



Defense Health Agency

ADMINISTRATIVE INSTRUCTION

NUMBER 4000.01

October 4, 2021

DAD-MEDLOG

SUBJECT: Property Accountability and Management of General Equipment (GE)

References: See Enclosure 1.

1. PURPOSE. This Defense Health Agency-Administrative Instruction (DHA-AI), based on the authority of References (a) and (b), and in accordance with the guidance of References (c) through (v), establishes the Defense Health Agency's (DHA) procedures to:

- a. Establish accountability and management of all assigned General Equipment (GE) to include Medical Devices (MD).
- b. Implement policy, assigns responsibilities, and establishes procedures for the GE accountability process.
- c. Assist staff with procedures of the GE business cycle of asset acquisition, asset management, and asset disposal in accordance with References (c) through (e).
- d. Govern MD and Information Technology (IT) hardware and Internal Use Software (IUS) not under development. IUS does not include software intrinsic to the operation of a piece of MD. Such intrinsic software is considered to be a part of the parent MD.
- e. Assist assigned DHA Accountable Property Officers (APO) in understanding their roles and responsibilities.
- f. Provide instructions for implementing DHA, DoD, and Federal Government policies, guidance, and applicable laws related to GE.
- g. Outline requirements which reflect both the accounting perspective supporting the documentation of life cycle events and transactions, as well as the accountability perspective supporting the life cycle management of assets.

h. Prescribe internal controls (ICs) to initiate, process, and record GE transactions within the Accountable Property System of Record (APSR) to facilitate consistency in GE accountability.

2. APPLICABILITY. This DHA-AI applies to DHA, and DHA Components (activities under the authority, direction, and control of the DHA).

3. POLICY IMPLEMENTATION. It is DHA's instruction, pursuant to References (c) through (v), that DHA must:

a. Adhere to federal and DoD guidelines for GE accountability, management, and Financial Liability Investigation of Property Loss (FLIPL).

b. Establish minimum requirements for data elements of accountable GE records.

c. Comply with DoD and federal financial guidance to support DoD's financial statements.

d. Follow all established procedures to report improper Personally Identifiable Information or Protected Health Information dissemination that violates the Health Insurance Portability and Accountability Act.

e. Implement property management processes in compliance with laws, regulations, and policies.

4. RESPONSIBILITIES. See Enclosure 2.

5. PROCEDURES. See Enclosure 3.

6. PROPONENT AND WAIVERS. The proponent of this publication is the Deputy Assistant Director, Medical Logistics (MEDLOG). When Activities are unable to comply with this publication the activity may request a waiver that must include a justification, to include an analysis of the risk associated with not granting the waiver. The activity director or senior leader will submit the waiver request through their supervisory chain to the DAD-MEDLOG to determine if the waiver may be granted by the Director, DHA or their designee.

7. RELEASABILITY. **Cleared for public release**. This DHA-AI is available on the Internet from the Health.mil site at: <https://health.mil/Reference-Center/Policies> and is also available to authorized users from the DHA SharePoint site at: <https://info.health.mil/cos/admin/pubs/SitePages/Home.aspx>.

8. EFFECTIVE DATE. This DHA-AI:

- a. Is effective upon signature.
- b. Will expire 10 years from the date of signature if it has not been reissued or cancelled before this date in accordance with Reference (c).

9. FORMS. Forms referenced in this document can be retrieved from the following locations:

a. Optional Form (OF) Form 7, Property Pass, can be found at:
<https://www.gsa.gov/reference/forms>.

b. The following DD Forms can be found at:
https://www.esd.whs.mil/Directives/forms/whs_forms/.

- (1) DD Form 250, Material Inspection and Receiving Report
- (2) DD Form 1149, Requisition and Invoice/Shipping Document
- (3) DD Form 1348-1A, Issue Release/Receipt Document

c. Defense Logistics Agency Form 2500, Certificate of Hard Drive Disposition can be found at: <https://www.dla.mil/Portals/104/Documents/FormsSite/forms/DL2500.pdf>

/S/
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Enclosures

1. References
2. Responsibilities
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Glossary

ENCLOSURE 1

REFERENCES

- (a) DoD Directive 5136.01, “Assistant Secretary of Defense for Health Affairs (ASD(HA)),” September 30, 2013, as amended
- (b) DoD Directive 5136.13, “Defense Health Agency (DHA),” September 30, 2013
- (c) DHA-Procedural Instruction 5025.01, “Publication System,” August 24, 2018
- (d) United States Code, Title 10, Section 1073c “Administration of Defense Health Administration and military medical treatment facilities”, January 6, 2017, as amended
- (e) DoD Instruction 6430.02, “Defense Medical Logistics Program,” August 23, 2017
- (f) DHA-Procedural Instruction 6430.02, “Defense Medical Logistics (MEDLOG) Enterprise Activity (EA),” September 27, 2018
- (g) Office Of The Under Secretary of Defense (Comptroller)/Chief Financial Officer, “Financial Improvement and Audit Readiness (FIAR) Guidance,” April 2017
- (h) DoD 7000.14-R, Volume 12, Chapter 7, “Department of Defense Financial Management Regulations (FMRs): Financial Liability for Government Property Lost, Damaged Destroyed, or Stolen,” January 2021
- (i) DoD Instruction 5000.76, “Accountability and Management of Internal Use Software (IUS),” March 2, 2017, as amended
- (j) DoD Manual 4160.21, Volume 1, “Defense Materiel Disposition: Disposal Guidance and Procedures,” October 22, 2015, as amended
- (k) DoD Manual 4140.01, Volume 5, “DoD Supply Chain Materiel Management Procedures: Delivery of Materiel,” February 10, 2014, as amended
- (l) Federal Acquisition Regulation, Part 45, “Government Property,” March 10, 2021
- (m) DoD Government Charge Card Guidebook for Establishing and Managing Purchase, Travel, and Fuel Card Programs, October 1, 2017, as amended
- (n) Federal Acquisition Regulation, Part 33.2, “Disputes, and Appeals,” May 29, 2014
- (o) Defense Federal Acquisition Regulation Supplement 252.211-7003, “Item Unique Identification and Valuation,” current edition
- (p) DoD Instruction 8320.03, “Unique Identification (UID) Standards for Supporting the DoD Information Enterprise,” November 4, 2015, as amended
- (q) DoD Instruction 8320.04, “Item Unique Identification (IUID) Standards for Tangible Personal Property,” September 3, 2015, as amended
- (r) DoD Instruction 4165.14, “Real Property Inventory (RPI) and Forecasting,” January 17, 2014, as amended
- (s) DoD Instruction 4140.01, “DoD Supply Chain Materiel Management Policy,” March 6, 2019
- (t) DoD Instruction 5000.64, “Accountability and Management of DoD Equipment and Other Accountable Property,” April 27, 2017, as amended
- (u) DoD Instruction 4161.02, “Accountability and Management of Government Contract Property,” April 27, 2012, as amended
- (v) Defense Logistics Manual 4000.25, “Defense Logistics Management System,” May 19, 2014, as amended

ENCLOSURE 2

RESPONSIBILITIES

1. DIRECTOR, DHA. The Director, DHA, will:

a. Establish property management policies, standards, and performance measures that monitor and evaluate DHA-wide performance to achieve and sustain effective accountability, management, control, and accurate accounting of government property.

b. Establish procedures to grant waivers to this issuance, where appropriate.

c. Ensure DHA property management goals and expectations are clearly communicated throughout the DHA.

d. Implement this DHA-AI by providing direction on uniformity in the identification, classification, and reporting of DoD property.

e. Appoint a DHA Component Property Lead (CPL), in writing, to implement this DHA-AI on behalf of the component.

f. Promote successful system interfaces through the use of standardized terminology, policies, and procedures.

g. Promote the use of best practices for property accountability and management.

2. DAD-MEDLOG. The DAD-MEDLOG, must:

a. Ensure property management policies, standards, and performance measures are established in accordance with this DHA-AI that monitor and evaluate component-wide performance to achieve and sustain effective accountability, management, control, and accurate accounting of GE.

b. Ensure a controlled environment for property accountability and an effective system of ICs to ensure accountability and authorized use of personal property to prevent loss, damage, theft, or waste, and to ensure appropriate financial reporting.

3. CHIEF, DHA-MEDLOG HEALTHCARE TECHNOLOGY MANAGEMENT (HTM) DIVISION. The Chief, DHA-MEDLOG HTM Division, must:

a. Establish property management policies, standards, and performance measures in accordance with this DHA-AI that monitor and evaluate component-wide performance to achieve and sustain effective accountability, management, control, and accurate accounting of government property.

b. Establish and maintain a controlled environment for property accountability and an effective system of ICs to ensure accountability and authorized use of personal property to prevent loss, damage, theft, or waste and to ensure appropriate financial reporting.

c. Establish, resource, and maintain APSRs to ensure their integration with core financial and other systems and processes, particularly those for logistics and acquisition.

d. Establish resource technologies, systems, and interfaces to satisfy Automatic Information Technology (AIT) requirements.

e. Establish metrics to assess and report overall property management maturity level.

4. CPL, DHA-MEDLOG HTM DIVISION. The CPL, DHA-MEDLOG HTM Division, must:

a. Perform oversight of asset accountability functions for the agency.

b. Establish and disseminate DHA's policy, standards, and procedural guidance for asset accountability, perform related updates, evaluate asset accountability programs, and implement changes as required.

c. Manage the DHA Defense Health Headquarters APSR.

d. Establish the DHA annual inventory policy and procedures, review regulatory changes that affect DHA asset accountability policy and/or processes, and issue implementing guidance as required.

e. Perform daily operation, planning, and execution of DHA's GE property management to include strategic planning.

f. Monitor financial liability documents to ensure timely completion in accordance with DHA established guidelines. Facilitate appellate reviews of all FLIPLs and ensure the servicing DHA Office of the General Counsel provides a legal sufficiency review of the investigation, findings, and recommendations.

g. Manage DHA-wide assets, while making decisions to approve or disapprove Medical Units (MUs) request for disposition instructions.

h. Provide oversight and guidance to all APOs responsible for GE within DHA.

5. DIRECTORS, MARKETS, SMALL MARKET AND STAND-ALONE MEDICAL TREATMENT FACILITY ORGANIZATION, AND DEFENSE HEALTH AGENCY REGIONS. Directors, Market, Small Market and Stand-Alone Medical Treatment Facility Organization, and Defense Health Agency Regions must ensure compliance with this DHA-AI.

6. MILITARY TREATMENT FACILITIES (MTF) AND DENTAL TREATMENT FACILITY (DTF) DIRECTORS. MTF and DTF Directors, must:

a. Appoint an APO in writing.

b. Require personnel entrusted with government property to be informed of their responsibilities in writing, which includes proper stewardship as well as potential legal ramifications for misuse or loss.

c. Require personnel entrusted with government property to be trained to their level of functional responsibility.

7. DIRECTOR, MTF/DTF/OLB MEDLOG. The Director, MTF/DTF/OLB MEDLOG must:

a. Assist the APO in ensuring all accountable property records are maintained in the APSR.

b. Assign staff to assist the Accountable Property Officer in all Property Accountability and Management tasks and procedures.

8. APO. The APO must:

a. Be appointed in writing by Director, MTF or DTF in accordance with Reference (t).

b. Ensure proper management and accountability of government property at the activity level, regardless of echelon.

c. Establish and maintain the organization's accountable property and financial records for government property, regardless of whether the property is in the individual's or DoD Component's immediate control or possession. This includes the requirement for maintaining a complete trail of all transactions, suitable for audit, and the ability to implement and adhere to associated ICs.

d. Develop physical inventory plans and procedures, schedule physical inventories, and assist in their completion in accordance with Reference (t).

e. Certify government property assigned to a customer is properly inventoried. Performs a joint physical inventory (with the gaining organization) when transferring the organization's property account as required. Properly executes and signs the required APSR resulting documentation.

f. Designate custodial areas within an accountable area and delegate, in writing, a Property Manager (PM) and Property Custodian (PC) to support with property management functions for each custodial area designated. Issue custody receipts or similar documents for all property assigned to an individual or organization.

g. Evaluate culpability when property loss has been reported. Report and recommend appropriate action to the Director, MTF/DTF or designated equivalent. Assists the designated investigating officer, as required, and processes FLIPL in accordance with established procedures in Reference (h).

h. Monitor the acquisition, storage, utilization, and disposition of property within the assigned accountable area. Identifies underutilized, impaired, or obsolete property and takes appropriate actions to increase utilization or ensure disposition.

i. Validate that property in the APSR is properly and uniquely identified as appropriate in accordance with References (n) and (o), and this DHA-AI. Upon finding discrepancies, provide notification to the responsible entity for the item (e.g., item manager, program manager).

j. Use AITs to conduct all property transactions. Ensure transfers are accomplished in accordance with Enclosure 3 of Reference (s).

k. Retain all supporting documentation related to the life cycle of GE for 10 years or the life of the equipment plus 36 months beyond turn in disposition.

9. PM. The PM must:

a. Support the APO in all property accountability management functions and serve as a liaison between the APO and PCs.

b. Establish property accountability folders for each assigned PC to assist in the management of their custodial area.

c. Responsible for training assigned PCs to ensure proper accountability of custodial area.

10. PC. The PC must ensure all assigned property is accounted for on a primary or sub-hand receipt. Specifically, the PC must:

a. Be in the grade of E-6 or GS-5 equivalent or above. If grade cannot be met, then the PC will be assigned as the first person that meets the grade requirements in the department.

- b. Communicate regularly to the PM regarding any changes made to hand receipts to keep hand receipts current.
- c. Verify quantities, serial numbers, and equipment control numbers (ECN) during inventories and prior to the hand receipt being signed.
- d. Annotate on the primary hand receipt the location or sub-hand receipt number next to any item that is sub-hand receipted.
- e. Conduct random spot checks of the location and the physical condition of assigned property between inventories.
- f. Retain copies of signed turn-in and issue transaction documents in designated property accountability folder to include open and completed maintenance actions.
- g. Educate sub-PCs of their responsibility to safeguard their property.

11. DIRECTOR, MTF/DTF/OLB HUMAN RESOURCES. The Director, MTF/DTF/OLB Human Resources, must:

- a. Issue clearances only after the individual's clearance checklist has been stamped by the APO signifying the responsibility for property has been successfully transferred to another individual.
- b. Ensure a replacement PC has not been assigned duties that will prevent them from accomplishing hand receipt duties for 30 calendar days or longer.

ENCLOSURE 3

PROCEDURES

1. INTRODUCTION TO GE. This DHA-AI sets forth overall procedures and processes for DHA, its organizations, and activities to follow in asset accountability of GE.

2. ACCOUNTABILITY

a. Will be established upon receipt, delivery, acceptance, or through accountable property records within an APSR.

b. Will be enabled by Item Unit Identification (IUID), tracking, and management in accordance with References (n) and (o). Where an IUID data matrix is not applicable, yet the item needs individual management, the property will be managed by serial number or alternate unique asset identification.

c. System and component relationships must be identified during the acquisition process. System and component relationships should be recorded on an item-level basis (i.e., each individual item in a separate record).

d. Using AIT to assist in property accountability is mandatory. This includes the use of barcode printers, hand-held and tethered scanners, radio frequency identification, tablets, and common access card readers. AIT will be further supported by the use of electronic forms, attachments, or other soft copies of documentation where practicable. Documentation of property accountability is still required in case of failure or unavailability of AIT.

e. Will be maintained throughout the property's useful life and through disposal regardless of the property's status within the property life cycle (e.g., excess, obsolete or unserviceable, surplus) or its physical location (e.g., loading platform, in-transit, in theater).

3. ACCOUNTABLE PROPERTY. Accountable property records must be established in the DHA APSR for all government property purchased, or otherwise obtained, having a unit acquisition cost of \$5,000 or more and/or identified as maintenance significant GE. Accountable property records must also be established for property of any value that is controlled or managed at the item serial number level; leased items (to include capital leases) of any value; and assets that are sensitive, pilferable, or classified. APSR transactions must be posted within 7 working days. Types of GE that are equal to or above the \$5,000 threshold must be accountable in the DHA APSR include:

a. Capital GE. GE with a cost of \$250,000 or more is capitalized and depreciated over the useful life of the asset. An asset record must be established in the DHA APSR.

b. IT. Property such as desktops, laptops, and mobile computing devices, including, but not limited to, mobile information storage devices and auxiliary hard drives, regardless of cost, containing personally identifiable information. IT acquiring organizations will notify the Chief, DHA, Information System Division promptly whenever IT resources are received.

c. Heritage Assets. Property of historical, natural, cultural, educational, or artistic significance, or with significant architectural characteristics must be valued based on a review panel and submitted to DHA MEDLOG for approval to be added to the APSR. Heritage assets not identified as priceless must be accounted for and securely displayed.

d. Loaned or Leased Equipment. Equipment considered as loaned or leased is equipment being used temporarily by an outside agency or organization. This is achieved through some type of agreement or contract.

e. Small arms. Refer to Reference (s) for small arms management information.

f. Pilferable. Equipment that has a ready resale value or application to personal possession and are, therefore, especially subject to theft.

g. Government Furnished Equipment. Property in the possession of or directly acquired by the government and subsequently furnished to the contractor must be entered into DHA APSR of record prior to being issued to a contractor as part of a contract or contract modification, no matter its minimum value. The contract company must sign a memorandum of agreement associating the contract company to an assigned accountable record.

4. DHA APSR

a. DHA APSR. Provides capability to support all functions associated with accountability and management of GE.

b. DHA APSR Users. The DHA APSR System Administrator is located in DHA MEDLOG and supports the DHA CPL on matters related to DHA APSR functionality and support. In DHA APSR, the required roles must be established and maintained for accurate accountable property records.

5. PHASES OF THE GE LIFE CYCLE. One of the objectives of DHA MEDLOG is to enforce the DoD life cycle management process for all GE provided to, or acquired by, DHA activities. Such management ensures proper and authorized use, as well as adequate care and preservation, since no asset can be acquired, placed in service, transferred, placed on the DoD property book, or disposed of without the proper authorization necessary to document and record the transaction. Life Cycle Management Process Flow covers the life cycle of GE from the acquisition to the transfer, disposal, or retirement of the asset.

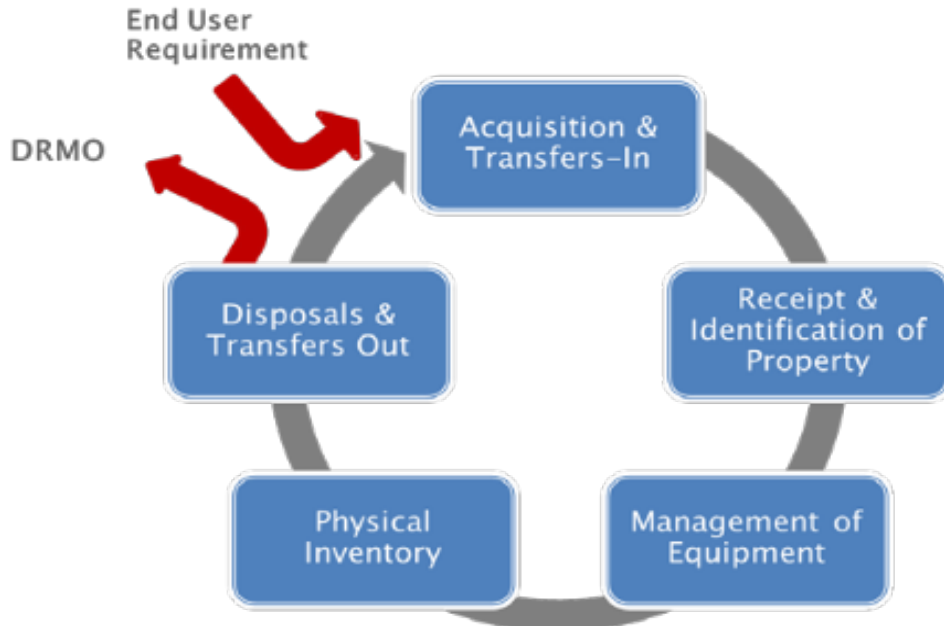


Figure: General Equipment & Medical Device Life Cycle Management Process

a. Acquisition and Transfers-In. Once identified, defined, and documented, the requirements are reviewed, including the determination of the acquisition method, and approved by appropriate parties, and equipment is acquired.

(1) Methods of acquisition include, but are not limited to, contract, Government Purchase Card, and other non-government owned acquisitions. The APO will ensure a due-in record is created in the APSR for all approved acquisitions.

(2) Upon receipt of any acquisition document with an expected delivery, APOs will create “due-ins” within the APSR. An IC will be in place to ensure a due-in record is created for all approved acquisitions.

b. Receipt and Identification of Property. The receipt and identification of property process starts when an item is physically received at the MTF. Upon delivery, the equipment is inspected and receipted. The APO ensures initial data entry of the equipment into APSR within 7 working days of receipt. All accountable equipment must be barcoded with an APSR generated barcode. A property accountability record is generated to establish ownership to the PC. NOTE: All MDs require an acceptance inspection prior to release to the PC.

c. Ensuring Accuracy of DHA APSR Records. Before entering the equipment into the APSR, the APO must verify the accuracy of all data to be entered by comparing it with the supporting documents. In cases when required documents are not available, the APO will not issue accountable property until documentation requirements can be satisfied. In such cases, the APO will coordinate or identify alternative source missing documents. The APO must utilize only approved device codes. Requests to create new device codes must be routed through DHA MEDLOG HTM Device Code Manager.

d. Data Elements. The following data elements, at a minimum, are required of an accountable property record and APSR:

(1) Name, part number, description (noun, nomenclature), model number, serial number, and national stock number (NSN), if known.

(2) Owner (both the accountable and custodial organization).

(3) Status (e.g., active or inactive (retired), staged, stored, in-transit, transferred, declared excess, awaiting disposition, dispositioned).

(4) Quantity (e.g., received, fabricated, issued, and on-hand) and unit of measure

(5) General Ledger Classification (e.g., general equipment, loaned or leased, or a means to apply business rules for making such a determination).

(6) Value at full cost and depreciation information, if applicable; or original acquisition cost if the property does not require capitalization.

(7) Estimated useful life (years or activity based for capitalized property).

(8) Unique item identifier or DoD recognized IUID equivalent as defined in Reference (p).

(9) Date placed in service.

(10) Location (e.g., DoD Activity Address Code (DoDAAC), unit identification code commercial, and government entity code).

(11) Current condition. Information on supply condition codes is contained in Reference (v).

(12) Posting reference (e.g., receiving report number, contract, purchase order, or other procurement identification number, invoice number).

(13) Transaction type (e.g., received, accepted, inventoried, transferred, shipped, retired, disposed).

(14) Transaction date.

(15) Care of supplies in storage as needed.

(16) Government Furnished Property (GFP) elements:

(a) Authorizing contact

- (b) Recipient point of contact
- (c) Period of performance expiration date
- (d) Expected property return date (when different from the period of performance)

e. Program Accountable Property. Program accountable property does not become DHA APSR accountable until a government representative signs the receiving document. If the accountable property items are not delivered to an APO location, the government representative receiving and/or acceptance representative must provide copies of the receiving documents, in addition to any packing lists or bills of lading to the program's servicing APO within 7 working days of receipt. The respective APO must enter the property into APSR within 7 working days of receiving the complete acquisition and financial supporting documentation. APO will not gain property without required acquisition documents.

f. Management of Equipment. A life cycle document history must be kept electronically and/or in hard copy, including: contracts; requisitions; invoices; shipping documents and bills of lading; assumption/acceptance attachments; hand receipts; termination/disposal documents; warranties and maintenance agreements; and cost data if no historical data exists. If documents are missing, the APO will draft a memorandum for record to document the absence of and efforts to recover missing documentation.

g. Systems and Components. Accountable property should be recorded on an item-level basis (i.e., each individual item in a separate record). However, when considered advantageous to do so or when required to comply with capital equipment reporting requirements, records must be maintained on a system basis. The system method may be used when two or more individual items (i.e., equipment components) are part of a system; and the system is considered to be incomplete or inoperable in the absence of any one of its component equipment items.

h. DHA-APSR System and Component Receipt Instructions. DHA APSR users must adhere to the following procedures to establish a system in the system of record:

(1) Receive the system in the APSR. Identify this with an equipment type of "system". This is an actual item and should be the major component of the system. Record the total cost of the system on this ECN.

(2) Gain the other components of the system using the "Gain" function within the APSR with the reason of "component gain" and equipment type of "component" with full acquisition cost of that individual component. Ensure the components are associated with the system ECN.

(3) Record the acquisition cost from the purchase contract/order of the system in the "notes" tab of the equipment (component) record.

(4) Return to the system record and select the acquisition cost icon and adjust the purchase price to reflect the actual acquisition cost, installation cost, trade-in value, etc. The total cost of the system is recorded on the system line.

(5) Identify “Maintenance Significant” components. Update the catalog record to signify which components require maintenance services.

(6) DHA activities with Digital Imaging Network-Picture Archiving Communications Systems must ensure the system and all components are properly accounted for in the APSR as directed by the PM.

6. PROPERTY FURNISHED TO OR IN THE POSSESSION OF A THIRD PARTY.

a. Although the DoD may not have physical custody, in order to maintain effective property accountability and for financial reporting purposes, DoD Components must establish and maintain records and accountability for government property of any value furnished to contractors as GFP or loaned to outside entities such as federal agencies, State and local governments, and foreign governments.

b. Documentation supporting the decision to furnish GFP must be included in the official contract file and provided upon request to the responsible APO(s). Upon disposition of GFP, documentation supporting the completed action(s) must be provided to the responsible APO to support removal of the accountable property record from the APSR. Copies of contract documentation may be obtained from the procuring or administrating contracting officer.

c. Administrative property typically does not meet the definition of GFP; however, the terms and conditions of the contract may dictate otherwise. Before establishing formal GFP records for administrative property when no previous accountable property record has been established, the responsible APO must determine, in coordination with the contracting officer or legal counsel, if the property can be designated as “incidental to place of performance” as defined in Federal Acquisition Regulation (FAR) Part 45.000(b)(5). When administrative property can be so designated, a formal GFP record is not required. If the property does not meet “incidental to place of performance” criteria, the responsible APO must establish a formal GFP record.

d. Third parties have stewardship responsibility, consistent with the terms and conditions of the accountable contract or third party agreement, for the government property in their care. This includes DoD property loaned to outside entities, GFP, and contractor acquired property (CAP) for which the DoD has taken title before delivery. CAP will be recognized upon delivery or constructive delivery in accordance with the guidance in DFARS Procedures, Guidance and Instruction 245.402-71. Delivery or constructive delivery will be based on the terms of the contract regarding delivery. Accountable property records must not be established for CAP until delivery to the DoD has occurred.

e. Financial accountability for assets in which title has passed but delivery to the DoD has not yet occurred (e.g., CAP) will be maintained through a construction in process (CIP) account

(see DoD 7000.14-R for CIP procedures). The CIP account may reside in either the DoD Component accounting system or the Component APSR. Upon delivery, accountable property records will be established as appropriate in the APSR.

f. Third party property management or accountability systems, e.g. custodial systems, must not supersede or replace the APSR or the accountable property records maintained by the DoD.

g. Oversight of GFP will be conducted in accordance with DoDI 4161.02 as defined in Reference (u).

7. LOANED OR LEASED EQUIPMENT. No leased medical equipment will be brought into a DHA facility without an approved contract that details the accountability and maintenance responsibility of the equipment. No loaned medical equipment will be brought into a DHA facility without an approved support agreement or contract that details the accountability and maintenance responsibility of the equipment. All leased/loaned medical equipment must be brought to Property Management for processing and safety testing by HTM staff before it is to be released for use. Any leased/loaned equipment that will be in the facility for more than 30 calendar days must be added to the APSR for accountability. APO must actively monitor all leased/loaned equipment within the MTF/DTF to ensure all leased/loaned equipment is removed from the facility upon expiration of contract or support agreement.

8. TRANSFERS. There are two types of transfers: internal and external.

a. An internal transfer is initiated by either:

(1) An APO that transfers the accountable property records with the same DHA DoDAAC, or

(2) By a gaining APO who requests a transfer from a losing APO for property with the same DHA DoDAAC.

b. An external transfer is initiated by a gaining APO who requests a transfer from a losing APO for property with a different DHA DoDAAC. Equipment can be loaned from one agency to another when a gaining APO identifies a need for equipment. The loan process follows the same steps as transfers, with the exception of an additional level of approval from the DHA CPL.

9. PROPERTY PASS. The OF-7, Property Pass, must be used on all property used for Telework, temporary duty or any extended periods of time away from the work center. The APO is the approving authority and will actively monitor the OF-7.

10. PHYSICAL INVENTORY. The APO must create a physical inventory plan and schedule to ensure 100 percent of GE are inventoried annually. Inventory plans detail how and when all

property will be inventoried and made available for review by the CPL or audit personnel as required. These plans will provide a schedule for completion of all physical inventories and must include an awareness of an item's serial number, nomenclature, and utilization. If any discrepancies occur during the inventory, adjustment actions (e.g., cash collection voucher, statement of charges, or an FLIPL) will be initiated for any missing items. Physical inventories may take different forms, including wall-to-wall, cyclic, sampling, and "by exception" methodologies. Annual reconciliation between the APSR and the DoD Component accounting system is required, at a minimum.

a. Inventory Accuracy Rate. A minimum of 98 percent physical inventory accuracy rate (100 percent for classified or sensitive property) must be achieved and maintained. The parameters for inventory accuracy will be established in the inventory plan. Physical inventory results will be measured by annual loss and overage rates.

b. Inventory by exception. May be authorized by the APO responsible for that custodial area or asset type. This type of inventory uses actions or transactions (e.g., move orders, maintenance actions, calibration checks, usage logs [or flight logs]), where the items are "touched" by disinterested parties (i.e., persons without stewardship responsibilities), with supporting documentation directly associated with an accountable asset. Toward the end of the inventory cycle, an inventory is then performed on items not already inventoried by an action or transaction during the inventory period. If applicable, these types of inventories must be documented as part of the inventory plan and are subject to documented IC procedures to ensure the validity of accountable property records.

c. Sampling Methods Inventory. Inventory samples may be used to test, evaluate, or validate physical inventory accuracy, but sampling methodology does not relieve the requirement for physical inventory of all accountable property annually. PCs must use the sample methodology to conduct a 25 percent sampling accuracy check of equipment location entries by HTM staff after the completion of maintenance actions. Do not use sampling methods for classified or sensitive property.

d. Change of PC. When direct responsibility for property accountability is transferred from one individual to another, an inventory must be conducted. The inventory must be conducted jointly between the outgoing PC, the incoming PC, and the APO (or designated PM). If sub-hand receipts exist, upon completion of the change of hand receipt inventory, new sub-hand receipts must be generated and signed by the incoming PC.

11. TRANSFERS-OUT/TURN-INS. All transfers of accountable property items from one DHA APSR hand receipt to another must be accomplished through the assigned APOs using a DHA APSR-generated DD Form 1149, Requisition and Invoice/Shipping Document.

12. TURN-IN DISPOSAL. All requests for turn-in and/or disposal of accountable property items must be made through the APO assigned to the PC requesting the turn-in. All turn-ins are documented using a DD Form 1348-1A, DoD Single Line Item Requisition System Document.

All information contained within storage media (e.g., hard drives; cards; memory chips; external drives; etc.) must be removed by approved DoD regulation and policy destruction methods. Defense Logistics Agency Form 2500, Certificate of Hard Drive Disposition, must be attached to each machine stating “cleaned/scrubbed,” the method used, and signed and dated by the end user. Additionally, all hazardous material (e.g., oil, hydraulic fluid, reagents, etc.) contained within the property must be removed before turn-in. The APO will complete a DD Form 1348-1A for items for turn-in to the appropriate disposal unit (e.g., Defense Reutilization Management Office). The disposal unit will sign the documentation. This documentation is to be maintained in the property audit records. The accountable property can be removed from the hand receipt and accountability system.

13. MD OVERVIEW

a. Exceptions to Procedures. The MD must follow the procedures of this policy, except as listed in this section. These processes are in addition to or different from those for general property or different processes.

b. Receiving GE. The APO is responsible for providing a complete copy all required documentation (e.g., Purchase Order, contract, shipping documents, and APSR) to the HTM Sustainment Branch to facilitate proper acceptance testing and construction of an accurate equipment file.

c. Managing and Accounting for MD. The APO along with the HTM staff must establish the APSR equipment record for MD. The Biomedical Equipment Technician must ensure the following data elements are correct in the APSR:

- (1) Proper standardized device code is utilized
- (2) Nomenclature
- (3) Manufacturer
- (4) Nameplate Model
- (5) Common Model
- (6) Serial Number
- (7) Equipment Type
- (8) Accounting Status (Change to IN SERVICE)
- (9) Location

d. Inventory by Exception. Maintenance required medical items will be “inventoried by exception” through maintenance actions such as scheduled or unscheduled repairs. At the completion of each maintenance action for items serviced or repaired “on-site,” the HTM staff will document in the “Location” tab of the APSR, the location (e.g., room, hallway, bay, etc.) of the MD when serviced.

e. APSR MD Record Management. HTM Management or designated personnel Quality Assurance/Quality Control will assist the APO with the APSR MD record. If during the performance of maintenance actions, it is discovered by HTM staff that corrections to the MD APSR record are required, the HTM manager or designated representative will verify and take the appropriate actions to ensure the accuracy of the MD record.

14. IT EQUIPMENT

a. Overview

(1) Exceptions to Procedures for GE. IT equipment must follow the procedures of this DHA-AI, except as listed in this section. These processes are in addition to or different from those for GE or different processes.

(2) IT Equipment Identification. All IT Equipment (e.g., servers, routers, data storage devices, monitors, printers, televisions, etc.) will be individually bar-coded and entered into the APSR regardless of cost, except keyboards, mouse, cables, and speakers. All bar-coded personal IT system components must be disposed of by turn-in to the respective APO to allow proper adjustment to the APSR.

b. Definitions of Various IT Equipment Types

(1) Definition of Automated Data Processing (ADP) System. An ADP system for accounting and financial statement reporting purposes consists of dedicated equipment or components linked together and is used in the performance of a service or function in support of a mission of a DoD Component, command, or installation. This definition should not be confused with budgetary or property accountability policy and/or regulations which may be different. The ADP systems for the purpose of this definition and the requisite accounting treatment are typically referred to as mainframe or mini-computer systems, and generally do not include personal computers linked to a central server and used in an office environment. The ADP systems will be capitalized and depreciated when the total cost of the system (considering the individual components as a whole system) equals or exceeds the DoD capitalization threshold (\$250,000) and has an expected useful life of 2 years or more.

(2) Personal computer. Personal computers not organic to an ADP system (attached personal computers and used solely for the operation of the ADP system) are excluded from the accounting and financial statement reporting definition of an ADP system. The cost of such personal computers is not included in the capitalized cost of an ADP system. Such non-organic

personal computers are expensed in the year acquired, since the cost of the individual personal computers do not equal or exceed the DoD capitalization threshold.

GLOSSARY

PART I. ABBREVIATIONS AND ACRONYMS

ADP	Automated Data Processing
AIT	Automatic Information Technology
APO	Accountable Property Officer
APSR	Accountable Property System of Record
CPL	Component Property Lead
DAD	Deputy Assistant Director
DHA	Defense Health Agency
DHA-AI	Defense Health Agency-Administrative Instruction
DoDAAC	DoD Activity Address Code
DTF	Dental Treatment Facility
ECN	equipment control number
FLIPL	Financial Liability Investigation of Property Loss
GE	General Equipment
HTM	Healthcare Technology Management
IC	internal control
IT	Information Technology
IUID	Item Unit Identification
IUS	Internal Use Software
MEDLOG	Medical Logistics
MD	Medical Device
MTF	military medical treatment facility
NSN	national stock number
OF	optional form
OLB	other lines of business
PC	Property Custodian
PM	Property Manager

PART II. DEFINITIONS

Unless otherwise noted, these terms and their definitions are for the purposes of this DHA-AI.

Acceptance. A formal certification that the goods or services have been received and conform to the terms of the contract.

accountability. The obligation imposed by law, lawful order, or regulation, accepted by an organization or person for keeping accurate records, to ensure control of property, documents, or funds, with or without physical possession. The obligation, in this context, refers to the fiduciary duties, responsibilities, and obligations necessary for protecting the public interest; however, it does not necessarily impose personal liability upon an organization or person.

accountable property. Property that meets accountability requirements. This property is recorded in the DHA APSR.

APO. An individual who, based on his/her training, knowledge, experience in property management, accountability, and control procedures, is appointed by proper authority to establish and maintain an organization's accountable property records, systems, and/or financial records, in connection with government property, irrespective of whether the property is in the individual's possession.

APSR. The government system used to control and manage accountable property records; a subset of existing organizational processes related to the life cycle management of property; the system that is integrated with the core financial system.

capitalize. To record and carry forward into one or more future periods any expenditure that benefits from which will then be realized. With reference to GE, it moves equipment from being an expense on the income statement to being an asset on the balance sheet.

contract. Any legally enforceable agreement, including rental and lease agreements and purchase orders between an agency and a business concern for the acquisition of property or services. Degree of control normally exercised: 1) classified items (property requiring protection in the interest of national security), 2) sensitive items (property requiring a high degree of protection and control due to statutory requirements or regulations (e.g., narcotics and drugs, precious metals, high value or highly technical assets, hazardous assets, or small arms, ammunition, explosives, and demolition material); and 3) pilferable items (property that has a ready resale value or application to personal possession and are, therefore, especially subject to theft).

CPL. An individual responsible for the maintenance and implementation of policies for all GE within DHA. The position resides in DHA Infrastructure Support Division within the DAD, Administration and Management directorate.

DoDAAC. A 6-position code that uniquely identifies a DoD unit, activity, or organization that has the authority to: requisition; contract for; receive; have custody of; issue or ship DoD assets; or fund/pay bills for materials and/or services. The first positions of the code designate the particular Service/Agency element of ownership.

due-in. A funds reservation in the system for equipment expected to be delivered.

excess. The amount of inventory above the sum of the Approved Acquisition Objective and inventory retained for economic and/or contingency purposes.

General Equipment. Tangible DoD equipment and other accountable property in accordance with Title 40, United States Code (U.S.C.) and Section 901 of Title 31 U.S.C.

Government Furnished Equipment. Equipment in the possession of, or directly acquired by, the government and subsequently furnished to the contractor (includes sub-contractors and alternate locations) for performance of a contract.

ICs. The plan of an organization and all its methods and measures adopted within an organization to safeguard its assets, check the accuracy and reliability of its data, promote operational efficiency, and encourage adherence to prescribed managerial policies. IUS that is being developed: to meet the entity's internal or operational needs; as a standalone application, or the combined software components of an IT system that can consist of multiple applications, modules, or other software components integrated and used to fulfill the entity's internal or operational needs; to operate an entity's programs (e.g., financial and administrative software, including that used for project management); to produce the entity's goods and to provide services (e.g., maintenance work order management, loan servicing); or for internal use and subsequently provided to other federal entities with or without reimbursement.

inventory. Tangible personal property held for sale, in the process of production for sale, or to be consumed in the production of goods for sale or in the provisions of services for a fee.

MD. Equipment designed to aid in the diagnosis, monitoring, or treatment of medical conditions.

NSN. The number used for the 13-digit stock number consisting of the 4-digit Federal Supply Class and the 9-digit National Item Identification Number. Each NSN is assigned to identify an item of supply and equipment within the material management functions. Only one NSN is assigned to an item.

personal property. All property (e.g., systems and equipment, materials, and supplies), except real property (e.g., land and improvements to facilities) and records of the Federal Government.

personally identifiable information. Any information about an individual maintained by an agency, including, but not limited to: education; financial transactions; medical history; criminal or employment history; and information which can be used to distinguish or trace an individual's identity such as their name; social security number; date and place of birth; mother's maiden name; biometric records; etc., including any other personal information which is linked or linkable to an individual.

physical count. The process of physically counting the item(s) to verify the accountable property record's posted balance. Physical counts may be performed using automatic identification technology, such as bar code scanners.

physical inventory. The verification of property existence, accountable property record completion, location, and quantity. The process may also involve verifying additional information, performing reconciliations, and modifying the accountable property records.

property loss. Unintended, unforeseen, accidental loss, damage, or destruction to government property that reduces the government expected economic benefits of the property. Loss does not include purposeful destructive testing, obsolescence, normal wear and tear, or manufacturing defects. Loss includes, but is not limited to: items that cannot be found after a reasonable search; theft; damage resulting in unexpected harm to property requiring repair to restore the item to usable condition; or destruction resulting from incidents that render the item useless for its intended purpose or beyond economical repair.

receipt. A transmission or other acknowledgment made by a receiving entity to indicate a message, good, or service has been satisfactorily received. A receipt is denoted by signing a situation specific form, such as DD Form 250, Material Inspection and Receiving Report; DD Form 1149, Requisition and Invoice/Shipping Document; or DD Form 1348-1A, Issue Release Receipt Document.

reconciliation. The process of aligning the physical count with the quantity posted to the accountable property records, researching discrepancies, and determining inventory accuracy (e.g., calculation of loss or overage rates).

software. It includes the application and operating system programs, procedures, rules, and any associated documentation pertaining to the operation of a computer system or program. Most often, software is an integral part of an overall system(s) having inter-relationships between software; hardware; personnel; procedures; controls; and data. IUS is software that is acquired or developed to meet the entity's internal or operational needs (intended purpose), and is a stand-alone application, or the combined software components of an IT system that can consist of multiple applications, modules, or other software components integrated and used to fulfill the entity's internal or operational needs (software type).

useful life. The estimated remaining period during which the property is expected to be economically usable by one or more users, with normal repairs and maintenance, for the purpose for which it was intended at the inception of the lease, without limitation by the lease term.