Part III**

### **RESPONSIBILITIES OF ACCOUNTABLE OFFICERS**

#### **6.0 RECEIVING, DELIVERY AND INSPECTION OF PROPERTY**

##### 6.1 Receiving

All incoming property at SAO shall be delivered to and received by Shipping and Receiving. Special arrangements (i.e., large shipments, etc.) for direct delivery to a final location will be coordinated by Shipping and Receiving. Incoming property at field stations shall be received by the Station Manager or her/his designated alternate.

##### 6.2 Delivery

Internal delivery of all incoming property is the responsibility of Shipping and Receiving or the Station Manager. Deliveries will be made to the person identified in the block "Deliver to" of the requisition.

##### 6.3 Inspection, Receiving Report and Receiving Certificate

Property Custodians are responsible for assuring that property delivered to their accountable areas is inspected, discrepancies reported to the SP Department or Station Manager and the Receiving Report returned to the SP Department. Receipt of non-expendable property also requires the use of the "Receiving Certificate". The Receiving Department or the Station Manager is responsible for acquiring a signature on the "Receiving Certificate" from either the person identified in the block "Deliver to" of the requisition, the Property Custodian or the Division Administrator.

If the Receiving Department is unable to acquire a signature on the "Receiving Certificate," the non-expendable property will be returned to the Receiving Department and stored until the "Deliver to" individual or the Property Custodian is able to sign the "Receiving Certificate."

##### 6.4 Shipping Documents

The Property Custodian and/or Shipping and Receiving personnel will forward to the APO or his/her alternate, all shipping documents, forms, etc., that normally accompany incoming shipments of Government Furnished Equipment (GFE).

## 7.0 IDENTIFICATION OF PROPERTY

This section applies only to non-expendable property (see [4.2](#) for definition).

### 7.1 Assignment of Property Tags

The APO or his/her alternate, is responsible for the assignment and control of property tags. No property tag shall be removed unless authorized by the APO or his/her alternate.

Property Custodians shall report to the APO or his/her alternate, whenever a property tag becomes obliterated, illegible or accidentally removed so that a replacement tag may be affixed. Whenever exposure to the elements or other severe conditions preclude the use of regular tags, durable metal tags may be affixed or the number data may be etched or stamped onto the property.

The APO shall forward the appropriate property tags and Receiving Certificates to Shipping and Receiving. Upon receipt of the non-expendable property, Shipping and Receiving shall affix the tags to the property, record the required information on the Receiving Certificate and enter the required information into PeopleSoft upon receipt.

### 7.2 Use of Property Tags.

The following property tags shall be used as appropriate:

7.2.1 Smithsonian Institution Property Tags shall be used to identify all Federal and Smithsonian (Private) property (see [3.1](#), [3.3](#) and [3.4](#) for definitions).

7.2.2 U.S. Government Property Contract Tags shall be used to identify all Government property (see [3.2](#) for definition).

7.2.3 Entrusted Property Tags shall be used to identify all entrusted property (see [3.6](#) for definition).

### 7.3 Motor Vehicles

In addition to the property tags described in [7.2](#) above, the Property Custodians are responsible to ensure those motor vehicles under their accountability be identified as follows:

#### 7.3.1 Motor Vehicles That Are Federal Property

- SI license plate (U.S. Government identification plate on the front and rear of the vehicle; in the case of trailers rear only)
- sign "For Official Use Only" (letters between 1/2" and 3/4" high)

- sign "U.S. Government" (letters between 3/4" and 1" high)
- sign "Smithsonian Institution" (letters between 1" and 1 1/2" high)
- exception: Decals supplied by SI Supply Division that do not conform to these dimensions are acceptable.

The above signs shall be centered on both front doors of all vehicles, except trailers where they will be centered on both sides of the front quarter of the vehicle.

Property Custodians will forward requests for SI license plates to the APO or his/her alternate, and will return to him/her plates which are no longer required.

### 7.3.2 All Other Motor Vehicles

All other motor vehicles shall be licensed in accordance with applicable state or foreign country regulations. Copies of title documents and registration forms will be forwarded to the APO or his/her alternate.

## 8.0 INVENTORIES AND PROPERTY LISTINGS

### 8.1 Introduction

Each Property Custodian will be assigned a property code consisting of the numeric "40", and two letters:

Example: 40IL indicates Administration/Mike McIsaac.

40 (the numeric) designates the Division or Department to which the item is assigned.

I (the first letter) designates the Division or Department to which the item is assigned.

L (the second letter) designates the Accountable Officer responsible for the property.

This code will be used as the means of identifying the property for which the respective Property Custodian are responsible at any given time.

### 8.2 Annual Physical Inventory

Property Custodians will be responsible for performing the annual inventory initiated and coordinated by the APO. The APO or his/her alternate, will issue the necessary instructions to assure a well coordinated effort and accurate results.

The annual inventory will be accomplished within four months of its initiation.

### 8.3 Property Listings

Upon completion of the annual physical inventory all discrepancies will be corrected by way of Board of Survey action for Trust Property, notification of GSA for Federal Property and forwarding any discrepancies relevant to Government Property to the Government Property Administrator for disposition instructions. When corrective action has been completed, the APO or his/her alternate, will forward to the individual Property Custodian a listing, in duplicate, of all non-expendable property under her or his accountability. The Property Custodian will be requested to verify this listing, sign both copies (thereby assuming accountability for the property listed), return one copy to the APO or his/her alternate, and retain the other for her or his records. Discrepancies are then forwarded to SI via a SI-3522 Report for Survey Form for Adjustments to the asset module of PeopleSoft.

### 8.4 Update of Property Listings

In order to maintain accurate and current property listings, it is essential that Property Custodians comply fully with the instructions and guidelines of [6.0](#) and [7.0](#) above and the sections that follow.

### 8.5 Independent Verification

During the period between inventory cycles, the Property Management Office shall conduct unannounced independent verification of individual Property Custodian's inventory listings.

## **9.0 UTILIZATION AND MAINTENANCE OF PROPERTY**

### 9.1 General Policy

It is Smithsonian policy to utilize, care for and maintain all property in accordance with acceptable standards of protective and regular maintenance. Property Custodians shall periodically review the use being made of property for which they are accountable and inspect such property to ensure that standard maintenance practices are being followed.

### 9.2 Policy Applicable to Government Property

SAO is responsible for complying with FAR clauses that deal with care, maintenance and use of Government Property in its possession or control, currently FAR 45-509.

## **10.0 ALTERATIONS AND CANNIBALIZATION**

Non-expendable property of any category shall not be cannibalized, physically converted or materially altered to the extent that its identity is changed without prior written authorization by the Board of Survey except in cases when property has been acquired with the specific purpose of cannibalization as provided in [5.1.1](#). Requests for such authorization shall be addressed to the APO. Property Custodians will initiate this action by submitting requests and justifications to the APO or his/her alternate, using [Form SI-707](#).

## **11.0 TRADE-IN OR SWAP**

No property of any category shall be traded-in or swapped without the prior written authorization of the APO or her/his alternate. Property Custodians will initiate this action by submitting requests and justifications to the APO or his/her alternate, using [Form SI-707](#).

## **12.0 DISPOSAL OF PROPERTY**

Property Custodians will initiate a request and justification for disposition of property to the APO or his/her alternate, using [Form SI-707](#). No property of any category, including scrap and "no commercial value property" (junk), shall be disposed of by any means without written approval from the APO or his/her alternate.

## **13.0 EXCESS PROPERTY**

It is the responsibility of the Property Custodian to promptly report to the APO or his/her alternate, all property of any category, for which they are accountable, that is excess to their needs. [Form SI-707](#) will be used, noting the complete description including model number, serial number, size, weight, year of manufacture and condition code.

Reports of scrapped, in need of repair and obsolete (excess) Government Property will be forwarded by the APO or his/her alternate, via Standard Form 120 to the Government Property Administrator for disposition instructions.

## **14.0 DAMAGE OR LOSS**

It is the responsibility of the Property Custodian to report the incidence of damaged, destroyed, presumed stolen or lost property of any kind immediately to the APO or his/her alternate. The report will set forth all pertinent facts such as: full identification of property involved, the time and cause of loss or damage, the extent thereof, the name of the employee involved, the circumstances, etc. [Form SI-707](#) will be used.

After investigation by the APO or his/her alternate, property that has been damaged, destroyed, presumed stolen or lost will be reported to the Board of Survey or the Government Property Administrator, by the APO or his/her alternate, for disposition instructions.

## 15.0 TRANSFER AND LOAN OF PROPERTY

### 15.1 Transfer of Property

#### 15.1.1 Procedure

Transfer of non-expendable property in the custody of one Property Custodian to the custody of another shall be reported immediately to the APO or his/her alternate, using [Form SI-707](#). The names, codes and signatures of the releasing and accepting Property Custodians shall be included on the [Form SI-707](#).

#### 15.1.2 Restrictions

Government Property shall not be transferred to other agencies, organizations or individuals. Such action constitutes disposal and will be handled in accordance with [12.0](#). Property Custodian will note that Government property of any category must be used solely in the work under the contract or grant for which it was furnished or acquired. Use of Government property on other contracts or grants requires prior written approval of the cognizant contracting agency. Requests and justifications for such use will be addressed to the APO or his/her alternate, using [Form SI-707](#) prior to effecting the transfer.

### 15.2 Loan of Property

#### 15.2.1 Loans Within SAO

Loan of non-expendable property between Property Custodian may be made provided it is not prohibited by the restrictions listed in [15.2.2](#) below. All loans will be recorded by completing the "Loan of Non-Expendable Property" Form.

#### 15.2.2 Restrictions

Government property may only be used as authorized; see [9.2](#) and [15.1.2](#). No property of any kind shall be loaned to other agencies, organizations or non-SAO employees without a Property Loan Agreement (see Attachment F) prepared by the Property Custodian, authorized by the APO or his/her alternate, and signed by the party accepting loan of the property. Written requests for such loans, including the period and justification will be addressed to the APO or his/her alternate, using [Form SI-707](#). The accountability for the property so loaned shall remain with the Property Custodian making the loan.

## 16.0 SHIPPING AND OFF-SITE USE OF PROPERTY

### 16.1 Shipping

#### 16.1.1 Policy

To the maximum extent practical, all shipments of property from SAO to any destination and for any purpose shall be accomplished through Shipping and Receiving. To ensure that such shipments are properly authorized and recorded, each shipment must be covered by a duly completed *Manifest*. Any property that is "hand carried" on a temporary basis away from the facility where it is normally used (i.e., temporarily to another location, residence of an employee, etc.) shall be covered by a duly completed *Property Pass* (see [16.3](#) below).

#### 16.1.2 Manifest

Property Custodians are responsible for completing and signing the Manifest, entering their respective property code (see [8.1](#)), entering the fund number to be charged for the shipping cost and obtaining the signature of the appropriate Authorizing Officer. Property Custodians located at SAO will forward all copies of the Manifest to Shipping and Receiving. After processing the shipment, Shipping and Receiving will return the original to the Property Custodian, one copy complete with Government Bill of Lading (GBL) number and estimated cost to the Authorizing Officer and one copy to the APO or his/her alternate. At field stations, the Property Custodians shall make the same distribution of the completed manifest.

#### 16.1.3 Special Shipments

The APO or his/her alternate, is responsible for initiating the following shipments:

- short- and long-term warehouse storage of all categories of property will be coordinated by the APO or his/her alternate, upon receipt of a completed *Storage Request Form* located on the CfA intranet
- disposal (see [12.0](#))
- all Government property as directed by the contracting agency (see [3.2](#))
- all Grant property as directed by the granting agency (see [3.3](#))
- all hardware and items deliverable under a contract (upon request from the Accountable Officer).

The APO or his/her alternate, will initiate such shipments using the Manifest or Form DD1149, as appropriate.

## 16.2 Off-site Use of Property

### 16.2.1 Policy

- a.** Smithsonian property (all categories) may not be removed from Smithsonian work sites by a Smithsonian employee except for temporary official use, and when such use is necessary or beneficial to the conduct of Smithsonian business. Temporary use is that short-term use required to complete an official and specific program/project assignment that cannot be accomplished on-site during normal business hours. This period of use normally will not exceed Two Years. Temporary use requires written approval by the Associate Director or Department Manager of the organizational unit, pursuant to the procedures outlined in paragraphs 3 and 4.
- b.** The period of use may be extended by the Associate Director or Department Manager of the organizational unit with recertification (paragraph 3) not to exceed two years. Off-site use of property for longer than two years will require the Director's approval.
- c.** The Director, Associate Directors and Department Managers may name a designee, in writing, to perform the functions called for in this policy.

### 16.2.2 Approval to Remove

Approval to remove from a Smithsonian work site for temporary use by a Smithsonian employee will be granted by the Associate Director or Department Manager of the organizational unit, provided the request is in accordance with this policy. Such approval is subject to Associate Director or Department Manager of the organizational unit certifying that removal of the property will not adversely affect the performance of official duties of the organization by the requesting employee and that the property being removed is not excess property. Failure to meet policy and approval requirements can lead to disciplinary action for the employee, especially if loss, damage, or destruction occurs during the removal period.

### 16.2.3 Procedures

- a.** Smithsonian Form [SI-4153](#), "Off-Site Property Utilization Authorization", will be used for the removal of Smithsonian-owned property from a Smithsonian work site by a Smithsonian employee for official use.
- b.** The requester (borrower) will prepare the Smithsonian Form [SI-4153](#), which will show the requester's name, organization code, full description of the property, the purpose for temporary removal of the property, the period of required use, the specific date the property will be returned and an explanation of why it's use cannot be accomplished on-site during normal working hours.

c. The requester (borrower) will submit the Smithsonian Form [SI-4153](#), to the Associate Director or Department Manager of the organizational unit for approval as stated in paragraph 3.

d. After approval by the Associate Director or Department Manager of the organizational unit, the Smithsonian form [SI-4153](#), will be submitted to the Property Custodian who will annotate the inventory record to reflect the temporary use of the property. A copy of the Smithsonian form [SI-4153](#), will be retained by the Property Custodian until return of the property has been verified. A copy will also be provided to the APO or his/her alternative, by the Property Custodian.

e. The property will be returned by the date shown on the Smithsonian Form [SI-4153](#).

A copy of the authorization form can be obtained by contacting the APO at [mmcisaac@cfa](mailto:mmcisaac@cfa).

### 16.3 Property Pass

Property Custodians are responsible for completing the *Property Pass* in duplicate and signing it in block 7, referencing their property code. The original will be given to the employee authorized to remove the property and the copy will be retained by the Property Custodian until the property has been returned to the area of her or his accountability.

### 17.0 RELEASE OF ACCOUNTABILITY

Property Custodians are responsible for clearing employees for items of property prior to the individual's separation or transfer. This shall be accomplished by completing the appropriate section of the *Exit Clearance Form*. Property Custodians to be separated, transferred or relieved of Property Custodian's duties must contact the APO or his/her alternate, thirty (30) days prior to cessation of Property Custodians duties and responsibilities.

Approved By:

/s/ Charles Alcock

Director