

**Forest Service Handbook
National Headquarters - Washington Office
Washington, DC**

**Forest Service Handbook 6509.19 – Asset Financial Management Handbook
Chapter 10 - General Fund Personal Property**

Amendment: 6509.19-2012-1

Effective date: April 16, 2012

Duration: This amendment is effective until superseded or removed.

Approved by: Thelma J. Strong, Acting, Chief Financial Officer (CFO)

Date approved: March 28, 2012

Responsible Staff:

Last Change: 6509.19-2011-2 to 6509.19_zero_code.

Superseded Document(s): 6509.19_10, Amendment 6509.19-2009-1, March 10, 2009

Digest: Following is an explanation of the changes throughout the directive by section.

10.41: Revises caption title and responsibilities formerly coded at 10.48, from Branch Chief, Personal Property, Albuquerque Service Center to Albuquerque Service Center, Director of Budget and Finance.

11.41-11.43: Removes codes, captions, and direction.

12.23: Incorporate statement in Primary Purpose section “Cost pools are an acceptable funding source for capitalized, accountable, or sensitive assets that would be recorded in the Personal Property System.”

15-15.2: Recodes, and incorporates direction previously issued in interim directive (ID) 6509.19-2007-1.

Table of Contents

10.1 - Authority	4
10.2 - Objective	4
10.3 - Policy	4
10.4 - Responsibility.....	4
10.41 - Albuquerque Service Center, Director of Budget and Finance (ASC-B&F)	4
10.42 - Budget Officer	4
10.43 - Property Management Officer (PMO).....	5
10.44 - Property Management Staff.....	5
10.46 - Requisitioner	5
10.47 - Procurement Official.....	5
10.48 - Forest Supervisors	5
10.5 - Definitions	6
10.6 - Budget Object Classification	7
11 - Acquisition of Personal Property.....	7
11.1 - Contracts	8
11.11 - Requisition	8
11.12 - Purchase Order.....	8
11.13 - Receiving the Order	9
11.14 - Invoicing and Payment.....	9
11.2 - Donations	9
11.3 - Transfers-In.....	9
11.4 - Lease	10
12 - Costs.....	11
12.1 - Valuation of Personal Property Assets - Methodologies	11
12.11 - Actual Costs.....	11
12.12 - Appraised Costs	11
12.13 - Historical Valuation	11
12.2 - Capitalization of General Fund Personal Property	12
12.21 - Costs to Be Capitalized.....	12
12.22 - Personal Property Capitalization Threshold	12
12.23 - Primary Purpose	13
12.24 - Treatment of Historic Costs.....	13
12.25 - Work-In-Progress (WIP) for Non-Working Capital Fund Personal Property.....	13
12.3 - Documentation of Personal Property Costs.....	13
12.31 - Property Purchases	13
13 - Disposal of Personal Property	14
13.1 - Transfers Out	15
13.2 - Sale of Personal Property	15
13.3 - Sale of Personal and Accountable Property.....	15
14 - Systems, Data, and Reports.....	16
14.1 - Personal Property System	16
14.11 - Updating the Personal Property System	16

14.2 - Agency's Core Accounting System	16
14.21 - Recording Personal Property in the Agency's Core Accounting System.....	16
14.3 - Reconciliation of Personal Property System and the Agency's Core Accounting System	17
14.4 - Retention Guidelines.....	17
14.5 - Plant, Property, and Equipment (PP&E) Information Site	17
15 - Sustainable Operations Program (Fleet and Transportation, Energy Efficiency, Waste Management, Green Purchasing and Water Conservation)	19
15.01 - Authority.....	19
15.03 - Policy.....	20
15.04 - Responsibility	21
15.04a - The Chief.....	21
15.04b - Chief Financial Officer	21
15.04c - Deputy Chiefs.....	21
15.04d - Deputy Chief for Business Operations.....	22
15.04e - Albuquerque Service Center, Director of Budget and Finance (ASC-B&F)	22
15.04f - Director of Financial Management	22
15.04g - Director of Strategic Planning and Budget Accounting (SP&BA).....	22
15.04h - Director of Acquisition Management.....	23
15.04i - Washington Office Directors, Regional Foresters, Station Directors, Area Director, Job Corps, and Institute Director	23
15.04j - Unit Budget Analyst	23
15.05 - Definitions.....	23
15.1 - Accounting for Revenue Received From "Sustainable Operations Program" (Fleet and Transportation, Energy Efficiency, Waste Management, Green Purchasing, and Water Conservation)	24
15.2 - Reducing Environmental Footprint Through Conferences, Meetings and Training - Travel Smart	24

10.1 - Authority

See FSM 6590 and FSH 6509.19, section 01 for related authorities.

10.2 - Objective

To provide direction on accounting and use of personal property purchased with general funds. See FSH 6509.11f for assets acquired with Working Capital Funds (WCF).

10.3 - Policy

See FSH 6509.19, section 03 for Forest Service financial policies related to Personal Property Management.

10.4 - Responsibility

10.41 - Albuquerque Service Center, Director of Budget and Finance (ASC-B&F)

The Albuquerque Service Center, Director of Budget and Finance (ASC-B&F) has overall responsibility for accounting related to personal property work in progress projects and, in the case of internal use software development, overseeing the following:

1. Gathering data from the administrative units for the initial pre-work.
2. Establishing a property accounting record through Personal Property System a sub-ledger system.
3. Conducting monthly reconciliation, and preparing quarterly adjustments.
4. Preparing a database of all current work in progress.
5. Establishing the correct budget object code and accounting for the asset upon completion.

10.42 - Budget Officer

The Forest Service employee that is granted an Integrated Acquisition System (IAS) profile as a budget approver is responsible for processing commitments through IAS. The budget officer must ensure that:

1. The proper funds are available.
2. The correct budget object code is used.
3. The costs are reflected in an approved work plan. The budget officer also verifies that the property management officer has reviewed and concurred on any requisition for or related to the accountable property.

10.43 - Property Management Officer (PMO)

The property management officers (PMOs) are responsible for administering the unit's real and personal property management program for the effective utilization, accountability, control, and disposition of property in accordance with existing laws, regulations, and policies. See FSH 6409.31 and FSM 6414 for more specific duty assignments.

10.44 - Property Management Staff

The property management staff is responsible for:

1. Maintaining executed source documents for acquisitions, transfers, disposals, inventories, and other transactions involving property.
2. Monitoring the Personal Property System Feeder Master file to ensure transactions are cleared within 30 days of appearing on the Personal Property Suspense Report. This report is a master feeder file of transactions sent from the Agency's Core Accounting System to the Personal Property System.
3. Recording capital leases and removing expired leases from the lease module of the Personal Property System. The assets generated from the capital lease must also be entered into the master inventory file of the Personal Property System.
4. Screening the United States Department of Agriculture (USDA) and General Services Administration (GSA) excess property availability and recommending excess items that may be obtained in lieu of procurement.

10.46 - Requisitioner

The requisitioner is responsible for creating a requisition and receipt for acceptance and delivery of personal property in the IAS system.

10.47 - Procurement Official

The procurement official has the authority to enter into a procurement contract or purchase order.

10.48 - Forest Supervisors

The Forest Supervisors are responsible for:

1. Submitting information on current work in progress projects that are related to non-Working Capital Fund (WCF) personal property and to comply with pre-work requirements.
2. Creating a master inventory record for the asset currently being developed.

3. Creating one job code for the project that allows both the job code and the budget object code to track the progress of the project.
4. Reviewing the project on a monthly basis to ensure costs are according to plan.
5. Preparing PROP Transaction Change Requests via the Lotus Notes database, so the ASC-B&F staff can update the Personal Property System with the correct budget object code and accounting information.

10.5 - Definitions

The following definitions include the financial aspect of financial management. Additional definitions, such as accountable property, that are common to real and personal property, are found in FSM 6590, Property, Plant, and Equipment and in FSM 6410.5.

Accountable Property. All capital leases and all owned personal property having an acquisition cost of \$5,000 or more, and any item valued at less than \$5,000, but determined to be sensitive. The following are sensitive items:

- a. All firearms (handguns, rifles, and shotguns) and weapons (including flame launchers), regardless of cost, and including, but not limited to, those used for law enforcement, cone collection, fire prevention, avalanche control, and bear protection.
- b. Global Positioning System (GPS) receivers, including Precise Positioning Service GPS receivers capable of receiving the P (Y) code broadcast from the Department of Defense (DOD) GPS satellite constellation. This applies only to DOD GPS units.
- c. Radiological equipment having a radioactive source (that is, soil moisture gauges).
- d. Federal Excess Personal Property (FEPP) all motorized vehicles (including, but not limited to, vehicles, snowmobiles, all terrain vehicles, dirt bikes, motorcycles, and trailers).

Budget Scoring. As pertained to a capital lease, funds are set aside for the acquisition of property under a capital lease. The scoring rules focus on leases and lease-purchases specifically authorized by authorities such as OMB A-11, preparation, submission and execution of the budget. The scoring requirements apply to all lease-purchases and capital leases.

Capitalized Property. Property that has an acquisition value of \$25,000 or higher.

Equipment Management Information System (EMIS). Records assets purchased with Working Capital Funds (WCF-Treasury Symbol 12X4605).

Excess Personal Property. Items that are no longer needed by, or useful to, the Forest Service, as determined by the property management officer (PMO), or designee.

Integrated Acquisition System. A USDA mandated procurement system that utilizes the full federal spending chain.

Master Inventory. Master files that list all accountable property for a unit. The field unit generally has a master inventory list for real property, one for personal property, and one for Working Capital Fund (WCF) equipment; the lists contain all assets that must be inventoried as prescribed in the annual inventory instructions. The master inventory also contains an assemblage of documents or reference to documents that support changes to inventory.

Non-Accountable Property. Property items with an initial acquisition cost of less than \$5,000.

Personal Property. All Government property of any kind, except land, improvements, and fixtures attached to improvements, but including prefabricated movable structures, such as metal storage warehouses, house trailers (with or without undercarriages), modular units, and quonset huts.

Personal Property System. The Personal Property System provides on-line electronic access for control of acquisition and disposition of accountable property, capitalized property, capital leased property, loaned, and sensitive personal property purchased with general funds.

Personal Property Suspense Report. A master feeder file of transactions sent from Agency's Core Accounting System to the Personal Property System. This report is the point of entry for new assets into the Personal Property System. New property acquisitions must be sent, without manual interference, from the payment system (IAS) to the Agency's Core Accounting System and then to the Personal Property System.

Sensitive Property. Accountable property valued at less than \$5,000 that is highly susceptible to loss or theft as defined by the agency property management officer.

Surplus. See FSM 6410.5. A designation of property determined by GSA as no longer needed or useful to, the Federal government and is made available to loan programs or made available for donation or sale. Sales of Forest Service surplus are handled by GSA.

10.6 - Budget Object Classification

Based on the Budget Object Classification (BOC), the Personal Property System creates the appropriate transactional records for accountable and capitalized personal property. See <http://cod.nfc.usda.gov/publications/BOCC/boc.pdf> for a complete listing of appropriate BOCs for general fund personal property acquisitions.

11 - Acquisition of Personal Property

See FSM 6414.3 for purchasing and recording accountable personal property. Property management officers, accountable property officers, and property management staff may not

purchase personal property. Only authorized procurement officials with the correct warrant authority may execute orders or contracts to acquire property.

Purchase cards and convenience checks may not be used to purchase sensitive, accountable, and capitalized property that will be recorded in the current or future personal property accounting subsystems. If a purchase is erroneously coded with a BOC that sends the acquisition to the Personal Property System, the property management staff must correct the BOC in the Personal Property System. If this cannot be corrected before the asset is entered into the Personal Property System, a PROP Transaction Change Request must be submitted to the ASC Personal Property Team via the Lotus Notes Property, Plant, and Equipment (PP&E) ASC (B&F) Property and WCF Information Site by completing the PROP Transaction Change Request (sec. 14.5, ex. 01). The Smart Pay cardholder will not make a correction in SmartPay for an accountable property item because the transactions affect related accounting and do not reconcile the original transactions in the systems.

11.1 - Contracts

11.11 - Requisition

Forest Service prepares and submits a requisition for a needed personal property item to the Property Management Officer (PMO) and budget officer for approval. The Integrated Acquisition System (IAS) does not require automated referral to the PMO, therefore the budget officer shall ensure that the PMO has reviewed and approved the asset requisition. The budget officer reviews the information provided to:

1. Verify that it is a valid purchase,
2. Ensure the correct budget object code (BOC) is used, and
3. Ensure funds are available, and once approved, the commitment is processed into the Agency's Core Accounting System.

11.12 - Purchase Order

Once a requisition is approved by the budget officer, who must confer with the property management officer for accountable asset acquisitions, acquisition management assigns a procurement official to review and process the request. The Forest Service procurement official takes the necessary steps to acquire the property. The appropriate accounting transactions are transmitted through an automated interface with the Agency's Core Accounting System. The procurement official sends the purchase order, which includes the BOC, to the vendor. A copy of the pertinent portions of the contract or the signed purchase order is provided to the property management officer or the property technician to maintain a file that supports the acquisition. The procurement official enters the required data into IAS, but cannot change the BOC if the BOC is incorrect. An invalid BOC must be corrected on the requisition and then resubmitted to the budget approver (budget officer) for approval.

11.13 - Receiving the Order

Purchased items are generally delivered directly to the requester. As evidence of receipt of the asset, the receiver signs and dates the shipping manifest, packing slip, or bill of lading. The receivers (or other assigned staff) attach a bar code identification tag to the new asset for tracking purposes in accordance with Acquisition Management (AQM) policy (FSM 6414.4). A copy of the receipting document is provided to the property management officer.

A copy of the receipting document of delivery and acceptance must be sent to the requisitioner. The requisitioner enters the required information into IAS and sends a copy of the IAS receipt to the assigned procurement official.

11.14 - Invoicing and Payment

When the invoice is received to the billing address identified on the contract, if signature is required after approval by Contracting Officer's Representative (COR), it must be sent to the procurement official for review and approval. Otherwise, invoices are signed by the person who can acknowledge that the goods and services were received, generally the requestor. For accountable property, a copy of the invoice is provided to the property management officer or the property technician.

11.2 - Donations

The owner of the asset initiates the paperwork for donations. If the value of the donation meets or exceeds the capitalization threshold, the designated property staff or PMO of the losing Federal agency must prepare form AD-107, Report of Transfer or Other Disposition or Construction of Property.

An FS-6500-222 "Asset Valuation Documentation Form" must also be completed to document the donated asset value. Upon approval by the PMO and the budget officer, the designated property staff must enter the donation into the Personal Property System. A request for population of accounting data, such as budget object code, in-service date, value, and accounting string, must be entered on a Personal Property System change request via the property and WCF information site in lotus notes (sec. 14.5, ex. 01). The designated property staff or PMO will establish an asset file and create an asset master record in the Personal Property System, pursuant to property management requirements.

11.3 - Transfers-In

Property transferred from other Federal agencies must be recorded at the original acquisition cost to the agency, and the in-service date is recorded as the date the other Federal agency received the asset. If the cost and in-service date are unknown, the cost of the property must be recorded at the fair market value (appraisal or estimate) at the time transferred, and the in-service date is the date received by Forest Service.

The transferring Federal entity must provide an SF-122, Transfer Order Excess Personal Property, the asset acquisition cost, accumulated depreciation, and acquisition date. The receiving entity records the newly acquired property at those values. If no documentation is provided by the transferring Federal entity, the designated property staff obtains a written appraisal of the fair market value of the asset using form FS-6500-222, Asset Valuation Documentation Form. If fair market value is used, the date of acquisition is the date the Forest Service received the asset. The receiving entity must record the characteristic information from the transferring entity into the Personal Property System. The information on the transfer-in must also be entered on the Personal Property System change request, via the property and WCF information site in Lotus notes (sec. 14.5, ex. 01), to populate the accounting data. (Note: There is no excess form necessary if the property was transferred from another Federal agency subsequent and pursuant to an agreement using EX funds; the unit must provide an AD-107).

11.4 - Lease

The Forest Service requires leasing officers to work with engineering staff when developing cost-benefit analyses for real property leased assets. For leased personal property, leasing contracting officers follow the requirements of OMB A-11. Leases of capital assets must be justified to indicate that a lease is preferable to direct government purchase and ownership in accordance with policies contained in Office of Management and Budget Circular A-94, Guidelines and Discount Rates for Benefit-Cost Analysis of Federal Programs Lease-purchases and capital leases will be scored consistent with the scorekeeping rules developed under the Budget Enforcement Act of 1990, as revised pursuant to the Balanced Budget Act of 1997. All lease-purchases and leases of capital assets must have sufficient budgetary resources up front to cover the present value of the lease payments discounted using Treasury interest rates.

Federal accounting and budgetary standards require separate treatment of capital and operating leases. A capital lease must be capitalized in the accounting records of the lessee and amortized over the expected useful life or over the length of the lease depending upon the lease terms. Only personal property capital leases are recorded in the Personal Property System. The property technician must enter the capital lease directly into the Personal Property System using a budget object code (BOC) in the 2300 series. When the lease contract has expired and the asset becomes the property of the Forest Service, one of two things will happen:

1. If the lease was a capital lease, then it must be removed from the Personal Property System Lease module and the property technician must request accounting updates to the budget object code and value, via the Personal Property System change request at the Property and Working Capital Fund (WCF) website (sec. 14.5, ex. 01), or
2. If the lease was an operating lease, then the property technician must request accounting updates to the budget object code and value, via the Personal Property System change request at the Property and Working Capital Fund (WCF) website.

The guidance above should be referenced during the procurement process and before the lease has been signed. Procurement officials will use a budget object code in the 2300 series for capitalized leased assets. Correctly classifying operating and capital leases is critical to the

accurate accounting, budgeting treatment and reporting of assets. Leased assets under an operating lease are not entered into the Personal Property System.

Generally, leases with a cancellation clause are considered operating leases. Many government leases include a clause permitting the cancellation of the lease based on the availability of fiscal funding. If likelihood of exercising the clause is remote, however, the lease is considered to be non-cancelable. If likelihood of exercising the clause is greater than “remote,” document how this was determined in the lease file, and define the lease as an operating lease.

Leases between Federal entities, for example General Services Administration, generally will not be scored if the lessor recorded the full cost of the asset when it was acquired.

12 - Costs

12.1 - Valuation of Personal Property Assets - Methodologies

12.11 - Actual Costs

The only accepted method for valuing personal property assets is actual cost. Section 12 identifies costs that are capitalized.

When a single contract or purchase order can apply to multiple assets, actual costs must be identified for each asset and the purchase order must only allow one job code for each asset. Percentage distribution of cost is not acceptable unless all assets are identical and costs are exactly the same for each asset.

Documentation must be gathered and retained to support the cost of accountable property recorded in the Personal Property System and Equipment Management Information System (EMIS). All documentation for accountable personal property must be retained for 6 years and 3 months after the year designated for disposal. Instructions issued to property management officers require that an asset folder is established for all capitalized assets, and acquisition data.

12.12 - Appraised Costs

When the personal property asset is found, donated, or transferred in and the Forest Service has no acceptable cost documentation, the fair market value (plus any actual costs incurred by Forest Service to place the asset in use) must be obtained to determine if capitalization criteria are met. The fair market value is based on either vendor contract or analysis of comparable property. The appraisal procedure (method used and source of information) and the individual who determined the asset value must be documented on FS-6500-222, Asset Valuation Documentation Form, and placed in the asset file.

12.13 - Historical Valuation

For assets acquired prior to October 1, 1994, the existing cost recorded in the Personal Property System is acceptable. Actual cost documentation may not be available.

12.2 - Capitalization of General Fund Personal Property

12.21 - Costs to Be Capitalized

All property must be recorded at the original acquisition cost, including costs to put the asset into service. For example, the cost of acquiring property should include the following:

1. Amounts paid to vendors for an item, including all upgrades, accessories, and similar components that are listed on the purchase order and integral to the item or its function; when a particular accessory or component, by itself, is below the capitalization threshold. Pursuant to procurement directions for accountable property, the procurement must be listed as one line item.
2. Transportation or delivery charges (shipping).
3. Handling and storage costs.
4. Installation costs.
5. Legal and recording fees (title costs).
6. Labor costs used to bring the asset to operating condition (exclusive of annual leave, sick leave, and comp time).
7. Other direct costs of making the property serviceable. For constructed assets, include labor, engineering, design, and other direct costs.

12.22 - Personal Property Capitalization Threshold

1. Non-Accountable personal property purchased on or after fiscal year 2003, with an initial acquisition cost of less than \$5,000, must be expensed in the year the personal property is put into service using BOC 3140 and will not be entered into the Personal Property System.
2. Accountable property purchased on or after fiscal year 2003, with an initial acquisition cost between \$5,000 and \$24,999, although expensed in the general ledger, must be tracked in the Personal Property System. Any property deemed sensitive property by the Agency, although expensed in the general ledger, must also be tracked in the Personal Property System using BOC 3141. Credit cards must not be used for accountable, sensitive, or capitalized property.
3. Personal property purchased on or after fiscal year 2003, with an initial acquisition cost of \$25,000 or more, must be capitalized if:
 - a. The asset is a general property, plant, and equipment (GPP&E) asset that supports the Forest Service mission, and

- b. The expected useful life is 2 years or more once it is placed into service and depreciated.

12.23 - Primary Purpose

An individual item of personal property must be funded using the primary purpose principle for the related program fund. Therefore, only one job code may be used for the acquisition of an item of accountable, sensitive, or capitalized property. Cost pools are an acceptable funding source for capitalized, accountable, or sensitive assets that would be recorded in the Personal Property System; however it is not the preferred source of funding.

12.24 - Treatment of Historic Costs

Field staff cannot make adjustments to personal property data in the Agency's Core Accounting System or in the Personal Property System that result in changes to financial data. This includes corrections or adjustments to the capitalized value and the in-service date.

Any adjustments deemed necessary for personal property must be requested via the Lotus Notes Property, Plant, and Equipment (PP&E) ASC (B&F) Property and WCF Information Site by completing the PROP Transaction Change Request which is found on the site (sec. 14.5, ex. 01). The ASC-B&F staff must review the adjustment requests to determine the appropriate action.

The existing supporting documentation for all historic costs must remain in the asset file until the documentation retention period has lapsed (sec. 12.11).

12.25 - Work-In-Progress (WIP) for Non-Working Capital Fund Personal Property

Currently, the only Work-In Progress for Non-Working Capital Fund Personal Property that the Forest Service is utilizing is the development of Internal Use Software. Refer to FSH 6509.19, chapter 30.

12.3 - Documentation of Personal Property Costs

12.31 - Property Purchases

Documentation is gathered and retained to support the cost of capitalized property recorded in the Personal Property System. The designated property staff establishes a separate asset folder for each item of capitalized property. The purchasing agent ensures that copies of these documents are provided to the property technician or property staff for the property asset file. Upon request, documentation must be provided to ASC-B&F to support audit. Documentation may be accomplished through one of the following methods.

1. Contracts or purchase orders created in Integrated Acquisition System (IAS), which send the data through the Interface to the Agency's Core Accounting System. Pertinent portions of the contract (signature page, schedule of items, scope of work), associated invoice(s) and receipting documents are required documentation.

2. The Agency's Core Accounting System Transaction Register for Obligations (TROB) is used to track costs not reflected on the procurement documents listed in section 14.1.
3. Lease documents, if applicable.
4. SF-122, Transfer Order Excess Personal Property, if applicable.
5. AD-107, Report of Transfer or Other Disposition or Construction of Property, if applicable.
6. FS-6500-222, Asset Valuation Documentation Form.
7. Form SF-120, Report of Excess Personal Property, if applicable.

13 - Disposal of Personal Property

See FSM 6413.

When the Forest Service considers any level of personal property--not only accountable property--excess property is reported to the General Service Administration (GSA), or an alternate Center of Excellence (COE) such as the Central Excess Property Office (CEPO) for the Washington, DC area. This follows an initial internal screening by USDA agencies and possible donation to Computers for Learning (CFL). GSA or the alternate COE determines the disposition of the Forest Service asset, for example, transfer to another government agency, sales, and finally abandon and destruction authority to send for recycling or in the case of electronics equipment, recycling. The excess process frequently is used for computer and related equipment.

If property is transferred from one Forest Service unit to another, the losing unit's designated property staff completes form AD-107, Report of Transfer or Other Disposition or Construction of Property, and provides the asset folder which includes the acquisition document, receipted purchase order or other receipt documentation to the receiving entity. The asset history in Personal Property System shows accumulated depreciation. The history should be printed and placed in the asset's folder. The receiving unit's designated property staff changes the Accountable Officer (AO) number in the Personal Property System to show that the asset now belongs to the new unit.

If property is no longer needed by the Forest Service, the losing unit's property staff completes an electronic form SF-120, Report of Excess Personal Property (SF-120) in the Personal Property System to screen property. The property is screened for 15 days by USDA agencies. If no one in the Department needs the asset(s), GSA either releases the property back or sends the SF-120 to the losing unit's property staff. The SF-120 is electronically forwarded to the appropriate General Services Administration (GSA) regional office. When the property is physically transferred to GSA, it is signed over to GSA. GSA will assign a control number to the excess property, and will notify the losing unit's property staff when it is either picked up by another agency or when it is sold by GSA. After receipt of the sale document(s) from GSA, the losing unit's property staff must show the asset as inactive in the Personal Property System to remove it

from the unit inventory. If GSA returns unsold property to the Forest Service, the losing unit's property staff must complete form AD-112, Report of Unserviceable, Lost or, Stolen, Damaged, or Destroyed Property to show disposal of the asset.

13.1 - Transfers Out

When property is no longer needed by the Forest Service, the losing unit's property staff completes an electronic form SF-120, Report of Excess Personal Property in the Personal Property System to screen property through GSA or the alternate COE. The property is screened for 15 days by USDA agencies. The SF-120 is electronically forwarded to the appropriate General Services Administration (GSA) regional office or alternate COE. GSA will assign a control number to the excess property, and will notify the losing unit's property staff when it is either picked up by another agency or when it is sold by GSA. After receipt of the 'paid' sale document(s) from GSA, the losing unit's property staff must show the asset as inactive in the Personal Property System to remove it from the unit inventory. If GSA authorizes A&D or returns unsold property to the Forest Service, the losing unit's property staff must complete form AD-112, Report of Unserviceable, Lost, Stolen, Damaged or Destroyed Property to show disposal of the asset. Documentation of recycler/recycler disposal must complete the full disposal of item and appear in the folder.

13.2 - Sale of Personal Property

When General Service Administration (GSA) or alternate Center of Excellence (COE) changes the asset classification from "excess" to "surplus," the property is available for further donation or sale. If it is not claimed by a state agency or another GSA/COE approved organization within 21 days, it continues on to the GSA/COE sales branch. A form SF-123, Transfer Order - Surplus Personal Property report is issued by GSA for disposals made through donations (such as through Computers for Learning), a form AD-112, Report of Unserviceable, Lost, Stolen, Damaged, or Destroyed Property report is issued by GSA for disposals made through destruction; a sales document is issued by GSA for disposals made through sales, and a 'Scrap' document from the recycler/recycler.

13.3 - Sale of Personal and Accountable Property

The accounting requirements for the proceeds of sales are, "Except as otherwise directed by law, all proceeds from the sale of personal property under this part will be available during the fiscal year in which the property was sold and for one fiscal year thereafter for obligation for the purchase of replacement property. Any sales proceeds not applied to replacement purchases during this time must be deposited in the United States Treasury as miscellaneous receipts" (41CFR 102-39.70).

14 - Systems, Data, and Reports

14.1 - Personal Property System

See FSM 6595 regarding the use of the Personal Property System. The Personal Property Suspense Report is the point of entry for new assets into the Personal Property System. To prevent interruption of system processes that impact accounting, new property acquisitions must be sent, without manual interference, from the payment system Integrated Acquisition System (IAS) to the Agency's Core Accounting System then to the Personal Property System via the Personal Property Suspense Report.

14.11 - Updating the Personal Property System

Reviewing the Personal Property Suspense Report is the first step in updating the master inventory file. The unit's designated property staff reviews the report monthly and creates master records in the Personal Property System as needed. The transactions will post to the specific individual asset when the master inventory record is created. The unit property staff, with the assistance of Acquisition Management Purchasing staff and assistance of ASC-B&F, is responsible for identifying the cause of any remaining transactions that do not belong in the Personal Property System and ensuring the transactions are corrected within 30 days of appearing on the Personal Property Suspense Report.

When reviewing an erroneous transaction on the Personal Property Suspense Report, and it is noted that transaction accounting data is incorrect and the purchase order is still open, the procurement staff that originated the purchase order must correct the transaction in the IAS procurement system. If the purchase order is closed, or correcting the purchase order is not an option, the transaction should be accepted into the Personal Property System, and a request for an accounting adjustment via a PROP Transaction Change Request must be entered into the ASC Lotus Notes Plant, Property & Equipment (PP&E) Information site. The unit's property staff deletes the Personal Property Suspense Report transactions that do not belong in the Personal Property System and makes appropriate notes on the Personal Property Suspense Report. The annotated Personal Property Suspense Report record must be maintained until audit is complete for that fiscal year.

14.2 - Agency's Core Accounting System

See FSM 6595 regarding the Agency's Core Accounting System.

14.21 - Recording Personal Property in the Agency's Core Accounting System

1. Purchases. Personal property acquisition is generally initiated in the Integrated Acquisition System (IAS), which sends the data through the interface.
2. The interfaced transactions from IAS create a record on the Personal Property System master feeder. These Personal Property System feeder items must be brought into the

Personal Property System by the property technician within 30 days of appearance on the Personal Property Suspense Report.

14.3 - Reconciliation of Personal Property System and the Agency's Core Accounting System

To ensure that the Personal Property System sub-ledger system agrees with the General Fund Personal Property (GFPP) balances recorded in the Agency's Core Accounting Systems, the National Finance Center, Controller Operations Division, reconciles Personal Property System and the Agency's Core Accounting System personal property General Ledger (GL) accounts on a monthly agency-wide basis. Any identified differences are researched and resolved through the ASC B&F staff.

14.4 - Retention Guidelines

All documentation for accountable personal property must be retained for 6 years and 3 months after the year designated for disposal of the asset.

14.5 - Plant, Property, and Equipment (PP&E) Information Site

Any adjustment necessary for personal property must be requested via a PROP Transaction Change Request in the Lotus Notes Property, Plant, and Equipment (PP&E) ASC Property and WCF Information Site (see exhibit 01).

14.5 - Exhibit 01

**How to Locate and Open the ASC-Property and
Working Capital PROP Transaction Change Request Form in Lotus Notes**

To access the request form:

1. From the Lotus Notes Menu, Select:
 - a. File - Database - Open (This will open a window);
 - b. In the Server box, “Local” will appear as the default. Click on the dropdown menu and select **ENTDATA04/E/USDAFS** or type it in;
 - c. In the Database window, navigate down and open the **fsfiles\unit\national\PropChangeRequest** folder. This will open the **ASC-Property and Working Capital PROP Transaction Change Request Form home page**.
2. After you open this database, you can create **a bookmark**:
 - a. From an open database, right click on the open database tab.
 - b. Click on Create Bookmark.
 - c. Click on the location you would like to add your bookmark to.

To add the bookmark along the left side of your screen:

- a. Click and drag the open database’s window tab to the left side of your screen. A blue and green icon (PROP CHANGE) should appear.

15 - Sustainable Operations Program (Fleet and Transportation, Energy Efficiency, Waste Management, Green Purchasing and Water Conservation)

The concept of sustainability is embedded in the Forest Service mission to “sustain the health, diversity, and productivity of the nation’s forests and grasslands to meet the needs of present and future generations”. Sustainable Operations Program seeks to improve energy efficiency and reduce greenhouse gas emissions through the reduction of energy and conservation of water (Green Purchasing). The program also seeks to minimize waste generation, pollution, and reduction of landfill use as well as promotes the use or reuse of recyclable materials (Waste Management).

This section provides policy for accounting and processing Forest Service revenues generated through the “Sustainable Operations Program”. Primarily, there are two programs under the Sustainable Operations Program: waste management and green purchasing. The revenues generated from the “Sustainable Operations Program” will be collected into two structured job codes for redistribution to eligible programs based on a written allocation request from the units (sec. 15.1). Units must strive to conserve energy and water as well as recycle materials to the maximum extent practicable, considering costs.

Assign the following structured job codes to the “Sustainable Operations Program”.

1. RECYPPYY – must be utilized to record and allocate revenues from waste management (recycling, reuse, salvage, waste reduction, and pollution prevention).
2. REBTPPYY – must be utilized to record and allocate revenues from green purchasing (energy and water conservation rebate from utility companies. For example purchase of energy efficient and water conservation equipment).

The agency may use revenues from waste management for a variety of purposes, for example, acquisition of equipment, supplies and services for the purposes of recycling, reuse, salvage, waste reduction, and pollution prevention. Also, the Chief may approve or delegate the approval of the use of revenues from waste management, only, to fund other employee programs deemed appropriate or authorized by law. For example, employee daycare or recreation facilities. Revenues from waste management (recycling, reuse, salvage, waste reduction, and pollution prevention) are available until expended.

Additionally, the units have access to only half of the revenues from Green Purchase (energy and water conservation rebate from utility companies) for specific energy efficiency or water conservation projects or activities. The remaining half must be transferred to the General Fund of the Treasury at the end of the fiscal year in which the revenues are received.

15.01 - Authority

1. Treasury, Postal Service, and General Government Appropriations Act, 1996, Public Law 104-52, Section 625. This section sets forth procedures for Federal agencies to

retain and use energy rebates for additional specific energy efficiency or water conservation projects.

2. Treasury and General Government Appropriations Act, 2002, Public Law 107-67, Title VI – General Provisions, Departments, Agencies, and Corporations Section 607. This public law authorizes Federal agencies to receive and use revenue resulting from waste prevention and recycling programs. Such revenue must be available until expended for the purpose of waste reduction, prevention, and recycling programs.

3. Federal Management Regulation, Title 41 Code of Federal Regulations (CFR) Part 102-38-295(5), “Disposition of Proceeds”. This regulation mandates that agencies may retain proceeds from the sale of property related to waste prevention and recycling programs.

4. Title 16 United States Code 580p-3(a) – Use of Royalty Fees, Special Account, sets forth authority for the Secretary of Agriculture to establish and collect use or royalty fees for the manufacture, reproduction, or use of the name or character "Woodsy Owl" and the associated slogan, "Give a Hoot, Don't Pollute", as a symbol for a public service campaign to promote wise use of the environment and programs which foster maintenance and improvement of environmental quality.

5. USDA DR-5500-01, June 2006 (Facilities Energy and Water Conservation and Utilities Management). This regulation establishes the Department of Agriculture policy for energy and water conservation and utilities management in USDA facilities in accordance with the requirements of legislation and executive orders, and assigns responsibilities for implementation of this policy.

6. USDA DM 5600-001, November 2004 (Environmental Pollution Prevention, and Abatement Manual). The purpose of this manual is to serve as a directive for the prevention, control, and abatement of environmental pollution from U.S. Department of Agriculture (USDA) facilities, administered lands, and activities. The manual provides objectives, policy, responsibilities, and technical standards and requirements under which the Department plans to manage the various environmental programs to achieve compliance with applicable pollution control standards.

7. FSH 6509.14, Collection Officers Handbook. Sets forth Treasury's requirement for timely deposit of collections.

15.03 - Policy

1. All units must establish a “Sustainable Operations Program – Waste Management” in accordance with guidelines and directives published by the Director of Acquisition Management. See FSM 6460 for guidelines to establish waste management program.

2. Units are not required to establish “Sustainable Operations Program – Green Purchasing” in order to utilize revenues from energy and water conservation.

3. In the event that “Sustainable Operations Program – Waste Management” does not exist at the unit level, the unit must deposit Waste Management proceeds to Treasury’s miscellaneous receipt account (in accordance with [Title 41 Code of Federal Regulation Section 102-38.295\(5\)](#)).
4. Units in GSA managed and in non GSA managed facilities may recycle items other than those recycled by GSA (general office paper, newspaper, magazines, cardboard, books, phone directories, cans, bottles and toner cartridges).
5. Units must use the job codes in section 15.1 to deposit and record expenses associated with managing the “Sustainable Operations Program – Waste Management and Green Purchasing”.
6. Half of the revenues from green purchasing (energy and water conservation) must remain available until expended for additional specific energy efficiency or water conservation projects. The remaining half must be transferred to the General Fund of the Treasury at the end of the fiscal year in which the revenues are received.
7. One hundred percent of revenues from waste management (recycling, reuse, salvage, waste reduction, and pollution prevention) must remain available until expended for acquisition of waste management equipment, supplies and services. Unless the Chief says otherwise, funds shall be available for the generating units to utilize.
8. The Chief may also approve the use of revenues from waste management, which must remain available until expended to fund other employee programs deemed appropriate or authorized by law.

15.04 - Responsibility

15.04a - The Chief

The Chief is responsible for overseeing the service-wide implementation of the “Sustainable Operations Program” as well as the allocation of proceeds to units for waste management (recycling, reuse, salvage, waste reduction, and pollution prevention) and other employee programs (for example, daycare or recreation facilities) as authorized by Public Law 107-67, section 607. The Chief may delegate this authority to the Deputy Chief for Business Operations.

15.04b - Chief Financial Officer

See FSH 6509.11k, section 31.27g.

15.04c - Deputy Chiefs

Deputy Chiefs are responsible for developing public service campaigns to promote the use of the environment and programs that foster maintenance and improvement of environmental quality. This may include, educating and creating public awareness as to the friendly use of the environment.

15.04d - Deputy Chief for Business Operations

The Deputy Chief for Business Operations is responsible for:

1. Managing the entire “Sustainable Operations Program.”
2. Monitoring proceeds and associated expenditures to ensure compliance with Sustainable Operations Program.
3. Approving requests for use of proceeds from waste management and green purchasing and other employee programs such as daycare or recreation facilities.

15.04e - Albuquerque Service Center, Director of Budget and Finance (ASC-B&F)

It is the responsibility of the Albuquerque Service Center, Director of Budget and Finance (ASC-B&F) to:

1. Work with the USDA Office of the Chief Financial Officer and GSA to obtain the revenue generated from a Forest Service GSA managed facility, for the following items only: general office paper, newspaper, magazines, cardboard, books, phone directories, cans, bottles and toner cartridges. The GSA division that distributes recycling revenues to agencies is the Maintenance and Energy Branch, Regional Recycling and Waste Management Coordinator (202-708-6777). For additional information, visit the National Capital Region Recycling Program website: <http://ncr.gsa.gov/recycle/default.asp>
2. Review and monitor use of proceeds in accordance with authorities cited in section 15.01.
3. Assist units to deposit revenues from the “Sustainable Operations Program”.
4. Assist Deputy Chief for Business Operations to report Sustainable Operations Program collections and expenditures to units.

15.04f - Director of Financial Management

It is the responsibility of the Director of Financial Management to:

1. Issue accounting policy and procedure governing all “Sustainable Operations Programs.”
2. Ensure appropriate financial management system capability to record and report on “Sustainable Operations Program” receipts, and/or expenditures.
3. Provide policy advice to units regarding full compliance with this directive.

15.04g - Director of Strategic Planning and Budget Accounting (SP&BA)

It is the responsibility of the Director of Strategic Planning and Budget Accounting to:

1. Obtain appropriate budget authority and review requests for “Sustainable Operations Program” proceeds.
2. Approve all appropriate requests for allocation of “Sustainable Operations Program” proceeds.

15.04h - Director of Acquisition Management

It is the responsibility of the Director of Acquisition Management to provide service-wide direction or guidelines to establish “Sustainable Operations Program – Waste Management” (recycling, reuse, salvage, waste reduction and pollution prevention).

15.04i - Washington Office Directors, Regional Foresters, Station Directors, Area Director, Job Corps, and Institute Director

It is the responsibility of the Washington Office directors, regional foresters, station directors, Area Director, Job Corps, and Institute Director to:

1. Establish as appropriate a region/unit/station or local Sustainable Operations Program – Waste Management to ensure access to proceeds from related activities.
2. Enroll in energy saving programs with their respective utility companies.
3. Request use of proceeds for other employee programs allowed under this direction from the Deputy Chief of Business Operations. Other employee program may include daycare activities.
4. Request use of proceeds from Deputy Chief of Business Operations for unit approved projects.
5. Promptly deposit all sustainable operations proceeds into the established job code in section 15.1. See FSH 6509.14, section 14.5 for prompt deposit requirement.

15.04j - Unit Budget Analyst

It is the responsibility of the unit budget analyst to validate the collection of receipts to support “Sustainable Operations Program” allocation requests.

15.05 - Definitions

Fleet and Transportation. Allow organizations that rely on transportation in their business to remove or minimize the risks associated with vehicle investment, improving efficiency, productivity and reducing their overall transportation costs, providing 100% compliance with government legislation (duty of care) and many more. Fleet (vehicle) management can include a range of functions, such as vehicle financing, vehicle maintenance, vehicle telematics (tracking and diagnostics), driver management, fuel management and health & safety management.

Green Purchasing. Green purchasing includes the acquisition of recycled content products, environmentally preferable products and services, bio-based products, energy- and water-efficient products, alternate fuel vehicles, products using renewable energy, and alternatives to hazardous or toxic chemicals.

Waste Management. Includes recycling, reuse, salvage, waste reduction and pollution prevention.

15.1 - Accounting for Revenue Received From “Sustainable Operations Program” (Fleet and Transportation, Energy Efficiency, Waste Management, Green Purchasing, and Water Conservation)

The following must be used by units to deposit and document revenues from the “Sustainable Operations Program”. The same job code can be used to record the expenses associated with managing these programs.

1. Use the following job codes with the applicable budget organization (region/unit code) to record and manage proceeds and expenses from: Green Purchasing (energy and water conservation rebates). Fifty percent of the proceeds must go to each job code.

Job Code	Fund/Program	Fund Category	Treasury Symbol
REBTPPY	GRGG	H	12X5214
899015YY	3220	U	123220

2. Use the following job code with the applicable budget organization (Region/Unit code) to record and manage proceeds and expenses from: Waste Management (recycling, reuse, salvage, waste reduction, and pollution prevention revenues).

Job Code	Fund/Program	Fund Category	Treasury Symbol
RECYPPYY	GRGG	H	12X5214

15.2 - Reducing Environmental Footprint Through Conferences, Meetings and Training - Travel Smart

When Forest Service employee's mode of travel is motorized, carbon dioxide is an output which contributes to climate change. Therefore, the best solution is to avoid travel when possible and utilize electronic mediums to satisfy long distance meeting requirements. Can travel be replaced by talking over the phone or via video conferencing? If so, then such means should be encouraged as an alternative to travel.

Meetings, workshops and training to carry out the mission of the Forest Service continue to be a vital part of Forest Service's operations. When face-to-face interaction is necessary to conduct Forest Service business, meetings must be documented and approved well in advance. Meetings with cost of over \$40,000 must be approved by the Deputy Secretary. For meetings with the thresholds, additional documentation must accompany the meetings request showing why electronic mediums, versus actual temporary duty travel, are not a viable alternative. See FSM 1360 for meeting proposals/requirements.