



DEFENSE INFORMATION SYSTEMS AGENCY

P. O. BOX 549
FORT MEADE, MARYLAND 20755-0549

DISA INSTRUCTION 270-165-8*

FEB 05 2014

EQUIPMENT

Accountability and Internal Controls for DISA Equipment

1. **Purpose.** This Instruction prescribes policy and assigns responsibilities for accountability and internal controls for DISA equipment. It describes the DISA Equipment Asset Management Supplement (DEAMS).

2. **Applicability.** This Instruction applies to DISA headquarters (HQ), DISA field offices, and contractors supporting DISA activities.

3. **Authority.** This Instruction is published in accordance with the authority contained in DoD Instruction 5000.64, Accountability and Management of DoD Equipment and Other Accountable Property, 19 May 2011; DoD Instruction 5010.40, Managers' Internal Control Program Procedures, 30 May 2013; and DoD Regulation 7000.14-R, Volume 4, Department of Defense Financial Management Regulations (FMRs): Accounting Policy and Procedures, November 2013.

4. **Scope.** This Instruction applies to all Agency property, plant, and equipment (PP&E) for capital and noncapital equipment.

5. Background.

5.1 The Office of the Under Secretary of Defense (Acquisition, Technology, and Logistics) (OUSD(AT&L)) Director of Defense Procurement and Acquisition Policy (DPAP) and the Office of the Under Secretary of Defense (Comptroller) (OUSD(C)) have initiated efforts to improve asset accountability within DoD. The OUSD(C) issued updated guidance regarding the Department's priorities for improving financial and business information and achieving auditable financial statements. The USD (AT&L) DPAP endorsed and supported the OUSD(C) priority to validate the existence and completeness of mission-critical assets on the path to complete financial statement audit readiness.

5.2 DoDI 5000.64 (authority document) mandates that all DoD Components perform periodic internal reviews and audits necessary to assess property accountability, management system effectiveness, and policy compliance.

6. Policy.

6.1 All DISA owned property shall be accounted for in the Defense Property Accountability System (DPAS) as the property accountability system of record.

6.2 The investigation of lost, damaged, or destroyed DISA property shall be initiated within 5 days of discovery of loss and completed within 75 days. (A DD Form 200: Financial Liability Investigation of Property Loss (FLIPL), will be used to conduct the investigation.)

6.3 Annual inventories shall be conducted in accordance with the published schedule. (The schedule is published by the Director for Manpower, Personnel, and Security (MPS).)

6.4 Inventories of non-DISA sites shall be conducted in accordance with established memorandum of agreements (MOAs).

6.5 Property will only be removed from a facility with appropriate documentation. (Property is to be documented on an Optional Form 7: Property Pass.)

6.6 Property shall only be processed through an approved warehouse or central receiving point. (Approved warehouses and central receiving points will be designated by the MPS Chief, Material and Asset Management Division (MPS3).)

6.7 Property custodians (PCs) shall be trained and appointed.

7. Responsibilities.

7.1 **Chief of Staff (COS).** The COS serves as the FLIPL approving authority and will sign all instructions pertaining to property.

7.2 **Principal Directors, Directors, Commanders, and Chiefs of Major Organizational Elements.** These individuals will:

7.2.1 Ensure compliance with all policies and procedures prescribed by this Instruction and adhere to the highest ethical standards in maintaining and protecting government property.

7.2.2 Exercise responsibility for all accountable property acquired by or transferred to their organization.

7.2.3 Ensure supervisors are rated on enforcement of property accountability and ensure strong internal controls and adequate safeguarding and storage of PP&E in their evaluations. (Supervisors may be held accountable for property lost or damaged by employees and PCs under their supervision if inadequate oversight and controls are determined to be a contributing factor in a loss.)

7.2.4 Ensure PCs are rated in their evaluations on enforcement of property accountability, sub-hand receipting of all equipment they have signed for, ensuring adequate safeguarding and storage of PP&E, and submission of FLIPL.

7.2.5 Ensure primary and alternate PCs are trained and appointed in writing.

7.2.6 Ensure all employees have property management standards in their evaluations. (All employees should be rated on enforcement of property accountability in their physical possession.)

7.2.7 Ensure employees sign a physical hand receipt for equipment in their possession and safeguard against theft, damage, and negligence which would result in a FLIPL.

7.2.8 Appoint property managers to oversee PCs within their area of control and to act as a direct interface with the assigned Accountable Property Officer (APO).

7.2.9 Ensure appointed PCs conduct annual inventories, in accordance with the published schedule.

7.7.2 Ensure supervisors appoint a new PC within 30 days of departure of outgoing PC and ensure a joint inventory is conducted prior to the departure of the outgoing PC.

7.7.3 Ensure supervisors are made aware that they will be the PC if a PC is not appointed within the allotted timeframe.

7.3 Director for Manpower, Personnel, and Security (MPS). The Director, MPS, will:

7.3.1 Oversee accountability and internal control policies for all PP&E.

7.3.2 Develop, coordinate, and issue policies and procedures on the management and accountability of all PP&E following the guidance established in DEAMS.

7.3.3 Review, staff, and coordinate recommendations submitted for revisions or issuance concerning asset control and management.

7.3.4 Ensure appropriate distribution and availability of the corresponding asset management policies.

7.3.5 Provide continuous service support and oversight of property accountability to DISA organizations for all property, in order to properly document, track through the life cycle, and attain and maintain auditability of Agency information technology (IT) architecture across the globe.

7.3.6 Maintain oversight of the Agency Senior Logistician, ensuring property accountability is upheld throughout DISA globally.

7.3.7 Ensure FLIPLs are initiated, processed, and adjudicated in a timely manner.

7.3.8 Establish and maintain enterprise-level MOAs with other services and agencies that maintain and store DISA equipment.

7.4 Chief Financial Executive (CFE). The Director, CFE, will:

7.4.1 Serve as the Agency Executive for property accounting policy and procedures, in accordance with Federal and DoD Regulations and guidance.

7.4.2 Serve as Agency lead for auditability.

7.5 Component Acquisition Executive (CAE). The Director, CAE, will:

7.5.1 Ensure all program acquisitions are accounted for in the DPAS throughout the acquisition life cycle.

7.5.2 Ensure detailed accountability and depreciation plans are incorporated into all Program Executive Office (PEO) programs and projects.

7.6 Director for Procurement (PLD). The Director, PLD, will:

7.6.1 Ensure all Contracting Officers (COs) and Contracting Officer Representatives (CORs) take initial and refresher property accountability training courses and comply with all policies and procedures prescribed by this Instruction.

7.6.2 Ensure COs and CORs add applicable Defense Federal Acquisition Regulation (DFAR) clauses in contracts for item unique identification (IUID) requirements.

7.6.3 Ensure COs and CORs add clauses in for electronic product list (EPL) requirements.

7.6.4 Ensure COs and CORs have applicable government furnished equipment (GFE) clauses in contracts.

7.7 Headquarters (HQ) Deputy Directors. These individuals will serve as the appointing authority for all directorate FLIPLs. (With the exception of the Commander, White House Communications Agency (WHCA), the appointing authority cannot be delegated.)

8. Logistical Duties.

8.1 Agency Senior Logistician. The Agency Senior Logistician will:

8.1.1 Oversee asset management, ensuring directorates comply with all DISA Instructions and supplements on asset management and perform periodic site visits.

8.1.2 Identify trends, develop policies, and ensure the workforce is consistently trained on asset management.

8.1.3 Develop metrics and brief senior management on accountability status and issues within the Agency.

8.1.4 Maintain and update Agency-level property accountability standard operating procedures (SOPs), including use and standardization of automated tools and technology to assist in property management.

8.1.5 Oversee use and administration of DPAS throughout the Agency and ensure all requests for access are expeditiously processed .

8.1.6 Process approval requests for waivers for exceptions to this Instruction.

8.1.7 Authorize, on a case-by-case basis, direct shipments to receiving points other than those officially designated.

8.1.8 Coordinate with PLD on the lesson content for the property accountability portion of initial and refresher CO, COR, and Task Monitor (TM) training.

8.1.9 Coordinate with CAE on PM training.

8.1.10 Appoint, in writing, APOs and Agency DPAS Information System Security Officers (ISSOs) and ensure ISSO requirements are accurate and timely.

8.1.11 Validate and approve CFE's mapping of accounting data elements to DPAS data elements.

8.2 Lead Accountable Property Officer (APO). A Lead APO will:

8.2.1 Acknowledge responsibility for assigned organization's property with a memorandum for record (MFR).

8.2.2 Provide DPAS administrative support to assigned Agency-wide PCs and property management personnel.

8.2.3 File and maintain records for 3+1 year.

8.3 Accountable Property Officer (APO). An APO will:

8.3.1 Certify that property assigned to a unit or organization is properly inventoried, perform a joint physical inventory (with the gaining organization) when transferring the organization's property account, and properly execute and sign the required documentation.

8.3.2 Reconcile jointly with the PC the hand receipts that the APO manages on an annual basis.

8.3.3 File and maintain records for 3 +1 year.

8.3.4 Ensure property is entered into DPAS and hand receipted within 7 days of receipt.

8.4 Stock Records Officer (SRO). An SRO will:

8.4.1 Receive all DISA property and populate the initial DPAS record.

8.4.2 Ensure property is entered into DPAS within 7 days of receipt.

8.5 Directorate Property Manager. A directorate property manager will:

8.5.1 Facilitate and coordinate concerns of property issues between the directorates, APOs, PCs, and other property personnel.

8.5.2 Ensure PC and alternate PC are appointed, in writing, using DD Form 577: Appointment/Termination Record.

8.6 Property Custodian (PC). A PC will:

8.6.1 Attend initial and refresher DPAS PC training.

8.6.2 Maintain property accountability for all accountable assets on the DPAS hand receipt and establish and maintain sub-hand receipts down to the user level.

8.6.3 Complete all inventories in accordance with the published schedule.

8.6.4 Identify and report unrecorded accountable property to the APO within 5 days of being identified as found.

8.6.5 Notify the APO 30 days in advance of transfer, rotation, or permanent change of duty station.

8.6.6 Out process according to Agency procedures and through the assigned APO prior to departing the organization.

8.6.7 Identify and report excess property no longer required. (Property is to be turned in within 10 days of identification as excess or no longer required property.)

8.6.8 Submit a DD Form 200: DISA Financial Liability Investigation of Property Loss, to the APO within 5 days of discovery of loss, damaged, or destroyed government property.

8.6.9 Ensure property is accurately documented by sub-hand receipt holders (SHRH).

8.6.10 Conduct joint inventory upon change of PC responsibilities within 30 days of the change.

8.6.11 Sub-hand receipt every asset on their hand receipt not under their direct control.

8.6.12 Ensure every employee under the PC's responsibility signs a sub-hand receipt for the equipment in their physical custody.

8.6.13 Ensure efficiency and decrease duplication of effort. (A PC may not utilize excess and/or holding accounts or sub-hand receipt equipment to themselves.)

8.6.14 Ensure the master hand receipt issued by the APO to the PC will be sufficient for a PC to account for equipment under their control.

8.6.15 Ensure property passes are issued on an annual basis, immediately after the 100-percent annual inventory.

8.7 Program Manager (PMs) and Product Support Manager (PSM). A PM and PSM will:

8.7.1 Notify the PC when contract is awarded.

8.7.2 Provide copies of all contracting documentation to MPS3, upon award of contract.

8.7.3 Ensure all contracts comply IUID, EPL, and GFE requirements.

9. DISA Employee Duties. A DISA employee will:

9.1.1 Exercise proper use and care of and safeguard government-owned property.

9.1.2 Use government property for official business only.

9.1.3 Comply with all applicable regulations and contractual requirements.

9.1.4 Contact the appropriate authority if property is lost, damaged, or destroyed.

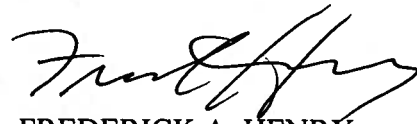
9.1.5 Report any misuse of government property.

9.1.6 Sign sub-hand receipts for property issued under their control.

10. DISA Enterprise Asset Management Supplement (DEAMS).

10.1 The DEAMS is an operational document managed by MPS that identifies general property accountability procedures and internal controls at the organizational level. The DEAMS supplements DoDI 5000.64 and DoD 7000.14-R (authority documents); implements PP&E-related DoD Directives, Instructions, and Regulations; and addresses Agency accountability policy and procedural issues.

10.2 The DEAMS has the same force and effect as a DISA Instruction and clarifies the roles and responsibilities of property accountability and internal controls over the accountable property physical inventory process. The DEAMS provides detailed property accountability guidance that impacts the Agency and is presented in a logical sequence that follows the process or procedure being described.



FREDERICK A. HENRY
Brigadier General, USA
Chief of Staff

*This Instruction must be reissued, canceled, or certified current within 5 years of its publication. If not, it will expire 10 years from its publication date and be removed from the DISA issuances postings.

OPR: MPS - disa.meade.mps.list.mps-front-office

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