



Headquarters  
Department of the Army  
Washington, DC  
26 December 2023

**\*Army Regulation 710–4**

Effective 26 January 2024

## Inventory Management Property Accountability

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By Order of the Secretary of the Army:

RANDY A. GEORGE  
*General, United States Army*  
*Chief of Staff*

Official:

  
MARK F. AVERILL  
*Administrative Assistant to the*  
*Secretary of the Army*

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**History.** This publication is an administrative revision. The portions affected by this administrative revision are listed in the summary of change.

**Authorities.** The authorities for this regulation are DoDI 5000.64, DoD 7000.14–R, FAR Part 45, and FAR Part 52.

**Applicability.** This regulation applies to the Regular Army, the Army National Guard/Army National Guard of the United States, and the U.S. Army Reserve, unless otherwise stated. It also applies to the U.S. Army Reserve Officers' Training Corps and the National Defense Cadet Corps. During mobilization, the proponent may modify chapters and policies contained in this regulation.

**Proponent and exception authority.** The proponent of this regulation is the Deputy Chief of Staff, G–4. The proponent has the authority to approve exceptions or waivers to this regulation that are consistent with controlling law and regulations. The proponent may delegate this approval authority, in writing, to a division chief within the proponent agency or its direct reporting unit or field operating agency, in the grade of colonel or the civilian equivalent. Activities may request a waiver to this regulation by providing justification that includes a full analysis of the expected benefits and must include formal review by the activity's senior legal officer. All waiver requests will be endorsed by the commander or senior leader of the requesting activity and forwarded through their higher headquarters to the policy proponent. Refer to AR 25–30 for specific requirements.

**Army internal control process.** This regulation contains internal control provisions in accordance with AR 11–2 and identifies key internal controls that must be evaluated (see appendix F).

**Suggested improvements.** Users are invited to send comments and suggested improvements on DA Form 2028 (Recommended Changes to Publications and Blank Forms) directly to the Deputy Chief of Staff, G–4 (DALO–SPE) via email to [usarmy.pentagon.hqda-dcs-g-4.mbx.publications@army.mil](mailto:usarmy.pentagon.hqda-dcs-g-4.mbx.publications@army.mil).

**Distribution.** This regulation is available in electronic media only and is intended for the Regular Army, the Army National Guard/Army National Guard of the United States, and the U.S. Army Reserve.

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\*This regulation supersedes DA Pam 710–2–1, dated 1 December 2016.

# ***SUMMARY of CHANGE***

AR 710–4  
Property Accountability

This administrative revision, dated 2 May 2024—

- Removes the word “secondary” (paras 7–18*h*, 12–3, 15–2*g*, 16–14, 16–15, 16–21, and 16–24).
- Clarifies capital asset completeness inventory sampling, floor-to-book (paras 16–20*b* and 16–20*c*).
- Removes the term “secondary check” (glossary).
- Adds term “responsible official” (glossary).
- Corrects typographical errors (throughout).

This administrative revision, dated 9 January 2024—

- Removes relocatable building and/or facility criteria to be in compliance with DoDI 4165.56 (formerly para 8–6). □
- Replaces the term “relocatable building” with “relocatable facility” (glossary and table C–1). □

This new publication, dated 26 December 2023—

- Aligns automated Accountable Property Systems of Record procedures and the respective end user manual for specific transaction steps (paras 1–8*f* and 4–2*c*). □
- Prescribes new DA Form 7768 (Command Supply Discipline Program Evaluation Report) (para 3–5*d*).
- Incorporates Army Directive 2018–07–9 (table 3–1).
- Incorporates Army Directive 2018–07–5 (para 6–18).
- Adds new document retention table (table 7–1).
- Updates small arms serial number registration and reporting per AR 710–3 (para 8–14). □
- Adds policy for managing, tracking and accounting for government-furnished property and the use of government-furnished property module by the accountable property officer when providing equipment to contractors (chap 10). □
- Adds audit verbiage such as Existence, Completeness, Book to Floor and Floor-to-Book (paras 10–11*b* and 16–19).
- Removes electronic signature requirement for hard copy procedures (formerly para 11–25*a*(2)).
- Updates total package fielding process (para 11–31).
- Adds completeness sampling inventories during cyclic inventories (para 16–20*d*).

- Incorporates Army Directives 2018–07–16 (throughout) and Army Directive 2018–07–18 (para 16–22c).
- Consolidates property accountability requirements into a table format (app C).
- Adds additional items that require property book accounting (table C–1).
- Specifies hard copy procedures to be used only during system outages and austere mission challenges (app E).
- Incorporates and revises Unit Supply System content previously published in DA Pam 710–2–1 (throughout).
- Incorporates seven day posting requirement to the accountable property system of record when a change is required (for example, receipts, lateral transfers, administrative adjustments, turn-ins) (throughout).
- Removes Organizational Clothing and Individual Equipment/Central Issue Facility policy and procedures to AR 700–84 (Issue and Sales of Personal Clothing) (throughout).
- Transfers the following forms from DA Pam 710–2–1: DA Form 1687 (Notice of Delegation of Authority—Receipt for Supplies), DA Form 2062 (Hand Receipt/Shortage Listing), DA Form 2063 (Prescribed Load List), DA Form 2064 (Document Register for Supply Actions), DA Form 2765–1 (Request for Issue or Turn-In), DA Form 3161 (Request for Issue or Turn-In), DA Form 3318 (Record of Demands—Title Insert), DA Form 3328 (Property Record), DA Form 3328–1 (Serial Number Record), DA Form 3645 (Organizational Clothing and Individual Equipment Record), DA Form 3645–1 (Additional Organizational Clothing and Individual Equipment Record), DA Form 3749 (Equipment Receipt), DA Form 4949 (Administrative Adjustment Report), and DA Form 5519 (Tool Sign Out Log/Register) (throughout).

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## **Glossary of Terms**

## **Chapter 1**

### **General**

#### **Section I**

##### **Introduction**

###### **1–1. Purpose**

This regulation prescribes policies for retail and unit level supply, property book operations, and general property accountability. This regulation provides specific policy and procedures for the accountability and assignment of responsibility for property issued to a using unit during request, receive, account for, issue, and turn-in using the Accountable Property System of Record (APSR). This consolidation of policy and procedures supersedes all organizational level supply, property book, and general property accountability procedures previously published in DA Pam 710–2–1.

###### **1–2. References, forms, and explanation of abbreviations**

See appendix A. The abbreviations, brevity codes, and acronyms (ABCAs) used in this electronic publication are defined when you hover over them. All ABCAs are listed in the ABCA directory located at <https://armypubs.army.mil>.

###### **1–3. Associated publications**

This section contains no entries.

###### **1–4. Responsibilities**

Responsibilities are listed in chapter 2.

###### **1–5. Records management (recordkeeping) requirements**

The records management requirement for all record numbers, associated forms, and reports required by this publication are addressed in the Records Retention Schedule–Army (RRS–A). Detailed information for all related record numbers, forms, and reports are located in Army Records Information Management System (ARIMS)/RRS–A at <https://www.arims.army.mil>. If any record numbers, forms, and reports are not current, addressed, and/or published correctly in ARIMS/RRS–A, see DA Pam 25–403 for guidance.

#### **Section II**

##### **Implementation**

###### **1–6. General information**

a. This regulation is the basis for policy, procedures, responsibilities, and general equipment management for property accountability.

b. Unless specified by the prescribing publication, this regulation does not apply when accounting for the following:

- (1) American Forces Radio and Television Service Program materials using AR 360–1.
- (2) Library books and materials using AR 27–1 or AR 735–17.
- (3) Nonappropriated funds (NAF) assets using Department of Defense (DoD) Financial Management Regulation (FMR) 7000.14–R.
- (4) Publications and blank forms using AR 25–1 and AR 25–30.
- (5) Real property and facilities engineering resources using AR 420–1.
- (6) Special purpose equipment using a classified AR.
- (7) Visual information products using AR 25–1.
- (8) Historical property and museum pieces using AR 870–20.
- (9) Office of Army Cemeteries property and supplies using AR 290–5. This exclusion does not apply to material that could have other Armywide applications.
- (10) The Army Art Collection using AR 870–20.
- (11) Industrial property and equipment in place using Defense Finance and Accounting Service regulations.

- (12) Clothing initial issue point stocks using AR 700–84.
  - (13) Communications security (COMSEC) key software and publications, using AR 380–40 and Technical Bulletin (TB) 380–41.
  - (14) Clothing sales stores operated under AR 700–84.
  - (15) Commissary resale stock record accounts operated under DoDI 1330.17.
  - (16) Subsistence using AR 30–22.
  - (17) Military training aids using AR 350–38.
- c. Equipment obtained from the Defense Logistics Agency (DLA) Disposition Services (DLA–DS) in support of an Army installation military auxiliary radio system (MARS) station is processed through a supply support activity (SSA) and accounted for per this regulation. Property obtained from DLA–DS for issue to individual affiliate members is processed through the MARS Property Management Office and accounted for on the MARS property book per this regulation and AR 25–6.
- d. The Secretary of the Army may authorize implementation of wartime or emergency accounting policies per chapter 9 with specific implementation in whole or in part published through command channels. Theater-of-operations commanders will issue written instructions within the limits of the Secretary of the Army's authorization to suspend or modify procedures in this regulation as needed. Individual commanders will not implement the procedures of wartime or emergency accountability policy unless specifically authorized by the Army command (ACOM)/Army service component command (ASCC)/direct reporting unit (DRU) commander via notification through command channels.
- e. General wartime or emergency accounting policies do not apply when an Army element is accounting for the following items, unless the Secretary of the Army provides specific implementation instructions:
- (1) Army museums, historical artifacts, and art; see AR 870–20.
  - (2) Army national cemeteries; see AR 290–5.
  - (3) Issue and sale of personal clothing; see AR 700–84.
  - (4) Safeguarding and controlling COMSEC material; see AR 380–40 (common access card (CAC) required) and TB 380–41.
  - (5) Accounting for library materials; see AR 735–17.
  - (6) Property managed under materiel policy and intelligence procedures; see classified publication AR 381–143.
  - (7) Supplies on stock record accounts, except for class V supplies.
- f. The key internal management controls are property accountability, assigning responsibility for property, inventory compliance, hand tools, control of durable property, the reduction of Army excess and its causes at the organizational level.

## **1–7. Property accountability**

- a. *Obligation.* Property accountability deals with the obligation to keep records of property, documents, or funds such as identification data, gains, losses, due-ins, due-outs, and balances on hand or in use.
- b. *Policy.* All property acquired by the Army is accounted for per mandatory procedures in this AR and other applicable ARs for specific types of property. This policy and prescribed procedures apply regardless of the source, cost, or funding for the property.
- c. *Property.* Throughout this regulation, the general term “property” collectively refers to the financial accounting and reporting category “personal property,” which is made up of equipment and other nonexpendable or durable supplies (collectively called non-consumable supplies), all consumable supplies, and relocatable buildings. This definition includes all property under DA control except property accounted for as owned by a non-appropriated fund activity. References to property of other U.S. Government agencies or of foreign governments clearly will be identified as such, for example, Air Force, State Department, or Republic of Korea property. All property issued by the United States to the Army National Guard (ARNG) remains the property of the United States, under 32 USC 710(a).
- d. *Property book.* The term “property book” refers to a formally designated set of property records maintained to account for organizational and fixed base property in a using organization. The prescribed property book record is the accountable records contained in an APSR for such items. All procedures apply to both APSR property books and hard copy property books (DA Form 3328 (Property Record)) unless otherwise stated.



## **1–8. Accountable property systems of record**

a. An APSR is the Government business system used to control and manage accountable property records. APSRs are a subset of existing organizational processes related to the lifecycle management of property that is integrated with the core financial system. The APSR may also control and manage accountability records. This regulation provides instructions to implement property accountability policy and procedures in all Army APSRs.

b. All designated and approved APSRs follow property accountability policies in this regulation and meet compliance requirements before software changes are implemented. Organizations will use the assigned approved APSR for all processes and comply with the APSR end user manual (EUM) when procedures differ from this regulation. All APSRs and property accounting procedures must comply with item unique identification (IUID) requirements per AR 700–145 and serialized item management requirements per AR 710–3, integrated with automatic identification technology (AIT).

c. APSRs are not required to directly duplicate paper or forms-based manual processes contained in this regulation, provided the system employs essential data elements, enables auditable, non-repudiable transaction records and key supporting documentation. All functional developers and materiel developers (MATDEVs) of APSRs and any other automated supply or readiness-based systems that apply to tactical or operational sustainment operations will ensure that each system provides these essential elements of data prescribed in regulation and policies covering information management system governance.

d. When systems developers automate hard copy forms, they must obtain approval from the form proponent and U.S. Army Publishing Directorate; system developers will follow the policy and procedures for Army forms in AR 25–30.

e. Commanders of units operating under, or supported by, an approved APSR will ensure the appropriate automated procedural publication for that system is on hand and utilized.

f. The respective APSR EUM is typically accessed within the assigned APSR, or a website specified by the APSR. The EUM for the organization's approved APSR will describe specific transactions and procedures to implement the procedures in this regulation. Some APSR transactions, processes, terminology, or system-generated reports and forms may differ from legacy practices based on hard copy paper and electronic forms.

g. Proponents of fielded APSRs ensure implementation of new and changed property accountability policies. APSRs in a maintenance-only mode are not required to be changed solely to implement new policy requirements unless otherwise directed by the policy Proponent authority in coordination with the APSR's MATDEV. In addition, all program documents related to APSR capabilities sought by ACOMs, ASCCs, and DRUs will be submitted to the Deputy Chief of Staff (DCS), G–4 Director of Logistics Information Management (DALO–IMG), 500 Army Pentagon, Washington, DC 20301 for review against the controlling logistics information technology governance policies and regulations and to ensure the programs are tracked within the Army Portfolio Management Systems.

## **1–9. Related technologies**

a. AIT encompasses a variety of read and write data storage technologies that capture asset identification information and shipment tracking information. These technologies include interrogators, scanners, optical recognition devices, sensors, and readers which interact with barcodes, magnetic strips, labels, buttons, fobs, integrated circuit cards, radio frequency identification (RFID) tags, and other markings to enable accurate and efficient data capture.

b. These labels, devices, and markings are used for tagging individual items, multipacks, equipment, air pallets, and containers. AIT devices offer a wide range of data storage capabilities. The information on each device can range, for example, from a single part number (PN) to a self-contained database. The devices can be integrated using a variety of means, including contact, laser, or radio frequency. The information obtained from these integrations can be provided electronically to APSRs that support DoD logistics operations. AIT also includes the hardware and software to create the storage devices, read the information stored on them, and to transmit and integrate that information with other logistics data. Further, AIT includes the use of satellites to track and redirect shipments.

c. AIT will be used to the maximum capability practical in the storage, inventory, issue, retrograde/re-distribution, and shipping process of all deployable and installation/fixed-based SSAs, and in using unit property management activities.

d. RFID technology consists of active RFID, passive RFID, battery assisted passive, and RFID tags with integrated micro sensors. The main purpose of RFID is to provide stand-off, in-the-box and in-transit

visibility of the container and its contents. The use of radio frequency tags and interrogators (hand-held or fixed) identifies cargo and monitors the movement from point of origin to port of embarkation to port of debarkation to theater nodes. Active RFID will be used at the container and 463L pallet level. Active RFID with integrated micro sensors can improve asset visibility and life-cycle management of perishable or life limited products by monitoring environmental factors that can be detrimental to assets. Active RFID technology with sensors should be used where applicable to monitor assets that experience negative effects in harsh environments.

#### **1–10. Hard copy processing**

a. For the purposes of this regulation, the term “hard copy” includes all paper and electronic forms, reports, and transactions, and similar artifacts of processes which are not generated by or performed in an APSR. For example, electronic forms downloaded from the Army Publishing Directorate Forms repository at <https://armypubs.army.mil> are considered hard copy forms, while “system-generated” forms are created as reports from data within an approved system. The term hard copy does not apply system-generated forms and reports described in an APSR EUM.

b. Hard copy procedures will only be used when specified in this regulation or when an APSR does not perform a required function, such as specific types of materials not supported by an APSR, or in organizations not authorized to operate an Army or DoD APSR. Commanders will only authorize hard copy procedures by exception for temporary use during system outage or austere mission conditions, not for convenience, preference, or to circumvent auditable records and controls in an APSR. Commanders should make every effort to employ the full capabilities of the available APSR before approving hard copy procedures.

c. Appendix E provides temporary hard copy procedures when approved by commanders per this regulation. All electronic form or hard copy transactions performed under these conditions must be entered in the APSR within 3 working days once access is restored.

d. Some procedures may require limited use of electronic forms or hard copy forms and procedures described in appendix E when a specific function does not exist in the APSR. Commanders will document these specific enduring conditions in memorandum format.

e. Do not duplicate processes performed in the APSR with additional hard copy processes.

### **Section III**

#### **Administrative Information**

#### **1–11. Filing**

All documents created per this regulation are filed and disposed of per AR 25–400–2.

#### **1–12. Requests for clarification, deviations, exceptions, and waivers**

The DCS, G–4 Director of Supply (DALO–SP) is tasked by the DCS, G–4 to develop, implement, and maintain this regulation and respond to field inquiries concerning the regulation. Deviations, exceptions, or waivers to accounting policies in this regulation are only made with prior approval of DCS, G–4, Director of Supply.

a. This section contains the procedures for requesting clarification, deviations, exceptions, and waivers to Army property accountability policies, forms, and procedures prescribed by this regulation.

b. Requests for clarification, deviations, exceptions, and waivers to accounting procedures for government property (GP) furnished to, or acquired by, contractors under the terms of their contract will be submitted under the provisions of this section. Deviations or waivers concerning contract clauses or other contractual matters are not included in this section.

c. Requests will be initiated by the commander or activity supervisor at the organizational level responsible for the property account concerned. These requests will be submitted through command channels. The commander or equivalent activity supervisor at each intermediate organizational level will indicate, by memorandum, their concurrence with the request and the supporting justification. Requests not favorably considered will be returned to the originator.

### **1–13. Requesting clarification**

a. Use the chain of command to request clarification of this regulation. Use a memorandum to make a written request for clarification. Include the following in the memorandum:

- (1) Page and paragraph number in question.
- (2) Statement of the question and context requiring clarification.
- (3) Name and contact information of the requestor.

b. Route the request through command channels using routine locally prescribed routing procedures. Each element in the chain of command receiving a clarification request will attempt to resolve the request prior to forwarding to the next echelon. If it cannot be answered, send the request to the next higher element. This will ensure that available expertise within the command is used, and requests are quickly answered at the lowest level possible.

c. When Department of the Army (DA) clarification is necessary, commanders of ACOMs, ASCCs, and DRUs will send clarification requests to: Commandant, U.S. Army Quartermaster School (ATSM–CG), 2221 Adams Avenue, Fort Gregg-Adams, Virginia 23801–2102 prior to sending clarification requests to Deputy Chief of Staff, G–4, Director of Supply (DALO–SPE), 500 Army Pentagon, Washington, DC 20310–0500.

### **1–14. Requesting exceptions or deviations**

a. Use the chain of command to request exceptions to policies in this regulation or deviations to forms and procedures prescribed in this regulation. Exceptions (complete temporary waiver of a policy requirement) and deviations (temporary modifications or adjustments to forms and/or procedures) are only authorized for limited times and purposes.

b. Do not implement exceptions to policies in this regulation or deviations to forms and procedures prescribed in this regulation without prior approval of the DCS, G–4. Prepare requests per AR 25–30 and DA Pam 25–40 and submit through command channels. Use a memorandum to make a written request for exception or deviation. Include the following in the memorandum:

- (1) Page and paragraph number in question.
- (2) Explain the need for an exception or deviation.
- (3) How long the exception or deviation will last.
- (4) How the waiver will help accomplish the mission.
- (5) How the end results of the exception or deviation will be measured.
- (6) Name and contact information of the requestor.
- (7) Drafts of the proposed directives required to implement the exception or deviation.

c. Route the request through command channels using routine locally prescribed routing procedures. Each element in the chain of command receiving a clarification request will attempt to resolve the circumstances leading to the request for exception or deviation prior to forwarding to the next echelon. If the situation cannot be resolved, send the request to the next higher element. This will ensure that available expertise within the command is used, and requests are resolved at the lowest level possible.

d. If the circumstances cannot be resolved by echelons through ACOM/ASCC/DRU, the ACOM/ASCC/DRU commander should include an opinion by the ACOM/ASCC/DRU legal officer and forward the request to Deputy Chief of Staff, G–4, Director of Supply (DALO–SPE), 500 Army Pentagon, Washington, DC 20310–0500.

e. The DCS, G–4, will issue a written confirmation of rejection or approval of the request for a specific period of time. If approved, future requests for extension of exception or deviation authority must be submitted prior to its expiration. Follow the same procedures in paragraph 1–14b through 1–14d and include complete justification for the extension.

f. Only deviate from the procedures in this regulation with prior approval of the DCS, G–4. Use AR 735–5 to prepare and process requests for deviation from accounting procedures. Requests for deviation should explain the need for a deviation, how long it will last, how the waiver will help accomplish the mission, and how the end results will be measured. Include an opinion by the ACOM, ASCC, or DRU legal officer. Send all requests for deviation through command channels to DCS, G–4 (DALO–SP), 500 Army Pentagon, Washington, DC 20310–0500.

### **1–15. Waivers of property accountability**

a. A waiver is the formal release of a property account from the obligation to comply with a specified property accounting requirement for a specific period of time.

b. A waiver of property accounting requirements will be requested when one or more of the following circumstances exist:

(1) An internal review finds the property records cannot be audited because of inadequacies, incompleteness, or missing records.

(2) An audit or internal review of property records has been completed and the resulting report reveals deficiencies that, in the opinion of the command or audit agency, cannot be corrected under existing authority.

(3) The property accounting records have been lost, stolen, or destroyed.

(4) Reconstruction of the property records would be necessary to prepare them for audit, and such reconstruction is considered uneconomical, or not in the best interest of the Government.

c. Requests for waiver of property accounting requirements must be submitted by formal memorandum with the signature of the commander or activity supervisor responsible for the property account. Each request will include, as an attachment, a report on the status of the property account requiring waiver action. The report will be prepared by the accountable property officer (APO) or, in the case of a contract property account, by the property administrator. In the event the account is closed, the report will be prepared by a designated officer. The status report will—

(1) Be narrative in format.

(2) Be specific on the nature of the waiver requested, with inclusive dates.

(3) Include a history of the property account.

(4) Include the current status of the property involved.

(5) Include the status of any DD Form 200 (Financial Liability Investigation of Property Loss) action initiated under AR 735–5.

(6) Be signed by the officer designated to prepare the report.

d. Requests for waivers pertaining to contract property accounts will be forwarded through the contracting officer (KO) who awarded the contract.

e. Requests for waivers will be prepared per paragraphs 1–14 and 1–15. Requests will be submitted through command channels to the final approval authority in paragraph 1–16.

(1) Senior commanders and ACOM, ASCC, DRU commanders; the DCS, G–4; and the Chief, National Guard Bureau (CNGB) will review each request for waiver submitted to them.

(2) Approved requests will be endorsed to the final approving authority.

f. When the reviewer determines additional investigation is required, a board of officers will be appointed to conduct the investigation (see para 1–17).

(1) Senior commanders and ACOM, ASCC, and DRU commanders; the DCS, G–4; and the CNGB will review each report of the board of officers that supports a request for waiver.

(2) Approved reports will be attached to the approved request for waiver and the request will be sent to the final approving authority.

(3) Disapproved reports will be returned to the originator.

#### **1–16. Final approving authority**

a. Final approval authority for waivers up to an adjustment of \$1 million is delegated to ACOM, ASCC, DRU commanders, the CNGB, and the DCS, G–4. ACOM, ASCC, and DRU commanders may further delegate approval authority for waivers to subordinate commanders in the grade of major general or above. One copy of each approved waiver will be sent through command channels to the DCS, G–4 (DALO–SP), 500 Army Pentagon, Washington, DC 20310–0500.

b. Approval authority will not be delegated to lower echelons.

c. Requests for waivers in excess of \$1 million will be forwarded through command channels to the DCS, G–4 (DALO–SP), 500 Army Pentagon, Washington, DC 20310–0500 for final approval. On completion of a case, the waiver will be returned through command channels. The ACOM, ASCC, DRU commander, the CNGB, or the DCS, G–4 will ensure that any required actions are completed.

#### **1–17. Appointment of a board of officers**

a. When further investigation is required by paragraph 1–15f, the senior commander; the ACOM, ASCC, and/or DRU commander; the CNGB; or the DCS, G–4 will appoint the board, or may direct a subordinate commander to appoint the board. For approving authority and officer qualifications, see AR 15–6. The investigating board of no fewer than three qualified officers will—

(1) Conduct a physical inventory of all property on hand at the installation to identify all items pertaining to the account being reviewed.

(2) Inquire into the responsibility for the unsatisfactory condition of the account.

b. To the extent practicable, members of the board will not be under the supervision of or will not be in the rating chain of or will not be under the command of the senior commander having, or having had, command responsibility for the account involved.

c. Where the quantity of the property to be inventoried justifies such action, the appointing activity will designate, or cause to be designated, a technically qualified inventory team to assist the board in the inventory. Team members will not be under the command or supervision of the APO for the account being inventoried, nor will team members be in the rating chain of the APO.

d. One member of the board of officers will be specifically qualified in investigative procedures. For procedures see AR 15–6.

#### **1–18. Preparation of the report of proceedings**

a. Except as otherwise prescribed in this regulation, the conduct and the reports of proceedings of boards of officers convened under this regulation will conform to AR 15–6. The following essential elements of information will be included in the report:

(1) Station where the account under investigation is, or was located, and the designation and serial number (such as Department of Defense Activity Address Code (DoDAAC), if stock record account, or unit identification code (UIC), if property book) of the account.

(2) Purpose of the board's investigation.

(3) Facts disclosed by the board's investigation, in sequence, and including all pertinent data necessary for a proper understanding of the situation.

(4) The board's conclusions with respect to, but not limited to, the following subjects:

(a) Whether the account is regarded as being in proper condition for audit. If the account cannot be placed in proper condition without an undue amount of effort, the findings will so indicate the period during which the account is regarded as being unsatisfactory or unauditable will be specified.

(b) Identification of any person or persons responsible for the improper disposition of records, the failure to conform to published accounting instructions, or the failure to exercise proper supervision. An opinion will be expressed in each case as to whether negligence or criminal intent was involved.

(c) Whether there is an indication of negligence or willful misconduct shown on the part of a person or persons in connection with the improper disposition of any assets of the account. The board will also indicate the status of any actions initiated under other regulations or the Uniform Code of Military Justice.

b. The board should only make recommendations that fall within the control of the reviewing authorities. For instance, a recommendation that a person be discharged from the Service or be tried by court-martial would not be proper. However, a recommendation that the findings of the board be brought to the attention of those exercising that jurisdiction would be proper.

c. The board may properly state that the evidence indicates the loss was caused by negligence on the part of a specific person or persons and recommend that a DD Form 200 be processed per AR 735–5. In such cases, the board will not act as the financial liability officer, but will ensure that a copy of the board's proceedings is provided to the financial liability officer for inclusion in the formal financial liability investigation of property loss (FLIPL).

d. The board will recommend either that the account be audited for a specified period, or that accounting requirements be waived for a specified period, giving dates.

e. The completed report will be forwarded to the activity which caused the board to be appointed.

### **Section IV**

#### **Performance Standards**

##### **1–19. General information**

Performance standards are management tools used to assess the effectiveness of supply operational performance. There are two types of performance standards: one type reflects the management of organization or property book operations against established DA standards and the second type reflects the performance of the supply system.

a. Performance standards must be relevant to and consistent with the mission to be performed, meaning that the metrics must reliably reflect the activities performance against their intended purpose (supply support to operational requirements). Therefore, the metrics that measure performance are likewise required to be relevant to the mission and required performance, reliably measure that performance, be measurable within the supporting information systems or the normal conduct of operating procedures, and be achievable and maintainable across time and tempo. Any standard set without primary regard for the mission may lead to unintended unsupportive behaviors. For example, having an authorized piece of equipment on hand but with significant component shortages may meet unit readiness reporting criteria, but does not provide a mission-ready capability. A reluctance to order shortages because the authorized equipment is infrequently used may indicate an improperly emphasized standard. Commanders or activity supervisors must be alert for any emphasis given to a performance standard that decreases or potentially impairs mission readiness and accurate visibility of true readiness status.

b. The performance standards in this section are applicable to using organization or property book operations using APSRs or temporary periods of using hard copy systems. These are designed for the internal control of an organization's supply performance. Commanders or activity supervisors monitor the results of supply performance measurements and take appropriate action to ensure effective supply performance is maintained. Routine reporting of these statistics to higher levels is not required.

c. Enterprise data analysis and data visualization portals and business intelligence capabilities within specific APSRs also provide additional performance standards.

#### **1–20. Supply chain integration**

a. The DoD supply chain is a global network that delivers materiel to the combatant commander. Its fundamental goal is to support the commander's ability to maintain and generate combat power throughout the Army Force Generation and deployment cycles while optimizing the support processes (resourcing, procurement, maintenance, supply, transport, and distribution) that provide the means through which the commander maintains and generates combat power. Supply chain management synchronizes those processes, resources, and efforts of the sustainment providers to achieve those ends at a total (DoD) optimized cost level.

b. The supply chain components (materiel and informational interchanges) include the maintenance, supply, transportation, and distribution activities and manufacturers that provide support to or move materiel required by the consuming unit or activity. Activities include the program executive officer (PEO), program/product managers and the materiel and supply centers that develop and provide that materiel and finally the ACOM and Army Staff elements that plan for and provide the resources to secure that materiel as well as provide the operational oversight for supply chain performance.

c. The supply chain is properly integrated when the system, as a whole, focuses the segment element performance to achieve an integrated system performance that provides reliably consistent support at the brigade combat team or equivalent unit/activity level within the commander's operational cycle. The underpinning element to achieve that support is the ability to have visibility of and respond to the consumption of goods and services in the conduct of the unit's mission.

d. Performance standards will be negotiated between the strategic providers (Army Staff, DoD agencies and the supported commands) and codified in-performance based agreements at the Service and/or Theater level. The supply chain performance will be reviewed on a recurring basis to identify how the globalized capability can be enhanced and to update the performance standards as process improvements are put into action or operational capabilities and conditions change.

#### **1–21. Using organization or property book**

Effective supply support at the using organization or property book level requires timely and accurate processing of supply requests and receipts, accurate accounting records, and adequate property controls. APSRs developed for use at that level will include the capability to capture the data required to compute the performance measures outlined below. Hard copy property book records (DA Form 3328) and organizations without APSR capability are not routinely collecting data or preparing statistics to document actual performance against these standards. However, the commander should periodically assess the organization's supply operations against these objectives. The management level is an acceptable range of performance usually expressed with upper and lower control organizations, or occasionally as a single figure. Performance inconsistent with a management level will be cause for the operation to receive closer management. The objectives and management levels are shown in table 1–1.

a. *Inventory accuracy.* This accuracy represents the number of inventoried lines having no overages or shortages compared to the total number of lines inventoried and is expressed as a percentage. Inventories to be measured are listed below and are described in chapter 12.

(1) *Change of property book officer, accountable property officer or primary hand receipt holder/storage location inventory.* Change of APO or primary hand receipt holder (PHRH) inventory is performed per paragraph 16–21. The objective is to have no adjustment action and the management level is to have adjustment action on no more than 5 percent of the line item numbers (LINs) inventoried. The inventory is 100 percent of—

(a) All property not issued on a valid PHRH by the APO. Hand receipts may include APSR system-generated forms, or DA Form 2062 (Hand Receipt/Shortage Listing) in hard copy when permitted per paragraph 1–10 of this regulation.

(b) All property listed on primary hand receipts (PHRs) issued to the PHRH(s), or PEO/program manager (PM)/product manager (PdM).

(2) *Annual/cyclic property book officer or primary hand receipt/storage location inventory.* The APO ensures an inventory of all property issued on HR per paragraph 16–21. The objective is to have no adjustment action and the management level is to have adjustment action on no more than 5 percent of the LINs inventoried.

(3) *Monthly weapons and ammunition inventory.* This inventory is conducted per paragraph 16–24. The objective and the management level are to have no adjustment actions.

(4) *Controlled item inventory (other than weapons and ammunition).* This inventory is conducted per paragraph 16–23. The objective and the management level are to have no adjustment actions.

(5) *Annual inventory.* Annual/cyclic inventory for government-furnished property (GFP) will be conducted per paragraph 10–14. The APO will work with the KO, property administrator (PA), or COR to ensure the contractor conducts and documents the inventory and provides the APO with a memorandum outlining LIN, National Stock Number (NSN), Item Description and Serial Number of all property inventoried.

b. *Loads.*

(1) *Basic loads.* Basic loads are managed per chapter 13. The objective and management level are to have all basic load items on hand.

(2) *Operational load and bench stock, shop stock, or combat spares lists.* These loads are managed per the procedures contained in chapter 13. The objective is to have all operational loads, bench stock, shop stock, and combat spares items on hand or on request. The management level is to always have at least 98 percent of total load on hand or on request.

c. *Processing time (days).*

(1) *Request processing time.* This is the timeframe expressed in the number of days from the time the customer's request is received by the APO to the time the request is received at the SSA.

(2) *Receipt processing time.* This is the timeframe expressed in the number of days from the time the APO receives the supplies, to posting of the receipts to the property book. This applies to all supplies received by the APO except for those supplies received without documentation or requiring item identification research.

(3) *Issue processing time.* This is the timeframe expressed in the number of days from when an item is posted to the property book and issued to the customer.

(4) *Turn-in processing time.* This is the timeframe expressed in the number of days from when an item is identified as excess or unserviceable, not repairable, to when the APO initiates a turn-in document.

(5) *Turn-in receipt processing time.* This is the timeframe expressed in the number of days upon receipt of an SSA's confirmation of a turn-in to posting of the property book and document register.

d. *Document accuracy.*

(1) *Property authorization document.* This process is computed during the annual DA Form 12 (Request for Establishment of a Publications Account) series review to ensure all authorization documents are on hand and are current. This figure is expressed as a percentage and is calculated by dividing the number of authorization documents that are on hand and current by the total number of authorization documents required and multiplying the answer by 100.

(2) *Supply request accuracy.* All supply requests must be complete and accurate. Failure to do so may cause the supply system to respond with supplies for which there is no need. The objective is for 100 percent of all supply requests submitted by a using organization to be accepted by the supporting level document edit. This figure is expressed as a percentage and is calculated by total number of supply

requests accepted divided by the total number of supply requests on the daily cycle listing and multiplying the answer by 100.

(3) *Document register (due-in) accuracy.* Commanders of organizations will ensure received documents are posted in the APSR by the receiving organization; commanders of organizations will verify all open documents are still valid requirements.

e. *Property book data accuracy.* This review is performed to ensure the accuracy for accountable property data for equipment maintained on an organization's property books. The review is conducted to correct incompatible, invalid, and missing data elements.

(1) *Catalog information.* Using information from the Army Enterprise Material Master (AEMM) (see AR 708–1), the APO will examine records for non-standard LINs and management control numbers (MCNs) assigned from the AEMM, ensuring the catalog information accurately describes the property. The APO will correct errors by reassigning property to a matching catalog record or requesting a new nonstandard catalog record in the AEMM.

(2) *Serial number accuracy.* The APO will add missing serial numbers, correct erroneous serial numbers, and eliminate duplicate serial numbers using the appropriate APSR transactions.

f. *Excess equipment materiel management.* The decision support tool (DST) is the primary sourcing system for managing the distribution and redistribution of materiel. It provides materiel managers the ability to identify excess equipment within their formations and provides sourcing decisions to increase equipment on-hand readiness. The foundation of the DST is the proposed sourcing decision that is created within the tool. Commanders and staffs at all levels must ensure proposed sourcing decisions are vetted and subsequently executed in a timely fashion. Organization performance standards:

(1) Percentage of Excess by fiscal year (FY) = # pieces of excess equipment on hand/# pieces of excess equipment identified as excess at the beginning of the FY.

(2) Percentage of excess awaiting disposition (internet of external) by FY = # pieces of excess equipment on hand without Proposed Sourcing Decision (PSD)/# pieces of excess equipment identified as excess at the beginning of the FY.

(3) DST proposed sourcing decision compliance percentage by FY equals number of late proposed sourcing decision (past suspense divided by number of DST proposed sourcing decisions issued).

**Table 1–1**  
**Organization performance standards**

<b>Inventory accuracy</b>	<b>Objective</b>	<b>Management level</b>
Change of APO or primary HR holder	100%	98% to 100%
Annual/cyclic APO or primary HR holder (including GFP)	100%	98% to 100%
Monthly weapons and ammunition inventory	100%	100%
Controlled items inventory (sensitive items minus weapons and ammunition)	100%	100%
Central issue facility (CIF) property book inventory (adjustments)	100%	2.5% or less
<b>Loads</b>	<b>Objective</b>	<b>Management Level</b>
Basic load (On Hand)	100%	100%
Operational load	100%	98% to 100%
<b>Processing time (days) processed through APO</b>	<b>Objective</b>	<b>Management Level</b>
Acceptance	3 days	7 days
Request processing time	3 days	7 days
Receipt processing time	3 days	7 days
Issue processing time	3 days	7 days
Turn-in processing time	3 days	7 days
Turn-in receipt processing time	3 days	7 days



**Table 1–1**  
**Organization performance standards—Continued**

<b>Inventory accuracy</b>	<b>Objective</b>	<b>Management level</b>
Lateral transfer	3 days	7 days
Found on installation (FOI)	1 day	3 days
U.S. Test, Measurement, and Diagnostic Equipment Activity	7 days	10 days
<b>DLA–DS Turn-In</b>	<b>Objective</b>	<b>Management Level</b>
Regular Army (RA), and mobilized or active duty ARNG and U.S. Army Reserve (USAR) organizations	15 days from time of receipt confirmation of a turn-in to DLA–DS	None
All other ARNG and USAR organizations	30 days from time of receipt confirmation of a turn-in to DLA–DS	None
<b>Document Accuracy:</b>	<b>Objective</b>	<b>Management Level</b>
Document accuracy	100%	100%
Property authorization documents	100%	98% to 100%
Supply request accuracy	100%	98% to 100%
Document register (due-in) accuracy	100%	98% to 100%

Note:

The term “Zero Day” means the completed date of transaction; therefore, day one is the day after the transaction.

## **Section V**

### **Security Classification of Logistics Data**

#### **1–22. Division level and below**

- a. Equipment quantitative on-hand information when combined with equipment requirements and/or authorizations is unclassified at division level and below.
- b. The information is unclassified for a roll-up of all items on a division or smaller organization property book and for single items on the property book.
- c. At no time will logistics data be collated, calculated, or presented using unit status reporting measures or metrics.

#### **1–23. Corps level**

- a. Unit equipment requirement, authorization, or on-hand summary data is classified when it is rolled up to the corps level. However, single items and/or item family requirements and on hand information that are sensitive, but unclassified will be rolled up at any level. (For example, M1 tank and/or all combat tank requirements and on hand data at the division, corps, and through total Army summary levels are unclassified.)
- b. At no time will logistics data be collated, calculated, or presented using unit status reporting measures or metrics.

#### **1–24. Projections of on-hand data**

Equipment on-hand projections are unclassified for three years (current year, budget year, and budget year–1).

- a. On-hand projections for some items have been classified by security classification guides. This policy constrains those guides to end such classification within three years of initial operational capability. This is because the several year projections of when an item is available to a unit is already available through the authorization document and materiel fielding plans. In the case an item distribution plan must be kept classified for the three-year projection they must be handled through exception procedures.
- b. The equipment on-hand, authorization, requirement, and distribution data in the requisition validation system is unclassified.

## **Chapter 2**

### **Roles and Responsibilities**

#### **2-1. Assistant Secretary of the Army (Acquisition, Logistics and Technology)**

The ASA (ALT) will—

- a. Provide acquisition logistics policy and guidance for the acquisition logistics planning and execution of Army supply operations.
- b. Develop and oversee policies for administration of the Command Supply Discipline Program (CSDP) for ASA (ALT) organizations.
- c. Coordinate with Headquarters, Department of the Army (HQDA) principal officials and the commanders and supervisors of other activities to develop and improve supply management policy.

#### **2-2. Assistant Secretary of the Army (Financial Management and Comptroller)**

The ASA (FM&C) will provide financial management and policy guidance for the financial planning and execution of Army supply operations.

#### **2-3. Chief, National Guard Bureau**

The CNGB will—

- a. Ensure that DA policy is uniformly implemented.
- b. Assist in developing and coordinating memorandum of understandings (MOUs) and inter-Service support agreements.
- c. Evaluate and make recommendations on requests for deviation.
- d. Report and/or respond to reports of supply constraint per AR 725-50.
- e. Monitor and assess the results of supply performance measurements.
- f. Communicate with the ASA (FM&C) and U.S. Army Materiel Command (AMC), DCS for Resource Management when resource deficiencies limit mission accomplishment in response to the annual HQDA Resource Formulation Guidance.
- g. Coordinate with the Commanding General (CG), AMC on proper corrective actions.
- h. Identify and recommend proposed changes to Army supply policy.
- i. Assist and coordinate the application of APSRs in support of supply operations within supported units.
- j. Ensure compliance with the requirements of paragraph 2-4.
- k. Fulfill Chief of Staff, Army, Supply Excellence Award (CSA SEA) responsibilities listed in paragraph 3-19.

#### **2-4. Deputy Chief of Staff, G-4**

The DCS, G-4 is the Component Property Lead, appointed to execute the DoD Component Head responsibilities prescribed by DoDI 5000.64. The DCS, G-4 will—

- a. Provide advice on the development of property management policies, standards, and performance measures per DoDI 5000.64 and this regulation that monitor and evaluate component-wide performance to achieve and sustain effective accountability, management, control, and accurate accounting of government property. At minimum, the advice on the development of these policies must—
  - (1) Require all accountable government property acquired through purchase, capital lease, donation or otherwise obtained be managed through its lifecycle per DoD 7000.14-R, DoDI 5000.64 and this regulation.
  - (2) Require electronic or hard-copy logs of system transactions, suitable for audit.
  - (3) Assign authority to establish and enforce appropriate associated internal controls.
  - (4) Require exchange/sale authority to be applied within the structure of 40 USC 503.
  - (5) Require coordination on the annual report of use of exchange/sale authority as directed by Federal Management Regulation 102-39.
- b. Establish and maintain a controlled environment for property accountability and an effective system of internal controls to ensure accountability and authorized use of personal property to prevent loss, damage, theft, or waste and to ensure appropriate financial reporting.
- c. Ensure APOs are strategically placed and appointed in writing at appropriate levels throughout the Army.

- d. Provide advice regarding Army supply policy to evaluate requests for deviation and review and approve implementation of procedural publications.
- e. Provide oversight and adjudicate property-related issues between subordinate activities within the Army.
- f. Be responsible for the development, supervision, and implementation of APSRs and AIT applications into the Army's enterprise business systems, to include supply, maintenance, transportation and readiness, troop support, and energy.
  - (1) Ensure AIT devices are integrated throughout the logistics process. AIT will be used to record and track transactions and movement of Army equipment and materiel throughout the supply (logistics) chain.
  - (2) Provide operational guidance that uses APSR functionality to support the Army's mission and enhance accountability.
  - (3) Advocate for electronic interfaces or other data exchange methods between the APSR and mandated enterprise systems (for example, Wide Area Workflow (WAWF) iRAPT Application), including but not limited to mandated data transactions and standards, such as Defense Logistics Management System and standard line of accounting.
  - (4) Require that APSR compliance be recorded using DD Form 3042 (Accountable Property System of Records (APSR) Equipment Requirements Checklist) and make the document available upon request (for example, to an auditor).
  - (5) Require APSRs be evaluated for compliance with the requirements of the Federal Information System Controls Audit Manual or Statement on Standards for Attestation Engagements No.18 at least annually. Provide the results to the Undersecretary of Defense for Acquisition & Sustainment upon request.
- g. Represent the Army at DoD and Joint Staff on supply operations, planning, budgeting, and execution to include commodity specific actions as well as supply chain integration.
- h. Establish and monitor effective and meaningful performance measures (see chapter 3) to assess the Army's performance by defined competency areas. Examples of competency areas include but are not limited to property loss prevention, fraud, waste, and abuse prevention, and utilization rates. Coordinate with the CG, AMC and the DCS G-3/5/7 on corrective actions, as required.
- i. Prescribe and monitor metrics to assess and report overall property management maturity level. The property management maturity level should meet the minimum standards as defined by ASTM International E-2452-12. The DoD Equipment Management Capability Maturity Model can be found at <https://www.acq.osd.mil>.
- j. Require periodic internal reviews and audits be conducted to assess property accountability; management system effectiveness; and policy compliance and effectiveness.
- k. In support of the Chief of Staff, Army, Supply Excellence Award (CSA SEA, see chap 3)—
  - (1) Promote competition at all levels of the Army and develop awards to recognize units/activities participating in the CSA SEA Program.
  - (2) Review CSA SEA packets submitted by subordinate organizations to select packets to be nominated for the CSA SEA competition.
  - (3) Fulfill CSA SEA responsibilities listed in paragraph 3-19.
- l. Provide advice on the development of procedures to transfer Operation and Maintenance, Army (OMA) funds, when property transferred is missing components.
- m. 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.
- n. Require personnel entrusted with government property to be trained to their level of functional responsibility.
- o. Approve the establishment of central issue facilities (CIF).
- p. Establish stockage levels and designate units required to keep basic loads of class I, II, III, IV, and VIII.
- q. Ensure all supplies belonging to ACOMs, ASCCs, DRUs, and installations, or supplies scheduled to depart from their commands are tracked while in distribution/transportation, accounted for, and safeguarded.
- r. Ensure that ACOM/ASCC/DRU commanders and senior commanders reconcile Global Force Management Information, financial, and logistics account data in the Army Enterprise Systems Integration Program (AESIP) annually.
- s. Develop policies and procedures and oversee the administration of the CSDP.
- t. Ensure the Program Executive Office Soldier will—

- (1) Be responsible for initial fielding of organizational clothing and individual equipment (OCIE) to Soldiers.
- (2) Identify required changes to common table of allowances (CTA) 50–900 to support replacement items.
- (3) Identify and coordinate with appropriate agencies to support initial fielding of OCIE.
  - u. Execute the additional responsibilities in paragraph 3–4.
  - v. Provide advice to the ASA (ALT) on the development of policies and procedures for the CSDP.
  - w. Conduct periodic reviews of the program and recommend updates to the ASA (ALT).
  - x. Provide ACOM/ASCC/DRU coordinators with periodic program updates.

## **2–5. Chief, Army Reserve**

The CAR will—

- a. Ensure that DA policy is uniformly implemented.
- b. Assist in developing and coordinating MOUs and inter-Service support agreements.
- c. Evaluate and make recommendations on requests for deviation.
- d. Report and/or respond to reports of supply constraint per AR 725–50.
- e. Monitor and assess the results of supply performance measurements.
- f. Communicate with the ASA (FM&C) and AMC, DCS for Resource Management when resource deficiencies limit mission accomplishment in response to the annual HQDA Resource Formulation Guidance.
- g. Coordinate with the CG, AMC on proper corrective actions.
- h. Identify and recommend proposed changes to Army supply policy.
- i. Assist and coordinate the application of APSRs in support of supply operations within supported units.
- j. Ensure compliance with the requirements of paragraph 2–4.
- k. Fulfill CSA SEA responsibilities listed in paragraph 3–19.

## **2–6. Commanding General, U.S. Army Materiel Command**

The CG, AMC will—

- a. Ensure that DA policy is uniformly implemented.
- b. Assist in developing and coordinating MOUs and inter-Service support agreements.
- c. Evaluate and make recommendations on requests for deviation.
- d. Report and/or respond to reports of supply constraint per AR 725–50.
- e. Monitor and assess the results of supply performance measurements.
- f. Communicate with the ASA (FM&C) and AMC, DCS for Resource Management when resource deficiencies limit mission accomplishment in response to the annual HQDA Resource Formulation Guidance.
- g. Identify and recommend proposed changes to Army supply policy.
- h. Assist and coordinate the application of APSRs in support of supply operations within supported units.
- i. Ensure compliance with the requirements of paragraph 2–4.
- j. The CG, AMC will also—
  - (1) Provide oversight of the centralized asset visibility and inventory control functions exercised by the various AMC life cycle management commands (LCMCs).
  - (2) Recommend and implement corrective actions in coordination with the ACOM/ASCC/DRU commanders.
  - (3) Catalog the Army’s participation in the Federal Catalog System and on the Army’s cataloging operations.
  - (4) Conduct the technical staff supervision of the sustainment planning and execution of its assigned units and activities.
  - (5) Integrate Army inventory management functions under the single manager concept.
  - (6) Provide inventory and financial oversight for Army-owned, non-Army managed items (NAMI) assets via the NAMI Product Support Integrated Division.
  - (7) Implement a uniform credit system per DA policy.
  - (8) Forecast and budget funding requirements for the Army AIT programs at its major subordinate command, depots, and other activities; provide input on AIT requirements to the DCS, G–4 (Force Projections and Distribution) the lead office for Army AIT; and serve as the configuration manager for each Army commodity.

- (9) Act as executive manager for class II sets, kits, outfits, and tools (SKOT), manage the SKOT program, and identify requirements and submit requests for resources to the DCS, G-4 Director of Supply Policy (DALO-SPS).
- (10) Act as the Army's Lead Materiel Integrator (LMI) having responsibility and authority for managing equipment distribution and redistribution for the Army.
- (11) Ensure the AMC LCMC Commanders will—
  - (a) Ensure security assistance program requirements are integrated into the total materiel requirements.
  - (b) Set controls to make sure commitments to security assistance customers are met.
- (12) Ensure the Commander, U.S. Army Tank-Automotive and Armaments Command requests disposition instructions from the sources of supply when no redistribution opportunities exist.
- (13) Ensure the Director, Logistics Data Analysis Center (LDAC) will—
  - (a) Provide a centralized logistics data and production/storage area network operation for the Army.
  - (b) Operate and maintain the integrated data base used to support the performance management and analysis of the supply support and materiel management of the Army.
  - (c) Maintain a current central database of the DoDAAC and routing identifier codes.
  - (d) Provide special extracts of logistical management data for DoD, as required.
  - (e) Serve as the materiel status officer for AMC approval authority.
- (14) Execute the additional responsibilities in paragraph 3-4.
  - k. Establish and implement a CSDP consistent with DA policy addressing the national aspect of the supply system.
  - l. Conduct periodic reviews and updates of the national portion of the CSDP.
  - m. Recommend program updates to the DCS, G-4.

## **2-7. Commanding General, U.S. Army Training and Doctrine Command**

The CG, TRADOC will—

- a. Ensure that AIT is incorporated into materiel requirements documents for future systems required to utilize AIT per the approved AIT operational requirements document; require all data, data processing and data sharing/transmission/migration be Army Enterprise Systems Integration Program compliant.
- b. Streamline the approval and implementation processes that develop and add emerging logistics technology, trends to logistics training in military occupational specialty (MOS) producing, and professional development schools and programs.
- c. Ensure the Commander, U.S. Army Quartermaster School will—
  - (1) Serve as Army program agent for administration of all aspects of the CSA SEA Program.
  - (2) Review and approve ACOM/ASCC/DRU nominations submitted for consideration and evaluation in the CSA SEA program. Fulfill CSA SEA responsibilities listed in paragraph 3-19.

## **2-8. Commanding General, U.S. Army Combined Support Command**

The CG, CASCOC will provide for the development and maintenance of national supply systems that implement national supply policy. This does not include those retail systems unique to AMC.

## **2-9. Army commands/Army service component commands/direct reporting units and U.S. Army Reserve Command**

The commanders of ACOMs, ASCCs, DRUs, U.S. Army Reserve Command (USARC), and subordinate organizations will—

- a. Evaluate and respond to requests for clarification of Army policy.
- b. Evaluate and make recommendations on requests for deviation.
- c. Report and/or respond to supply constraint reports.
- d. Monitor the results of supply performance measurements.
- e. Direct the transfer or shipment of property between the gaining and losing ACOM/ASCC/DRU.
- f. Ensure all supplies belonging to, arriving in, or departing from their command are accounted for, cared for, and safeguarded.
- g. Inspect the supply operations of directly subordinate units.
- h. Ensure all required inventories are conducted within prescribed periods.
- i. Authorize property books to be kept at other than the parent UIC level.

- j.* Promote the competition at all levels of the command and develop awards to recognize units/activities within the command participating in CSA SEA.
- k.* Review unit supply packets submitted by subordinate organizations. Select those packets to be nominated for the HQDA-level CSA SEA competition. Fulfill CSA SEA responsibilities listed in paragraph 3–19.
- l.* Ensure AIT devices are integrated throughout the logistics process. AIT will be used to the maximum extent possible to record all logistics transactions of Army equipment from cradle to grave.
- m.* Appoint decision support tool planners and comply with or reclama all disposition issued decision support tools within the timeframe allotted.
- n.* Ensure all supplies belonging to ACOMs/ASCCs/DRUs and installations or departing from their command are tracked while in distribution/transportation and accounted for and safeguarded.
- o.* Execute the additional responsibilities in paragraph 3–4.
- p.* Appoint a CSDP coordinator and furnishing a copy of the appointment to DCS, G–4, Director of Supply (DALO–SP), 500 Army Pentagon, Washington, DC 20310–0500.
- q.* Ensure the CSDP is implemented by all subordinate elements.
- r.* Initiate intra-service support agreements, as described in paragraph 3–7.
- s.* Provide recommended changes to the CSDP to DCS, G–4 Director of Supply Policy Directorate (DALO–SPE).
- t.* Add to the program, when necessary, to account for any uniqueness within their command.

## **2–10. Brigade and battalion commanders**

Brigade and battalion commanders will—

- a.* Implement their supporting CSDP by using existing assets (for example, chain of command, organizations, or programs) to avoid duplication or fragmentation of effort. The commanders' designated action officers will then incorporate CSDP into their evaluation plans and procedures.
- b.* Provide the necessary oversight and command emphasis to ensure the success of the CSDP.
- c.* Appoint, in writing, a senior logistician in the headquarters (HQ) as the CSDP monitor.
- d.* Recognize both superior and inferior performance regarding supply discipline within their organizations.
- e.* Use the results of the CSDP evaluations to determine candidates for the CSA SEA Program.
- f.* Evaluate all supply operations annually using DA Form 7768 (see chap 3).

## **2–11. Commanders, activity supervisors, and managers**

Commanders, activity supervisors, and managers at all levels will ensure compliance with applicable policies prescribed by this regulation and outlined in the internal control evaluation listed in appendix F. Commanders, activity supervisors, and managers will ensure all Government employees properly use, care for, and safeguard all Government property. Commanders, activity supervisors, and managers will seek the most efficient and economical means of accomplishing assigned tasks and will limit requests for, and use of, material to the minimum essential.

- a.* Review and comply with the requirements listing within DA Form 7768.
- b.* Use DA Form 7768 as a guide in the performance of their property accountability duties.
- c.* Report to their immediate higher HQ any applicable requirements within the CSDP that cannot be completed.
- d.* Commanders or equivalent supervisors will use the CSDP to evaluate supply operations to ensure compliance with DA policies and procedures.

## Chapter 3

### Supply Management Programs and Incentives

#### Section I

#### Command Supply Discipline Program

##### 3-1. General

This chapter contains concepts, policies and procedures for establishing and maintaining the CSDP. The CSDP addresses supervisory or managerial responsibilities within the supply system from the user to the ACOM, ASCC, and/or DRU level. This regulation establishes the specific requirements for the CSDP.

a. The CSDP is a compilation of existing regulatory requirements brought together for visibility purposes. It is directed at standardizing supply discipline throughout the Army.

b. The CSDP is a commander's program. Commanders, PEOs (general officer (GO)/senior executive service (SES)), PMs (colonel (COL)/GS15) and PdM (lieutenant colonel (LTC)/GS14) and equivalent activity supervisors will implement the CSDP by using their existing resources, such as Command Inspection Programs, Internal Review Office, staff personnel, and similar activities. Therefore, commanders or equivalent supervisors will not establish new evaluation teams because of the CSDP. The designated evaluating activity incorporates CSDP policy and procedures in its evaluation plans and procedures. Additionally, local Inspectors General can be used to conduct special inspections using the systemic methodology for determining root causes for problems identified through the CSDP.

c. The CNGB enforces each state ARNG CSDP, using the ARNG Command Logistics Review Team to ensure federal property is accounted for and protected under the provisions of Section 710, Title 32, United States Code (32 USC 710).

d. This chapter implements the CSDP and the CSDP internal controls checklist published in DA Form 7768.

e. As a mandatory program, CSDP is meant to simplify command, and supervisory and managerial responsibilities. Simplification is accomplished by:

- (1) Compiling the various requirements so responsible personnel are easily informed.
- (2) Standardizing evaluation requirements.
- (3) Formalizing follow-up procedures.

##### 3-2. Purpose

a. The purpose of the CSDP is to—

- (1) Establish supply discipline policy.
- (2) Standardize supply discipline requirements.
- (3) Provide responsible personnel with a single listing of all existing supply discipline requirements.
- (4) Make the Army more efficient regarding time spent monitoring subordinates' actions.

b. To achieve the above purpose, the CSDP—

- (1) Ensures compliance with DA supply policy and procedures.
- (2) Determines the adequacy of established DA supply policy and procedures.
- (3) Identifies supply problems to permit timely corrective action within the chain of command.

##### 3-3. Explanation of terms

The following terms are defined for use as they apply to this chapter:

a. *Supervisory personnel.* All individuals in a position of responsibility whose job involves them with supply operations within or for the Army force structure. This applies to officers, warrant officers, and non-commissioned officers (NCOs). This also applies to enlisted or civilian personnel in supervisory positions.

b. *Supply economy.* The conservation of material by every individual dealing with Army supplies to ensure only the proper item in the necessary amount is used to accomplish a task. The term stewardship of resources is synonymous with supply economy.

c. *Supply discipline.* The compliance with established DA regulations to effectively administer supply economy. Supply discipline applies to all functions and levels of supply (from organization/contractor through national users) and to the effective use of supply funds.

d. *Command Supply Discipline Program.* A four-fold program addressing the following:

- (1) Responsibilities of commanders to instill supply discipline in their organizations.

- (2) Responsibilities of supervisory personnel to instill supply discipline in their operations.
- (3) Guidance for evaluating supply discipline. Feedback through command and technical channels for improving supply policy and for improving procedures to monitor supply discipline.
- (4) Follow-up to ensure supply discipline is maintained.
- e. *Repeat finding.* A discrepancy of noncompliance noted from a previous evaluation and unresolved beyond the established suspense date.
- f. *Requirements listing.* A compilation of existing regulatory requirements as a single source listing organized by level of responsibility or function (DA Form 7768).
- g. *Parent organization.* The command level over the supervisory personnel and/or APOs. For table of distribution and allowances (TDA) organizations, the parent organization is that command level designated as the appointing authority for financial liability investigations.

### **3-4. Monitoring Army command/Army service component command/direct reporting unit, and Department of Army levels**

At the ACOM/ASCC/DRU and DA levels, formal visibility of the CSDP is provided through the ACOM/ASCC/DRU internal controls program per this regulation.

### **3-5. Implementation**

- a. Each commander provides the personal interest and direction necessary to establish an effective CSDP.
- b. Each command level above the organization level will appoint a CSDP coordinator to assist the commander with establishing and monitoring the CSDP.
- c. The CSDP is incorporated into existing resources in the command to avoid redundancy of effort.
- d. A compilation of existing requirements is established within DA Form 7768. The present supply-oriented supervisory responsibilities are listed according to level of responsibility.
- e. Each level of command will review the DA Form 7768 and make necessary additions to account for any uniqueness within the command.
- f. Supervisors utilize the requirements listing in the normal performance of their duties.
- g. Whenever an applicable requirement within the requirements listing cannot be completed, the immediate higher HQ must be notified by the affected organization.

### **3-6. Documentation**

- a. At the user level, no additional recordkeeping unique to the CSDP is required. The normal recording of inventories and inspections are still required.
- b. The level conducting the external evaluation will—
  - (1) Provide the subordinate organization a copy of the evaluation results.
  - (2) Establish a file of evaluations conducted. A minimum of two evaluations per organization will be maintained.
- c. The minimum information required in the file of evaluations conducted is—
  - (1) Date of the evaluation.
  - (2) Organization evaluated.
  - (3) Findings and associated suspense dates.
  - (4) Repeat findings.

### **3-7. Intra-service support agreements**

In order to make the CSDP a responsive and efficient program, commanders should make maximum use of intra-service support agreements. Numerous tenant organizations are located at many installations. Chain of command evaluations of these subordinate organizations per the CSDP frequency requirements may create extensive travel and personnel workload. ACOM/ASCC/DRU commanders are encouraged to enter into intra-service support agreements to authorize senior commanders to conduct evaluations of applicable tenant organizations. Evaluation results would then be forwarded to the respective ACOM/ASCC/DRU commander or HQ.



## Section II

### Program Guidance

#### 3-8. Evaluations

a. The CSDP does not require vertical assessments of subordinate organizations' activities. Each command level is required to evaluate the next lower level of operations (except for Reserve Officers' Training Corps (ROTC) battalions, which will be inspected per ROTC governing regulations). Further evaluations of lower levels are as command directed. Further evaluations of other levels are as required by a commander or equivalent supervisor.

b. User, APO (property book), direct support, and general support levels.

(1) Supervisors (commanders and managers) are primarily expected to utilize the CSDP to police their own operations. The most effective means of ensuring supply discipline is to have an internally self-administered program practiced on a routine basis.

(2) At these levels, the CSDP requires no additional recordkeeping. The normal recording of inventories, inspections, and so on, is still required.

(3) At the completion of an evaluation by a higher HQ, the evaluated supervisor will determine a suspense date (get-well date) for each finding to establish when each discrepancy will be resolved.

(4) The supervisor's chain of command is authorized to grant extensions to the established suspense dates.

(5) Whenever the resolution of a finding is determined to be beyond the supervisor's capability, elevate such a finding to the appropriate level capable of resolving the discrepancy.

c. Parent organizations and higher commands.

(1) The immediate organizational level above the user/APO level is the parent organization.

(2) The parent organization and higher command levels are required to evaluate the subordinate user/APO for compliance with established policy.

(3) Parent organizations and higher command levels will conduct formal evaluations of subordinate levels on a periodic basis (per tables 3-1 and 3-2) to—

(a) Provide supervisors with feedback of their supply discipline performance.

(b) Identify supply problems and resolve difficulties before they become serious.

(c) Determine if resolution of past findings is complete and appropriate.

(4) Each parent organization and higher command level will maintain a file of evaluations to record—

(a) Date of evaluation.

(b) Organization evaluated.

(c) Findings and associated suspense dates.

(d) Repeat findings.

(5) Some evaluation findings of noncompliance may be due to circumstances beyond the control of the evaluated organization; for example, the discrepancy is a result of conflicting command or policy guidance. The level conducting the evaluation is then responsible for elevating such a finding to the appropriate level capable of resolving the discrepancy.

#### 3-9. Evaluation frequency

Tables 3-1 and 3-2 display the minimum frequency of evaluations required to monitor the status of supply discipline in subordinate organizations.

a. At the user/APO, direct support and general support levels, supervisors fulfill their responsibilities as directed by their chain of command. The frequency of their internal evaluations is set as desired.

b. The parent organization and higher command level representatives will conduct formal evaluations on a periodic basis as depicted in tables 3-1 and 3-2. Direct Support and general support supply operations are evaluated semiannually by their higher HQ; logistics readiness center (LRC) evaluates Installation Supply Division.

c. Tables 3-1 and 3-2 display various types of organizations within the Army force structure. Whenever a unique organizational structure does not fit the charts in tables 3-1 and 3-2, the evaluation responsibilities then fall on that level immediately higher within the established force structure.

*Note.* When organizations are deployed and not available for the inspection frequency, the inspecting activity representative will have a memorandum on file in lieu of the inspection signed by the brigade/group commander or first O-6 in the chain of command. The frequency of evaluation is separately addressed

for six different types of force structures: divisional, non-divisional, TDA, U.S. Army Training and Doctrine Command, ARNG, and USAR. Not included, but still required, is the semiannual evaluation of Direct Support and General Support Stock Record Account supply operations.

**Table 3–1**  
**Command Supply Discipline Program evaluation frequency**

<b>For RA divisional units</b>					
Evaluated organizations					
Frequency	Company	Battalion	Brigade	Sep brigade or division	
Semiannually	By battalion	By brigade or separate brigade	By division		
Annually				By Corps or ACOM/ASCC/DRU	
<b>For RA nondivisional units</b>					
Frequency	Company	Battalion	Brigade or support group commanded by an O–6	Theater/ expeditionary support command, brigade, or regiment commanded by an O–7	Corps
Semiannually	By Battalion	By Support Group, Expeditionary Sustainment Command (ESC), or Theater Sustainment Command (TSC)			
Annually			By TSC/ESC/ASCC	By corps	By ACOM/ASCC/DRU
<b>For TDA organizations</b>					
Frequency	PHRH or supervisor	APO	Installation stock record	Installation command	ASCC/DRU subordinate command and UIC commands with property book APO
Semiannually	By immediate supervisor				
Annually		By installation or immediate supervisor	By Immediate supervisor		
Biennially				By the ACOM/ASCC/DRU	By the ACOM/ASCC/DRU
<b>For PEO/PM/PdM</b>					
Frequency	PHRH or supervisor	APO (PM/PdM property book record)	APO (PM/PdM stock record)	PM/PdM	PEO subordinate command and UIC commands with APO
Semiannually	By immediate supervisor				

**Table 3–1**  
**Command Supply Discipline Program evaluation frequency—Continued**

Annually		By PM/PdM or immediate supervisor	By PM/PdM or immediate supervisor		
Biennially				By the PEO	By the PEO
<b>For U.S. Army Training and Doctrine Command organizations</b>					
Frequency	Training company	Training battalion	Training brigade	Center of Excellence/ Activity	
Semiannually	By training brigade				
Annually			By training brigade	By Center of Excellence	
Biennially				By the ACOM/ASCC/DRU	
Cadet Commander					
Frequency	Programs	Brigades	HQ elements		
Biennially	By Brigade	By HQ elements	By ACOM/ASCC/DRU		
U.S. Army Recruiting Command					
Frequency	Battalion	Brigade	HQ element		
Annually	By Brigade	By HQ element			
Biennially			By ACOM/ASCC/DRU		
<b>For USAR organizations</b>					
Frequency	Company	Battalion	Brigade, Regiment, Group, General Officer Command	Major USAR Command	
18 Months	By battalion	By Brigade, Regiment, Group, General Officer Command	By Major USAR Command		
Biennially				By ACOM/ASCC/DRU	

**Table 3–2**  
**Command Supply Discipline Program evaluation frequency for Army National Guard organization–**

Frequency	Company level PHRH level	Battalion/supervisory level	APO	Stock record account
Annually	By next higher HQ	By next higher HQ	By State HQ	By State HQ
Triennially				
Frequency	Brigade, Regiment, Group	Division (if applicable)		United States Property and Fiscal Office (USPFO)/State HQ

**Table 3–2**  
**Command Supply Discipline Program evaluation frequency for Army National Guard organization—Continued**

Annually				
Triennially	By Division or State HQ	By State HQ		By ARNG Command Logistics Readiness Team

### 3–10. Requirements listing

a. A compilation of existing requirements is established as a requirements listing/management controls (DA Form 7768). Commanders at each level will review the requirements listing for completeness and make the necessary additions to account for any uniqueness within the command.

b. The intent of the requirements listing is to provide supervisors (commanders or managers) with a single standard policy requirement. The requirements listing is organized into one table according to level of responsibility within DA Form 7768, which outlines the various supervisory responsibilities along with references to applicable regulations. Evaluated elements within these tables are identified by an alphabetic character, and sub elements are identified by a numeric character.

(1) Use the table from DA Form 7768 that accurately describes the type of organization or activity being reviewed.

- (a) Property accountability.
- (b) Assigning responsibility for property.
- (c) Inventory compliance.
- (d) Control of hand tools.
- (e) Control of durable property.
- (f) Reduction of excess property and its causes at the organizational level.

(2) A minimum of two sub elements that are applicable to the organization or activity will be reviewed annually.

(3) When deemed necessary to review identical sub elements in consecutive years, two sub elements in addition to those reviewed the previous year must also be reviewed during the current year.

c. The information within each of the requirements listings is outlined in the following format:

- (1) Regulatory requirement. A concise listing of the guidance.
- (2) Administrative procedures. The actions needed to complete the regulatory requirement.
- (3) Reference. The source of the requirement.
- (4) Frequency. A listing of how often the regulation specifies the accomplishment of the task. An “as needed” frequency is an event-oriented requirement. The “routine” frequency means as often as necessary as a part of the supervisor’s normal functions.

### 3–11. Evaluation procedures

a. The purpose of the evaluation is to determine whether or not an organization is complying with regulatory policy and procedures. The requirements listing (DA Form 7768) establishes the minimum standards. Commanders and equivalent supervisors may require additional items to evaluate local requirements which do not conflict with the DA Form 7768 requirements.

b. CSDP evaluations will include the following:

(1) A review of the property book, document file, document register, due-in status file, HRs, loads, bench stocks, and shop stocks will be conducted. Also, a check will be made of procedures used to request, receive, and account for property, and to return recoverable items. These areas are included in the requirements listing (DA Form 7768).

(2) A verification that school-trained supply personnel are assigned to and working in supply positions. Organizations train to accomplish their missions by frequent sustainment training on critical tasks. Supply Soldiers will be trained on performance standards as it relates to their MOS (example 92Y 10, 20, 30 40) in Soldier’s Manual, Trainer’s Guides such as STP 10–92Y12–SM–TG and STP 10–92Y34–SM–TG, instructions in this regulation. Training should be conducted on a monthly basis as it relates to the skill levels outlined in the training guide, while building on next skill level. Commanders without authorizations for MOS-trained supply personnel will ensure personnel performing supply duties are trained and certified through installation or command schools, local low-density MOS training, and distributed learning.

(3) A comparison of a representative sample of completed supply transactions for nonexpendables with the organization's property records (pertains to property book accounts only). Obtain a random sample of transactions from each SSA that supplies the organization with nonexpendable supplies. Make sure necessary annotations were made in the document register and the property book. Also, verify that copies of the documents are filed in the supporting document file.

(4) A review of the procedures for all shelf-life items, including the procedures for their ordering, storage, rotation, Type II shelf-life extension and issue.

c. The evaluation process is as follows:

(1) Evaluators will record findings on each applicable requirements listing entry.

(2) The results of the last evaluation will also be reviewed to determine if past discrepancies were resolved. Resolved and repeat findings will be noted. Personnel being evaluated may make on-the-spot corrections.

(3) Evaluators will record findings on each applicable requirement in the requirements listing. The results of the last evaluation will also be reviewed to determine if past discrepancies were resolved. Resolved and repeat findings will be noted.

d. The organization's supervisor will be briefed on the evaluation findings at the completion of the evaluation. The supervisor, during the out briefing, will establish a suspense date (get-well date) for resolution of each discrepancy. The supervisor's chain of command is authorized to grant extensions to the established suspense date.

e. In the case of a discrepancy due to circumstances beyond the control of the evaluated organization, elevate the discrepancy up the chain of command to that level capable of resolving the problem.

f. In the case of repeat findings, the chain of command will be notified of the problem upon completion of the evaluation in order to reestablish compliance.

g. The evaluated organization and/or activity will be provided copies of each evaluation made under CSDP. The copies will specify any noncompliance findings along with the respective suspense dates determined by the supervisor. The evaluator will also retain a copy of the evaluation and use it for follow-up on corrective actions during the next periodic evaluation.

h. If major problems or policy questions surface during a CSDP evaluation, these findings will be elevated up the chain of command to that level capable of resolving the problem.

## **Section III**

### **Enforcement of Supply Discipline**

#### **3-12. Methods for enforcing supply discipline**

Enforcement of supply discipline is accomplished through a combination of leadership, command emphasis, training, administrative measures, and disciplinary measures.

#### **3-13. Administrative measures**

AR 735-5 provides various administrative measures for accounting for lost, damaged, and destroyed property. These actions must be followed for the relief from property accountability. However, they are oriented to supply accountability and are not intended to be used as corrective or disciplinary actions. The assessment of financial liability is solely for the purpose of administratively recouping the value of losses to the U.S. Government.

#### **3-14. Disciplinary measures**

Commanders must recognize that military discipline goes hand-in-hand with supply discipline. The commander has several adverse action tools available for use. These tools serve as both deterrence and corrective action.

#### **3-15. Reacting to incidents of nonfinancial liability**

Use of administrative and adverse actions need not be limited to cases involving the standards prescribed for financial liability. Even when no financial liability is found, the facts may warrant some form of command action, such as a failure to properly supervise an operation or a subordinate's actions. For example, there is little doubt that measures should be taken against a supply sergeant whose stocks were found by a command inspection to be \$10,000 short because of their misconduct, neglect, or inefficiency.

However, similar action might also be appropriate against supervisors and commanders in the chain of command if an investigation revealed inadequate command supervision (failure to conduct or verify inventories, failure to conduct checks, and so on).

### **3–16. Ensuring supply discipline and management controls**

The best means of ensuring supply discipline is to be proactive and not reactive in supply operations. Supply discipline does not lend itself to infrequent emphasis. The absence of a school-trained supply specialist opens the door to accountability issues and creates gaps in readiness. It is important for personnel to be properly trained and versed in CSDP; this will create a strong program. The CSDP program has internal controls embedded into it, which enables supply personnel to be audit ready. Enforcing discipline and compliance with regulations requires constant command emphasis. To effectively instill and maintain supply discipline, commanders and supervisors at all levels must adhere to CSDP procedures and conduct supply discipline training for all subordinates with the organization. They must be properly trained on how to account and care for the equipment provided to them as it relates to their job and mission requirements. Standard training examples include, subhand receipt (SHR) procedures, property inventory, component hand receipts (CHRs), shortages, receipt, and turn-in procedures (serviceable/unserviceable). At a minimum, organizations must provide professional development training semiannually to adhere to current CSDP policy and procedures.

## **Section IV**

### **Chief of Staff, Army, Supply Excellence Award Program**

#### **3–17. General**

The annual CSA SEA Program is a Total Army program that is open to RA, ARNG, and USAR units.

#### **3–18. Purpose**

The purpose of the CSA SEA program is to enhance the logistical readiness and supply effectiveness of Army organizations by objectively assessing organizational compliance with measurable performance standards, evaluating the organization's standard operating procedures and best practices, and subjective evaluations by experts. The program recognizes Army units and SSAs that exhibit excellence in unit-level and tactical level supply programs. It provides increased incentives to the programs of the ACOM/ASCC/DRUs internal CSDP by adding a higher level of competition at the DA level.

#### **3–19. Roles**

- a. Annually the Chief of Staff, Army (CSA), Vice CSA, and the DCS, G–4, or their designated representatives recognize unit representatives or support activities selected as CSA SEA winners and runners up.
- b. The DCS, G–4 will—
  - (1) Provide program funding, guidance, policies, and overall guidance to the U.S. Army Quartermaster Center and School (USAQMC&S) for the CSA SEA program.
  - (2) Provide selective support and materials to assist in the promotion of the Supply Excellence Award (SEA) Program, within the three Army Components (RA, USAR, and ARNG).
  - (3) Prepare and distribute DA implementing guidelines and criteria for participation in the CSA SEA Program.
  - (4) Review and approve submissions by USAQMC&S SEA evaluators for the list of winners, publish the annual winners' message, and disseminate to the field.
- c. The CNGB will provide qualified members for the evaluation team, as required.
- d. The Chief, Army Reserve will provide qualified members for the evaluation team, as required.
- e. ACOM/ASCC/DRU, CNGB, and USAR commanders will—
  - (1) Promote competition at all levels of command and develop awards to recognize units and activities participating at all levels of the competition.
  - (2) Select those units and organizations to be nominated to the HQDA-level CSA SEA competition per instructions and criteria in DA implementing guidelines.
- f. The Commander, USAQMC&S will—
  - (1) Serve as responsible official for administration of all aspects of the CSA SEA Program and—

- (a) In conjunction with the DCS, G–4 (DALO–SPE), develop and coordinate updates and modifications to policy and administrative instructions.
- (b) In conjunction with the DCS, G–4 (DALO–SPE), develop, revise, and maintain security of the evaluation protocols used to select winners.
- (2) Review and approve nominations submitted for consideration and evaluation in the CSA SEA Program.
- (3) Manage and coordinate the onsite evaluation schedule, to include the following roles:
  - (a) Orchestrate the onsite evaluators for all components of the Army.
  - (b) Provide evaluators to perform evaluations for the RA.
  - (c) Coordinate for evaluators, along with the DCS, G–4, from ARNG and USAR components to assist in the evaluations.
  - (d) Ensure the appropriate number of evaluators is available to evaluate unit activities and SSAs.
  - (e) Ensure evaluators perform and rate evaluations of participating units based on published evaluation schedule no later than the end of March of each calendar year.
  - (f) Provide breakdown of nominated units by levels of competition to the DCS, G–4 prior to onsite evaluations.
- (4) Prepare and submit a notification-of-winners memorandum to the DCS, G–4 for approval and dissemination in an Office of the DCS, G–4 message.
- (5) Control and account for all funds provided by the DCS, G–4 for the CSA SEA Program.
  - (a) Use funds to conduct the evaluations, for operational supplies/equipment and the awards recognition processes. Funds will cover travel arrangements (travel orders and itineraries) for the CSA SEA evaluators and winners.
  - (b) Coordinate publication of winning unit data in Army logistics and sustainment-related publications and newsletters.

## **Chapter 4**

### **Organizational Supply Operations**

#### **Section I**

#### **General Information**

##### **4–1. Scope**

This chapter provides policy for organizational supply operations. It is concerned with accounting and assigning responsibility for nonexpendable property and for controlling durable and expendable property.

##### **4–2. General organizational functions**

- a. An organization's supply operation is structured under an modified table of organization and equipment (MTOE), TDA, or joint table of allowances. The supply operation is responsible for identifying, acquiring, accounting, controlling, storing, and properly disposing of material authorized to conduct the mission of the unit or used to garrison, equip, and maintain the Soldier. The organization (using unit) is the foundation of the supply system.
- b. Units and activities that use this chapter are using funds that are appropriated by Congress and are called OMA or "operating" or "consumer" funds. These funds are appropriated for one year. OMA funds for these activities are mission funds used for clearly defined purposes. Any item of supply, excluding supply class V (ammunition) and class VII (end items), placed on request to the supporting field maintenance unit/organizational level maintenance uses these funds and the unit's funds are decremented by total cost of the material.
- c. An HQDA-approved APSR will be used by APOs and unit supply personnel to perform transactions to accomplish their assigned supply, logistics, and property book actions.
  - (1) Hard copy processing outside of an approved APSR will only be used by exception, such as a system failure/breach/outage, austere missions, walk-up emergency, and similar temporary needs. These temporary hard copy transactions must be entered in the APSR within three working days of restored access.
  - (2) A hybrid APSR and hard copy processing approach may be used when the organization's APSR must transact with an incompatible software or hard copy process outside the APSR, or must perform

transactions with an external software system which does not comply with data standards of Defense Logistics Manual (DLM) 4000.25, (available at <https://www.dla.mil>.) These transactions must be completed in the APSR to the extent possible, and any remaining hard copy actions must be filed per AR 25–400–2.

(3) Hard copy-only transactions may be used when the APSR does not perform the necessary supply or property accounting function, such as a commodity or unique requirement not supported in the APSR, or an organization in a Joint, Multiservice, Inter-Agency, or other organization exempt from using Army APSRs. File these transactions per AR 25–400–2.

## **Section II**

### **Property Accountability and Responsibility**

#### **4–3. Property accounting principles**

a. All persons entrusted with Government property are responsible for its proper use, care, custody, safekeeping, and disposition. Loss, damage, or destruction of property and relief of accountability or responsibility for property is addressed in AR 735–5.

b. Persons will not be assigned to a duty that will prevent them from exercising proper care and custody over the property for which they are responsible.

c. When a person assumes accountability for property that is remotely located, records must be maintained to show the location of the property and the persons charged with its care and safekeeping.

d. Vouchers for the issue or expenditure of property that are not specifically authorized by regulations or authorization tables will give the reason for the transaction and identify the commander or equivalent supervisor who directed it.

e. Army property will not be used for any private purpose except as authorized by law.

f. No Government property will be sold, given as a gift, loaned, exchanged, or otherwise disposed of unless specifically authorized by law.

g. Items replaced in-kind and payments made per AR 735–5 for lost, damaged, or destroyed Army property do not constitute a sale of Army property. Title to such property remains with the Government.

h. Giving or accepting an issue document, hand receipt, or other form of receipt to cover articles that are missing, or appear to be missing, is prohibited.

i. Serial number requirements in APSRs and on manual forms are governed by serialized item management policies per AR 710–3.

j. Army property will not be loaned or leased except as specifically authorized in AR 405–45, AR 700–131, or other appropriate regulations.

k. Military members or civilian employees of the Army who occupy Government quarters, or who have been issued furnishings for use in family quarters, must properly care for such property. Military members and civilian employees occupying Government quarters are responsible for the damage caused by their dependents' negligence to the quarters and the furnishings and equipment contained therein.

l. The requisitioning or assembling of excess repair parts and/or components to create a new end item at the using unit level is prohibited unless the end item, set, kit, outfit, or assemblage is specifically designated for fabrication as the approved sourcing solution. This prohibition does not apply to acquisition programs or research, development, test, and evaluation activities.

m. All excess equipment and supplies will be turned in to the appropriate SSA per this regulation.

#### **4–4. Accountability**

Accountability is the obligation of a person to keep records of property, documents, or funds. These records show identification data, gains, losses, dues-in, dues-out, and balances on hand or in use.

#### **4–5. Accounting for Army property**

a. All property (including historical artifacts, art, flags, organizational property, and associated items) acquired by the Army from any source, whether bought, scrounged, or donated, must be accounted for as prescribed by this regulation. The accounting will be continuous from the time of acquisition until the ultimate consumption or disposal of the property occurs. Supporting documents will be maintained as prescribed by appropriate regulations.

b. Property is categorized for financial accounting and reporting purposes as tangible property both real and personal property. Real property consists of lands and permanent structures. Personal property



is made up of equipment and other nonexpendable supplies, collectively called non-consumable supplies, all consumable supplies, and relocatable buildings.

c. All property or material, except real and contractor-acquired property, acquired in any manner will be properly accounted for on item detail accounting records and financial (dollar) item accounting records. Responsibility will be fixed as prescribed by this regulation or other Army policy. The local commander or equivalent supervisor may direct more stringent controls for expendable material.

d. All Army property, except real property, will be classified for property accounting purposes as expendable, durable, or nonexpendable. The criteria for the assignment of each accounting requirements code (ARC) are shown in appendix C.

e. The physical characteristics and the anticipated use are the main factors in classifying an item. However, unit price will be considered to ensure that the costs of the accounting procedures being required are not out of proportion to the cost of the item being controlled. Items classified as—

(1) Nonexpendable property per Appendix C will require formal property book accounting at the user level.

(2) Expendable or durable items require no formal accounting after issue to the user level unless these items meet other accounting criteria per Appendix C.

(3) All durable property will be controlled at the user level using hand-receipt procedures or managed using inventory lists. The brigade and battalion level commander or equivalent supervisor will monitor items coded durable per Chapter 5. In addition, the commander or equivalent supervisor will conduct management reviews annually, per Chapter 5 procedures.

f. Property coded with an ARC of “N” in the Army Master Data File contained on the AEMM. Nonexpendable items require property book accountability after issue from the stock record account. Commercial and fabricated items, similar to items coded N in the AEMM are considered nonexpendable items.

g. APOs will establish accountability for any property not accounted for as soon as the discrepancy is discovered. Employees of the Army, both military and civilian, will turn in all found Government property to the supply system.

*Note.* This category consists of end items of equipment which are separately identified. It includes all class VII all items assigned a LIN in SB 700–20 (other than office furniture in Federal Supply Classes (FSCs) 7110, 7125, and 7195) with an organization cost of less than \$500, and other selected class II, IV, and X end items. OCIE authorized by CTA 50–900 will be accounted for in the same manner as nonexpendable supplies regardless of the ARC reflected in AEMM.

#### **4–6. Responsibility for property**

a. Responsibility is the obligation of an individual to ensure Government property and funds entrusted to their possession, command, or supervision are properly used and cared for, and that proper custody, safekeeping, and disposition are provided.

b. Property responsibility is the relationship between people and the property under their control. Responsibility will be assigned and acknowledged in writing for all property recorded in the property book as on hand. The property book will be the basic record assigning responsibility.

c. All DA military personnel and civilian employees are responsible for the proper use, care, and physical protection of Government-owned property entrusted to their possession, command, or supervision. This responsibility includes using Government property for official business only, complying with all applicable regulations and contacting the appropriate authority if property is subjected to undue risk.

d. Procedures to control property and record responsibility for property are prescribed in chapter 6 and chapter 8.

#### **4–7. Types of responsibility**

a. *General.* There are five types of responsibility for property described in this paragraph and figure 4–1. An individual assumes responsibility for property when a relationship to property is established and may hold different types of responsibility for different types of property depending on the relationship to specific property. Assumption of responsibility may result from a written appointment or signing a hand receipt; assignment to a specific duty position; or taking physical possession of property.

b. *Command responsibility.* Commanders are obligated to ensure all Government property within their command is properly used and cared for, and that proper custody, safekeeping, and disposition are provided. Command responsibility is inherent in command and cannot be delegated. Command responsibility

is effective upon assuming a command position at any level, regardless of signed receipts or responsibility statements and includes the following:

- (1) Ensuring the security of all property of the command, whether in use or in storage.
- (2) Observing subordinates to ensure their activities contribute to the proper custody, care, use, safekeeping, and disposition of all property within the command.
- (3) Enforcing all security, safety, and accounting requirements.
- (4) Taking administrative or disciplinary measures, when necessary.

*c. Supervisory responsibility.* The obligation of a supervisor to ensure all Government property issued to or used by their subordinates is properly used and cared for, and that proper custody, safekeeping, and disposition are provided. Supervisory responsibility is inherent in command and cannot be delegated. Supervisory responsibility is effective upon assuming a supervisory position at any level, regardless of signed receipts or responsibility statements and includes the following:

- (1) Providing proper guidance and direction.
- (2) Enforcing all security, safety, and accounting requirements.
- (3) Maintaining a supervisory climate which ensures the proper care and use of Government property.

*d. Direct responsibility.* The obligation of a person to ensure all Government property in their custody is properly used and cared for, and that proper custody, safekeeping, and disposition are provided. An individual with Direct Responsibility has the property within their custody, but not necessarily in their possession or for their use. Direct responsibility results from written appointment as an APO, receipt of formal written delegation of Direct Responsibility, or acceptance of the property on hand receipt from an APO. Commanders or activity supervisors of separate TDA activities will determine and assign in writing those individuals who will have Direct Responsibility for property.

*e. Custodial responsibility.* The obligation of an individual for property in storage, awaiting issue, or turn-in to exercise reasonable and prudent actions to properly care for, and ensure proper custody, safekeeping, and disposition of the property are provided. Custodial responsibility results from assignment as a supply sergeant, supply custodian, supply clerk, or warehouse person, who reports to the APO or Responsible Officer (the individual having direct responsibility for the property). Responsibilities include the following:

- (1) Ensuring the adequate security of all property within the activity's storage areas and related facilities.
- (2) Observing subordinates to ensure their activities contribute to the proper custody, care, safekeeping, and disposition of all within the activity's storage areas and related facilities.
- (3) Enforcing all security, safety, and accounting requirements.
- (4) When unable to enforce any of these, reporting the problem(s) to their immediate supervisor.

*f. Personal responsibility.* The obligation of a person to exercise reasonable and prudent actions to properly use, care for, safeguard, and dispose of all Government property issued for, acquired for, or converted to a person's exclusive use, with or without receipt. Personal responsibility always accompanies the physical possession of property.

## ACCOUNTABILITY AND RESPONSIBILITY FOR PROPERTY

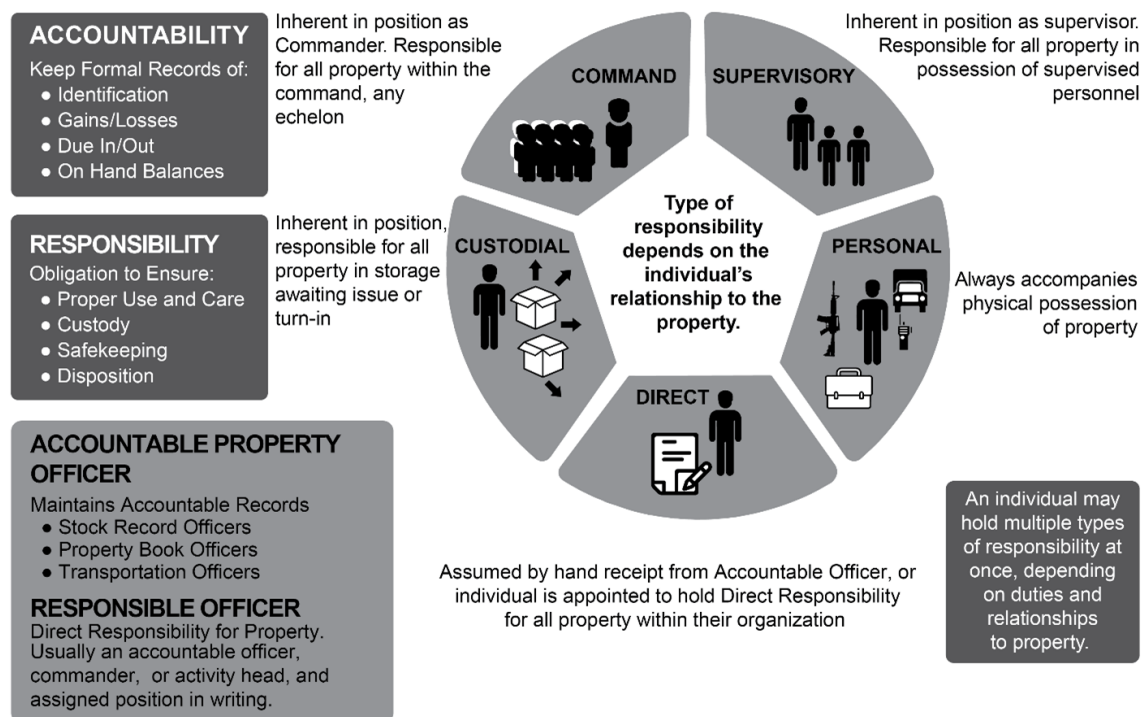


Figure 4-1. Five types of responsibilities and their relationship to levels of command

### 4-8. Relationship between accountability and responsibility

a. Accountability pertains to maintaining formally prescribed property records for a property or sales account. It is an obligation officially assigned to a specific person and may not be delegated. Responsibility pertains to the care, custody, safekeeping, and disposition of Government property. The specific type of responsibility depends on the relationship of the person to the property. Accountability and the five types of responsibility are separate obligations. They are incurred for separate reasons.

b. Accountability and each type of responsibility carry specific duties. Financial liability can be assessed against any person who fails, through negligence or misconduct, to perform those duties and where such failure is the proximate cause of a loss to the Government (see AR 735-5).

c. The appointment as an APO for a stock record account and/or a property book account carries with its responsibility as follows:

(1) At the stock record account level, the appointment as an APO assigns direct responsibility for all the property carried on the stock accounting records. This direct responsibility may be further delegated to the storage supervisor.

(2) At the property book level, the appointment as an APO assigns direct responsibility for all the property carried on the property book records that has not been issued on hand receipt. Property issued from a property book account by an APO on hand receipt (called the primary hand receipt) carries with it the delegation of direct responsibility for the property listed. Further hand receipting (sub hand receipting) does not transfer direct responsibility nor relieve the PHRH of their duties.

d. A person who receives or handles public funds has personal responsibility for safeguarding those funds until they are deposited with a disbursing officer. That person is financially liable for the full value of the loss of funds when the loss is attributable to their personal negligence or misconduct.

e. Any member of the Army, civilian or military, may be charged with responsibility for property.

f. A contractor is charged with direct responsibility for specifically identified GFP provided to the contractor under the terms of the contract (see chap 10).

## Section III

### Accountable Property Officers

#### 4-9. General

An APO is an individual who, possesses training, knowledge, and experience in property management, accountability, and control procedures. An APO is appointed in writing as described in this paragraph to maintain an organization's accountable property records (APRs), systems, or financial records, in connection with GP, irrespective of whether the property is in the individual's possession. APOs are appointed to serve different roles depending on the type of organization and mission—

- a. An installation transportation officer who is accountable for property entrusted to them for shipment.
- b. A stock record officer (SRO), who is accountable for property of all types being held for issue using Working Capital Funds and/or General Funds. The SRO assumes direct responsibility and retains accountability for property upon receipt until issued, shipped, or dropped from accountability. This type of APO is typically appointed in supply support activities, warehouses, storage, distribution, and inventory facilities at wholesale, intermediate, and retail levels for all classes of supply. Additional criteria to appoint APOs for stock record accounts is contained in AR 710-2, AR 770-2 and DA Pam 770-2, AR 740-26, and within commodity-specific regulations such as AR 40-61 for medical logistics or AR 700-28 for munitions.
- c. A property book officer (PBO) who is accountable for property in use at the organizational level. This type of APO is typically appointed in MTOE, TDA, and joint table of allowances (JTA) organizations to account for property issued to the using organization level, hand receipted to PHRHs. This may include deployable and/or fixed-based equipment used to operate stock record account activities and facilities at any echelon but is separate from all stock record accounts. Appointment orders may designate an APO for property book records as PBO or simply APO, depending on the type of activity and organization requirements. This type of APO assumes Direct Responsibility upon receipt of property, transfers Direct Responsibility when property is issued to PHRHs, but retains accountability of the property until subsequently turned in, used (consumed) for authorized purposes, or dropped from accountability.
- d. Property administrators (PAs) managing accountable and fiduciary records for Government property in possession of contractors (see chapter 10).
- e. Accountable subsistence sales officers appointed per AR 30-22.
- f. COMSEC account managers and Key Operational account managers appointed per AR 380-40, TB 380-41, and paragraph 4-17.
- g. An officer or DA Civilian assigned to public works (facilities engineering) activity appointed in writing by the commander or installation/activity supervisor for whom the real property records are being maintained. This type of APO maintains the accountable records for all real property belonging to the site. The real property APO responsibilities include inventory management, asset accounting, financial reporting, assigning space, space utilization, and real estate. Supplies for real property maintenance activities may also be under the control of the real property APO. Specific appointing criteria, duties, and procedures are in AR 405-45 and DA Pam 405-45.
- h. Tool control officers accountable for electronic tool room/tool cribs at installation/fixed base or depot activities per paragraph 12-10c.

#### 4-10. Appointing an accountable property officer

- a. The appointing authority will be the commander or equivalent supervisor for which the property records are being maintained. The commander or equivalent supervisor may designate in writing a representative to appoint the APO. The designated representative may be a DoD commissioned officer or a DoD Civilian manager.
- b. The appointing authority will appoint an APO in writing for each type of account. Commanders and activity supervisors appointing APOs at the battalion, group, brigade equivalent level; TDA activities; or PEO, program manager (PM) and PdM level will apply the policy in paragraph 4-14 when selecting APOs. The APO for property book accounts is also directly responsible for all property not issued on a hand receipt (HR). The incoming APO will acknowledge accountability and responsibility for the property by memorandum per paragraph 4-16.
- c. Commanders at all levels will appoint an APO for rear detachment left behind equipment when an organization deploys.

d. The State AG is the property book appointing authority for all ARNG units and activities. The State AG may delegate this authority to division, brigade, group, battalion level or United States Property and Fiscal Office (USPFO). Property books will not be established for the office of RA advisors to the ARNG. These offices are supported by a HR account from the unit of attachment.

e. The APO may appoint DoD military or DoD Civilian employee assistants to aid in managing the account. Such appointment(s) will be in writing. The APO is responsible for any transactions authorized by an assistant.

f. At the direction of the commander or activity supervisor, an APO may, when conditions dictate, exercise APO functions over more than one account of the same type. The appointing authority will exercise due diligence to ensure that the APO is not assigned accounts beyond a reasonable span of control that would preclude the APO from being able to meet the terms of their responsibilities as an APO.

g. Normally, an APO will not be assigned duties that will remove or separate them from their property account for an extended period of time. In the event an APO is assigned duties that will separate them from their APO duties for a period of 30 calendar days or longer, an interim or replacement APO will be appointed. Follow procedures for transfer of accounts in Section VII of this chapter.

#### **4-11. Contractibility of the accountable property officer**

The responsibilities of the APO as an individual and the position of the APO are not contractible. Those functions of the APO that involve the exercise of substantive discretionary authority in determining Government requirements and controlling Government assets cannot be contracted out. However, contractors can perform certain functions in support of the APO when those functions are performed per the criteria defined by the Government and the contractor's scope of work. These functions must be mandatory requirements, requiring no personal judgment or discretion on the part of the contractor.

a. The functions below in support of the APO are contractible for activities such as stock control operations, property control, troop issue subsistence activity, self-service supply centers, CIF, and clothing initial issue point operations, which includes the following:

- (1) Cataloging.
- (2) Receiving operations (does not include Government certification of acceptance, which authorizes payment for goods received from commercial vendors or contractors).
- (3) Storage operations.
- (4) Issue operations.
- (5) Data conversions, files, document control, and inventory and adjustment (except the individual with final approval authority will be a Government employee).
- (6) Item management, materiel management, and similar accounting functions, except those with final approval authority for discretionary actions such as determining requirements and authorizing disposal.

b. The following APO functions are Governmental and cannot be performed by contractors for the Army:

- (1) Procurement management certifying the acceptance of goods received from commercial vendors or contractors, which authorizes the payment for goods received. Acceptance documents must be posted to the APSR within performance standards prescribed in Table 1-1.
- (2) Final approval authority as cited above on the immediate staff of the APO.

c. Contractors may be appointed as COMSEC custodians for COMSEC accounts designated as "Contractor Maintenance COMSEC Accounts." All other COMSEC custodians are considered APOs and therefore their positions and responsibilities are not contractible. Any exceptions to this policy must be sent through the DCS, G-2 (DAMI-CDS) to the DCS, G-4 (DALO-SPE).

#### **4-12. Duties of accountable property officers**

a. The APO will maintain a formal set of property accounting records that show, on a continuing basis, the item identification, gains, and losses, on hand balances, and the conditions and locations of all property assigned to the property account. APOs will maintain documentation identified in the appropriate functional regulations to support the recorded entries.

b. An APO supervises the preparation, maintenance, and management of the document, transaction, and/or voucher registers, regardless of the physical location of the registers, whether in an APSR or hard copy.

c. An APO of a sales account will maintain formal sales records that show, on a continuing basis, the value of the sales and the monetary assets.

d. When property that must be accounted for is issued to a property book account, the APO receiving the property is charged with property book accountability. Accountability remains with the APO until the property is issued, turned in, or transferred to another APO (for example, issue from stock record, turn in to a stock record account, transfer to another property book) or the property is dropped from the property book records on a valid credit voucher.

e. Army contractors may be held accountable and responsible for Government property provided to them under the terms of their contracts (the Federal Acquisition Regulation (FAR) will govern.) However, contractor personnel cannot be designated as APOs, as defined by this regulation.

f. An APO ensures proper management and accountability of government property at the organization's level, regardless of echelon.

g. An APO establishes and maintains the organization's accountable property and financial records for government property, regardless of whether the property is in the individual's or organization'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 internal controls.

h. The APO develops physical inventory plans and procedures, schedules physical inventories, and assists in their completion per chapter 16.

i. The APO certifies that government property assigned to a unit or organization is properly inventoried. The APO performs a joint physical inventory (with the gaining organization) when transferring the organization's property account as required. Properly execute and sign the required resulting documentation (for example, DD Form 200, "Financial Liability Investigation for Property Loss").

j. The APO designates custodial areas within an accountable area and appoints property custodians, in writing, for each custodial area designated. The APO issues custody receipts or similar documents for all property assigned to an individual or organization.

k. The APO evaluates culpability when property loss has been reported. The APO reports and recommends appropriate action to the commander or activity supervisor. The APO assists the designated investigating officer, as required and processes financial liability investigations of property loss per established policy and procedures in DoD 7000.14-R and AR 735-5.

l. The APO monitors the acquisition, storage, utilization, and disposition of property within their assigned accountable area. The APO identifies underutilized, impaired, or obsolete property and takes appropriate actions to increase utilization or ensure disposition.

m. The APO validates that property in the APSR is properly and uniquely identified as appropriate per DoDI 8320.04, DFARS 252.211-7003, and this regulation. Upon finding discrepancies, provide notification to the responsible entity for the item (for example, item manager or PM).

n. The APO utilizes electronic transactions wherever practicable (for example, property transfer via Wide Area Workflow iRAPT Application, perform inventories utilizing AIT) and ensures transfers are accomplished per Enclosure 3, Section 3 of DoDI 4161.02.

#### **4-13. Centralized accounting**

Where accountability is maintained at a central location and the property is physically stored at other installations, the property will not be included in the installation accountable records kept at the storage locations. Locator cards or other needed management records will be maintained at the storage location.

#### **4-14. Accountable property officer qualification criteria**

a. An APO may be—

(1) Any DoD officer or warrant officer. ARNG officers or warrant officers must be federally recognized.

(2) A DoD Civilian employee, general schedule (GS)-07 or above, if determined by the appointing official to be properly qualified.

(3) A DoD enlisted person, in the grade of E-7 or above, when appointment is approved by the first General Officer (GO), Senior Executive Service (SES), or Senior Commander (SC), appointed per AR 600-20, if determined by the appointing official to be properly qualified.

(4) A DoD enlisted person, in the grade of E-5 or E-6, only when appointment is approved by the ACOM, ASCC, or DRU commander or the head of an HQDA agency, and when personnel cited in paragraphs 4-14a(1) through 4-14a(3) are not available. Within the ARNG, the organization supply sergeant will not be the APO unless a traditional M-day officer is not assigned to the organization.

(5) An ARNG military technician employed under 32 USC 709, who—

(a) When assigned to an MTOE organization, meets the criteria of paragraph 4–14a(1), 4–14a(3), or 4–14a(4) based on their status as an organization member.

(b) When assigned to a TDA activity, meets the criteria of paragraph 4–14a(2) based on their technician status. ARNG military technicians appointed as APOs in MTOE type organizations will not be appointed as an APO in a TDA activity simultaneously.

(6) Foreign national employees of the Army, in overseas areas when approved by the ACOM, ASCC, DRU commander, or the command two levels above the organization for which the APO is appointed.

(a) This does not apply to accountable records maintained for COMSEC equipment or controlled cryptographic items (CCIs) and cryptographic high value property (CHVP). COMSEC custodians maintaining accountable records for COMSEC equipment must be U.S. citizens per AR 380–40. Foreign nationals may not act as APOs for COMSEC, CCI, or CHVP.

(b) Storage facilities that employ foreign nationals as APOs are not approved for storage of CHVP, CCI, or COMSEC materiel.

b. Within USAR organizations—

(1) Commanders appointing APOs will ensure the appointee is familiar with all supply directives issued from higher HQ.

(2) Active Guard, Active Reserve, and/or RA officers or warrant officers assigned may be appointed as the APO.

(3) The position of USAR Center Commander is an additional duty over and above the responsibilities of an organization commander. As such, the USAR Center Commander may appoint an APO or designate a PHRH for the center's property.

#### **4–15. Accountable property officer restrictions**

a. APOs must avoid conflicts of interest, segregation of duties violations, and prevent accountability gaps, fraud, or improper comingling of accountable property.

b. At the using organization level persons appointed as APO for any type of account per paragraph 4–10 will not perform the functions of APO for a different type of account, such as appointments to both Property Book Officer and Stock Record Officer simultaneously. Appointed APOs will also not perform the duties of Government purchase card ordering officer or blanket purchase agreement ordering officer during the period of appointment.

c. An APO appointed in Army enterprise level activities may simultaneously perform some functions of a property book, stock record, and transportation officer due to unique mission requirements. Examples include MATDEV facilities operating under the General Fund, or prepositioned stock facilities maintaining equipment for issue and return to support training and mission requirements.

d. As an exception to paragraph 4–15b, APOs within U.S. Military Entrance Processing Command (USMEPCOM) may perform duties as an ordering officer simultaneously. The following limitations apply:

(1) Purchases made by the ordering officers using the Government purchase card have a reduced purchase limit per Army Federal Acquisition Regulation Supplement (AFARS), available at <https://www.acquisition.gov>.

(2) There must be a primary and an alternate ordering officer designated. The primary will be the activity APO and the alternate will be the activity budget accounting assistant.

(3) Ordering officers must complete the prescribed cardholder-training programs per AFARS requirements before transacting any purchases.

(4) The identity of the item(s) to be purchased, the authorization for the item(s), and the organization cost must be documented per USMEPCOM standard operation procedure (SOP). The ordering officer, the support group supervisor, and the activity commander must confirm USMEPCOM SOP requirements before purchases are made.

(5) The receipt of the supplies and equipment must be documented per the USMEPCOM SOP by a receiving official other than the ordering officer.

(6) Purchased items similar to those items coded nonexpendable contained in the AEMM are considered nonexpendable property and will be accounted for on property book records per chapter 5.

(7) A copy of the credit card purchase receipt attached to the completed request form per USMEPCOM SOP will be provided to the supporting SRO within 72 hours of receipt per AFARS.

#### **4-16. Acknowledging responsibility for property book accounts**

a. APO will be appointed in writing following the criteria for appointment in paragraph 4-14. The property book APO has direct responsibility for all property not hand receipted to a PHRH. The APO must acknowledge the appointment by signing a memorandum with the following statement: "By authority of (indicate appointing document or assumption of command order and date), I hereby assume property book accountability for the property in the quantity shown on each record of this property book file. I further assume direct responsibility for property not issued on HR. (Signature and Date) (Signature Block of the APO)."

b. In the RA, under normal circumstances, if an APO is absent from appointed duties for more than 30 days, appoint a new APO. In the ARNG/USAR, when an APO is absent from appointed duties more than 120 days, appoint a new APO. Conduct a change of APO inventory within 30 days, using the methods in paragraph 16-21.

c. The appointing memorandum must identify the property book by the assigned UIC. Upon change of the appointing authority, if the same APO is to continue, then that officer will be reappointed by the new appointing authority. Refer to DA Pam 600-8 to prepare the memorandum.

d. The APO will inventory annually all property not issued on HR (see para 16-19).

### **Section IV**

#### **Communications Security Accounts**

#### **4-17. Communications security account managers and key operational account managers and alternates**

The Army COMSEC account managers and key operational account managers are APOs as defined in this regulation (see below for requirements). All references in this publication to the COMSEC account managers and alternate COMSEC account managers will henceforth be understood to apply equally to the key management infrastructure (KMI)/key operational account managers and appointed alternates as well. COMSEC account managers and alternate COMSEC account managers' requirements are—

a. *Appointment.* Commanders or activity supervisors will appoint (via a COMSEC Account Registration Packet) COMSEC account managers and alternates per TB 380-41. More than one alternate may be appointed as required. The following COMSEC account managers' policies apply to the RA, ARNG, USAR, and ROTC:

(1) The COMSEC account managers and alternates are commissioned or warrant officers. If officers are not assigned or are otherwise unavailable for COMSEC account managers' duty, DoD Civilians or NCOs may be appointed. Grade limitations for enlisted personnel and civilians are as follows: COMSEC account managers E-6/or GS/GG-7; alternate COMSEC account managers E-5 or GS/GG-5. Wage grade personnel must be of the equivalent grade.

(2) The first line COL grade O-6 (or civilian equivalent) in the ACOM/ASCC/DRU chain of command, may approve (in writing) the appointment of an E5 or GS-5 to serve as a COMSEC account managers, and an E-4 or GS-4 to serve as alternate COMSEC Account Manager in those subordinate command facilities where personnel specified above are not authorized by MTOE or TDA.

(3) Contractors may be appointed as a COMSEC Account Manager, for an Army COMSEC Account designated as a Contractor Maintenance or Service Account operating at a separate contractor facility under the terms of a Government contract. All other COMSEC account managers in Army MTOE/TDA organizations are APOs, and therefore their positions and responsibilities are not contractible. Exceptions must be approved by the DCS, G-2 (DAMI-CDS) and DCS, G-4 (DALO-SPE).

(4) *Clearance.* Persons selected must meet the access and appointment requirements in AR 380-40 and this regulation, respectfully.

b. *Duties.* See TB 380-41.

c. *Retainability.* Except in short tour areas (1 year or less), COMSEC Account Managers must have, at the time of appointment, a minimum of 1 year retainability in the command and must be expected to remain in the position for at least 1 year. In short tour areas, COMSEC Account Managers must have a minimum retainability of nine months.

d. *Absence.* The alternate COMSEC Account Manager assumes all duties of the COMSEC Account Manager during the temporary absence of the COMSEC Account Manager. If the COMSEC Account Manager is to be absent more than 60 consecutive days, a new COMSEC Account Manager is appointed and the COMSEC account is transferred before the departure of the old COMSEC account manager.



e. *Change of communications security account manager.* COMSEC account managers are not relieved of their responsibilities, nor may they depart their organizations until a clearance of the COMSEC account or a provisional clearance has been received from the Army Communications Security Central Office of Record (ACCOR) or an exception has been granted by U.S. Army Communications Security Logistics Activity (USACSLA).

(1) When an emergency situation (sudden or uncontrollable departure) causes the indefinite or permanent absence of the COMSEC Account Manager, the commander or activity supervisor must assign two properly cleared persons to inventory the COMSEC account physically within 24 hours after the absence has been acknowledged. (One of the persons assigned to conduct the inventory may be the current alternate COMSEC Account Manager.)

(2) A new COMSEC Account Manager is appointed after completion of the inventory. Discrepancies involving COMSEC materiel are resolved per TB 380–41.

#### **4–18. Communications security equipment accountable property officer responsibilities**

a. *Control and accounting.* Procedures for detailed accounting of classified COMSEC items are contained in TB 380–41. Accounting procedures for unclassified COMSEC equipment, including CCI and CHVPs, are outlined in AR 380–40. Routine policy and procedures for requisitioning, stockage, and supply management of both classified and unclassified COMSEC items are contained in AR 380–40 and its accompanying regulations. AR 380–40 contains Army Information Systems Security Program (AISSP) processes related to the acquisition of COMSEC end items of equipment.

b. *Communications security equipment.* COMSEC equipment is managed by USACSLA as the Army National Manager for COMSEC (source of supply (SOS) B16), and is divided into two basic categories defined as follows:

(1) *Classified communications security equipment.* Accounted for exclusively by COMSEC account managers within the Communications Security Material Control System (CMCS) on unique system-generated COMSEC accounting records. Classified COMSEC equipment is not requested or disposed of through standard logistics/supply channels. Classified COMSEC items are identified on the AEMM with a controlled inventory item code (CIIC) other than U, O, 7, or 9. COMSEC items identified with a CIIC of C, D, E, F, S, or T, are classified as Confidential, Secret, or Top Secret. These items will not be carried as on-hand on any unclassified APSR or other property management systems. See AR 380–40.

(2) *Unclassified communications security equipment.* Accounted for within the APSR by APOs (see chapter 8 section VII). This category of COMSEC materiel includes equipment and secondary items designated as CCI and CHVP. CCI is identified on the AEMM with a CIIC of 9 and CHVP is assigned CIIC 7.

*Note.* CCI repair parts are not authorized for stockage on Shop Stock List or in shop stock accounts.

c. *Physical security procedures.* Physical security procedures for COMSEC materiel are contained in AR 380–40 and TB 380–41.

d. *Asset reporting for communications security materiel.* Asset reporting procedures for all categories of COMSEC materiel are contained in AR 710–3.

e. *Conflicts in regulations.* AR 380–40 establishes physical security and operational security requirements that are strictly enforced for COMSEC materiel. In the event of a conflict between this regulation and AR 380–40, the latter takes precedence. All such conflicts must be immediately brought to the attention of the DCS, G–4 (DALO–SPE) for resolution.

## **Section V**

### **Stock Record Accounts**

#### **4–19. Stock record accounts**

a. The stock record account is a formally established set of records and files used to account for Army property being held for issue. Each stock record account is assigned a unique DoDAAC as an identification number. This account is operated by a designated APO. AR 27–1, AR 30–22, AR 40–3, AR 700–28, AR 710–2, AR 700–142, AR 735–17, AR 740–26, and other commodity-specific publications contain additional policy and procedures related to stock record level accounting.

b. The authority to setup a stock record account is contained in the parent unit's authorization document or mission statement. As an exception, a Joint Force Component Commander may establish a stock

record account for the duration of a contingency to be operated by different supply support units on a rotational basis.

c. A mission property account is a special type of stock record account. It is established to support a specific mission or activity such as, testing, research and development, manufacturing, production, maintenance, or renovation. It will be used only to stock material for, and make issues to, the activity that the account was established to support.

d. Mission stock record accounts will be established as directed by the ACOM, ASCC, and DRU commander.

e. Mission stock record accounts will be established within the ARNG as directed by the CNGB.

f. Account for capitalized property per paragraph 5–6.

g. ACOM, ASCC, and DRU commanders may authorize organizations that must function independently as support or maintenance activities to maintain separate stock record accounts.

h. The stock record account, unless specifically exempted, is a subsidiary record of the financial general ledger control account, titled “Inventories,” maintained by the finance and accounting office (FAO).

#### **4–20. Stock record account serial number**

a. The DoDAAC is the stock record account serial number. LDAC assigns DoDAACs (see AR 725–50).

b. The APO will request the assignment of a DoDAAC through command channels when—

(1) A new account is established.

(2) A DoDAAC has not been assigned to the present account.

(3) A present DoDAAC needs revision.

c. The DoDAAC represents the stock record account; it does not represent the officer who maintains the account.

d. A unique DoDAAC will be assigned to accounts established to maintain records of Government property provided to contractors according to the DFARS.

e. Requests to establish or cancel stock record account serial numbers for Army libraries will be sent through command channels to HQDA. For law libraries, see AR 27–1; for medical libraries, see AR 40–3; for all other libraries, see AR 735–17.

#### **4–21. Sales accounts**

a. Sales accounts are special property accounts established to support the authorized sale of supplies or services procured with appropriated funds.

b. Army military clothing sales store, troop issue subsistence activity, and other sales accounts will be established as prescribed by the applicable AR.

c. Each sales account will be managed by a formally designated sales officer. The commander of the activity for whom the account is being maintained will be the appointing authority.

d. Sales officers are responsible for the collection and safekeeping of all cash receipts, the maintenance of required financial and property records, and the prompt turn-in of all cash proceeds and documentation to the supporting FAO. Other specific duties of a sales officer are included in the regulation that authorized the establishment of the sales account.

### **Section VI**

#### **Transfer of Accounts**

#### **4–22. General transfer of accountability policy**

This regulation prescribes procedures for making administrative transfers of property accountability and responsibility by other than ordinary physical issue and receipt transactions. Excluded are transfers of property accountability and responsibility to the following:

a. Commissary officers.

b. Troop issue subsistence officers.

c. Army National Guard when not in Federal service, except as specified in this regulation.

d. Contractors who are furnished or have acquired Government property.

e. Army military clothing sales stores operated by the Army and Air Force Exchange Service (AAFES).

#### **4-23. Transferring accountability**

a. *Upon change of property book officers.* The incoming and outgoing APOs take the following action—

- (1) Conduct a change of APO inventory. See paragraph 16-21 for procedures.
- (2) File a copy of the APO-appointing memorandum or the assumption of command orders in the property officer designations file per AR 25-400-2.

b. *Upon assuming accountability.* The incoming APO completes the following statement: "By authority of [indicate the appointing memorandum, or assumption of command orders and the date], I hereby assume property book accountability for the property in the quantity shown on each record of this property book file. I further assume direct responsibility for property not issued on the hand receipt." Affix the APO's signature and date above the APO's signature block below the statement.

#### **4-24. Other transfers of accountability**

a. The transfer of custody or accountability of installation real property will be per AR 405-45 and DA Pam 405-45.

b. Accountability for property carried on a property book will be transferred to a successor per this paragraph.

(1) A joint inventory will be conducted for any property not hand receipted by the APO. The inventory will be conducted within the time frame prescribed per this chapter.

(2) The incoming APO will complete a formal statement assuming property book accountability. Specific wording is per this chapter.

(3) The APO statement will be filed with the property book records.

(4) For ARNG only (on the same page as the APO statement), the CNGB may direct the ARNG USPFO, or designated representative to complete the following statement after the joint property book inventory is made: "Property records verified (date) (Signature of USPFO or representative.)"

(5) The new APO will be accountable for the property on signing the statement or on expiration of the time limits set forth per this chapter, whichever occurs first.

c. Property book accounts will be deactivated when the commander or activity supervisor for whom the account is being maintained determines the account is no longer needed.

(1) The commander or activity supervisor will advise the APO, in writing, of the effective date and the reason for the deactivation. One copy of the notification, along with the deactivation or other pertinent orders, will be filed with the property book records.

(2) The APO will—

(a) Conduct a complete physical inventory of all property on the account.

(b) Adjust the property book as necessary.

(c) Turn in the property to the supporting stock record account (SRA).

#### **4-25. Emergency transfers of accountability**

a. The APO appointing authority must take emergency action—

(1) On the death of an APO.

(2) When competent authority decides an APO is mentally unfit.

(3) When the property account is to be transferred and the APO is absent, in the hospital or confined for a period of 30 days or more, or has been relieved for cause.

b. The commander, activity supervisor, or state adjutant general (AG) will appoint a board of officers (three when practicable) to determine the correctness and condition of the account. The board and the new APO will perform a joint inventory of the property.

(1) The board will adjust any discrepancies under AR 735-5 and transfer accountability to the new APO.

(2) If the person was in charge of both public funds and Army property, the board of officers appointed to settle the public funds account may also be authorized to take action to settle the property account.

c. A report of the board, including the results of the inventory and a certificate of transfer, will be prepared in triplicate. After the board appointing authority approves the report, one copy will be filed at the installation or USARC HQ.

d. A physical inventory of the property is not required when the conditions above involved an officer accountable for GP furnished to a DA contractor under the terms of a contract.

e. When the situations in paragraph 4–25a apply to any person with direct responsibility for property, the commander, activity supervisor, or state AG will take all necessary action, to include appointment of a board of officers, if deemed appropriate, to ensure property accountability is maintained.

#### **4–26. Transfer of stock record accounts**

a. A statement of transfer of accountability is required when a transfer of property occurs, and no shipment is involved. Three copies of each of the following statements are required:

(1) The individual being relieved of accountability will prepare a statement similar to the following: “I attest that the balances shown on the stock record account [designation of the account] at the time of transfer, last voucher number [DoDAAC, Julian date and four position serial numbers], date [day, month, and year] (or as of close of business [day, month, and year]) are true and correct to the best of my knowledge and belief. The property has this date been transferred to [name of receiving officer] pursuant to [order directing the transfer].”

(2) The individual assuming the accountability will prepare a statement similar to the following: “I attest that I have this date received from [name] my predecessor, all property related to stock record account [designation of the account] for which my predecessor was accountable, plus all property charges against and less all authorized credits to the account at the time of transfer, last voucher number [DoDAAC, Julian date, and four position serial numbers], on [day, month, and year] (or as of close of business [day, month, and year]). I have this date assumed accountability for the property pertaining to this document.”

b. When separate sections of the voucher register are maintained for different types of property in the property account, the statement of transfer of accountability must include one of the following:

- (1) The last voucher number used for each of the sections of the account prior to the transfer.
- (2) The date (as of close of business) of transfer of accountability for each section of the account.

c. Disposition of the transfer statements will be as follows:

- (1) One copy retained by the officer being relieved of accountability.
- (2) One copy filed with the property records.
- (3) One copy, together with a copy of the document directing the transfer, forwarded immediately to the APO appointing authority, as appropriate.

(4) For transfers between USPFs, one additional copy will be prepared and sent to the Chief, National Guard Bureau (NGB–A–RL–LP), 111 South George Mason Drive, Arlington, VA 22204–1382.

#### **4–27. Inactivating a stock record account**

When an SRA is to be inactivated, all property still recorded on the account will be transferred to another property account by the APO. To establish closing balances and to ensure accounting continuity, the APO will:

- a. Establish the transfer date.
- b. Terminate all actions that result in inbound materiel.
- c. Conduct a reconciliation to clear all materiel receipts due-ins.
- d. Conduct a physical inventory of the account and reconcile with the stock records. (Appropriate adjustments must be provided to the FAO for general ledger update.)
- e. Post all transactions dated on or before the transfer date to the APSR.
- f. Prepare a statement similar to the following: “To transfer accountability for balances on the attached stock records.” Show the account being closed as consignor and the gaining account as consignee.
- g. Process the transfer statement as follows:
  - (1) The consignee and the APO will sign both copies.
  - (2) One copy will be filed as the final voucher to the closed account.
  - (3) One copy will be filed as a debit voucher to consignee account.

## **Chapter 5**

### **Defining Property**

#### **Section I**

#### **Defining Property**

##### **5-1. General accounting requirements**

a. All Army property, except real property, is classified for property accounting purposes as expendable, durable, or nonexpendable. These definitions determine whether formal accounting in an APSR is required, how property is controlled, how responsibility for property is assigned, and determines reporting requirements for the property.

b. Appendix C provides specific accounting criteria used to determine accounting requirements.

c. Army property that becomes lost, damaged, or destroyed (except for funds on the records of a FAO) through causes of other than fair wear and tear (FWT) will be accounted for per AR 735-5.

d. All property (except real property, material purchased with the Government Purchase Card, and fabricated property) acquired in any manner is processed through and accounted for on a stock record account before issue. Users are to withdraw from the stock record account only the minimum quantity of items needed to sustain operations.

e. All property accounting procedures must comply with item unique identification requirements per AR 700-145 and serialized item management requirements per AR 710-3.

##### **5-2. Nonexpendable property**

a. Nonexpendable property is personal property that is not consumed in use and that retains its original identity during the period of use. Appendix C provides specific accounting criteria for nonexpendable property.

b. Nonexpendable property requires formal accountability throughout the life of the item. Nonexpendable items will be accounted for at the using organization level using property book procedures per chapter 5.

c. Above the using organization level, accountability will be maintained using stock record accounting procedures per AR 710-2 or AR 740-26, as applicable.

d. Other publications that include policy and procedures on accounting for property and commodity-specific requirements are listed in appendix A of this regulation.

##### **5-3. Durable property**

a. Durable property is personal property that is not consumed in use and that does not require property book accountability but, because of its unique characteristics, requires control when issued to the user. Appendix C provides specific accounting criteria for durable property.

b. Accounting procedures for durable items before issue to the user level are the same as for nonexpendable and expendable items.

c. Formal accounting for durable property at the user level is not required. However, because of the nature of these items, they must be controlled, and responsibility assigned as follows:

(1) Durable hand tools that are components of sets, kits, and outfits (SKO) will be controlled using system-generated CHRs. Only use hard copy DA Form 2062 when permitted per paragraph 1-10.

(2) Durable hand tools that are not components of sets, kits, and outfits will be controlled per chapter 12 using HRs and SHRs issuing property below the PHR. Tool room or tool crib procedures per paragraph 12-10 may be used in lieu of HR procedures.

d. The commander or activity supervisor will use an informal accounting method (non-property book) to record issues and turn-ins to allow monitoring of items other than those contained in this paragraph. If the APSR does not provide suitable capabilities, chapter 12 describes appropriate methods of informal accounting.

e. Annually, the commander or activity supervisor will conduct a management review of all durable items issued or turned-in to determine whether there are any indications of any missing items, and whether there are any indications of fraud, waste, or abuse.

f. Anytime there are indications of lost, damaged, or destroyed durable property, the commander or activity supervisor determines whether corrective measures should be taken to correct the deficiency, and if financial liability should be assessed per AR 735–5.

g. The commander or activity supervisor will document that a management review of durable property was conducted, stating what the results were, and what corrective actions, if any, were taken. Documentation will be prepared in the form of a memorandum for record in duplicate. One copy will be retained at the organization or activity, and one copy provided to the financial liability investigation approving authority. File these memorandums for 2 years then destroy per AR 25–400–2.

#### **5–4. Expendable property**

a. Expendable property is property that is consumed in use or loses its identity in use. It includes items not consumed in use, with an organization cost of less than \$500, and having a CIIC of “U” assigned. Appendix C provides specific accounting criteria for expendable property.

b. Accounting for expendable property before issue to the user is the same as accounting for durable and nonexpendable property.

c. Expendable property authorized by an MTOE or TDA and deployable or augmentation property authorized by a CTA will be accounted for on property book records, no matter the ARC (including all types of munitions).

d. All other expendable property is considered, for financial accounting purposes, to be consumed upon issue; consequently, no formal accounting of expendable property is required after issue from the stock record account level to the user level.

e. Some expendable items (although not formally accountable) require additional supply and issue controls when issued due to the characteristics of the items. Such controls, when needed, will be prescribed by the national item manager. Examples are shown below.

(1) Expendable items, component assemblies, repair parts, and accessories identified as recoverable or pilferable items per this regulation.

(2) Drugs identified by The Surgeon General (see AR 40–61).

(3) Undenatured alcohol and alcoholic liquors (see AR 40–61).

(4) Food items at the dining facility level (see AR 30–22).

(5) Bulk fuels (see AR 710–2).

(6) Subsistence drawn for training (see CTA 50–970 and AR 30–22).

(7) When expendable tools are issued to the user, issues will be controlled and responsibility assigned by using HR, CHR, tool room, or tool crib procedures per chapter 12.

(a) Expendable components of SKO and end items will be controlled using CHRs when SKO and/or end items are issued to the user level.

(b) Expendable hand tools issued by a tool room and/or tool crib become the personal responsibility of the recipient. The recipient is responsible for the return of the hand tool(s) to the tool room and/or tool crib.

(c) When expendable hand tools are issued outside a tool room environment or not as a component of SKO or end items, the recipient will acknowledge receipt in writing. This may be an APSR system-generated document, a hard copy log, or other locally developed method. File these receipts for 2 years then destroy per AR 25–400–2. These tools will be turned in upon the individual's departure.

(8) Facilities engineering supplies (see AR 420–1).

(9) Radio frequency tags per this regulation.

f. Account for items issued for the purpose of destructive testing and experiments as expendable property. These include items that are issued to—

(1) An Army activity or a Government laboratory for use in tests or experiments that will cause the items to be destroyed, made useless, or undergo identity change.

(2) An Army activity for use as training aids, devices, or displays that will be consumed in training, with the understanding that when the items are no longer needed, they will be disposed of per chapter 14.

g. Private firms likely to become manufacturers of supplies or equipment, or to perform services under a contract with the Army, may be issued free samples on approval of procuring activity. Account for such items as expendable property.

(1) Credit all to the stock record account (SRA) upon issue with no further accounting.

(2) File written authority for the transfer with a valid credit voucher. Any of the following is considered a valid credit voucher:

- (a) Receipt from a commercial carrier or transportation agency.
- (b) Certificate signed by the APO showing the date and place items were mailed.
- (c) Receipt from an authorized representative of the private firm or organization.
- h. Account for fabricated items described in this paragraph as expendable property and establish a control point for fabricated items designated for reuse. Before fabricating a new item, check the control point for a like item already on-hand.
- i. For cryptographic expendable material, refer to TB 380–41 for control, accounting, and disposal.

### 5–5. Capital and noncapital equipment

Capital equipment is an asset that meets or exceeds the capitalization threshold found in DoD 7000.14–R. Capital and non-capital equipment require formal accounting in an APSR. The capitalization threshold is the dollar amount that determines the proper financial reporting of the asset. Asset acquisition costs below the threshold are expensed. Asset acquisition costs greater than the threshold are to be capitalized on the Balance Sheet and depreciated over the asset's useful life. The recording of capitalized property is accounted for per the financial accounting procedures outlined in DoD 7000.14–R, Volume 4 and DFAS–IN Manual 37–100 (CAC required). Capital and non-capital equipment must be formally accounted for in an APSR. This regulation describes the criteria and procedures to account for capitalized property. See table 5–1.

**Table 5–1**  
**Capital and noncapital**

Dollar Threshold	Equipment Category
\$5,000 to \$249,999.99	Noncapital equipment
\$250,000 or more	Capital equipment

## Section II

### Sensitive Item Supply Management

#### 5–6. Purpose

AR 725–50 highlights requirements for the supply management of sensitive items and provides a consolidated reference for implementation of required physical security standards.

#### 5–7. Definitions

- a. Sensitive items are those items identified on the AEMM with a CIIC of 1 through 6, 8, 9, P, Q, R; night vision devices; or navigation systems (for example, a global positioning system (GPS)).
- b. Sensitive items generally include the following types of equipment and materiel:
  - (1) Arms, ammunition, and explosives.
  - (2) Nonnuclear missiles and rockets in either a ready-to-fire configuration or in instances where components of the missiles and rockets are jointly stored.
  - (3) CCIs. (CIIC 9 is used to identify CCIs.)
  - (4) Precious metals, drugs, and other controlled substances designated as schedule I, II, III, IV, or V items per the Controlled Substance Act of 1970. See AR 40–61, specifically, chapter 3 section V for more information relating to controlled medical items.
  - (5) Night vision devices.
  - (6) Items coded with CIIC Q, requiring limited access storage, and items coded with a CIIC of R, requiring storage in a vault or safe.

#### 5–8. Supply management requirements

- a. *Basic policy and procedures.* Basic policy and procedures for the requisitioning, accounting, stock control, issue, and disposal of property and equipment are established in this regulation, and associated supply regulations. Additional controls required for specific types of sensitive items are in chapter 8.
- b. *Maintain supporting documentation per AR 25–400–2.*
  - (1) *Property book.* Property book files will include all documents which support entries to the accounting record(s) in the supporting document file, as well as documents for nonexpendable items not

supporting entries to the property book. Write the serial number of end items on supporting documents. In addition, to assist in identifying CCI in transit and upon receipt at storage locations, mark the Remarks block of the turn-in documents "CCI" in large, bold letters.

(2) *Stock record account.* Hard copy documents with signatures will be kept on file for receipt, issue, turn-in, and balance adjustments for sensitive items. Serial numbers of end items will be included. In addition, to assist in identifying CCI in transit and upon receipt at storage locations, the Remarks block of the turn-in documents will be marked "CCI" in large, bold letters.

*c. Inventories.*

(1) *Property books.* Inventory sensitive items per paragraphs 16–23 and 16–24. Army prepositioned stock inventories of weapons and ammunition will not be done by organization armorers nor by the same person two months in a row. Inventories of other sensitive items can be conducted by the appropriate PHRH.

(2) *Stock record account.* Inventory sensitive items quarterly by serial number. Inventory ammunition by type, quantity, lot number, and serial number for sensitive items in bulk storage and by type and quantity based on the outside markings on sealed containers. Inventory ammunition and explosive items rigged or preconfigured for rapid deployment monthly. Conduct additional bulk storage area checks per AR 190–11 and employ physical inventory controls per AR 190–11, AR 710–2, DA Pam 710–2–2, and AR 740–26.

(3) *Causative research.* In all cases, conduct causative research to determine the reason for inventory discrepancies.

*d. Adjustments and reporting.*

(1) Except for designated quantities of small arms ammunition and the authorized destruction of CCI devices, initiate a DD Form 200 per AR 735–5 and/or an investigation per AR 15–6 when a sensitive item is lost, damaged, or destroyed.

(2) AR 190–11 provides guidance on submitting Serious Incident Reports for certain amounts of ammunition that is stolen, lost, unaccounted for, or recovered (including gains or losses due to inventory adjustments) and the conduct of AR 15–6 (for lesser amounts of ammunition).

(3) Report incidents of loss, tampering, or unauthorized access involving CCIs as a COMSEC incident per AR 380–40 and TB 380–41.

*e. Asset reporting.* In addition to reporting under the Selected Item Management Expanded programs, several of the commodities identified as sensitive items require asset reporting to the AMC central databases. These programs include the following:

(1) DoD Small Arms Serialization Program. See AR 710–3.

(2) Radiation testing and tracking system. See AR 710–3.

(3) Controlled Cryptographic Item Serialization Program (CCISP). See AR 710–3.

*f. Receipt or issue transaction.*

(1) Do not process pseudo receipt transactions on sensitive items.

(2) Adjust or report discrepancies incident to receipt of materiel shipments per AR 735–5, additionally, discrepancies incident to shipment of CCIs require investigation. File a signature card at storage activities for each customer when the responsible official or APO has delegated other persons to receive supplies. Obtain the authorized signature of the customer representative for all issues of sensitive items.

*g. Storage operations.* Commanders and activity supervisors are directly responsible for safeguarding all property under their control as follows:

(1) Store and secure ammunition per DA Pam 385–64, AR 190–11, DoD 4195–R–1, host nation agreements, and/or and public law(s), whichever is more restrictive.

(2) Store unclassified items, to include CCIs, per AR 190–51.

(3) For controlled medical substances and other medically sensitive items, see AR 190–51.

(4) The AR 380– series prescribes security of classified items.

(5) For nuclear and chemical items, see AR 50–5, AR 50–6, and AR 190–54.

(6) Secure weapons and night vision devices per AR 190–11 and AR 190–51. Secure night vision devices using the criteria for category IV items. When responsibility of custody of keys to an SSA arms storage facility is transferred, the individuals involved will conduct a physical count of the weapons therein. Record the results of the count. This count does not replace the requirement to conduct a quarterly weapons inventory.

(7) For SSAs, establish a stock location system at each storage activity. Design them to permit recording of multiple locations by condition of each stocked line.



(8) Ammunition storage system procedures and methods are contained in ATP 4–35.1 and DA Pam 385–64.

### **5–9. Physical security considerations**

a. The policy and procedures for developing and maintaining a practical, economical, and effective security program are outlined in AR 190–13. Because commanders and supply managers are responsible for enforcing physical security standards for a variety of commodities, it is critical that an overall security program be developed for the organization or activity, in coordination with the local security officer, beginning with an assessment of the existing security threat. AR 190–13 outlines policy for conducting an assessment.

b. Physical security standards for the various types of sensitive items are outlined in the references listed in chapter 8.

## **Chapter 6**

### **Loans, Bonding, and Other Accounting Procedures**

#### **Section I**

#### **Loans and Bonding**

##### **6–1. Loans**

Army property may be loaned as prescribed by appropriate regulation. AR 700–131 provides detailed policy and procedures for loan or lease of Army property.

##### **6–2. Temporary assets**

Temporary assets are items obtained by loan, rental, or lease, to satisfy a noncontinuing requirement for less than 6 months. These items do not require property book accounting, except for ITE, (see chap 8, section VI). When temporary assets other than ITE are on hand, the following procedures and paragraph 6–3 apply:

- a. The APO will keep a file for each requirement. The file will include—
  - (1) A copy of each receipt document. For rental or leased items, include a copy of the contract.
  - (2) On return of the property to the owner, the turn-in document.
- b. Use procedures in chapter 12 to assign responsibility for temporary assets.
- c. Keep the file outlined per AR 25–400–2, as appropriate.
- d. Negotiate the temporary loan of classified COMSEC materiel with the supporting COMSEC account and administer it per TB 380–41.
- e. For items obtained by loan, rental, or lease beyond six months follow procedures in paragraph 6–3 and AR 700–131.

##### **6–3. Assigning responsibility for leased property other than information technology equipment**

- a. The requesting organization will submit a request to the property book APO along with copies of lease authorization. The APO will process the request.
- b. The requesting organization initiating the lease will notify the contracting office when equipment has not been received by the scheduled delivery date.
- c. For equipment leased directly from the contractor, the requesting organization will provide signed receipt documents to the APO.
- d. The APO will maintain a lease-equipment file. The file will contain lease authorization, lease agreement with amendments, and receipt and turn-in documents. On termination of the lease contract, the APO will process disposition of the leased property per the terms of the lease. If the equipment has been returned to the contractor by the using organization, provide a copy of the shipping document or receipt acknowledged by the contractor to the APO.
- e. The APO and the KO will coordinate lease contract renewals, terminations, and amendments. The KO will provide an amendments of the lease contract to the APO. The APO will provide a copy of this document to the servicing FAO.

#### **6-4. Legal bonds**

a. Civil authorities and organizations that borrow Army property must post a surety bond equal to the value of the property being borrowed. Bonds ensure the safe return of the loaned property or reimbursement for any loss of, or damage to the loaned property. The bond will consist of one of the following:

- (1) A properly executed surety bond with a certified check, cash, or negotiable U.S. Treasury bond.
- (2) A notice of bond by a reputable bonding company deposited with the loan approving authority.

(Specific procedures are contained in AR 700-131 and AR 725-1.)

b. This requirement is waived—

(1) When the loan is of an emergency nature and to delay the loan would impact upon the health, safety, or security of persons and property.

(2) For the checkout or rental of appropriated fund and NAF property for recreational purposes as prescribed in AR 215-1. (The patron pays a fee or signs for the property (checkout)). Therefore, a bond is not required.

#### **6-5. Senior Reserve Officers' Training Corps or National Defense Cadet Corps bonding**

a. Per 10 USC 2110 and AR 145-2, the Secretary of the Army requires each institution hosting Senior Reserve Officers' Training Corps (SROTC) or National Defense Cadet Corps (NDCC) units to post a bond or other indemnity in such amount as is adequate, but not less than \$5,000, for the care and safekeeping of all property issued to the institution to include uniforms stored by the institution; exceptions will include uniforms issued to cadets, expendable articles, and supplies expended in operation, maintenance, or instruction. A bond without surety thereon is acceptable if the institution concerned furnishes satisfactory evidence of its financial responsibility. Bonding is not required when institutions elect to have accountability and responsibility for Government property retained by the DA (senior program units only).

b. The Secretary of the Army delegates ROTC brigade commanders and major overseas commanders to authorize ROTC units under their jurisdiction the authority to determine the amount of the bond to be required and the financial responsibility of the institution. All such determinations by these commanders will be made "For the Secretary of the Army" on the basis of the standards in paragraph 6-5c and paragraph 6-5d below.

c. In determining the amount of the bond to be required of an institution, the following standards apply:

(1) The amount of the bond will not be less than \$5,000.

(2) The amount of the bond will not be less than the value of cumulative losses of property requiring bonding incurred by the institution during the preceding 3 years.

(3) The amount of the bond will not be less than the ROTC brigade commander considers adequate to protect the interest of the Government for the property involved.

d. In determining that a bond without surety thereon is acceptable, the following is considered adequate evidence of the institution's financial responsibility:

(1) A financial statement of the institution that shows that total assets exceed the total liabilities by an amount greater than the total value of the property requiring bond that is, or will be, issued to the institution.

(2) An independent audit, other report, or other documentary evidence indicating that the institution accounts payable are settled within 10 days, and that its commercial credit rating is satisfactory (such as, AAA and AA).

(3) In the case of schools operating under State charters and institutions directly under the control of municipalities, documentary evidence showing, during the preceding 3 years, amounts due the Government in connection with the ROTC or NDCC program were paid promptly by the institution.

e. Supplies and equipment will not be issued to an institution that maintains accountability and responsibility for such supplies and equipment until a bond has been executed and filed with the appropriate ROTC region command HQ, or the United States is otherwise indemnified.

f. Any case not clearly falling within bonding standards per this regulation will be forwarded through command channels to Commander, U.S. Army Human Resources Command (AHRC) (AHRC-OPD-C), 1600 Spearhead Division Avenue, Fort Knox, KY 40122-5405 for action by the Secretary of the Army. The submission will include the following:

(1) Evidence of financial responsibility of the institution, including a financial statement.

(2) Total value of the following controlled items entrusted to the institution:

(a) All weapons smaller than 40 millimeters.

(b) Small arms ammunition.

- (c) Field glasses, compasses, stopwatches, and fire control equipment.
- (d) Other valuable items susceptible to pilferage (such as, knives, bayonets, radiac meters, radiac chargers, and dosimeters).
- (3) The cumulative value of losses of controlled items of property over the past 3 years.
- (4) A statement by the ROTC brigade commander of the experience in recovering such losses from the institution over the past 3 years. (This statement is sufficient evidence of financial responsibility for State institutions or schools operating under State charters or directly under the control of municipalities.)
- g. ROTC brigade commanders will review bonds in force at least once every 3 years to ensure conformance with standards prescribed in paragraph 6–5c and paragraph 6–5d. Commanders may request the reports and statements from the educational institution necessary to make a proper review.
- h. On establishment of an Army ROTC or NDCC unit at an institution that is required, or elects, to maintain accountability and responsibility for supplies and equipment to be issued, the ROTC brigade commander will—
  - (1) Obtain two copies of the following:
    - (a) The resolution or bylaw citing the authority of the president or other designated officer to execute the bond on behalf of the institution and designating an institutional representative to be the military property custodian. These copies will be authenticated as true copies by the signature of the secretary and by the corporate seal, where applicable. In the case of high schools, an authenticated attestation by the governing assemblage designating a representative to be military custodian will be obtained.
    - (b) The charter or articles of incorporation, or similar documentary evidence of organization, or a reference to the statute if incorporated by direct legislative action.
  - (2) Forward one set of the documents to Commander, AHRC (AHRC–OPD–C), 1600 Spearhead Division Avenue Fort Knox, KY 40122 –5405. The other set will be retained at the ROTC region HQ.
- i. On approval Army ROTC or NDCC units at an institution will maintain accountability and responsibility for Government property, the ROTC brigade commander will forward to the institution a DA Form 1622–R (Bond for Safekeeping of Government Property Issued to Educational Institutions). If necessary, DA Form 1622–1–R (Affidavits of Individual Sureties) will also be forwarded to the institution, along with a statement of the approximate value of the Government property authorized for initial issue to the institution. The amount of the bond and requirements for acceptance of a bond without surety thereon also will be provided.
- j. The surety on the bond, if required, may be U.S. bonds or notes deposited with the ROTC brigade commander.
- k. The bond or other form of indemnification, when duly executed, will be returned to the ROTC brigade commander. The commander will retain it and assure the sufficiency of the sureties required. No bond or other form of indemnification will be accepted until it has been examined and approved by a DA Civilian attorney under the supervision of the Staff Judge Advocate.
- l. When a bond presently in effect conforms to the above requirements, no change in the bond is necessary. When a new bond is required, the forms prescribed in paragraph 6–5i will be used.
- m. Where an institution maintains both Army and other Service ROTC or NDCC units, a separate bond will be needed to cover DA property that requires a bond. Provisions of this paragraph apply with respect to such bond.

#### **6–6. Junior Reserve Officers’ Training Corps bonding and/or insurance**

- a. Per 10 USC 2031 and AR 145–2, the Secretary of the Army requires institutions of secondary education hosting a Junior Reserve Officers’ Training Corps (JROTC) unit to post a bond, or provide proof of suitable insurance in lieu of posting a bond, for the care and safekeeping of all property as stipulated in their application and agreement for the establishment of a JROTC unit, as recorded on DA Form 3126 (Application and Contract for Establishment of a Junior Reserve Officers’ Training Corps Unit) under the provisions of AR 145–2. The amount of the bond or insurance will be a minimum of \$5,000. When the amount needed to compensate the Army for Government property issued to the institution that may become lost, damaged, or destroyed is greater than \$5,000, the amount of the bond or insurance will be increased to that amount. The bond or insurance policy must name the Army as the beneficiary for the amount needed to replace the lost, damaged, or destroyed Government property. Government property includes all nonexpendable property accounted for under the provisions of chapter 5, to include uniforms stored by the institution. It does not include uniforms issued to cadets, expendable articles, and supplies expended in operation, maintenance, or instruction.

b. Proof of suitable insurance in lieu of a bond may be an affidavit on school or board of education letterhead with the signature of the principal or similar authority to the effect that all Government property used by the JROTC program is covered by the school's insurance policy.

c. Schools that are self-insured may also provide an affidavit to the effect that the school accepts financial responsibility for all Government property used by the JROTC unit. Schools with a history of causing the Government unrecoverable losses may be required to post a bond, as determined by the ROTC brigade commander or the Army's major overseas area commander having authorized the Army JROTC unit under their jurisdiction.

d. The Secretary of the Army delegates to ROTC brigade commanders, and Army major overseas area commanders having authorized JROTC units under their jurisdiction, the authority to determine the amount of the bond or insurance required, and the financial responsibility of the institution. All such determinations by these commanders will be made "For the Secretary of the Army" on the basis of the standards in paragraph 6-6a through paragraph 6-6c.

e. Any case not clearly falling within bonding standards per this regulation will be forwarded through command channels to Commander, AHRC (AHRC-OPD-C), 1600 Spearhead Division Avenue Fort Knox, KY 40122 -5405 for action by the Secretary of the Army.

f. ROTC brigade commanders and Army major overseas area commanders having authorized JROTC units under their jurisdiction will review the bonds and insurance affidavits in force at least once every 3 years to ensure their conformance with the standards prescribed in this regulation. Commanders may request the reports and statements from the educational institution necessary to make a proper review.

## **Section II**

### **Other Accounting Procedures**

#### **6-7. Financial inventory accounting**

A financial inventory accounting system will be established and maintained for inventories of Army material held on records of accountability within the Army supply system. It will be the formal accounting system used to integrate the required quantitative and monetary accounting of Army property. It will not be used to account for property in the hands of troops, or for fixed assets accounted for under the real property record system. Financial inventory accounting records will be maintained by the servicing FAO based on information provided by the APOs.

#### **6-8. Summary accounting**

a. Summary accounting is a simplified inventory accounting procedure that records only the net result of all transactions that took place during the posting period. It is designed for use at certain retail level issue functions involving low dollar value items and in self-service operations. It can be in terms of items or dollars, but not both. Its purpose is to improve supply and financial operations and reduce the workload in supply management and accounting.

b. Property accounts will be maintained using detail accounting procedures unless specifically exempted by the DCS, G-4. Each transaction is recorded on the property record and a running balance is maintained. The use of summary accounting procedures must be specifically authorized by and contained in this regulation or other functional regulation.

#### **6-9. Contractor-operated property accounts**

Contractor personnel are authorized to act as responsible stewardship custodians for government-furnished equipment accounts when such function is included in the scope of their contracts. KOs will ensure that the contractor is made responsible for Government-owned property under FAR Government property clause and that adequate property accountability and recordkeeping requirements are included in the formal contract.

## **Chapter 7**

### **Property Book Accounting and Controlling Property**

#### **Section I**

##### **Introduction**

#### **7-1. Property authorization documents**

a. Commanders and activity supervisors must ensure all nonexpendable property is documented in the APSR. APSR records must include the authority to possess the item. Without proper authorization documentation, property redistribution may be directed.

b. Commanders, activity supervisors, and APOs will ensure all pertinent equipment authorization documents are used and that all authorized equipment (and components of that equipment) is either on hand, has a valid sourcing solution (such as purchase order, fielding, inbound transfer), or a documented supply constraint reported per paragraph 11-5.

c. This regulation specifies criteria for property book accountability of items authorized by a variety of sources—

(1) Organization authorization documents described in AR 71-32 and DA Pam 71-32. APOs will ensure APSR authorization records match the most current documents published by the United States Army Force Management Support Agency per AR 71-32.

(2) Discretionary allowances, such as common tables of allowances or similar documents. Equipment identified as discretionary in authorization documents will be approved by the ACOM/ASCC/DRU commander unless other approval authority is indicated in the document.

(3) Basic or operational loads prescribed by ACOM/ASCC/DRU commanders per Chapter 13.

(4) Purchases or acquisitions initiated under the authority of other publications, such as equipment, training aids, simulators, heraldry items, medical support equipment, historical property, and other uniquely specified property not listed in organization authorization documents.

(5) Development, test, acquisition program, and similar authorities to procure or acquire prototypes, or equipment and support items used for research, development testing and evaluation.

(6) Technical Publications, which may specify tools, accessories, components, or other necessary property to operate and maintain equipment.

(7) Other purchasing authorities under DoD FMR 7000.14-R, FAR, DFARS, or Army FAR Supplement.

d. APOs must document the authority to possess an item in the APSR record for the property. For example, authorization code entries to indicate the type of document cited, or free text comments referencing the specific publication or authority to possess the property. Methods may vary depending on the APSR capabilities.

e. Commanders, activity supervisors, and APOs will reconcile authorization documents annually to identify shortages overages and any other discrepancies.

f. Commanders and activity supervisors will ensure property is properly authorized before initiating purchases, contracts, requests, or acquisitions.

#### **7-2. Authorized equipment substitution procedures**

Organizations of the RA, ARNG, and USAR are equipped in order of precedence, issue priority designator (PD), or Dynamic Army Resource Priority List sequence with major end items prescribed by the LIN authorized in applicable authorization documents unless otherwise directed by DA. In many instances, the authorized items will not be available to satisfy the organization's mission needs. To maintain organizational readiness with available equipment, AR 220-1 provides policy and procedures to align a substitute item approved per SB 700-20 or an in-lieu-of item approved by the O-6 level commander of the organization. When in-lieu-of items are approved per AR 220-1, the APO will maintain the written approval records for all in-lieu-of items on assigned property book accounts. The use of substitute or in-lieu-of items is considered a near term expedient to improve organization readiness and will not relieve the organization from ensuring authorized equipment has a valid sourcing solution per paragraph 7-1b or documented supply constraint per paragraph 11-5.

a. The AMC major subordinate commands (MSCs) will use the developed a list of substitute LINs, which is published in SB 700-20 Appendix H, as the approved DA Class VII Substitution List. A substitute

LIN being used instead of the authorized LIN must appear in the DA-approved list to qualify for readiness reporting purposes per AR 220–1.

b. Report the substitute LIN as an asset on hand and include it in equipment totals for organization status reporting.

c. When there is an authorized substitute on hand, request the preferred item.

d. When the substitute LIN is replaced with the authorized LIN dispose of excess items per chapter 14.

e. Do not use Army prepositioned stock assets as a substitute unless approval is obtained from the DCS, G–4 (DALO–OPS–C).

f. The AMC commodity manager will coordinate to determine that the substitute item is acceptable to the requesting organization.

g. The accepting organization will determine an item's acceptability based on the following criteria:

(1) It is compatible with the associated support items of equipment (ASIOE) in the organization.

(2) It performs a similar function and purpose as authorized by the LIN. For communication or electronic equipment, the item must be interoperable with the existing network.

(3) It has fuel characteristics compatible with the organization's petroleum, oils, and lubricants (POL) requirements. It does not have to match the authorized LIN's POL requirements.

(4) There is ammunition available for the substitute weapons. If the type of ammunition required for the substitute item is unavailable to the organization on a regular basis, the item should be rejected.

(5) It possesses similar mobility characteristics. All movement situations should be considered.

(6) It has similar air transportability characteristics.

(7) Its maintenance is supportable by personnel authorized in the organization MTOE or TDA.

(8) Its supply is supportable (repair parts; tools; test, measurement, and diagnostic equipment). The criteria are not satisfied if the repair parts and so forth are not on hand but can be obtained on a timely basis.

h. The commander of an organization retains the authority to reject any substitute item of equipment offered by the AMC MSC based on the criteria outlined in paragraphs 7–2a through 7–2g. If a substitute item is shipped without prior coordination and approval of the commander, it may be rejected.

### **7–3. Army property**

Army property is all property under the control of the DA except property accounted for as owned by a NAF activity. It must be accounted for on a property account unless specifically exempted by an AR. Property leased by an Army activity is considered Army property for accounting purposes. Property loaned to a non-Army activity remains Army property. Real property accounts for all assets on the installation regardless of who funded the construction or paid for sustainment (except privately-owned) and will be reflected in the installation real property inventory. Property built by NAF, Air Force, and Navy are considered tenants on the installation and will be reflected as such in the inventory (see AR 405–45 on reporting).

### **7–4. Property confiscated, impounded, or held as evidence**

a. The PHRH owning the property that has been impounded and held as evidence for investigation and/or judicial proceedings per AR 195–5 will obtain a signed copy of the DA Form 4137 (Evidence/Property Custody Document), which will serve as a HR until item is returned or disposed, regardless of the length of time the property is held. AR 195–5 provides policy to authorize release and disposal of property from evidence. Property will not be removed from accountable records per this regulation or AR 735–5 unless the property is actually lost, damaged, destroyed, or theft occurs while in evidence.

b. Law enforcement officials will provide a copy of the custody document to the PHRH owning the property. The PHRH in turn will provide a copy of the custody document to the APO. The APO will file this document with the PHR. Destroy the document upon return of the property.

c. The APO may request the PHRH provide verification of the balances and asset data on the custody document to comply with inventory requirements. Copies of the quarterly inventories of evidence rooms and storage areas will suffice for this purpose, or statements of confirmation from the evidence custodian.

d. If the organization responsible for the property is not known, the evidence custodian will provide a copy of the custody document to the LRC APO. The LRC APO will enter the data from the chain of custody document into the APSR per paragraph 11–28 and seek disposition of the property per chapter 14.

#### **7-5. Donated or abandoned material**

Donated material includes any items of property that have been donated to the Army from any source. Abandoned property is that material where ownership cannot be determined and is now under the control of the Army. All donated and abandoned property must be accounted for as prescribed by this regulation. Accounting is maintained through formal property records.

a. Asset reporting requirements for donated or abandoned property recorded on accountable records are reported through normal asset reporting procedures per AR 710-3. These include small arms, CCIIs, vehicles, and similar items where asset reporting is required.

b. If there is no mission need for the item, it must be turned in immediately per instructions detailed in this regulation.

#### **7-6. Items obtained from Defense Logistics Agency Disposition Services through the supply support activity**

a. Property book items obtained through DLA-DS and used for their intended purpose must be accounted for. Follow normal property book accounting procedures.

b. Account for unserviceable (scrap) property book items obtained from DLA-DS and used for other than their original purpose using normal property book accounting procedures per chapter 5. Enter "verbal orders of the commander" or "VOCO" as the authority.

c. In the ARNG, no property may be obtained from DLA-DS without prior approval from the USPFO. The USPFO will provide the necessary documents.

#### **7-7. Non-Army property**

Property of another military Service, other Government activity, or a foreign Government, not under Army control is considered non-Army property. Property issued or loaned directly to an Army member or employee, rather than to the local Army element, is non-Army property.

#### **7-8. Other service storage of Army property**

Accountability for Army approved "packages" of production equipment and other equipment stored at a DLA installation will be established and maintained in a separate Army property account. The equipment will bear an Army account serial number. An officer or civilian employee of DLA will be the APO. Financial (general ledger) control over the equipment will be maintained by the Army commodity command that supports and justifies the packages.

#### **7-9. Liability of Army property on loan or borrowed from other activities**

a. Unless otherwise stated in loan agreements or contracts, the Army has control over and accounts for as "Army property" any property loaned to the Army by another military Service, Government activity, foreign Government, or civilian institution. Loaned or borrowed equipment remains the property of the original owning entity and may not be retained after the period of use.

b. Loaned/borrowed property will be accounted for by the use of a temporary file. This file will include copies of all documents authorizing the loan and all documents that relate to the loan transaction.

c. Loaned/borrowed property will not be recorded on Army property books or stock record accounts.

d. Loaned/borrowed property will be controlled, and responsibility assigned using HR procedures.

e. The Army assumes liability for loaned/borrowed property. This liability may be satisfied by—

(1) Return of the item in acceptable condition.

(2) Reimbursement to the lender.

(3) Repair of damaged items at Army expense.

(4) Replacement in-kind of lost or damaged items.

f. Financial liability may be assessed under AR 735-5 when appropriate.

## Section II

### Property Book Fundamentals

#### 7–10. Items that require property book accounting

Property book accounting includes keeping accurate records of certain types of property authorized in an organization. Chapter 5 and Table C–1 of this regulation prescribe criteria for items requiring formal property book accounting.

#### 7–11. Accounting for property in accountable property system of records

a. APSRs use authoritative data sources (ADSs) for property cataloging and cost data, organizational structure and authorization data, and serialization requirements. The APO will establish routine schedules and respond to event based status changes (such as deployment, redeployment, realignment, activation, deactivation) to ensure all authoritative enterprise level data and all organization entered data is current and correct.

b. The APSR EUM will describe specific transactions and procedures to follow for property accountability which may differ from legacy hard copy paper processes. Designated and approved APSRs follow property accountability policy published in this regulation and meet compliance requirements before software changes are implemented. Do not use hard copy forms to duplicate system-generated processes in the APSR. Avoid creating unnecessary external documents in local SOPs.

c. The APO will use methods specified by the APSR's EUM to organize property by category and to designate the authorization type of the specific property on hand.

d. All organizations and activities will keep a separate classified APSR account when either the property description or quantity is classified. Classified property will not be managed in unclassified APSR accounts. Safeguard the classified section as directed by security regulations.

e. Adjustment documents supporting changes to accountable property records may include administrative adjustment actions per Section III of this chapter, or adjustments to account for loss, damage, destruction, or theft per AR 735–5.

## Section III

### Property Book Accounts

#### 7–12. Property book accounts

a. The property book account is a formal set of property accounting records and files maintained at the using unit level. It is used to record and account for all nonexpendable and other specially designated property issued to that activity.

b. A property book account will be established for each activity having an assigned parent organization UIC. When an element of the unit deploys, separate property book records for the property accompanying the element will be established.

c. Elements geographically separated from their parent organization APO may require local property book support if the parent organization is unable to provide adequate remote support. The commanders or activity supervisors of the parent organization and supported element will assess the feasibility of remote support given APSR capabilities, communications networks, duration of the separation, and time and distance factors. The commanders and/or activity supervisors of the parent organization and supporting command/installation at the remote activity will negotiate feasible support agreements as required to ensure efficient and responsive property accounting support to the remote element.

#### 7–13. Types of property book accounts

For property book accounting purposes there are two types of property: deployable and fixed base. Table C–1 provide criteria to determine formal accountability and HR control requirements for specific categories of property.

a. *Deployable property.* This type of property is authorized to MTOE or deployable/mobilization TDA organizations by their authorization documents. The following is also deployable property and requires property book accountability regardless of ARC and dollar amount.

(1) OCIE in CTA 50–900, for RA organizations. ROTC organizations are exempt from maintaining formal property book accountability for on hand OCIE.



- (2) Items identified as deployable by CTA 50–909.
  - (3) Items authorized by AR 840–10.
  - (4) Special tools and test equipment.
  - (5) Basic loads of class I.
  - (6) Deployable mission-related books and book sets.
  - (7) Items authorized by section 3 supplement of the deployable or mobilization TDA.
  - (8) Items in CTA 50–900 for ARNG and educational institutions and for USAR activities operating a CIF.
  - (9) Operational loads of class I.
- b. Fixed base property.* All property not listed in paragraph 7–13a, regardless of how authorized, is fixed base property and will be accounted for by either formal property book accountability or HR control as applicable. Nondeployable property is further classified into two subtypes of nondeployable:
- (1) Mission property, which is required by a nondeployable activity to perform its mission and is authorized by the activity's TDA and other valid authorization documents.
  - (2) Installation property, which is inherent to the operation of the installation and is authorized by the activities TDA and other valid authorization documents per paragraph 7–1 and appendix C of this regulation, and AR 71–32. Organizations will not take installation, fixed-based property to the field or with them upon change of station. This does not include fixed base property having an organization cost less than \$5,000 and a CIIC code of "U." HQ, Inter-Governmental Maritime Consultative Organization, or its regional offices may grant individual exceptions.

#### **7–14. Property book accounting**

This paragraph prescribes general accounting policies for the property book system. Organizations and activities using an APSR are not required to keep manual records that duplicate information available from the automated system. All property book systems must be maintained using AIT integrated with an APSR. In addition, property book records in the APSR and supporting document files must provide a complete audit trail for all transactions.

*a.* The existence of a parent organization UIC is authority to have a property book. Property book records will be established and maintained for property requiring formal accountability per chapter 5 and Appendix C.

*b.* The ACOM/ASCC/DRU commander or CNGB may authorize property books to be kept at other than parent UIC level. All the parent unit responsibilities per this regulation become the responsibility of the subordinate unit. The commander at the parent UIC level will establish and maintain a property book for any subordinate activity not supported by a consolidated installation property book, with the following exceptions:

- (1) If the ACOM/ASCC/DRU commander or the CNGB cannot coordinate property support internally to their organizations for these units, then support should be coordinated with a Memorandum of Agreement (MOA) between the LRC higher HQ (AMC and the supported organization ACOM/ASCC/DRU commander or CNGB) with the local LRC property book office.

- (2) The MOA will include the specific details of support and the cost associated with that support. The DCS, G–4 will use the LRC to determine future planning and programming guidance.

- (3) LRC property book support is considered a service provided by the LRC to ACOM/ASCC/DRU commanders and the CNGB who do not have organic property book support authorized by their MTOE or TDA. All customers of this service must have an approved MOA on file to use this support. LRCs do not deploy; ACOM/ASCC/DRU commanders and the CNGB must provide property book support upon notification of deployment.

*c.* Senior Commanders operating under AR 5–9 or commanders of a medical department activity organized under AR 40–1 may establish and keep consolidated installation property books. These property books—

- (1) Will not contain deployable property.
- (2) May contain fixed base property for both MTOE units and TDA activities.
- (3) May be arranged separately by an activity designated to manage a specific category of property, for example, food service property.

*d.* When a property book is established below the parent UIC level, a separate DoDAAC will be obtained, and a derivative unit identification code (DUIC) will be assigned for each property book

established. Requests for additional DoDAACs and DoDAAC/UIC cross-reference will be prepared per AR 725–50. Requests for a DUIC or changes to an existing UIC will be prepared per AR 71–32.

## Section IV

### Property Book Records

#### 7–15. Organizing property books

a. Property books are organized so that deployable and fixed base property is kept separately. This ensures organizations know property books can be organized so that a separate section may also be kept for each type of property (that is, OCIE or basic load). All activities will keep a separate classified section when either the property description or the quantity is classified. This classified section will be safeguarded according to security regulation.

b. The facilities engineering property book established for the Directorate of Engineering and Housing or the Directorate of Public Works will be limited to only equipment and tools required to accomplish the real property maintenance activity or public works mission. Other types of fixed base property will not be requested and may not be posted to the facilities engineering property book.

c. The following requirements are for the ARNG and USAR. ARNG and USAR procedural publications will prescribe the forms and use of property book records for these types of property:

(1) USAR CTA and TDA property authorized for the operation of the equipment concentration site (ECS) will be accounted for on the ECS property book. The ECS supervisor may appoint an APO. Company-owned MTOE/TDA/CTA property pooled at the ECS will not be accounted for on the ECS property book.

(2) Quarters' furnishings at ARNG training sites will be accounted for in a separate section of the same property book that has the TDA property for the training site.

d. Commanders, activity supervisors, and APOs will reconcile authorization documents annually to identify shortages overages and any other discrepancies. A statement, listing the results, indicating that this reconciliation has been accomplished by the APO will be submitted to the APO's appointing authority. The APO appointing authority will personally acknowledge the reconciliation in writing and file a copy with the property book. Retain these documents per AR 25–400–2.

#### 7–16. Property book records

With the exception of classified COMSEC property records, the four types of data that will be recorded on property book records are:

a. *Authorization data.* This data is taken from the authorization document and identifies the item required and authorized. When an authorization is established by use of a basis of issue, the total quantity authorized will be used. ROTC organizations will maintain a current personnel roster to support the total quantity.

b. *Identification data.* This data identifies the item.

c. *Accounting data.* This data reflects the quantity on hand and the transactions that change the quantity.

d. *Management data.* This data is used by the APO to manage the property. Location and due-in information, date of pack, lot and serial number, shelf-life suspense dates, and any suspension notices and contract number will be included for basic loads. The lot number and quantity on hand of each item having a lot number, for example, ammunition will be entered.

e. *Types of property book records.* Following are the three types of property book records:

(1) *Basic.* The basic property book record must contain all four types of data when a single line item is authorized and on hand. When an authorized line item is on request, but not on hand, a basic property book record with authorization and management data will be maintained. The basic property book record only contains authorization data when more than one make, model, or substitute item is on hand relative to a single line item authorization.

(2) *Supplemental.* The supplemental property book record contains the identification, accounting, and management data under the following conditions:

(a) When accounting for components of medical assemblages.

(b) When more than one make or model or a substitute item is on hand relative to a single line item authorization.

(3) *Serial number*. The serial number property book record contains the serial number of items requiring accounting by serial number per AR 710–3.

#### **7–17. Property book record essential data elements**

a. The basic and supplemental property book records will contain the following essential data elements:

- (1) Date posted.
- (2) Document number.
- (3) Quantity received.
- (4) Quantity turned in.
- (5) Balance.
- (6) Balance brought forward.
- (7) Balance carried forward.
- (8) UIC.
- (9) Authority.
- (10) Material number.
- (11) NSN.
- (12) UI.
- (13) LIN.
- (14) Equipment readiness code (ERC).
- (15) Required allowances (MTOE and TDA only).
- (16) Authorized allowances.
- (17) Reportable item control codes (RICCs).
- (18) Logistics control code.
- (19) CIIC.
- (20) Equipment category code.
- (21) Item description.
- (22) Publication data.
- (23) Location.
- (24) Quantity authorized, by location.
- (25) Quantity on hand.
- (26) Document number.
- (27) Quantity due-in.
- (28) Standard requirement code.
- (29) Acquisition cost (this cost will be the price stated on the receipt documentation).
- (30) Unique item identifier (UII).

b. The serial number property book record will have:

- (1) Serial number.
- (2) Lot number (class V and other items requiring lot number).
- (3) Location.
- (4) UIC.
- (5) NSN or material number.
- (6) Item description.

#### **7–18. Supporting document files**

a. All documents supporting entries to the accounting data record in the property book will be filed in the supporting document file. The supporting documentation will support entries that affect the Army's financial statement, noncapital assets that require formal accountability and entries used to modify the equipment record.

b. The source documents supporting the initial purchase of capital and noncapital assets are maintained differently in the scope of document retention table 7–1. Capital and noncapital thresholds and dates are listed in table 5–1 in this regulation. All source documents used to create an asset record (capital asset) in the Army property book and support the acquisition value and receipt date must be held for the life of the asset plus 2 years per FAR 4.805 and Item 030 from the General Records Schedule 1.1: Financial Management and Reporting Records dated January 2017 (see table 7–1).

c. The majority of capital assets acquired by the Army and that currently reside on the organizations APSR are assets that have been fielded or requisitioned through the supply system. The APO is not required to have the original DD Form 250 (Material Inspection and Receiving Report) for these assets. The DD Form 250 for these capital assets reside with the PM, PEO, or the LCMC and can be found in Invoicing, Receipt, Acceptance, and Property Transfer (iRAPT).

d. For capital and noncapital assets purchased through local organization contracts (computers, printers, and so forth) which require property book accountability, the APO is required to retain and or create the DD Form 250 as the first to accept ownership to the government. Acceptance documents must be posted to the APSR within the timelines prescribed in table 1–1. Appropriate documentation should include DD Form 250 to support the date placed in service along with the associated contract.

e. Contract files are considered supporting document files and should be retained for life of the asset as these will be used to support the full acquisition cost of an asset.

(1) Any transaction that results in the modification of an equipment record in a property book must be supported by the appropriate documentation, which will be filed and retained per table 7–1.

(2) Modifications may include, but are not limited to, lateral transfers and administrative adjustments.

f. Appropriate documentation will include evidence to support the transaction and proof of authority to execute the transaction (for example, DA Form 3161 (Request for Issue or Turn-in) to execute a lateral transfer along with the DA Form 1687 to support proper authority).

g. The APO will prepare a memorandum or statement for any documentation missing from their supporting documentation file, following procedures in paragraph 7–20.

h. Property book officers will conduct checks of all transactions to validate the accuracy of increases and decreases in asset records. The Types of transactions requiring checks are receipts, adjustments, and turn-ins. APOs will document checks in the Standing Operating Procedures.

#### **7–19. Maintaining supporting document files**

a. Configure paper or electronic filing systems and document file markings per AR 25–400–2. APOs will post and annotate documents or may delegate this responsibility to a representative identified in writing.

b. Mark paper documents that support entries to the property book as “Posted,” Julian date, and initialed by the posting person.

c. Mark paper documents that do not support entries to the property book as “Not Posted,” Julian date, and initialed by the posting person. Annotate the reason why the document was not posted. Examples are nonexpendable components or DD Form 1348–8 (DoD MILSPETS: DFSP Inventory Accounting Document and End-of-Month Report) that show no gains or losses.

d. Mark the original copy of documents cancelled on the nonexpendable document register using “CXL” (for cancel), dated using the Julian date, and initialed by the filing person.

e. File documents in transaction number sequence. This may be transaction identification numbers from an APSR transaction register, or DoD document numbers assigned in a hard copy register if used per appendix D.

f. APOs will provide a memorandum or statement for any documentation missing from their supporting documentation file. This statement or memorandum is only to record the circumstances related to the missing document. Missing document memorandums should be the exception after all options to retrieve a copy of the document have been exhausted.

(1) APOs will conduct causative research, document audits, and contact the entity from which the equipment was received (losing organization, PM, item manager/depot, and so forth) to request a copy of missing issue/transfer/receipt documents.

(2) Do not re-create a missing supporting document if a copy or original cannot be located.

(3) A missing document memorandum will state the LIN, NSN or material number, NSN, description, serial number, quantity, document or transaction number, catalog price, and date posted to the property book. It will also contain a brief explanation or statement explaining loss of documentation (such as a missing document found in archives during change of APO inventory).

g. Receipt and turn-in documents for expendable or durable supplies do not have to be filed and processing these actions in the APSR provides an auditable transaction history. However, file documents supporting loss, damage, or destruction of expendable or durable supplies for which liability is admitted (for example, statements of charges, cash collection vouchers) in the relief from responsibility (liability admitted) files. When initiating a receipt or turn-in, file documents for expendable or durable supplies in the

general property accountability correspondence (nonaction) files for administrative purposes. File them in document transaction number sequence. Dispose of these files per AR 25–400–2.

*h.* Documents for nonexpendable property not supporting entries to the property book will be kept per the retention requirements in table 7–1. These documents will be filed with the documents’ supporting entries to the property book and will be marked as “not posted.” Documents for durable and expendable supplies will be kept per current Army record keeping regulations.

**Table 7–1**  
**Document retention**

Types of property	Transaction type	Type of documentation	Who retains documentation
Property plant and equipment (PP&E)	Acquisition of capital asset not at the organization level	DD Form 250	PM/PEO
PP&E	Acquisition of capital asset purchased through a contract at the organization level	DD Form 250	Organizations: Organization supply will retain DD Form 250 if they purchase a capital asset through a contract
PP&E	Acquisition of noncapital asset purchased through a contract	DD Form 250	PM/PEO/LCMC/organizations
PP&E	Lateral transfer from one Army activity to another Army activity	DA Form 3161	PM/PEO/organizations
PP&E	Lateral transfer from one Army activity to another Service	DA Form 3161	Organizations
PP&E	Turn-In SSA back to depot	DD Form 1348–1A (Issue Release/Receipt Document)	Organizations/SSA
Plant and equipment	Turn-in to DLA–DS	DD Form 1348–1A	Organizations/DLA
PP&E	Issue (requisition through SSA)	DD Form 1348–1A (Automated MRO), DA Form 2765–1 (Request for Issue or Turn-In), DA Form 3161	Organizations/SSA
PP&E	FLIPL transaction loss	DD Form 200	Organizations
PP&E	Administrative adjustment document (modification/changes to LIN, NSN or material number, NSN, some serial number changes, UI, description)	DA Form 4949 or APSR system-generated form	PEO/PM/PdM/organizations
Inventory	Cyclic inventories	APSR system-generated form	APO/organizations
Inventory	Sensitive inventories	APSR system-generated form	APO/organizations
Inventory	HRs	APSR system-generated form or DA Form 2062	APO/organizations
Ammo	Acquisition of ammo	DD Form 250	Ammunition supply point (ASP)
Ammo	Turn-in of ammo	DA Form 581 (Request for Issue and Turn-in of Ammunition)	SSA/organizations
Ammo	Issue	DA Form 581	SSA/organizations

#### **7–20. Lost, stolen, or destroyed property books and supporting document files**

When a property book or the related records are lost, stolen, or destroyed, the APO must process a request for waiver of military property accounting requirements per paragraph 1–15 of this regulation.

#### **7–21. Closing the property book account**

For an organization that is inactivated or discontinued, the ACOM/ASCC/DRU commander or USPFO representative will publish instructions for clearing the property book. The instructions will include provisions for appointing people to verify the accuracy and completeness of the property book records and the supporting documents. Those persons appointed to conduct the verification must be from an organization other than the one being inactivated or discontinued. On completion of the verification, the property book records will be disposed of per AR 25–400–2.

### **Section V**

#### **Army National Guard Reconciliation Procedures**

#### **7–22. U.S. Property and Fiscal Office reconciliation**

a. ARNG property book records will not be removed from the active property book file until after completion of the annual reconciliation conducted by the USPFO representative. The USPFO will maintain copies of all documents or system-generated listings of transactions that change the balance of end items, components of end items (COEIs), or personal and organizational clothing on hand in organizations within the state. The organization will provide the USPFO with copies of all documents that are generated and processed internally. The USPFO will validate the property records of each organization every 12 months or prior to change of APO, whichever comes first.

b. Every 12 months, or prior to change of APO, a USPFO representative (who is not a member of the same organization) will, as a minimum, verify that:

c. All transactions involving accountable end items are correctly posted in the organization's property book.

d. All transactions involving nonexpendable COEI are correctly documented in the appropriate CHR and recorded in the APSR as a component shortage.

e. The APO has made appropriate disposition of assets that are in excess of authorized Allowances.

f. The organization's record of items due in corresponds with the USPFO record of items due out for that organization.

g. Accountable balances on the property book and the USPFO equipment status report agree. The USPFO representative and the APO, or designated representative, will certify that the balances on the USPFO equipment status report agree and are correct as adjusted by signing a statement at the end of the listing. The APO retains one copy of the adjusted equipment status report until the next reconciliation.

h. After verification of accountable balances, the following will occur:

(1) The USPFO representative will annotate "Property Records Verified" in the front of hard copy property books and will sign and date the entry. There is no requirement to stamp each property book page.

(2) APSR property book accounts will provide the USPFO representative a copy of the latest listing of accountable balances that will be updated and corrected as part of the review procedure. The USPFO representative and the APO, or APO representative, will certify that balances are correct as adjusted by signing a statement to that effect at the end of the listing. The USPFO representative will retain a copy of the signed listing in the logistic control file until after the next review.

#### **7–23. Reconciliation reports**

a. Upon completion of a review of property accountability records, the USPFO representative will submit a report of findings and conclusions as directed by the USPFO.

b. Previous reports should be reviewed to determine if any adverse trends are present and in what specific areas the organization requires assistance. These areas should be addressed in the current report.

## **Chapter 8**

### **Special Accounting Policies**

#### **Section I**

#### **Real Property**

##### **8–1. General requirements and references**

- a. This section contains general policies for real property accounting in support of statutory reporting requirements.
- b. Specific policies and procedures for real property accounting are found in AR 405–45 and DA Pam 405–45.
- c. Criteria and procedures to appoint real property APOs are found in paragraph 4–10.
- d. Procedures for financial accounting and reporting of real property assets are contained in the following publications:
  - (1) Industrial property accounting procedures are in the FAR.
  - (2) Procedures for real property inventory reporting are in AR 405–45.

##### **8–2. Real property**

Real property consists of lands and improvements to land, buildings, and structures, including improvements and additions, and utilities. It includes equipment affixed and built into the facility as an integral part of the facility (such as, heating systems, installed carpeting, and overhead hoists), and non-moveable equipment. Real property is divided into the four basic classes for accounting purposes:

- a. Land.
- b. Buildings.
- c. Structures.
- d. Linear structures.

##### **8–3. Real property records**

- a. *General.* A property record is maintained in the real property inventory. The records are maintained to show both the quantity and the dollar value of the on-hand items. Specific procedures are in AR 405–45 and DA Pam 405–45. All documents that show the acquisition, issue, or disposition of real property are recorded in a voucher register. This register is retained by the real property APO to support the audit trail of changes to real property records per AR 405–45.
- b. *Accounting.* The FAO performing the installation's integrated accounting will maintain the financial control accounts in the installation's general ledger. Summary or detail posting documents will be provided to the FAO by the facility engineer. As a minimum, the ledger accounts will include land, buildings, structures, and linear structures.
- c. *Inventory.* Real property, general property, and equipment and stewardship land will be inventoried at least once every 5 years. Real property heritage assets will be inventoried at least once every 3 years or upon change of the APO, whichever comes first per AR 405–45. The results will be reconciled with the accounting records.
- d. *Valuation.* Real property will be recorded at acquisition cost. When costs are not known, local engineer personnel will calculate the original acquisition costs per procedures in DoD 7000.14–R. The real property system will automatically calculate the depreciation. All capital improvements must be recorded.

##### **8–4. Real property at contractor site**

Accounting for Government real property furnished to or acquired by DA contractors is the same as accounting for real property at military installations. The reporting pattern, however, is different. Procedures are in the FAR and AR 405–45. The contractor must meet all accounting and reporting requirements of the contract.

## Section II

### Relocatable Buildings and/or Facilities

#### 8–5. Overview

This section establishes Army policy for the accountability of relocatable buildings acquired as equipment. It applies to relocatable buildings on Army-controlled property, Army-purchased, or Army-leased as personal property, regardless of the source of funds. The authorization, acquisition, use, sustainment, and disposition of relocatable buildings is contained in DoDI 4165.56.

#### 8–6. Exclusions

- a. This section does not apply to personal property items that are accountable in organic troop unit allowance lists such as, table of allowances and table of organization and equipment (TOE), tents, portable chemical toilets, and family housing.
- b. This section does not apply to building types and forms that are provided as an integral part of a mobile equipment item and that are incidental portions of such equipment components, such as medical mobile units, communications vans, or communications trailers.
- c. This section does not apply to tactical use relocatable buildings and/or facilities that are centrally managed.
- d. This section does not apply to relocatable structures and/or facilities that are 120 square feet or smaller in combined floor size that are not connected to real property utilities.
- e. This section does not apply to relocatable buildings and/or facilities provided and approved as swing space or support as part of a military construction, Army and/or medical military construction project when the relocatable buildings and/or facilities must be removed immediately upon completion of the military construction, Army and/or medical military construction contract.
- f. This section does not apply to relocatable buildings provided and approved as swing space or support as part of an operation and maintenance construction or repair project.
- g. Contractor-owned relocatable buildings and/or facilities provided for contract administration do not require approval under this policy and must be removed upon completion of the contract.
- h. This section does not apply to tents that are purchased or leased, are not part of a TDA or table of organization and equipment and are not connected to real property utilities. Sprung type shelters and similarly constructed structures are not considered tents.

#### 8–7. Relocatable building accounting policy

Commanders or activity supervisors will establish accountability with the activity's supporting property book APO by providing the approval document, purchase receipts, acceptance documents, contracts for lease, and relevant identifying information to enable the APO to catalog the property and establish property book records. Purchased relocatable buildings and/or facilities are inventoried and accounted for with item unique identification which will be tied to a specific approval document. Services contracts will not be used to acquire relocatable buildings and/or facilities.

## Section III

### Capital Equipment and Other Nonexpendable Supplies

#### 8–8. General accounting and reporting policy

This section provides basic policy for accounting and reporting of capital equipment and other nonexpendable supplies in use. Formal accounting and reporting of durable and expendable supplies are not required after issue to the user level.

- a. *Accounting.* Both item accounting records and financial (dollar) accounting records will be maintained unless specifically exempted by regulation. No financial accounting is required for property issued for use as an integral part of an MTOE type organization. Formal financial accounting records for property issued to other than MTOE type units will be maintained by the FAO supporting the unit. Accounting records will be maintained by the APO appointed to provide property book support.
- b. *Reporting.* Reporting requirements will be accomplished as specified in this section.



## **8-9. Valuation**

a. Recorded values of capital equipment will show the investment in the equipment and provide a way to evaluate maintenance costs. When an item of capital equipment is received, the price is recorded in the capital equipment account of the general ledger. The price remains unchanged until the item is disposed of.

b. Capital equipment will be recorded in accounting records at its standard price. When the standard price is not available, invoice cost or engineering estimates will be used.

c. The recorded value is not reduced for depreciation unless specifically directed.

d. Freight in and installation costs for equipment in use at Army industrial fund activities will be accumulated for capitalization in the appropriate accounts.

## **8-10. Capital equipment**

Capital equipment is that non-consumable personal property which possesses a capital nature and is classified as nonexpendable in the Army supply system or would be so classified if included in that system. Paragraph 5-6 provides criteria and procedures to account for capital equipment.

a. *Property in modified table of organization and equipment organizations.*

(1) *Accounting records.* Accounting records will consist of property book records per Chapter 7.

(2) *Inventory.* Inventories will be performed per Chapter 16.

b. *Property in other than modified table of organization and equipment organizations.*

(1) *Accounting records.* The accounting records will consist of books of account maintained in the FAO and the supporting property records kept by the user. They provide the data needed to support the financial reports. The records will include the following:

(a) General ledger control accounts showing the dollar value of capital equipment in total and the FAO subsidiary control accounts.

(b) Item property records per Chapter 7 and other appropriate regulations. The accountable or responsible officer will furnish posting documents to the FAO. When possible, this will be the same documentation provided for item accounting.

(2) *Inventory.* Inventories will be performed per Chapter 6 of this regulation, AR 710-2, AR 740-26, or other appropriate regulations. Inventories will be reconciled with the account maintained at the FAO. The senior commander or activity supervisor may require more frequent inventories, if desired.

## **8-11. Capital equipment at contractor site**

Procedures for Government property in the possession of contractors per paragraph 8-11 apply to capital equipment furnished to or acquired by contractors. The reporting pattern, however, is different. Specific procedures are in the FAR.

## **8-12. Other nonexpendable supplies**

Other nonexpendable supplies consist of that portion of non-consumable personal property that is classified as nonexpendable in the Army supply system, or that would be so classified if included in that system but does not meet the criteria for capital equipment. Financial inventory accounting procedures are according to DFAS-IN Manual 37-100 (CAC required for access).

## **Section IV**

### **Special Accounting Policies for Specific Types of Equipment, Assemblies, Sets, Kits, and Outfits**

## **8-13. Accounting for associated support items of equipment and component major items**

Some SKOs or weapon systems may have additional end items required in the basis of issue plan (BOIP). These items are designated as either ASIOE or component major item (CMI) in the BOIP and documented in technical manuals (TMs), supply catalogs, and authoritative enterprise data sources which provide data to APSRs. The major item system map described in AR 710-1 identifies the system relationships between the parent item or SKO and ASIOE/CMI components. AR 71-32 and DA Pam 71-32 provide additional references on BOIPs, ASIOE, and CMI.

a. ASIOE are essential equipment needed to operate, maintain, or transport the principal items and other ASIOE items, without change to form, fit, or function of the ASIOE. For example, a truck serving as

prime mover for a weapons system may be considered ASIOE if the truck itself is not modified from the original configuration.

(1) ASIOE must have a LIN in SB 700–20, will have a separate authorization on the MTOE or TDA, and are also listed in the TM or SKO component listings for the parent item or system. Account for these items like any other items listed on the MTOE or TDA.

(2) Account for ASIOE under the MTOE or TDA authorization.

(3) ASIOE requirements are subject to change based on the BOIP impact as they are sequenced into modernization paths. These changes will affect MTOE/TDA authorizations.

**b. CMI.**

(1) CMI is an item that has been modified for the major end item and is a part of the BOIP item configuration. End items used as a component are not listed separately in MTOE or TDA documents because they take on the identity of the BOIP item. These items will be identified as CMI in the BOIP for the parent item or SKO and will appear in component listings.

(2) CMI may or may not be installed or removed at depot level when the system is being built due to wiring, mounting, system interface, and is the primary item in the assembly or set configuration. Its removal will destroy the identity and integrity of the assemblage or set. Some examples include: a trailer or shelter that is modified and then embedded in the major end item; radio transmitters in a radio set; or a ventilator in a medical equipment set, which would render the overall set inoperable if removed.

(3) Post maintenance reportable CMI as required by the APSR to schedule individual maintenance plans and configure as a system per AR 700–138 and AR 40–61.

(4) Changes to CMI in a BOIP due to modifications do not affect MTOE or TDA authorizations but may require adjustments to the component records.

**c. Managing systems and SKOs with ASIOE/CMI in APSRs.**

(1) Follow the APSR EUM instructions to configure systems of related components for asset reporting per AR 710–3 and materiel readiness reporting per AR 700–138 and AR 40–61.

(2) If the APSR requires CMI to have a property book level record for system configuration and individual maintenance plans, the CMI asset will be designated as a separately posted component using an appropriate property type designation and type of authorization designator combination according to the APSR EUM procedures.

(3) When inventorying SKOs and systems, do not double count ASIOE or separately posted CMI listed in the component listings. If the component listing includes these items, verify the ASIOE is present and posted against the MTOE or TDA authorization, and verify if any CMI items are separately posted as an individual item. For example, an electronics test shelter may have a CMI oscilloscope listed on the organization's property book as a separately posted component. If the organization has the oscilloscope on hand, do not order an additional item to also satisfy the component listing requirement.

(4) Inventories of configured sets and systems should include all ASIOE and separately posted CMI components of the system.

## **8–14. Small arms serial number registration and reporting**

a. Report all gains and losses of small arms to the command serialization officer per AR 710–3. Small arms are defined in the glossary.

b. Contact the command serialization officer to determine if there are any other forms needed or procedures that need to be followed.

c. Report all gains and losses of Radiation Source Tracking System, and Controlled Cryptographic Item Serialization Program (CCISP) to the command serialization officer per AR 710–3.

## **8–15. Medical assemblies and equipment sets**

a. Account for medical assemblies as follows:

(1) Post the parent assemblage to the APSR following procedures in the EUM.

(2) Post maintenance reportable medical CMI as required by the APSR to schedule individual maintenance plans and configure as a system per AR 40–61. If the APSR requires CMI to exist as a property book asset for system configuration and individual maintenance plans, the CMI asset will be designated as a separately posted component according to the APSR EUM procedures.

(3) Account for component shortages per AR 40–61.

(4) Adjust for losses other than FWT according to AR 735–5.

(5) Keep quality control records per TB MED 1 and SB 8–75–S11.

- b. Narcotics and controlled drugs must be removed from medical equipment sets issued to the USAR and ARNG per AR 40–61. Shortage listings must be on file.
- c. Contact the U.S. Army Medical Materiel Development Activity for a listing of components for all medical SKOs. Access component/organization assemblage listings at the Army Medical Materiel Information portal at <https://usammda.health.mil>.
- d. Inventory medical assemblies under AR 40–61.

#### **8–16. Radio frequency identification tags**

- a. RFID tag technology is a key component of total asset visibility and on in-transit visibility, it is essential to tracking materiel in the logistics pipeline and ensuring material arrives at the correct destination. Commanders, activity supervisors, and APOs ensure RFID tags under their command or direct responsibility are accounted for and returned promptly for reuse.
- b. RFID tags are expendable, recoverable, and reusable property and do not require property book accounting. Manage RFID tags per AR 700–81.

#### **8–17. Accounting for field wire**

Account for field wire such as cable and field telephone wire, on reels, spools, and in containers as a complete assembly. When wire becomes unserviceable or is lost, disassemble it per paragraph 15–7. Adjust lost wire (other than a 10 percent operational weight loss) or wire made unserviceable through other than FWT per AR 735–5.

### **Section V**

#### **Vehicles and Transportation Equipment**

#### **8–18. Accounting for commercial leased vehicles**

Account for commercial vehicles obtained from General Services Administration (GSA) and through commercial lease on the property book that is maintained for non-tactical vehicles. Use the following procedures—

- a. List the authorized quantity and LIN of the substitute item. Enter an explanation in the APSR if the item is used as a substitute for authorized tactical vehicles, for example, “15 each substituted by commercial, leased vehicles.” Enter the TDA number and the State area command in the ARNG in the authority block.
- b. Prepare a separate property book record for commercial, leased vehicles. Leave the required allowances and authorized allowances data fields blank. For commercial, leased vehicles, enter “substitute for [state the authorized LIN]” as the type of authorization document. Enter the contract number of the lease in the APSR property record.

#### **8–19. Accounting for General Services Administration long-term assignment vehicles under the Interagency Fleet Management System**

Account for vehicles in the deployable property book. The property records must be maintained in the organization’s normally approved APSR. Fleet Management Information System (FMIS) reporting must only be performed in Defense Property Accountability System (DPAS), regardless of the APSR used to account for the vehicles. For example, an organization normally accounting for property in DPAS will use the DPAS Property and FMIS modules. An organization normally an APSR other than DPAS will account for the vehicles in their approved APSR and perform FMIS functions separately in DPAS. Do not establish DPAS accounts solely for GSA vehicles if the organization accounts for property in another APSR.

- a. *Centralized operations.* When commanders of ACOMs, ASCCs, or DRUs (installation) and GSA complete a MOU or MOA:
  - (1) The LRC Installation Supply Division property book representative will provide the visibility of GSA long-term assignment vehicles. The MOU provides the audit trail and authorization document.
  - (2) Appoint the installation transportation motor pool officer (and facilities engineer representative, where conversion is taking place) as the designated representative to receipt for each GSA Interagency Fleet Management System (IFMS) long-term assignment vehicle and its assigned credit card, HR, except for contractor operated transportation motor pools.

(3) Establish a GSA IFMS long-term assignment vehicle folder with a copy for each GSA issue document received. Retain it with the supply records until the GSA vehicle is returned. GSA IFMS folders remain active until the expiration of the agreement (see AR 25–400–2); return any issue document with the vehicle as required by GSA.

(4) In cases where an installation has contracted the operations of a transportation motor pool using commercial activities to a contractor and no DoD employee (designated transportation officer or motor or fleet transportation NCO) is available, the KO's PA will be the designated representative to sign receiving document for vehicles or credit cards.

*b. Decentralized operations.* When an MOU or MOA between a decentralized command—that is, Military Entrance Processing Station, ROTC, or USARC—and a GSA regional office is entered into—

(1) The command must identify, in writing, those individuals at the decentralized location authorized to enter into an MOU or MOA and receipt for GSA IFMS long-term assignment vehicles. These individuals can then assign direct responsibility by requiring each vehicle be signed for on a copy of the original GSA issue document.

(2) Activities with decentralized GSA operations will establish a GSA long-term vehicle assignment folder. The folder will contain a copy of the MOU or MOA and a copy of each GSA issue document received. Retain it with the supply records until the GSA vehicle is returned; it remains active until the expiration of the agreement. Return the form with the vehicle to GSA.

(3) All individuals designated in writing by ACOMs, ASCCs, or DRUs to receipt for GSA IFMS long-term assignment vehicles may assign direct responsibility for each vehicle or credit card by requiring individuals to sign a reproduced copy of the GSA issue document for those items. Personal responsibility is fixed by possession of the vehicle logbook or credit cards and ignition keys.

#### **8–20. Aircraft tail numbers**

*a.* Army aircraft serial number standard consist of seven digits in length, beginning with the two-digit year of manufacture and ending with five-digit serial numbers. The correct tail or serial number is the last two digits of the contract year and the five digits of the serial number, the numbers after the dash.

*b.* If the aircraft tail number or serial number shows less than five digits after the dash, use zeros to precede the tail number/serial numbers.

*c.* Commanders will inventory all assigned aircraft using the current APSR for correct serial number verification. Commanders should use their normal daily workflows to conduct this inventory.

*d.* Inventory all aircraft on the APSR. The inventory should consist of a verification of the aircraft tail number associated to the serial number on the aircraft data plate.

*e.* Report the results of the APSR serial number verification to the APO. The APO will process an administrative adjustment to adjust the serial number, UII and NSN or material number to the aircraft tail number in the APSR.

#### **8–21. Common use transportation and distribution platform equipment**

Accountable records and serialized item management are required for common use equipment such as flatracks, pallets, semitrailers, and similar equipment. However, these items may have unique management level requirements to enable common use transportation operations per AR 56–4.

#### **8–22. Aerial delivery material**

*a.* Account for aerial delivery materiel on the property book of the organization that authorized the property. When an organization requires aerial delivery materiel, the organization commander will designate a person within the supported organization to be responsible for the property.

*b.* The requesting organization commander will initiate the request for supplies and/or equipment and transmit the request to its SSA by the most expeditious means possible. The requesting organization commander will initiate the airdrop request.

*c.* The aerial delivery support organization personnel, upon completion of rigging, will prepare a manifest listing of all nonexpendable equipment that may be lost during the mission. Give this manifest a document number by which the supporting organization drops the items from accountable records.

*d.* The commander of the supported or receiving organization is responsible for airdropped supplies and for the protection and evacuation of air items. The commander should also appoint an airdrop-item recovery officer to plan and supervise recovery operations. This recovery officer supervises evacuation of airdropped items from the drop zone to a central collection point. Accomplish evacuation rapidly and by

the most direct route available. Additional airdrop missions may depend on the availability of returned airdrop equipment. The equipment will be evacuated back to the aerial delivery support company, or its affiliated aerial equipment supply company.

e. The aerial delivery support or supply company will receive, inspect, repair, reestablish accountability for, and return to service all serviceable assets. Dispose of unserviceable and uneconomically repairable items per procedures in this regulation and AR 735–5.

### **8–23. Government-owned reusable or refillable material containers**

Account for government-owned reusable containers such as bins, barrels, transit cases for engines, transmissions, and other reparable assemblies; or refillable containers such as cylinders, carboys, and liquid petroleum gas containers as follows:

a. Containers authorized by MTOE, TDA, JTA, or CTA are nonexpendable and require accountability in an APSR. Containers with a unit price of \$500 to \$5000 will be managed as property. Containers under \$500 do not require property book accountability but will be issued and managed as expendable property until disposal.

b. Follow common procedures for all containers of this type:

- (1) Assign responsibility using HR procedures.
- (2) Turn in excess containers to the SSA.
- (3) Do not discard serviceable reusable containers.
- (4) When containers have deteriorated to the point that contents could become damaged, discard deteriorated container parts according to local guidelines and save usable container material such as cushioning for reuse.

c. Account for vendor-owned refillable containers as follows:

- (1) Return vendor-owned refillable containers according to the contract terms.
- (2) The APO assuming accountability for the contents will also establish and maintain accountable records for the containers.
- (3) The person responsible for the contents is also responsible for the container.
- (4) Records of receipt, issue, transfer, disposition, or loss will identify containers by type, including the contract number.

(5) Files will be maintained by contract number for vendor-owned containers. The files will be the accountable record for the containers and will contain the documents described above. Vendor-owned containers will not be entered on the organization property books.

(6) The APO will perform periodic follow-up with the custodian of the containers for status and date of return. The custodian is the person assigned responsibility according to the APO's file.

(7) The custodian of the container will provide copies of the contract, receipt, issue, transfer, and disposition documents related to accountable records to the APO.

(8) Copies of documents affecting financial records will be furnished to the FAO. Records of purchases requiring a deposit or having a rebate clause will be maintained at the FAO. This file will supplement the file maintained by the APO.

d. Account for government-owned refillable containers as follows:

- (1) Records of receipt, issue, transfer, or loss of containers will identify containers by type.
- (2) Turn in containers when requesting refills.
- (3) If empty containers are not furnished, obtain justification for the lack of replacement containers. Provide this documentation to the custodian of the containers and the APO.

### **8–24. Vehicle hull targets**

The following information applies to all activities involved in management, procurement, accountability, and disposal of the vehicle hull targets (VHTs) and other targets of similar description used for destructive training or testing:

a. All commanders or activity supervisor of activities will follow AR 710–1 for the forecasting and requirements determination for VHTs.

b. VHTs and similar type hard targets used for destructive testing or training are nonreportable. They will be accounted for as expendable property per paragraph 5–5.

c. Usable components of these vehicles that can be repaired and reissued for support of other vehicles in service will be removed before issue as VHTs.

d. Dispose of VHTs as scrap turn-in to DLA–DS per chapter 14 and local SOPs when no longer needed by the using organization.

## **Section VI**

### **Information Technology Equipment, Software, and Media**

#### **8–25. Accounting for information technology equipment**

a. Account for all Army-owned, rented, or leased information technology equipment (ITE) on property book records following criteria in Table C–1 and this paragraph. This includes ITE provided to Army activities through contracts administered by other U.S. Government agencies whenever those agencies do not require Army users to sign receipts for the ITE.

b. Manage blank data media valued at \$500 or less as expendable items. Manage blank data media valued at more than \$500 as Durable property.

c. For Army-owned equipment, the accountable receipt record is the filled supply request, forced-issue document, or transfer document that is assigned a document transaction number from the organization's nonexpendable document register. If the document was received as an expendable or durable requisition but meets accountability criteria in Table C–1, post the items to the APSR.

d. For rented or leased equipment, the rental or lease contract is the accountable receipt record. Post the rented or leased ITE to the APSR and use the appropriate methods per the APSR EUM to identify the items as rental or leased equipment. File the contract in the supporting document file. When the rental or lease period expires, prepare a turn-in document per 14 for the rented or leased equipment. Have the contractor accepting the returned equipment sign the turn in document as a receipt, post the turn-in to the applicable property book records and file the document in the supporting document file.

e. Cost-per-copy service contracts or similar device as a service contracts do not require property accountability when the equipment itself is incidental to the service or capability provided by the contract.

f. When the rental or lease contract is not available, or when it is administered by another U.S. Government agency, prepare a list of all the applicable ITE components provided by the contractor. Attach to the list a narrative explanation that includes the system's project name, purpose, and all known points of contact, phone numbers, organizations, and office symbols. Use the list and accompanying narrative as a substitute for the rental or lease contract and follow the procedures in paragraph 8–25d.

#### **8–26. Internal use software**

a. Internal use software (IUS) includes applications and operating-system programs, procedures, rules, and any associated documentation pertaining to the operation of a computer system or program that is used for operational or other internal use. It does not include software embedded in military equipment, nor does it include software used in special test equipment. IUS is software that is:

- (1) Purchased from commercial off-the-shelf vendors or ready to use with little or no changes.
- (2) Developed by employees of DoD, including new software and existing or purchased software that is modified with or without contractor assistance.
- (3) Contractor-developed software that DoD paid a contractor to design, program, install, and implement, including new software and the mending of existing or purchased software.
- (4) Includes acquisition, finance, logistics, personnel, or other business-related systems.

b. IUS must be tracked in an APSR to ensure accountability and traceability. Account for IUS centrally at the DA level.

c. Receipt and inventory changes of IUS per DoDI 5000.76. Complete all changes within 7 calendar days or by the end of the month in which the financial update occurs, whichever occurs first.

d. Transfer, impair, dispose of, donate, or reuse commercial IUS; agencies must adhere to product-licensing agreements to avoid fines or litigation.

(1) Before disposal of commercial IUS, legal counsel should review all IUS licenses for any limitations or potential liability.

(2) Consult all relevant parties before disposing of any IUS. In all instances of IUS disposal, the IUS APO or APO should document the disposal process used and update property records to reflect the date and manner of disposition or archival of IUS removal from the Army's active inventory.

e. The IUS disposal process involves turn-in to the DLA–DS and, in some cases, destruction. Execute the disposal process per DoDM 4160.21, unless there is a conflict with the terms and conditions of the

software license agreements or contracts, in which case the software license agreement and contract will take precedence.

f. When IUS is transferred, reassigned, exchanged, or sold to government or nongovernment organizations, the original documentation, and media disks for the IUS must accompany it if the IUS was acquired commercially. In these instances, the original owner of the IUS must execute proper license-transfer documentation with the manufacturer.

g. Disposal is not complete unless all copies of the targeted IUS are uninstalled from the Army network through uninstall procedures or proper disposition of the computer hardware or hard drive upon which the software is installed. It is unethical to allow IUS or other software for which the Army has terminated its rights or contracts for to remain installed on a server, network, or individual computer.

h. The Army will document the destruction, or vendor return, of IUS and report it to an adjunct APO, including a statement verifying that all media, licenses, and documentation have been destroyed or returned to the vendor.

### **8–27. Negotiable media**

a. The using organization will account for fuel purchasing media (including cards/electronic fobs/keys/badges, and similar devices), as well as toll scrips, tokens, bridge tickets, and similar negotiable media. APOs will not keep more than an expected 30-day supply of physical negotiable media on hand. Because of the negotiable nature of these items, local control will be established to provide adequate protection of Government interests. These items are considered to be fixed base property and must be accounted for on the property book. Account for fuel purchasing media on the same property book as the end item for which they are issued. Normal property book accounting procedures in section I of this chapter apply.

b. Control the issue of fuel purchasing media using HR procedures.

c. Control the issue and use of all toll payment media and similar items as follows:

(1) The APO will use HR procedures to issue credit cards to users other than those below the property book level. Use either temporary or permanent HR procedures.

(2) The APO or PHRH will use a log to issue to users. Use a separate log for each different type of item issued. Enter the date, quantities, name, and user's signature.

(a) When an item requires replacement, PHRHs will give the APO the issue log.

(b) Destroy fuel purchase media when no longer needed, inoperable, worn, mutilated, or expired. Prepare administrative adjustments per Chapter 15 with an attached memorandum or certificate confirming destruction and signed by the APO to post the change in accountability as a decrease from the property book. Report any item that is lost, stolen, or destroyed to the fuel account manager and responsible officer. Account for any shortages per AR 735–5.

(3) On receipt of the issue log from PHRHs, or every 30 days when the APO makes issues to PHRHs, the APO will—

(a) Total the issued quantities on the log.

(b) Assign a document number to the issue log.

(c) Post the issue log to the property book page for the item. Post the quantity issued as a decrease to the balance on hand.

(d) Update the proper HR.

(e) Reissue stock to PHRHs to bring them back up to a 30-day supply.

(f) Post the document register to show the issue log completed.

(g) File the issue log in the supporting document file.

(h) Request replenishment quantities.

(i) Turn in cash received as change from negotiable media tendered as payment of tolls to the FAO by the APO.

## **Section VII**

### **Communication Security Equipment**

#### **8–28. General**

a. *Security.* COMSEC equipment is used to encode and decode electronic data and communications traffic that is classified for the protection of national security information, and to prevent its unauthorized

disclosure. All COMSEC equipment used by DoD elements, including classified items and unclassified devices (CCIs and CHVP), are approved by the National Security Agency (NSA) for use. Demilitarization (DEMIL) and disposal of COMSEC equipment below depot level is prohibited.

*b. Policy.* All classified COMSEC equipment and components are requested, issued, and turned in through the CMCS, and never through standard logistics channels per AR 380–40, this regulation, and in related COMSEC procedural publications. This section discusses the CMCS and highlights critical management controls affecting COMSEC equipment as they are applied, along with basic logistics policies applicable to COMSEC materiel management in this regulation.

*c. Unclassified communications security equipment.* CHVP is separate from, and in addition to, the existing categories of CCI and various classified products used to secure national security information. CHVPs are designed to provide users reduced administrative burden and less control restrictions than are required for CCI and classified equipment. When approved by NSA and HQDA for Army use, CHVPs may be used to protect information up to SECRET level. Commanders and activity supervisors will control and account for CHVP using the procedures contained in this regulation for CCI.

## **8–29. Communication security equipment management**

*a. General Information.* National policy for the management and control of all COMSEC material is promulgated by the NSA per Federal statutes and directives issued by the President's National Security Council. Each department and agency of the Federal Government implements and executes those policies through the appointment of a COMSEC service authority.

*b. Communications Security Service Authority.* The COMSEC service authority is the department or agency senior staff component and/or command level element that provides supervision and oversight of COMSEC operations, policies, procedures, accounting, resource management, material acquisition, and training throughout the department or agency. Within HQDA, the multitude of responsibilities inherent to the COMSEC service authority functions are allocated to several staff elements, primarily the DCS, G–2, DCS, G–4 and DCS, G–6.

*c. Communications Security Logistics Activity.* The CG, AMC, through the Director, USACSLA at Aberdeen Proving Ground, MD, which is a subordinate activity of the U.S. Army Communications-Electronics Command (CECOM) will assist in the development of COMSEC policies and procedures. USACSLA serves as the CECOM Wholesale Commodity Manager for COMSEC material, administering the COMSEC Central Office of Record, National Inventory Control Point (NICP) and National Maintenance Point, and is the functional administrator of the Army Information Systems Security Program, through which all COMSEC equipment is controlled for acquisition and distribution to authorized Army elements.

(1) *Communication Security Audits.* USACSLA is also charged with the responsibility for conducting official Audits of all Army COMSEC accounts operating within the CMCS, inspecting, and approving establishment of COMSEC facilities for those accounts, and administration and adjudication of the COMSEC Incident Reporting process via the COMSEC Incident Monitoring Activity staff within USACSLA.

(2) *Communications Security Logistics Activity Information Security Representative Program.* Due to the complexities, sensitivities, and classified use of COMSEC material, HQDA has authorized the deployment of USACSLA technical representatives throughout continental United States (CONUS) and outside the continental United States (OCONUS) where there are major Army unit concentrations. USACSLA Information Security Representatives are highly trained and experienced COMSEC experts available on-site to advise and assist commanders, PMs, operations officers, COMSEC account managers, APOs, and users of COMSEC material. USACSLA Information Security Representatives offer hands-on training and advice on the acquisition, control, accounting, storage, maintenance, disposal, and use of all COMSEC materials. USACSLA Information Security Representatives provide site assistance visits directly to units and activities upon request. Such visits are informal, and do not result in formal reporting of results of the visit through the chain of command.

*d. Major components of the Communications Security Materiel Control System.* The CMCS within the Army consists of the Army Communications Security Central Office of Record (ACCOR) at the NICP; a Tier 1 Key Management Distribution Infrastructure managed by USACSLA, and established COMSEC accounts at the Tier 2 level managed by formally appointed COMSEC Account Managers.



### **8–30. Responsibility for communication security equipment**

*a. Loan of equipment.* All loans of COMSEC materiel must comply with AR 71–32, AR 700–131, and this regulation. COMSEC equipment loans may only be executed at the NICP level by USACSLA. Commanders will submit all requests for loan through command channels to the NICP for approval.

*b. Communications security materiel management logistics structure.*

(1) National level. The national level of the COMSEC materiel supply system includes:

(a) The COMSEC NICP.

(b) The COMSEC National Maintenance Point.

(c) The Army Key Management System/KMI.

(d) The Directorate for COMSEC Support, Tobyhanna Army Depot, Tobyhanna, PA, and its deployed Forward Repair Activities.

(2) CONUS. Support elements include—

(a) COMSEC support detachments (Field/Sustainment maintenance or special repair activity) (intermediate).

(b) COMSEC accounts, installation stock record accounts, and property book accounts.

(3) OCONUS. COMSEC support elements in various OCONUS commands may be configured and tailored for specific missions to include—

(a) Joint Command, Theater, Corps, Division, or Brigade COMSEC management offices.

(b) COMSEC materiel direct support activities.

(c) Non-divisional COMSEC installation logistics support units providing theater field/sustainment-level support.

(d) COMSEC accounts, installation stock record accounts, and property book accounts.

*c. Hand receipting classified Communications Security materiel.* The COMSEC Account Manager issues CMCS accountable COMSEC materiel on HRs to properly cleared and authorized persons referred to as Local Elements. The COMSEC Account Manager ensures the recipient is properly briefed and knows the storage, accounting, and safeguarding requirements for the materiel.

(1) When operational requirements so dictate, the COMSEC account manager may authorize the HR holder to prepare a subhand receipt holder (SHRH) for accountable COMSEC materiel. COMSEC account managers must keep accurate records that show the status of the materiel at all times to permit discharge of their accounting responsibilities to the ACCOR.

(2) Hand receipting COMSEC materiel to other COMSEC accounts is prohibited. COMSEC materiel may only be transferred between COMSEC accounts. See TB 380–41 for COMSEC materiel HR procedures.

*d. Responsibility for safeguarding classified material.* COMSEC materiel is the responsibility of all persons having access to or possession of this materiel. Failure to adequately safeguard COMSEC materiel could seriously jeopardize national security.

*e. Storage.* Physical security, risk assessments, handling, and storage of COMSEC materiel is per AR 380–40 and TB 380–41. See also AR 190–51 for CCI and CHVP storage requirements.

*f. Special handling of communications security materiel.* Unserviceable COMSEC items that are not repairable at the field maintenance level based on TM limited maintenance allocations, are repairable only at depot level or special repair activity. All COMSEC equipment items are automatically returned to Tobyhanna Army Depot using automatic return item procedures (Materiel Returns Policy) in AR 710–2. DEMIL and disposal of COMSEC materiel is performed only by Tobyhanna Army Depot.

(1) ONLY trained and certified COMSEC maintenance technicians will disassemble and internally service or repair COMSEC equipment and components as specified in applicable equipment training manuals (TMs). This restriction applies equally to classified equipment, unclassified CCI, CHVP, and modular and embedded CCI components installed within common communication electronics and ITE. Access by other than trained and certified COMSEC technicians is a reportable security violation per AR 380–40.

(2) Brigade and battalion commanders, APOs, and other responsible individuals must ensure that unserviceable COMSEC items and systems containing COMSEC components are submitted for repair only to those support units specifically authorized to perform maintenance on COMSEC materiel.

*g. Communications security accounts.* Detailed procedures for the operation of COMSEC accounts are contained in TB 380–41 and are based on the policies contained in AR 380–40, and chapter 4 of this regulation.

(1) COMSEC account managers managing COMSEC accounts that do not have a field maintenance or intermediate supply, or maintenance support mission will comply with the applicable policies contained in TB 380–41.

(2) COMSEC account managers managing COMSEC accounts that do have a field maintenance or intermediate supply, or maintenance support mission will comply with the applicable policies contained in TB 380–41.

*h. Total package fielding.* COMSEC equipment procured and fielded through total package fielding is provided in a separate package through coordination between USACSLA, the Program Executive Office, and the PM COMSEC which has command, control, and the fielding command representative. Classified COMSEC materiel must be shipped to a designated COMSEC account. Unclassified CCI and CHVP equipment will only be consigned and shipped to a DoDAAC account.

## **Section VIII**

### **Special Accounting Policies for Furniture and Furnishings**

#### **8–31. Accounting for system furniture**

When system furniture (as defined in the glossary) is installed—

- a. Obtain the applicable permanent management central number from the installation supply division.
- b. Using the contract under which the system furniture was procured and installed, inventory all components, and prepare a CHR for each system-furniture management central number. Post to the APSR following procedures in the EUM.

#### **8–32. Family housing furnishings and unaccompanied personnel housing furnishings**

a. Furniture for unaccompanied housing (UH) (primary barracks) and family housing, is referred to as “Furnishings.” Furnishings is inclusive of soft goods (such as linens and mattresses), case goods (such as beds, desks, chairs, nightstands, and chest of drawers-furniture), appliances (such as movable refrigerators, ranges, and microwaves), electronics (such as televisions and DVD players), equipment and accessories (such as hanging artwork and table lamps) as authorized by CTA 50–909.

b. All furnishings, including furnishings below the \$5,000 accountability threshold will be accounted in the web-based enterprise Military Housing (eMH) application. Accountability is required due to the large inventory, replacement costs, pilferability, and to ensure proper disposal through DLA–DS. Furnishings will be issued from the APO to the family housing occupant on a permanent HR.

c. Furnishings at ARNG training sites will be accounted for in a separate section of the same property book that has the TDA property for the training site. The ARNG transfers quarters furniture to the DoD mandated Housing Management application, the web-based eMH when deployed to the ARNG.

(1) A condition code will be reflected for each item.

(2) The occupant will accept responsibility by signing the HR.

d. Change documents for furnishings are not required to be posted to the permanent HR.

e. UH, guesthouse, and transient quarter’s furnishings will be issued from the APO to the person responsible for the facility. In exchange for the items, the responsible person may prepare an SHR for the occupant.

f. Furnishings issued to occupants of family housing are inventoried at time of issue and upon termination of quarter’s occupancy. Inventories are conducted jointly by the occupant and the APO or their representatives.

## **Section IX**

### **Special Accounting Policies for Personnel-Related Property**

#### **8–33. Accounting for property of personnel in absent statuses**

Commanders will ensure a 100% inventory is conducted immediately upon notification that a Soldier is absent without leave, dropped from the rolls, in confinement, discharged for hardship reasons while on leave from overseas, reassigned for compassionate reasons while on leave from overseas, or hospitalized. Appendix B provides detailed procedures to conduct the inventory and ensure proper disposition of property according to property type. The commander will inventory the Soldier’s initial issue items, OCIE, and personal property once a DA Form 4187 (Personnel Action) has been processed. It is the

commander's responsibility to inventory, safeguard, and dispose of Soldiers' OCIE, personal military clothing and personal civilian clothing and property, privately owned motor vehicle, and currency.

#### **8–34. Permanent change of station**

Army property issued to a person will be turned in before that individual departs the organization/installation on a permanent change of station (PCS) move. However, certain special purpose or fitted items are authorized to be transferred with the individual—

- a. OCIE and CTA 50–900 items.
- b. Personal clothing per AR 700–84.
- c. The individual protective mask, chemical-biological, when issued to a Soldier as “hard-to-fit,” will be transferred with the individual on PCS moves and placed on their DA Form 3645 (Organizational Clothing and Individual Equipment Record) or Central Issue Facility-Installation Supply Module (CIF-ISM) system-generated OCIE record. Upon discharge from the Service, the mask will be turned in to the Integrated Materiel Management Center, routing identifier code A12, Soldier and Biological Chemical Command.
- d. Specific property issued to an individual for a documented reasonable accommodation per the Computer/Electronic Accommodation Program, accessible at <https://cap.mil> under authority of DoDI 1000.31 or DoDI 6052.22. Upon discharge from the Service, the individual will turn the property in to the last organization of assignment for disposition.

#### **8–35. Accounting for chaplain kits, other nonexpendable, nonrecoverable, ecclesiastical supplies**

Chaplain kits and other nonexpendable, nonrecoverable, ecclesiastical supplies are issued on an individual basis under CTA 50–909 and AR 165–1. Prepare hard copy DA Form 3161 in two copies from the APO to the individual chaplain. After the chaplain receipts for the items, post the loss to the applicable property book records in the APSR and annotate the document transaction number on the DA Form 3161. File the original copy of DA Form 3161 in the supporting document file and the duplicate copy with the chaplain's OCIE record.

#### **8–36. Organizational historical artifacts**

Display items that have been identified as historically significant properties will be accounted for per AR 870–20. Historically significant items include but are not limited to weapons, military equipment, articles of clothing and personal equipment, flags, works of art, organization and individual decorations, and campaign streamers. They also include other objects, except official records, that constitute relics or evidence of battle experience or other military activity of local or national significance to the United States or foreign armed forces.

### **Chapter 9**

## **Military Operations Other Than War**

### **Section I**

## **Military Operations Other Than War**

### **9–1. General**

- a. This chapter provides accounting policy for equipment and supplies used in military operations other than war (MOOTW) by deploying, deployed, or support activities at the retail level, corps level and below.
- b. The MOOTW policy covers the following situations:
  - (1) Property accountability for equipment and supplies used in the support of foreign assistance to the United Nations (UN) and its peacekeeping and peacemaking forces.
  - (2) Supply policy for materiel used in support of humanitarian relief, both domestic and foreign.
  - (3) Property accounting policy for equipment and supplies donated to the United States Government (USG) by other nations.
  - (4) Property loaned or leased from Federal Emergency Management Agency (FEMA).
  - (5) Property accounting policy for property issued to contractors.
  - (6) Munitions support to non-DA organizations must be coordinated and approved through the ACOM/ASCC/DRU commander. Because the ASP may be the single source of supply for class V in the

area of responsibility, they may be directed to support other DoD activities and nongovernmental organizations.

## **9–2. Domestic support operations**

*a. General.* There are four categories of military domestic support operations: disaster and domestic emergency assistance; environmental missions; missions in support of law enforcement; and community assistance (see FM 3–07). Additional policy is contained in AR 700–131 and DoDD 3025.18. Much of the Army's support is provided under the umbrella term "Disaster Assistance." Federal assistance to states, local governments, and relief organizations is authorized through FEMA and its logistic support provided by the United States Forestry Service. ACOM/ASCC/DRU commanders will support relief operations with resources as requested by the Combatant Commander, United States Joint Forces Command; Combatant Commander, United States Pacific Command; Combatant Commander, United States Southern Command; or Combatant Commander, United States Northern Command. All types of logistical support provided as disaster relief will be provided per the Federal Response Plan between the appointed task force commander, FEMA regional activity supervisor and State and local officials. Logistic support provided to the disaster relief effort will be within the scope of the FEMA mission letters provided to DoD and ACOM/ASCC/DRU commanders.

*b. Property and supply accountability.*

(1) The issue or loan of equipment and supplies belonging to ACOM/ASCC/DRU commanders to FEMA in aid of disaster victims is authorized. Selected Army War Reserve materiel may be used in support of these relief operations. Requests for Army War Reserve materiel will be processed per AR 710–1.

(2) Commanders of Army units tasked to provide direct on-site logistic support in disaster relief operations will not loan, lease, donate, or otherwise provide or release MTOE, deployable CTA, or TDA equipment or supplies.

(3) In cases where MTOE, TDA, and CTA property is authorized to be issued to FEMA and the return of the property is not expected, unit commanders will drop property from property accounting records per chapter 7 and chapter 15 of this regulation. Report losses and reorder replacements are required by this regulation.

(4) To save lives, prevent human suffering, or lessen major property damage or destruction, units performing a direct supply support mission may directly issue materiel to disaster victims. Units providing supply support may issue equipment and supplies to designated Government and State entities in emergencies, listed above, before Defense Coordinating Officer (DCO) authority is obtained; however, the DCO will be notified of the release of equipment and supplies. Expendable and consumable and nonrecoverable material issued to disaster victims will be dropped from accountable records. Nonexpendable and recoverable material will not be dropped from the unit's accountable records. Army units directly involved with providing on-site support may use locally developed HR forms to establish responsibility and to aid in future recovery of nonexpendable items. If possible, prior approval for issues and loans of nonexpendable and consumable property should be obtained from the Army DCO.

(5) Nonexpendable materiel such as tentage, cots, air mattresses, blankets, sheets, pillowcases, mattress covers, and similar cloth, canvas, plastic, and wooden materiel will be considered consumable, because materiel of this nature is susceptible to infestation and climatic conditions in these types of operations.

(6) Unit commanders will establish accounting, control, and safekeeping, to include property book and/or stock record account per this regulation, for all property locally procured and/or obtained from FEMA or other civilian agencies. Request disposition instructions from FEMA for FEMA-supplied materiel at completion of the operation. Turn-in to FEMA will follow normal turn-in documentation as used for an Army SSA.

(7) Equipment and supplies no longer needed will be turned in to a designated receiving point. Disposition of property will be completed within 30 days of receipt at receiving point.

*c. Providing materiel to contractors.* Army materiel should not be provided to contractors unless authorized by the governing contract. Materiel may be made available to authorized Army contractors by two methods:

(1) HR holders for the property being used by a contractor must be a DoD employee or employees. APOs will be DoD employees meeting criteria of paragraph 4–10. When using property, equipment, and supplies to perform a service contract for which the Service maintains the property records, liability for the

proper use, care, and safekeeping of the property used by the contractor's employees must be stated in the contract.

(2) The contractor will maintain the property records as determined by the KO's representative (property administrator). The contractor will provide a service. Equipment, materiel, supplies, and the quantity to be used by the contractor will be identified in the contract GFP attachment. The equipment will be issued to the contractor using DD Form 1149 (Requisition and Invoice/Shipping Document) or DD Form 1348-1A or DD Form 1348-2 (Issue Release/Receipt Document with Address Label); the equipment is then moved to a fiduciary property record.

(3) The authority to release the equipment is the formal contract between the contractor and the USG. If the contract stipulates that the contractor will be authorized to request supplies from the DoD supply system, a civilian contractor DoDAAC will be assigned for the length of the contract and a management control activity (MCA) will be established by the command letting the contract (see AR 725-50). The MCA must verify all contractor requests by NSN and quantity. Hand receipting and lateral transferring of materiel, equipment, or supplies to contractors are prohibited.

### **9-3. Property required for domestic support operations**

a. Organizations with lateral transfers directive(s) from their transfer approving authority with units or activities deployed or geographically separated in support of MOOTW are authorized to use the transportation control number (TCN) assigned to the transportation control and movement document (TCMD) and a copy of transfer document(s) to adjust their property book account and supporting document files. In the absence of a lateral transfer document, the gaining unit or activity assigns their document number to the TCMD documentation, the property book account is adjusted (using the TCN as a cross reference) and filed with property book supporting document files. This method is reserved for property or materiel identified and accepted for shipment in support of MOOTW.

b. The only exception to paragraph 14-22 transfer approval is when specific instructions (operation order) are received through command channels directing the release, then the MTOE/TDA/CTA property will be released as directed by the instructions. A copy of the command instructions, which directed the loan, lease, donation, or release, and DD Form 1348-1A signed by a competent receiving authority, will be filed as supporting documents to the property book.

c. Copies of DD Form 1348-1A or DD Form 1348-2 must be provided to the U.S. Army Security Assistance Command representative at New Cumberland, PA when units release equipment, materiel, or supplies. The forms will contain the following codes: Chairman of the Joint Chiefs of Staff project code, record control number code, country name receiving equipment/supplies, condition code (and extenuating condition code), and legible name of country representative receiving the property (freight forwarder).

### **9-4. Foreign disaster relief and foreign humanitarian assistance**

a. *General.* Requests for foreign disaster relief or foreign humanitarian assistance are initiated by the host country to the U.S. Embassy, relayed to the Department of State, and then, if the policy decision is to provide support, to the Office of U.S. Foreign Disaster Assistance (OFDA). The Administrator, OFDA requests military assistance from the Office of the Secretary of Defense (OSD). The OSD passes the request to the Joint Staff for execution. Requests for foreign disaster relief or foreign humanitarian assistance operations by the UN, a host/foreign nation or multinational force are processed through the U.S. Embassy, the Department of State, and the Commander in Chief (CINC). The requirement flows through the DoD's Director, Defense Security Cooperation Agency to DCS, G-4 Director of Supply Policy (DALO-SPE), to the CG, U.S. Army Security Assistance Command, to CG, AMC, and the affected ACOM/ASCC/DRU commanders.

b. *Supply policy for deployed units.* Equipment, materiel, and supplies provided in these types of operations will be provided under the foreign assistance and foreign relief acts. Property is provided by the national system through security assistance and foreign military sales, loans, leases, or donation to the appropriate country's/UN's freight forwarder, and ultimately to the UN/foreign country.

(1) Commanders of Army units directly tasked to provide support in foreign disaster relief or foreign humanitarian assistance will not loan, lease, donate, or otherwise provide or release organizational MTOE, CTA, or TDA equipment or supplies.

(2) Any equipment, material, or supplies directed by an ACOM channel authority to be released from a deployed unit will be dropped from property accounting records. Normally, property released in support of foreign disaster relief or foreign humanitarian assistance will not be returned to owning unit. Report losses

per AR 710–3. Units will follow ACOM/ASCC/DRU commanders' instructions to reconstitute MTOE/TDA equipment.

*c. Release of non-expendable property.* When specific instructions (operation order) are received through command channels directing release of nonexpendable property, a copy of the instructions which directed the loan, lease, donation, or release, and DD Form 1348–1A or DD Form 1348–2 (or a single DD Form 1348–1A annotated “see attached equipment listing”) signed by a competent receiving authority will be filed as supporting documents to the property book. Serial numbers of the materiel will be entered on this documentation. Assistance in documenting an audit trail for foreign disaster relief or foreign humanitarian assistance and support hand-off of equipment and supplies will be obtained from the host country military group (MILGP) or the U.S. Army Security Assistance Quality Assurance Representative at the site providing the required information needed to support the hand-off.

(1) Disposal of equipment and supplies in foreign countries must be authorized through the Department of State and the host country, or where there is no host country Government, through the Department of State in coordination with appropriate UN officials, DLA, and in coordination with U.S. Army designated representatives. This does not include equipment and supplies turned in to the DLA–DS in country.

(2) Property donated to the USG by foreign governments and civilian agencies will be accounted for using the same property accounting rules as Army-owned property.

(3) Property recovered in MOOTW that has been sold to the UN or other foreign government must have ownership validated by the Department of State or host country MILGP. Technically, the property belongs to the UN/foreign government. ACOM/ASCC/DRU commanders are to act on the disposition of this equipment and supplies as directed by the Department of State for MILGP or UN. The USG-owned property will not be abandoned or destroyed in a foreign/host country without full coordination with the Department of State, Foreign/host country, MILGP, DLA, and CINC representative.

(4) Types of materiel and supplies considered to be nonrecoverable during these type operations consist of the following: Nonexpendable material such as tentage, cots, air mattresses, blankets, sheets, pillowcases, mattress covers, and similar cloth, canvas, plastic, and wooden materiel is considered consumable.

*d. Logistics Civil Augmentation Program.* Under provision of the Logistics Civil Augmentation Program, materiel will be made available to Army contractors per chapter 10.

## **9–5. Contingency designations and accounts**

*a. Contingency Department of Defense Activity Address Codes for units participating in military operations other than war.*

(1) ACOM/ASCC/DRU/Army division's staff will request DoDAAC(s) which will contain the required data per AR 725–50.

(2) Additional policy is in section II of this chapter.

(3) Only ACOM/ASCC/DRU/Army division's staff will request DoDAAC(s), by message or telephone, for units alerted for or immediately deploying and/or a contingency task force. Requests will be sent to Director, AMC LDAC (AMLDS–M), Redstone Arsenal, AL 35898–7466. ACOM/ASCC/DRU/Army division's staff must inform the installation DoDAAC coordinator of action(s) taken to obtain new DoDAACs.

(4) The request must identify the timeline for deployment (60 days or less).

*b. Characteristic of derivative unit identification codes.* DUICs must be used for organizations divided from parent unit during deployments and registered per AR 220–1. Each unit's MOOTW location in-the-clear address must be provided. Request must identify if remote area support will be used.

(1) Unit identifying data (see AR 725–50 for detailed instructions) will be sent by the most expeditious method to LDAC.

(2) LDAC personnel will expeditiously return DoDAAC assignment information through the installation DoDAAC coordinator to the requester.

*c. When derivative unit identification codes will be used.* Contingency DoDAACs will not be used until units are deployed to MOOTW operational area. Exceptions to this policy must be approved by the Director, Supply Policy Directorate (DALO–SPE).

(1) ACOM/ASCC/DRU/Army division commanders will use mass cancellation procedures to delete contingency DoDAAC requisitions and receive confirmation before completing action required.

(2) ACOM/ASCC/DRU/Army division commanders will submit deletion requests (see AR 725–50 for procedures) for assigned contingency DoDAACs within 60 days of return to home station.

*d. The Chairman of the Joint Chiefs of Staff and Army Project Codes.* All project codes will be requested per AR 725–50.

#### **9–6. Health and comfort packs**

a. Health and comfort packs (HCPs) are preconfigured health and comfort items to support 10 individuals for 30 days. They will be provided after the individual has deployed for 30 days to an area of operations and does not have adequate Army and Air Force Exchange Service (AAFES) support. Issue will be suspended upon establishment of adequate AAFES support. Exceptions may be made on a case-by-case basis by the senior logistics commander in the area of operations.

b. HCPs may be authorized on a case-by-case for OCONUS exercises in excess of 15 days to austere, bare-base environments where AAFES support is not available or cannot be readily established. ACOM/ASCC/DRU commanders may authorize and requisition the HCPs for units or individuals who meet the criteria.

c. The contents of Type I and Type II HCPs are outlined in ATP 4–41.

#### **9–7. Hazardous material responsibilities**

a. Commanders of units in possession of hazardous material (HAZMAT) will follow the higher command guidance, AR, and OSD policies for the receipt, handling, storage, use, disposition, and required reporting of HAZMAT during MOOTW.

b. Commanders of units will seek the technical advice of the nearest HAZMAT or environmental office to ensure compliance with international, host nation, and/or Federal, State, and local laws and regulations governing the use, storage, disposal, and reporting requirements for HAZMAT. Policy contained in AR 200–1, DoDI 4715.05, and DoDI 4715.22 contain more specific requirements for environmental protection.

c. Commanders of units will maintain spill response equipment which must be maintained as directed by their higher command. Commanders will follow higher command directions for the receipt, handling, storage, use, disposition, and required reporting of HAZMAT during MOOTW.

### **Section II**

#### **Wartime or Emergency Accounting Policies**

##### **9–8. General**

a. These policies prescribe using unit property accounting requirements in the time of war or emergency. The existence of wartime or emergency conditions in a local or regional area does not automatically authorize implementation of any portion of this section. Only the Secretary of the Army may authorize implementation of this section, with specific implementation in whole or in part published through command channels. Individual commanders will not implement the procedures of wartime accountability policy unless specifically authorized by the ACOM/ASCC/DRU commander and notification is received through command channels. AR 735–5 provides commanders at various echelons with other limited measures which may provide latitude to mitigate property accounting challenges related to wartime or emergency conditions.

b. This section applies to units deployed in a theater of operations. It also may apply to units deployed to other areas when authorized by the Secretary of the Army.

c. Theater commanders may impose more stringent record keeping requirements as tactical or operational situations allow or require. When such requirements are imposed, policies in this regulation apply.

d. When hostilities cease or the emergency subsides, units will reestablish accounting records required by this regulation.

##### **9–9. Requesting and receiving property (wartime or emergency)**

Authorization document requirements of paragraph 7–1 remain in effect except that parent unit commanders may authorize discretionary allowances. Requesting and receiving property policies in chapter 11 apply except for the following:

a. Follow-up and requests for cancellation are not required.

b. Reconciliation and validation of open supply requests with the SSA are not required.

c. Written delegation of authority to receipt for supplies is not required. Copies of assumption of command orders or other written designation of responsible officers are not required to be sent to the SSA. Supplies received will continue to be compared with the receipt document.

#### **9–10. Disposition of property (wartime or emergency)**

Disposition of property policies in chapter 14 apply, except for the following:

a. Lateral transfers do not have to be separately documented. The transfer directive (for example, electronic message or instructions received over the administrative or logistics net) is the authority for transferring the items. Component shortages are not required to be documented. Transfers will be in an “as is” condition. Funds will not be transferred to cover component shortages.

b. Excess items will be turned in as rapidly as possible and in an “as is” condition. No resources will be spent to upgrade property prior to turn-in.

c. Unserviceable property, whether due to FWT or combat damage, will be evacuated according to current policy. Combat loss reports will be used to drop items from the property records. Items being evacuated are not required to be complete. Controlled exchange will be used to support the fix forward doctrinal concept.

#### **9–11. Accounting for property (wartime or emergency)**

Property book policies in chapter 7 and chapter 8 do not apply. As directed by the Secretary of the Army, the following policies apply during wartime:

a. MTOE and deployable TDA organizations will account for only organizational property. The using unit commander must know what equipment the unit is authorized, what it actually has, equipment condition, and what is being done to replace shortages. Property book accountability will be reduced to summary type accounting. Running balances based on daily updates are all that is required. Document files are not required to support on hand quantities.

b. Only those records and files needed to give the commander current authorized and on hand equipment status need be kept. Combat loss reports and daily logistics status reports will constitute the primary method of updating property books. Items with a CIIC of other than “U” or a blank will be accounted for by serial numbers unless specifically exempted.

c. Wartime accounting and reporting requirements for COMSEC equipment will remain the same as those specified for peacetime operations in this regulation and the TB 380–41 series, unless specifically exempted by DCS, G–2 and DCS, G–4.

d. Wartime accountability may remain in effect for a period of at least 60 days following the end of hostilities. This time may not be extended without prior approval of the ASA (ALT). This policy will also apply to other deployments/contingencies as announced by DCS, G–4 Director of Supply Policy (DALO–SPE).

#### **9–12. Assigning responsibility for property (wartime or emergency)**

Assignment of responsibility below the property book level is not required.

#### **9–13. Controlling components (wartime or emergency)**

The requirement to have components on hand or have a valid sourcing solution remains in effect. Documentation of shortages and assigning responsibility to the user are not required.

#### **9–14. Accounting for quarters furnishings (wartime or emergency)**

Accountability for quarters furnishings in the theater of operations will be terminated.

#### **9–15. Organizational clothing and individual equipment (wartime or emergency)**

a. Property book accounting of OCIE remains in effect. However, postings do not have to be supported by documents. Records of responsibility are not required.

b. Army combat uniforms issued as OCIE to a member of the RA, ARNG, or USAR, who has been deployed in support of a contingency operation for at least 30 days, will be retained as transferable-nonrecoverable items on the member’s DA Form 3645 (Organizational Clothing and Individual Equipment Record) or CIF–ISM electronic clothing record. CTA 50–900 identifies combat uniforms authorized for retention.



#### **9–16. Special accounting policy (wartime or emergency)**

Policy in this regulation applies, except as follows:

- a. Because postings to the property book are based on combat loss reports and daily equipment status reports, there is no requirement for documenting administrative adjustments.
- b. Files will continue to be kept for property obtained by temporary loan. Records of responsibility are not required.
- c. Policy regarding DLA–DS does not apply if a DLA–DS facility is not established in the theater of operations. Organizations will follow local policies.
- d. Records are not required for assigning responsibility of transportation assets that are authorized by one organization but used by another.
- e. Negotiable media is accounted for to the degree required by the theater commander.

#### **9–17. Management of loads (wartime or emergency)**

The requirement to keep records for basic and operational loads will be minimized. Document registers will continue to be kept, preventing duplicating document numbers and to assist in reconciliation or validation when required. The document number, description, quantity, and date completed are the minimum required to be posted to the document register. Records of demands are necessary and will be kept as a database for submission of replenishment requests. Units will keep basic loads, bench stocks, and shop stocks continually replenished.

#### **9–18. Inspections and inventories (wartime or emergency)**

The requirement for inspections and inventories ceases when this section is implemented. Inventories are only required to assess the on hand and condition status of the unit's property. These inventories are undocumented. Accounting for lost, damaged, and destroyed property (other than combat losses) will be under AR 735–5. Classified COMSEC equipment and CCI also require initiation of incident reports for all accounting discrepancies per TB 380–41.

#### **9–19. Ammunition accounting (wartime or emergency)**

See AR 700–28 and DA Pam 700–16.

### **Chapter 10**

## **Army Property in the Possession of Contractors**

### **Section I**

#### **Army Property in the Possession of Contractors**

##### **10–1. General information**

This chapter provides policy and procedures for establishing and maintaining accountability of GP provided to contractors under a contract per its provisions and clauses, regardless of price, provided to contractors consistent with the terms of the contract. As an integral part of an acquisition strategy, providing GFP presents several property accountability hurdles. Army protocols are a requirement as risk mitigation measures to maintain current and correct APRs, as mandated in DoDI 5000.64 and its contract property companion DoDI 4161.02. Additional requirements are available in FAR Part 45 and FAR Part 52. Procedures used for maintaining the visibility of GFP in possession of a contractor are a requirement and written in the FAR and its supplements. They are significantly different in approach than ARs. Use the following procedures to establish and maintain fiduciary records for GFP in the hands of contractors.

- a. Maintaining accountability of GFP in possession of contractors is prescribed by FAR Part 45, DFARS, AFARS, DoDI 5000.64, and DoDI 4161.02.
- b. Contractors are ordinarily required to furnish all property necessary to perform Government contracts. However, it can sometimes be advantageous for the Government to provide Government property to contractors. Before the contract award, the requiring activity will document the decision to furnish GP to contractors. The requiring activity is responsible for determining if the Government will provide property to the contractors. The justification to provide property must be documented appropriately and provided to the KO for incorporation into the contract file.

c. GFP is provided to a contractor based on the terms and conditions of the contract. Contractors will not receive transfers of GFP on HRs, such as DA Form 2062 (Hand Receipt/Annex Number) and DA Form 3161 (Request for Issue or Turn-In) and contractors will not be HR holders for other government property. The contract, Schedule GFP listings, and the GFP loaded into the GFP module are the accountable documents that place stewardship responsibility onto the contractor. The only individual authorized to provide GFP to contractors is the KO.

## **10–2. Defining government property as government-furnished property**

GP is defined as all property owned or leased by the Government. GP includes both GFP and contractor acquired property (CAP). The types of GP that are relevant or appropriate to a contract with GFP generally include things such as material, equipment, special tooling, special test equipment, or material necessary to a build or to research and development. GFP does not include intellectual property and software.

a. The Government will retain title to all GFP. Incorporating or attaching GFP to any property not owned by the Government does not affect the Government's title to GFP. GP will not become a fixture or lose its identity as personal property by being attached to any real property.

b. DoDI 4161.02 and some aspects of DoDI 5000.64 establish three distinct categories to report property.

(1) Government contract property is defined by DoDI 4161.02 as personal property owned by the Government and furnished to a contractor or acquired by a contractor and title vests in the Government. Reference and apply this DoDI when GP is planned, provided, or permitted under a DoD contract; align it with respect to DoDI 4161.02, DoDI 5000.64, the FAR Part 45, and the DFARS when GP is planned, provided, or permitted under a DoD contract.

(2) GFP is defined by the FAR Part 45, DoDI 5000.64 and DoDI 4161.02 as property in the possession of, or directly acquired by the Government, and subsequently furnished to the contractor for performance of a contract. GFP includes, but is not limited to, spares and property furnished for repair, maintenance, overhaul, or modification. GFP also includes CAP if the CAP is a deliverable under a cost contract and accepted by the Government for continued use under the contract. Any conversion from CAP to GFP must be reflected on the GFP Attachment. Any change to the GFP Attachment requires a modification to the contract. The GFP Attachment formalizes the deal of what property will be provided to the contractor. It authorizes contractors to have custody of Government property.

(3) GFP is defined by FAR 45.101 as property in the possession of, or directly acquired by the Government, and subsequently furnished to the contractor for performance of a contract. Per DFARS Subpart 215.470, sustainment contracts must include a Contract Data Requirements List specifying the property to be furnished to the contractor. GFP includes, but is not limited to, spares and property furnished for repair, maintenance, overhaul, or modification.

(4) CAP is defined in FAR 52.245–1 as property acquired, fabricated, or otherwise provided by the contractor for performing a contract and to which the Government has title. If CAP is subsequently delivered and accepted by the government for use on the same contract, or another contract, CAP is then considered GFP.

## **10–3. Incidental property**

Incidental property is defined as GP incidental to the place of performance when the contract requires contractor personnel to be located on a government site or installation and when the property used by the contractor within the location remains accountable to the Government representative requiring contractor support. Items considered to be incidental to the place of performance include, but are not limited to, office space, desks, chairs, telephones, computers, and fax machines. Do not document incidental property as GFP.

a. Incidental property is not administered under the authority of FAR Part 45. Any directions to the contractor such as inventory requirements, documentation of transfer, liability of loss, disposition, turn-in, and so forth, must be documented within the contract. The PA and plant clearance officer (PLCO) have no authority or responsibility for incidental property administration.

b. The KO is the final authority on determining what property is deemed as incidental to the place of performance. Final determination is accomplished with coordination with the RA/APO.

c. The RA, along with the APO, will coordinate with the KO and PA to determine what property on the property listing is deemed incidental to the place of performance before the solicitation is issued. Produce this listing in coordination with the APO.

d. Do not annotate property deemed as incidental to the place of performance on the Scheduled Government-Furnished Property (SGFP) attachment.

e. The RA provides a copy of the contractual requirements and surveillance requirements to the APO. Since incidental property is not considered GFP, the PA does not have any visibility or responsibility for these items.

#### **10-4. Contractor acquired property**

a. CAP is defined in the FAR as property acquired, fabricated, or otherwise provided by the contractor for performing a contract, and to which the Government has title. CAP subsequently delivered and accepted by the Government for use on the same or another contract is considered GFP.

b. The requiring activity APOs do not require accountability or visibility of CAP until the Government formally accepts delivery.

c. Acceptance is a formal certification the goods and services which have been received and conform to the terms of the contract. Consult the FAR for contractual requirements and procedures constituting acceptance.

d. There are circumstances when the Government does not accept CAP as GFP. If CAP is needed in performance of the contract, the Government will normally accept delivery of the CAP and will transfer the CAP back to the contractor as GFP. The contract LIN will illustrate what CAP will be accepted as GFP. When this happens the KO or property administrator will document the acceptance of CAP to GFP through a contract modification.

e. CAP must become GFP before the property of one contract is transferred to another. The requiring agency APO will ensure this equipment is uploaded into the APSR and transferred by way of a Standard Form (SF) 30 (Amendment of Solicitation/Modification of Contract).

#### **10-5. Justification to provide government-furnished property**

The RA personnel will ensure that the written documentation to provide or not provide GP addresses and clearly demonstrates each of the requirements of FAR 45.102 and the four elements cited in DFARS PGI 245.103-70(2).

a. The RA personnel will—

(1) Coordinate with the APO to determine what GFP is available for possible transfer to the contractor.

(2) Coordinate with the KO to ensure that the written documentation provided by the RA to provide GFP addresses and clearly demonstrate each of the requirements of FAR 45.102 and the four elements cited in DFARS PGI 245.103-70(2).

(3) Coordinate with the KO to ensure all documentation related in the justification to provide GFP is annotated in the official contract file and as a courtesy, and only to the extent practical or appropriate that a copy of this justification should be provided to the APO.

b. The APO will—

(1) Coordinate with the RA to assist with the justification memorandum to provide GP is adequate and complete.

(2) Coordinate with RA to create a listing of GFP that is available to the contractor. Generate this listing from assets annotated within the appropriate APSR and submit it to the RA using the SGFP listing per DFARS PGI 245.103-70(2).

(3) This SGFP is a preliminary listing of GFP to be provided and is susceptible to change upon contract award. The SGFP is analogous to a unit TDA showing what GFP is authorized for use within contract terms and conditions.

(4) During development of the SGFP ensure that there are no duplicate Product IDs (NSN, Mfr commercial and government entity (CAGE)/PN, or model numbers). Aggregate the quantity of that item into a single row on the shipment document.

(5) Adjust SGFP and APSR GFP listings if contract requirement changes are required as directed by the RA or KO. Adjustment of the SGFP listing will require a contract modification (SF 30) to document the change(s) of GFP authorized by the contractor(s).

(6) Create a suspense file within the contractor record and authorization using the appropriate Property Book Identification Code O and type authorization code L to identify the property as GFP.

(7) When directed by the KO or designated representative having command responsibility over the property required by a contract, the APO will release the GP to a contractor as GFP.

(8) Receipt of GFP to the contractor will be documented by utilizing the GFP Transfer Module within Procurement Integrated Enterprise Environment (PIEE).

#### **10–6. Contract awards related to government-furnished property**

a. GP is provided to the contractor under provisions or clauses of the contract. GFP is not authorized to be hand receipted to contractor(s). Contractors are not authorized to sign a DA Form 2062 or DA Form 3161 for GFP. The contract SGFP listings and GFP Position Report are the only accountable documents that place stewardship responsibility onto the contractor. The only individual authorized to provide GFP to contractors is the KO.

b. Upon award of the contract the APO will transfer the GFP annotated on SGFP to the contractor by using the GFP Transfer Module in PIEE. Establishing the transfer action is analogous to the establishment/completion of a HR. GFP populated on the SGFP listing will be visible during the shipping/transfer function within the PIEE GFP Property Transfer Module. If an item is deemed to be serially managed, the APO must enter the associated Serial/Ull numbers. If an item is deemed as non-serially managed entry of the serial number may be annotated by the APO but is not mandatory.

c. Contractor(s) will be notified via email of the shipment/transfer of GFP. Upon receipt of GFP the associated contractor(s) will accomplish receipt of the GFP provided utilizing the Transfer Module within PIEE. As part of the receipt process contractor(s) will verify information and quantities submitted are correct. (Item Name, Description, NSN, Manufacturer CAGE (if applicable), PN, Model Number, Quantity Shipped/Received, and Serial Number/Ull (if applicable)). This information is verified against information submitted by the APO within PIEE. Upon receipt of the associated GFP the GFP Position Report will update within PIEE documenting receipt actions.

d. Upon contract award, a copy of the contract SF 26 (Award/Contract) and SGFP is entered into the Electronic Data Access (EDA) module within PIEE. If a hard copy of these documents is required to be maintained by the APO, these supporting documents can be obtained through EDA.

e. As required the APO may request a copy of the appointment letter for the cognizant PA and PLCO from the cognizant KO as annotated on the SF 26. If there is no PA or PLCO appointed, it will be a contracting function to determine who will accomplish all duties and responsibilities associated with these position(s).

f. Upon contract award, the APO will establish a registered contractor UIC to transfer equipment from the requiring agency UIC to the contractor UIC in the appropriate APSR. Property previously placed in the suspense file will be removed and placed into the established fiduciary record.

g. Post property transferred by way of the contract to the contractor as a loss to the Army's HR and a gain to the contract GFP fiduciary record.

h. Items that are required to be returned to the DoD agency will be annotated within the contract. This action will ensure that items that are designated as DoD agency critical are returned during contract close-out actions.

#### **10–7. Contract modifications related to government-furnished property**

a. A contract modification (SF 30) is any written change in terms of a contract. Additions or deletions of GFP to a contract requires a contract modification. Accomplishment of a contract modification is only required when the SGFP (authorization document) is required to be adjusted. Modifications for loss action and disposition actions are not required.

b. The KO is the only individual authorized to accomplish a contract modification.

c. Contract modifications are not accomplished on a constant frequency, thus modification to contracts in regard to property administration must be coordinated through the KO by the PA or COR.

(1) The APO is authorized to adjust losses to GFP utilizing the Loss of GP cases accomplished by the PA or PL cases accomplished by the PLCO as supporting documentation. All supporting documentation for these actions is annotated within the associated modules within PIEE.

(2) Gains to GFP (FOI, receipt of CAP, and so forth) require the SGFP to be modified and provided to the KO for inclusion in the SF 30.

(3) Prior to submission of the SGFP into PIEE the APO will need to coordinate with the KO/COR/PA to receive the modification number and attachment number for the modification. This information is required to be entered on the Contract Information tab of the SGFP.

(4) The APO/RA will coordinate with the KO to incorporate the adjustments made on the earliest contract modification possible using the SGFP as the source document.

(5) Upon approval of the SGFP the KO will ensure that the modification within PIEE contains the associated SGFP.

(6) Copies of the SF 30 and SGFP can be obtained by the APO as necessary by utilizing the EDA module within PIEE.

## **Section II**

### **Accounting for Government-Furnished Property**

#### **10–8. Responsibilities to account for government-furnished property**

a. Property accountability cannot be delegated and cannot be released to the contractor APO when furnished. In fact, the precise line items become accountable to the contract and are reported and recorded in the project management offices and owning entity's books as in the custody of the contract and UIC assigned in the APSR.

b. The KO has contract management responsibilities to include administration and oversight protocols defined in FAR Part 45; the KO does not have property management or property accountability responsibilities. These are retained by the owning entity, Program Management Office (PMO), and APO.

c. Army activities ensure property furnished to the contractor is managed, controlled, and accounted for and overarching accountability mandates are in compliance. Compliance with the RA, the project or program office requires consistent coordination and collaboration with the applicable contracting activity's office, and, as applicable, their PA and PLCO. These business partners execute the necessary contract administration actions specific to GFP, as well as contract property oversight and contract inventory disposition processing.

#### **10–9. Accountable property officer responsibilities for government-furnished property**

Although accountability of GFP in the hands of contractors is similar to accountability of organizational equipment there are differences in regulations and tools.

- a. Assist the RA with the justification to provide GFP.
- b. Coordinate with the RA to determine what GFP is available for possible transfer to the contractor(s).
- c. Complete the Scheduled GFP listing.
- d. Update the Scheduled GFP listing as contractual requirements change.
- e. Document the transfer/receipt of GFP to the contractor(s) utilizing the transfer module in PIEE.
- f. Maintain the GFP fiduciary records within the appropriate APSR.
- g. Complete an abbreviated DD Form 200 (blocks 1, 3–9, 17a, and 17f) per AR 735–5 with the Loss of GP case as supporting documentation.
- h. Obtain access to EDA.
- i. Obtain "Property Shipper" roles within the Transfer Module within PIEE.
- j. Obtain "Property Receiver" roles within the Transfer Module within PIEE.
- k. The APO does not have the contractual authority to verify the contractor's property management system.
- l. The APO does not have the authority to direct a contractor to accomplish such actions as inventories, sub-mission of reports, and completion of DD Form 200 actions. Such actions may be out of scope in regard to the contract.

#### **10–10. Accountability requirements for government-furnished property**

a. The Government, by law (see 40 USC 524), states the USG must keep APRs for all assets (GFP) in inventory. DoDI 5000.64 and this regulation require APOs to develop and maintain APRs for all GFP in an APSR.

b. As instructed by DoDI 5000.64, the Army establishes APRs in the APSR for all GFP of any value provided to a contractor as GFP. Contractor personnel cannot be designated as APOs, per this regulation. The APRs for GFP are kept current and reflect current status, location at the CAGE or contractor order level, financial information, and condition of the asset until authorized disposition of the property. The APRs provides a comprehensive log of transactions suitable for audit and will be the authoritative source for use in validating the existence and completeness of an asset.

c. The Army must maintain an approved property record when GP is furnished to a contractor as GFP. Per AR 700–145, the IUID Registry must reflect the location and custody change of the property furnished as GFP to the contractor.

d. GP becomes GFP when received by the contractor. Contractors may receive GP as shipment from Program Management Office inventory, requisitions from a DoD source, or delivery and conversion from CAP to GFP. The owning and booking entity reports the GP as GFP. In addition, the contractor assumes stewardship responsibility for the GP now recorded in the contractor's property-management system. The contractor also reports the GFP to the IUID Registry as in the contractor's or its subcontractor's care and custody.

e. Third parties outside the DoD, to include contractors, have stewardship and custodial responsibility, for the GP in their care, consistent with the terms and conditions of the contract. This includes DoD property loaned to outside entities and GFP, for which the DoD records are required, and CAP until delivery to the DoD has occurred. Contractors having custodial responsibility for GP does not necessarily mean the contractor will be liable for GP.

f. The Government—specifically the property owner, RA, booking entity or program—will maintain the official fiduciary records for all GFP provided to the contractor. The APO will only maintain fiduciary records for GFP. CAP is not an accountable asset until the Government takes possession and, as such, is not annotated or tracked within the APSR.

g. Per the FAR and DFARS, any subsequent life event updates (for example, asset acquired, receipted, asset transferred, loss of asset, retirement or disposal) occurring to GFP is now reported by the contractor in their property-management system, IUID Registry and Property Position Report.

h. Third party property management or accountability systems, such as custodial systems, referred to in the FAR and DFARS as a contractor's property management system, will not supersede or replace the APSR or the APRs maintained by the DoD. The contractor provides asset status updates directly to the IUID Registry. Other stakeholders will derive IUID information on the status of the property directly from the IUID Registry, not from the contractor.

i. GFP identified as necessary to contract performance is then furnished (GFP) to a third party. Although the DoD may not have physical custody, to maintain effective property accountability and for financial purposes, DoD component commanders (ACOMs) will establish, if a new accountable item, and update the accountable item on record to show that GFP is furnished to a contractor.

j. APOs of the owning agency do not require visibility or maintaining CAP in their APSR until the Government formally accepts delivery. Acceptance is a formal certification the goods and services have been received and they conform to the terms of the contract. Find more information in FAR Part 46 for contractual requirements and procedures constituting acceptance.

k. CAP is usually generated on cost type and on time and material contracts where the Government has title to property that is fabricated or purchased for use on the contract by the contractor. There are circumstances when the Government does not accept CAP as GFP.

l. If CAP is needed in performance of the contract, the Government representative will accept delivery of the CAP and will transfer the CAP back to the contractor as GFP. Contractors utilize the CAP pre-screening module in PIEE to report CAP that is requested to be delivered. Once CAP is annotated within the system the KO is notified of this request via an email. The KO should coordinate with the RA/PA prior to making the determination on the receipt of CAP.

m. If the CAP is receipted the KO must coordinate with the Requiring Activity to accomplish an updated SGFP showing the addition of the added GFP items.

n. Upon completion of the SGFP the KO will accomplish a contract modification SF 30 incorporating the GFP onto the contract. If CAP is not required on the contract or is obsolete, the contractor can (through the PLCO) may request disposition instructions of the excess property.

o. CAP must become GFP before the property of one contract is transferred to another. The RA personnel will ensure this equipment is uploaded into the APSR and transferred via the GFP transfer module within PIEE and notify the KO of the transfer. The KO will document the transfer utilizing a SF 30 (Amendment of Solicitation/Modification of Contract).

## **10–11. Accountable records for government-furnished property**

a. GFP is a life cycle event that must be reflected in the APSR, whether the asset was furnished directly from the requiring activity (the DoD organization, or part of an organization, that identifies and defines a requirement for supplies or services, and requests the initiation of, and provides funding for, an

acquisition to fulfill the requirement) inventory, or acquired by the contractor as CAP and subsequently furnished under the contract.

b. The requirement to establish accountable property records for GFP is identified in DoDI 4161.02 and DoDI 5000.64. The individual who maintains the accountable property records associated with the contract is the requiring activity APO.

c. DoDI 4161.02 and DoDI 5000.64 establish categories for the reporting of GFP.

d. Per DoDI 5000.64, the Army establishes accountability property records for all GP of any value provided to a contractor as GFP. The accountable property records for GFP will reflect current status, location, financial information, and condition of the asset until authorized disposition of the property. The accountable property records will provide a comprehensive log of transactions suitable for audit and will be the authoritative source for validating the existence and completeness of GFP.

e. Accountable property records will be established in an APSR for all GP purchased, or otherwise obtained, having an acquisition cost of \$5,000 or more, property of any value controlled or managed at the item level, leased items (capital leases) of any value; and assets sensitive or classified (see DoDM 4100.39).

f. When furnishing GFP, the accountable record of the requiring activity must reflect the property location and custody change to the relevant CAGE and/or Data Universal Numbering System (DUNS) code. The responsibility to maintain GFP in an APSR is unchanged and will be maintained by the APO of the requiring activity.

#### **10–12. Managing government-furnished property in possession of contractors**

a. GP provided to a contractor to use in performance of a contract is GFP. GP may be shipped and provided from the Program Management office, requisitioned from a DoD source, or delivered and converted from CAP to GFP to the contractor. GP is to be reported as GFP by the requiring activity. The contractor assumes responsibility for the GFP now recorded in their contractor property management system and reported to the IUID Registry as under the subcontractor(s) care or custody.

b. The KO, in consultation with the property administrator, determines contractor liability for the loss of Government property.

c. Property accountability will not be delegated or released to the contractor. The contract LINs become accountable to the contract. GFP is reported and recorded in the requiring activities APSR under the contractor CAGE and/or DUNS.

d. The KO has contract management responsibilities to include administration and oversight protocols defined in the FAR. The KO does not have property management or property accountability responsibilities. The requiring activity requiring contractor support maintains accountability of all GFP.

e. The property administrator is the authorized representative who is appointed per DFARS 201.670 by either the Defense Contract Management Agency or the KO. The property administrator is responsible for administering the contract requirements and obligations relating to Government property in the possession of a contractor. The property administrator ensures contractors comply with accountability policies and procedures, and manage, control, and account for GFP.

#### **10–13. Reporting, stewardship, and responsibility for government-furnished property**

a. The FAR and DFARS require contractors to report subsequent GFP life cycle event updates (for example, asset acquired/received, asset transferred, asset retirement or disposal) in their contractor property management system and to the IUID Registry.

b. Title to GFP by definition refers to property for which the Government holds title. The Government will retain title to all GFP. Title to GP will not be affected by its incorporation into or attachment to any property not owned by the Government, nor will GP become a fixture or lose its identity as personal property by being attached to any real property.

c. Third parties have stewardship responsibility, consistent with the terms and conditions of the accountable contract or third party agreement, for the GP in their care. This includes DoD property loaned to outside entities, GFP, and CAP for which the DoD has taken title before delivery.

d. The requiring activity personnel will maintain the official records for all GFP provided to the contractor. The APO will maintain accountable records for any GFP issued to a contractor by listing the property on its own separate page of the property book, segregated from all other property, and clearly identified as GFP.

e. Accountable property records will not be established for CAP until CAP is delivered to the Government.

f. Contractor personnel cannot be designated as APOs, as defined by this regulation.

g. The official property records, sometimes referred to as accountable records, are maintained by the APO. Third-party property management or accountability systems will not supersede or replace the APSR, or accountable property records maintained by the DoD. The contractor is to provide any GFP status updates directly to the IUID Registry, GFP Module, Wide Area WorkFlow, and Electronic Document Access per contract requirements.

#### **10–14. Inventory of government-furnished property**

a. *Physical inventory.* Per FAR and DFARS requirements, only the KO has the authority to direct contractors to perform and document a physical inventory of GP in the contractor's possession.

(1) The KO or PA and the contractor establish an agreement on the method and frequency of inventories of GFP, this is documented in the contractor's property management system procedures. Validation of the frequencies and inventory procedures are validated by the PA during the completion of the property management system analysis (PMSA).

(2) The contractor provides periodic inventory results as set forth in the contract (see FAR 52.245–1). When equipment is transferred to a contractor, the only inventories a contractor is required to do are those outlined in the contract. Contractors are not responsible for additional Army reporting requirements that are not contractually required or detailed in the FAR, DFARS or the Performance Work Statement.

(3) If additional inventory requirements are required, the RA's must ensure these inventory requirements are documented utilizing a CDRL or annotate within the Performance Work Statement as a deliverable.

(4) The APO should utilize the GFP position report as a normal inventory tool.

b. *Initial inventory of government-furnished property.*

(1) Upon award of the contract, the contractor accomplishes an inventory and reconciliation utilizing the transfer module within PIEE.

(2) Discrepancies noted by the contractor will be documented within the transfer module. Results are visible to the APO via the PIEE transfer module.

(3) If there are any discrepancies, the contractor notifies the KO or designated representative (PA or COR) of the discrepancies noted and annotates the discrepancies within the PIEE GFP Transfer module.

(4) The APO coordinates with the KO or designated representative (PA or COR) to resolve any discrepancies noted during the inventory.

(5) APO will coordinate with the KO, PA, or designated representative to determine what documentation is required to reconcile the fiduciary record.

(6) Once the inventory and reconciliation of the SGFP is complete, the requiring activity APO signs DD Form 1149 confirming the contractor received the equipment. This document is used so the APO can move the equipment from the Government UIC to the contractor UIC. The contractor documents the acceptance of the property by using the GFP module of PIEE at <https://piee.eb.mil>.

(7) Once complete, the APO can obtain a copy of the SGFP, SF 26 and/or SF 30 by utilizing the Electronic Data Access module within PIEE.

#### **10–15. Adjustment actions for government-furnished property**

GFP adjustments may be required during the life cycle of the contract. The APO will coordinate with the KO, PA, and PLCO to ensure any changes to GP made over time are reflected by modifications to the contract (see AFARS 5145). Continuous communication and collaboration between the APO, KO, PA, and PLCO will ensure gains and losses are properly documented and reported.

a. *Gains.* The APO will utilize the EDA module within PIEE to obtain all necessary documentation required to support the gain of GFP.

b. *Loss.* PA/KO's are the only individuals authorized to accomplish determination for loss of GFP. PA's have the authority to relieve the contractor of liability, only the KO can hold the contractor liable for loss of GP.

(1) All loss of GP cases must be submitted by the contractor within the Loss of GP module per DFARS Clause 252.245–7002. Timeframes for submittal are per contractual requirements and the contractors' procedures.



(2) The PA/KO are the only representatives allowed to make determinations of liability for loss of Government Property.

(3) After submittal by the contractor, the PA/KO will review the documentation submitted by the contractor for completeness and accuracy and determine liability within the PIEE Loss of GP module.

(4) Upon completion of the case documentation for the case is filed within the EDA module in PIEE and the items designated within the loss case will be degraded from the GFP Position Report. The degradation process is integrated into the PIEE modules.

(5) The APO will complete an abbreviated DD Form 200 (blocks 1, 3–9, 17a, and 17f) per AR 735–5 utilizing the supporting documentation completed by the PA/KO. Adjustments will be (encompassing loss, theft, damage, or destruction) adjusted per AR 735–5. The APO will document the loss of GP case number is annotated within the DD Form 200 block 9.

(6) The APO will utilize the EDA module within PIEE to obtain a copy of required supporting documentation.

*c. Transfers.*

(1) GP will only be transferred from one contract to another when firm requirements exist under the gaining contract.

(2) KO authorizes and executes the transfer of GFP from one contract to another when the requirement is sufficiently defended and justified as necessary by the RA. See paragraph 7–6 for procedures for the justification to provide GFP.

(3) Transfer of GFP from one contract to another is accomplished within the transfer module within PIEE.

(4) If the decision to transfer GFP is made/documented, the RA or APO will coordinate with the KO, PA, or PLCO for the transfer of equipment. The APO will generate the required documentation to support the transfer (SGFP).

(5) Two modifications (SF 30 and SGFP) must be accomplished, one for the gaining contract and one for the losing contract. These two modifications provide an audit trail for the transfer action.

(6) The APO will utilize the EDA module within PIEE to obtain a copy of required supporting documentation.

(7) The APO is responsible for forwarding a copy of the gaining modification to the gaining APO managing the gaining fiduciary record.

(8) The APO provides the KO, PA, or PLCO the point of contact information associated with the gaining fiduciary record, and the gaining fiduciary record information (UIC, organization, APO's name, APO's number, and APO's email address.)

*d. Delivery of contractor-acquired property.*

(1) The delivery of CAP is initiated by contractor utilizing the CAP pre-screening tool within the GFP module in PIEE.

(2) The contractor will report CAP that is being requested for transfer to the KO for approval.

(3) The contracting office will coordinate with the APO for review/approval of the CAP prescreening list prior to approval.

(4) Once CAP is delivered and accepted by the Government, it then is considered as GFP accountable to the contract. Items are added to the contract via a SF 30, with an accompanying GFP attachment.

(5) The SF 30 and approved SGFP listing can be obtained by the APO utilizing the EDA module within PIEE.

*e. Legacy assets (found on installation).* Legacy assets are GFP items that are currently being used by the contractor in support of contract performance but are not currently recorded within the APSR.

(1) Per DFARS Clause 252.211–7007 (Reporting of GFP) contractors are responsible for reporting GFP in their possession in the GFP transfer module within PIEE even if a SGFP has not been accomplished.

(2) As part of the PMSA, the PA will ensure that the contractor is properly documenting GFP within the transfer module.

(3) The APO will utilize the transfer module within PIEE to document GFP in the possession of the contractor.

(4) The APO will utilize the Property Position Report (PPR) to generate the SGFP and coordinate with the KO utilizing the SGFP within PIEE. GFP is annotated within the tool via the contract (and order number if GFP is provided at the Order Level).

- (5) The RA personnel will validate that the justification to provide GFP has been correctly accomplished and submitted to the KO per paragraph 10–5.
- (6) The KO will validate that the justification to provide GFP is properly annotated and accomplish a SF 30 utilizing the SGFP to document GFP provided to the contractor to support contract requirements.
- (7) The APO will update the fiduciary record, adding the GFP annotated within the SGFP.
- (8) The APO will utilize the EDA module within PIEE to obtain a copy of the SF 30 and approved SGFP.

#### **10–16. Disposition of excess government-furnished property**

GFP that is no longer required to perform a contract is considered excess to the contract; as such, it must be reported by the contractor(s). The PIEE Plant Clearance module is the only tool authorized to report excess GP (GFP and CAP) by the contractor when DFARS clause 252.245–7004 is on the contract. Prior to disposition the contractor will be instructed to remove or obliterate any Government Property (GP tags) markings prior to disposition unless otherwise instructed.

##### *a. Modification table of organizational and equipment or table of distribution and allowances property.*

- (1) When GFP is determined to be MTOE or TDA property, and no previous disposition instructions were provided the contractor will report the excess within the Plant Clearance module within the GFP module in PIEE.
- (2) The PLCO or KO will direct the contractor to document the transfer of the GFP back to the USG utilizing the transfer module in PIEE and contact the APO for disposition instructions/turn-in to the APO or designated representative.
- (3) Unless otherwise stated in the contract, contractors are not responsible for the turn-in of MTOE and TDA equipment into agencies, such as DLA and Army supply support activities.
- (4) The owning organization is responsible to turn-in MTOE and TDA equipment into the applicable agency or office.
- (5) The APO will document the transfer/return of the GFP utilizing the transfer module.

##### *b. Reutilization by requiring activity.*

- (1) The contractor(s) must promptly report excess property (including property destined for transfer of accountability) to the Plant Clearance Officer.
- (2) Contractors submit excess via an inventory disposal within the Plant Clearance module within PIEE to the appointed PLCO or KO. The PLCO/KO must either accept the schedule or return the schedule for correction within 10 days of submittal.
- (3) Upon acceptance of a schedule a plant clearance case is created. Establishment of the plant clearance case starts the timeline for disposition of excess.
- (4) Upon establishment of the plant clearance case the RA has 20 days to request return of any items annotated on the plant clearance schedule. Failure to request items by this suspense will start the next priority of disposition actions and may make the property unavailable for return.
- (5) If the RA determines that reutilization is authorized, the KO/PLCO directs the contractor to prepare and ship the excess property as required or return.
- (6) The contractor will document the transfer request via the transfer module within PIEE.
- (7) The APO will document receipt of the assets via the transfer module within PIEE.
- (8) Once received the APO will remove the assets from the contractor UIC and gain the items on the owning entity's books.

##### *c. Disposition of excess DLA–DS.*

- (1) If the RA determines that the property is not needed for reuse, the KO/PLCO directs the contractor to disposition assets per the priorities in FAR 45.602.
- (2) If a DLA–DS is available and authorized by the contract, PLCOs will generally utilize DLA–DS as the next priority for disposition of excess.
- (3) Contractor's will be directed to turn-in GP to DLA–DS and provide a copy of the signed DD Form 1348–1A as a substantiating document.
- (4) The PLCO will adjudicate the case against supporting documentation and close the case once all documentation has been verified.
- (5) Case closure will prompt PIEE to remove the GFP items from the Property Position Report and submit the associated documents into EDA.
- (6) APO will utilize the case number and supporting documentation to remove the GFP from the fiduciary record. Supporting documentation will be retrieved by the APO utilizing EDA within PIEE.

### **10–17. Contract closeouts**

At contract completion or termination, a contractor is required to account for all property furnished under the contract. This includes reporting, investigating and securing closure of all loss of Government Property cases and disposing of items as they are determined to be excess to contractual requirements.

#### *a. Disposition of excess/Closure of plant clearance cases.*

(1) Approximately 120 days prior to contract completion the contractor(s) will begin the process of reporting excess property in preparation of contract close-out utilizing the Plant Clearance module within PIEE.

(2) The PLCO will provide disposition instructions per paragraph 10–16.

(3) All disposition actions must be closed, and all supporting documentation provided prior to contract close out.

#### *b. Loss of government property.*

(1) GFP that cannot be accounted for must be documented via a loss of GP case by the contractor. All loss cases must be reported utilizing the Property Loss module within PIEE and per paragraph 10–15b.

(2) The PA/KO must adjudicate all loss cases submitted and make determinations of liability prior to contract close-out.

#### *c. Gains of government property.*

(1) If during contract close-out functions Government Property is noted the contractor will notify the PA. The PA will give the contractor instructions on how to document the gain.

(2) Gain could be CAP and if the item(s) are not required by the RA, items could be dispositioned via Plant Clearance functions.

(3) If the items are requested by the RA the PA will instruct the contractor(s) to receipt the items per CAP or GFP procedures.

#### *d. Adjudication of government property.*

(1) The PA as part of the contract close-out function will utilize the PPR to ensure that all GFP has been properly disposed of.

(2) If items are still documented on the PPR the PA/PLCO will coordinate with the contractor(s) to ensure all GP has properly disposed (for example, Loss of GP, Disposition).

(3) Once the adjudication process is completed the PA will direct the contractor submit a Memo for Record stating that no GP remains on the contract.

(4) The PA or KO will document closure of the contract by utilizing the DD Form 1593 (Contract Administration Completion Record).

(5) The KO will ensure that a copy of the DD Form 1593 and contractor Memo for Record are annotated within the official contract file.

(6) Supporting documentation for contract close-out will be retrieved by the APO utilizing EDA within PIEE.

#### *e. Accountable property record close-out.*

(1) The APO will verify that all required documentation has been received from the PA, PLCO, or KO, and that reconciliation of the fiduciary account has been completed.

(2) If additional documentation is required, the APO will coordinate with the PA/KO to request documentation.

(3) Upon completion of the reconciliation of the APSR and receipt of the DD Form 1593 and the contractor's memorandum showing that no property remains on record, the APO will inactivate the associated fiduciary record. See figure 10–1.



DEPARTMENT OF THE ARMY  
ORGANIZATION  
STREET ADDRESS  
CITY STATE ZIP

[office symbol]

[date]

MEMORANDUM FOR CONTRACTING OFFICER, ARMY CONTRACTING  
COMMAND, [insert contracting officer name]

SUBJECT: Justification to Provide Government Property

1. The purpose of this memorandum is to provide the Requiring Activity's justification to provide Government Property. Per FAR 45.102, *Policy* and DFARS PGI 245.103-70, *Furnishing Government property to contractors*, this justification is clearly demonstrated in ALL four (4) of the elements listed below. Note: The decision to provide Government Property is a deviation to the policy stated in FAR 45.102 for the contractor to furnish all property necessary to perform Government contracts.

a. Element 1: Is providing property in the Government's best interest?

☒ Yes

☐ No

Factors:

- |                        |                                 |
|------------------------|---------------------------------|
| 1. Economy             | 5. Scarcity                     |
| 2. Standardization     | 6. Maintain the industrial base |
| 3. Security            | 7. Contract type                |
| 4. Expedite production |                                 |

Justification: [Each of the seven (7) factors above must be clearly addressed in this justification. If one does not apply, simply state why it does not apply. Discussion should be specific, factual, and where necessary, address actual or projected dollars and percentages. A general, perfunctory (hasty) discussion does not address this element satisfactorily. Explain in detail how each factor applies to the decision to provide Government Property. See P-001(A) Procedure for further considerations for justification]

Figure 10-1. Justification memorandum to provide government-furnished property

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b. Element 2: Does providing property result in an overall benefit to the Government?

☒ Yes

☐ No

If yes, provide justification: [Explain in detail how the overall benefit to the acquisition significantly outweighs the increased cost of administration, including property disposal. A general, perfunctory (hasty) discussion does not address this element satisfactorily.]

c. Element 3: Does providing property substantially increase the Government's normal assumption of risk?

☒ Yes

☐ No

If no, provide justification: [A risk analysis is warranted to demonstrate that the Government is not substantially increasing the risk. For example, when furnishing Government Property, the Government is ordinarily responsible for suitability of use, timely delivery, and replacement of defective Government Property. Explain in detail how providing the property does not substantially increase the Government's normal risk. A general, perfunctory (hasty) discussion does not address this element satisfactorily.]

Element 4: Can the Government's requirements be met by other means?

☒ Yes

☐ No

If no, provide justification: [Explain in detail why furnishing the property is critical and significant to meeting acquisition plan objectives. A general, perfunctory (hasty) discussion does not address this element satisfactorily.]

2. Per FAR 45.102, *Policy*, DFARS PGI 245.103-70, *Furnishing Government property to contractors*, and the justifications above, the Requiring Activity has made the decision to provide Government Property. Justification is clearly demonstrated in ALL of the four (4) elements required.

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**Figure 10–1. Justification memorandum to provide government-furnished property—Continued**

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NAME [upper/lower case]  
Requiring Activity Program or Project Manager

I [Select a Status] with the justification above:

\_\_\_\_\_

[Print Name]

\_\_\_\_\_

[Contracting Officer Signature]

\_\_\_\_\_

[Date]

Figure 10–1. Justification memorandum to provide government-furnished property—Continued

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## Chapter 11 Managing Property

### Section I

#### Sourcing Property

##### 11–1. Requesting property

a. Commanders and supervisors at all levels will establish controls to maintain supply economy while providing effective support to the activity's mission. Determine priority designators (PDs) for requests to source all categories and types of property per AR 725–50 and follow procedures in this chapter. Commanders and activity supervisors will personally review, or will delegate in writing to specific persons the authority to review, all requests based on urgency of need designator A and B. This review is done before submitting the request.

b. In the ARNG, if directed by the Chief, NGB, the following additional individuals are responsible for the accurate assignment of PDs and will personally review or delegate, in writing, the authority to review PDs:

- (1) Activity Chiefs/Directors of TDA activities.
- (2) State maintenance officers.

c. Before submitting purchase requests, determine if the needed item has other active sourcing solutions, such as new equipment fielding, distribution plans, lateral transfers, redistribution, or stock transfer orders. Do not request excess items. Monitor due-in listings and on hand inventory to ensure funds are not wasted.

d. Equipment sourcing to meet organization authorization document requirements.

(1) Unit commanders will not request equipment to support approved future The Army Authorization Document System (TAADS) changes earlier than 365 days before the effective date of the authorization document.

(2) Unit commanders will not request items designated for reduction or deletion, as listed on the old document, once the 365–day threshold is reached.

(3) There is no need to cancel open requisitions for major items projected to be deleted from authorizations by approved TAADS changes when under 365 days of the effective date of the approved TAADS authorization document; this will occur automatically.

(4) TDA activities are exempt from the requirement to be within 365 days of published effective date. TDA activities may submit requests and requisitions upon receipt of approval of memorandum request from ACOM/ASCC/DRU commanders, activity group level, or force integration support agency, whichever is appropriate. Submission of requests and requisitions is dependent on availability of funds as directed by ACOM/ASCC/DRU commanders (see AR 71–32).

e. When authorized substitute items (SB 700–20) are on hand, the authorized item will be requested.

f. Commanders of using unit level organizations will not request property directly from the DLA–DS. Withdrawal of property funded by Army working capital fund from the DLA–DS requires reimbursement at the standard price. Requests for property from DLA–DS will be processed through the APO to the SSA that normally supplies the property. Requests for property to be used for other than its intended purpose must be approved by the senior commander (theater sustainment command/separate command commander for OCONUS, U.S. Army Reserve Major Subordinate Command (MSC) commander for USAR organizations/activities, ROTC brigade commanders, and USPFO for ARNG organizations/activities). All property drawn from DLA–DS will be accounted for per criteria in paragraph 7–6.

g. This paragraph contains policy modifications for the ARNG environment.

(1) Commanders will submit requests for authorized property as directed by the USPFO of their respective states. Discretionary items listed in authorization documents will be on hand or on request only when authorized by the State AG.

(2) Requests for DA-controlled, procurement Army (PA)-funded items identified by the CNGB will not be processed without CNGB approval. Requests for which funds are not available will be held at the USPFO and managed by the State AG.

(3) Document registers will be kept as follows:

(a) For the property book, nonexpendable items, and ammunition-one register per property book.

(b) For durable and expendable items as directed by the USPFO.

(c) The USPFO, division, or separate brigade command level staff will make sure document numbers from various registers are not duplicated.

h. This paragraph prescribes modifications applying to the USAR.

(1) Requests for which funds are not available (unfinanced demands) will be sent to the organization funding activity major support command and managed as directed by the ACOM/ASCC/DRU commander.

(2) Requests for items for which there is no maintenance capability or storage space will be managed as prescribed by the ACOM/ASCC/DRU commander.

## **11–2. Property purchased by ordering officers or activity contracting officers**

a. The APO will provide authorization for local purchase per local contracting office directives. This policy also applies to those activities operating in a secure environment.

b. When justified per the FAR, the supporting KO may appoint a unit or activity member as an ordering or KO. The ordering or KO acts as an agent for the supporting KO to make authorized local purchases under a specific charter indicating the scope of authority.

c. When an ordering or KO is appointed, the commander or activity supervisor will ensure that—

(1) The APO or their alternate is not appointed to this duty.

(2) The ordering or KO does not make a local purchase without a written request from the APO.

(3) After receipt of property purchased, the ordering officer provides the APO with copies of all receipt documents to be screened to establish required property accountability.

d. The unit or activity APO will determine whether the property is—

(1) Nonexpendable—required to be accounted for on property book records and responsibility to be assigned.

(2) Durable—requires HR controls for hand tools coded durable.

(3) Expendable—does not require property book accounting or assignment of responsibility.

e. Upon receipt of supplies and equipment, process receipt documentation as prescribed in Section V of this chapter.

## **11–3. Army Purchase Card Program**

The General Services Administration, Federal supply service contract for Government-wide commercial credit card service provides commercial credit cards and associated services to military members and Federal civilian employees to pay for official Government purchases per the Army Federal Acquisition Regulation Supplement (available at <https://www.acquisition.gov>). The purchase card provides procurement and non-procurement personnel with an efficient and economical method of purchasing and paying for commercially available supplies and nonpersonal services within the micro purchase threshold. Per the FAR 2.101 and FAR 13.003(e): “Agencies will use the Governmentwide commercial purchase card and electronic purchasing techniques to the maximum extent practicable in conducting simplified

acquisitions.” The purchase card program is designed to minimize costs and administrative burden while reducing procurement lead time.

## **Section II**

### **Requesting Property**

#### **11–4. General**

a. This chapter establishes policy and procedures to request and receive property. It includes procedures to manage document registers, monitor due-in status, and to request follow-up, cancellation, or modification of open requests.

b. The EUM for the assigned APSR provides specific functional procedures in addition to these general procedures.

#### **11–5. Reports of supply constraint**

Commanders and activity supervisors report to the next higher command when they are constrained for any reason from submitting requests or requisitions for items in supply class II (including maps), III (packaged), IV, VII, VIII, and IX. (Classes of supply are explained in AR 725–50 and DA Pam 708–2.) ARNG and USAR units are not required to submit reports of supply constraint for unfinanced requirements if the requirements have already been identified through budget submissions. Submit reports per AR 725–50.

#### **11–6. Document registers**

a. Each organizational element authorized by the APO to request property maintains a document register for all supply actions. APSR document registers are maintained per assigned account as prescribed in the APSR EUM. Commanders and activity supervisors at all levels ensure document registers are maintained accurately for all supply actions. APO appointing authorities ensure their APOs provide guidance for establishing and maintaining document registers. Commodities without an assigned APSR or activities temporarily operating under hard copy procedures follow the procedures in appendix E to manage hard copy document registers and due in status.

b. Organizations submit requests for all categories of property to the appropriate SSA in an APSR. For offline hard copy requests, the APO at the SSA determines the SOS and initiate appropriate action. The document number date and the date forwarded will be the same to ensure timely supply action at the organization level. When high priority and emergency walk-up requests are processed by exception for time-sensitive requirements outside of an APSR, each party will create and file a copy of the request. Use the APSR’s walk-up functionality (see the EUM) to ensure the demand history is captured.

#### **11–7. Control of priority designators for supply requests**

Commanders or activity supervisors are responsible for accurately assigning priorities to requests. Priorities are determined per AR 725–50, combining the organization’s force activity designation (FAD) and the urgency of need designator (UND), following the Uniform Material Movement and Issue Priority System to assign the correct PD. Higher priorities require additional workload at every stage of the supply system and incurs additional costs across the Army enterprise. Forecast requirements when possible and control the use of issue priorities to help improve supply chain performance and reduce costs.

a. The commander or activity supervisor either personally reviews request PD assigned to all requests or delegates this authority on DA Form 1687.

b. Do not use PDs based on UND A or UND B for routine requirements, such as orders for basic supplies or component shortages which do not impair the use of the equipment. Use UND C PDs for all routine requests.

c. The commander, activity supervisor, or designated personnel will—

- (1) Review UND A to certify an inability to perform the mission without the requested item.
- (2) Review UND B to certify that the urgency for the requested item is valid.

d. Confirm the following before certifying the requirement and submitting the request:

- (1) The item requested is authorized.
- (2) The quantity requested is the actual amount needed.
- (3) The need for the item corresponds to the PD assigned.



e. Supply requests that are required by a maintenance request submitted by a supported organization do not have to be recertified.

#### **11–8. The required delivery date**

The required delivery date (RDD) is the date on which the materiel must be delivered. The RDD is not an essential element of data on the supply request but should be used if one of the following conditions exists:

- a. The item must be delivered to a certain point by a specific day to meet one of the following conditions:
  - (1) The scheduled departure date for a vessel or other carrier is such that future replenishment of the organization from current supply sources will not be practical after departure.
  - (2) The scheduled deployment date for an operational force by a fixed date.
  - (3) The emergency requirement for medical and disaster supplies to save life or prevent suffering and disaster.
- b. Commanders and activity supervisors are responsible for using correct RDDs when assigned to supply requests.
- c. Enter RDD “999” in the APSR purchase order or hard copy supply request for not mission capable supply (NMCS) requests requiring expedited handling originating overseas (or in CONUS organizations deploying within 30 days.) For all other NMCS or anticipated not mission capable supply (ANMCS) requests, specify if the item is NMCS or ANMCS following procedures specified in the APSR EUM. When RDD is used, enter the number of days within which the materiel is required. If there is no RDD, leave the RDD block blank. To schedule an RDD beyond the standard delivery date, see instructions in AR 725–50.

### **Section III**

#### **Special Request Instructions**

#### **11–9. Local purchases**

Requests for all local purchases (other than service contracts) require screening for accountability criteria per the AFARS (available at <https://www.acquisition.gov>). Before submitting a local purchase request, commanders, activity supervisors, and APOs are responsible for verifying the need for a local purchase item and for signing the request. Commanders may delegate this responsibility in writing to specific persons.

- a. All supply class IX requests for local purchase, purchase card buys, cannibalization, controlled substitution, or DLA–DS withdrawals of Class IX material must have the demand recorded in the APSR (see the appropriate APSR EUM for procedures). These demands must be recorded for the training resourcing model funding process, which is critical for obtaining operational dollars to purchase class IX supplies to support mission requirements.
- b. Organization commanders and activity supervisors may obtain materiel below the micro purchase threshold (see AFARS) by submitting requirements to the purchase cardholder. The cardholder must go through the APO to ensure all nonexpendable items are documented prior to purchase. Individuals are designated in writing to—
  - (1) Approve local purchase requests, and verify requests submitted to the purchasing officer are for items listed below in paragraph 11–9d. This individual is not the same individual appointed as the certifying official.
  - (2) Ensure the quantity of materiel requested does not exceed seven days of supply for day-to-day operating supplies and 15 days of supply for spares or shop stock replenishment.
- c. The purchasing/ordering officer or cardholder will not accept a local purchase request without the request being signed off by the commander or activity supervisor and the approving officer prior to any purchase. Purchases may require additional screening by the APO prior to purchase, per AFARS criteria. If property requires screening by the APO for formal accountability, the APO will—
  - (1) Determine the accounting requirements for the purchased property, such as nonexpendable or controlled (requires property to be accounted for on property book), durable (requires control when issued to the user) and expendable (no requirement to account for on property book records).

(2) Assign a document number to the request for items that require property book accountability prior to purchase (see the APSR EUM for procedures).

(3) Require purchase receipts/invoices from the purchasing/ordering officer or cardholder within five days after the purchase.

(4) Provide the posted copy of the nonexpendable property document to the hand receipt holder (HRH) of the purchasing/ordering officer or cardholder. The HRH and purchasing/ordering officer or cardholder are required to file the posted document with the receipt for audit readiness reviews.

d. Commanders and activity supervisors will ensure internal controls are established and enforced to monitor the purchase card program. Local purchase supply discipline is enforced by first-line supervisors/managers. The purchase card may be used to purchase commercially available goods and services below the micro purchase threshold per AFARS as follows:

(1) Any commercial off-the-shelf item when the item does not have a standard NSN or material number in the AEMM.

(2) Any item on the AEMM with an acquisition advice code of K or L.

(3) The specific quantity of material identified on a request with a NSN, or material number rejected by the national level with a requisition transaction status code/rejection code of CK, CP, or CW.

(4) Any item needed to save human lives or to relieve human suffering.

(5) That quantity of material needed to repair emergency equipment.

(6) That quantity of repair parts and supplies to repair Army motor vehicles disabled on the roadside.

e. When organizations want to procure nonexpendable centrally managed items with a NSN or material number assigned that is also commercially available, the approving official (the individual who supervises the cardholder) and the APO will determine if the purchase is in the best interest of the Government. Criteria for "best interest" is the combination of quality, timeliness, cost, and improved readiness, that best meets Army needs, for example, a repair part purchase from a DLA-approved vendor.

f. Users are authorized to make local purchases on the Internet using the Government purchase card only as permitted by the AFARS. Purchase card holders are authorized to use the DoD FedMall. The Government purchase card is the only authorized means to order FedMall supplies and services. Military standard requisitioning and issue procedures (MILSTRIP) requisitions are not authorized for Internet or Army Mart/FedMall orders.

g. ACOM/ASCC/DRU commanders will establish local SOPs within their organizations to establish positive controls via internal management checklists and procedures to support APSR transaction history files and document history files when using the Internet to requisition material. These procedures also carry the responsibility of the requisitioning HQ to make sure they can pay the bill.

h. Purchase cardholders will bypass the stock record account when purchasing items that are not in the Army inventory. Demands for items purchased externally to the Army supply system must be recorded in the applicable APSR in order to record demand history, following the APSR EUM. Demand data is required for materiel management center at the national level and for input to the training resource module.

i. Cardholders must observe established priorities for use of Government supply sources. In descending order of priority, as described in the FAR, part B, agencies will satisfy supply requirements from agency inventories, excess from other agencies, Federal prison industries, products available from the committee for purchase from people who are blind or severely disabled, national supply sources, ((such as, stock program of the GSA), the Department of Veteran Affairs, and Military Control Points), Federal Supply Schedules, and commercial sources.

j. The HRH or designated representative must prepare DD Form 250 (Material Inspection and Receiving Report) or process receipt in the PIEE when available to acknowledge and provide a signed copy of all nonexpendable or controlled items to the APO. The receipts and acceptance of supplies and services will be by system-generated form for submission in PIEE (see website <https://www.acq.osd.mil>). The procedures in this regulation will be used when completing the DD Form 250.

k. All requirements for material not identified in this paragraph will be submitted to the SSA.

#### **11-10. Requests for recoverable items**

These items have a recoverability code (RC)—other than O, Z, or blank. Request these items on a one-for-one basis, and when possible, at the same time the unserviceable item is turned-in. Requests for recoverable items without a corresponding turn-in must be justified when the request is submitted. Follow the APSR EUM procedures to manage recoverable items.

#### **11–11. Requests for organizational clothing and individual equipment**

Authorized OCIE will only be procured through an authorized DoD supply system, Army-approved source or approved product list sold at the Army Military Clothing Sales Store. Failure to procure items through an authorized source places Soldiers at risk because the equipment may not meet the criteria or standards of the Army. Items purchased outside approved sources are not authorized substitutes for OCIE and will not be accepted by the CIF.

#### **11–12. Requests for components**

a. Requests for components must be aligned with the parent end item or SKO. This ensures the component is ordered for a valid requirement, and received items are issued to the correct end item or SKO.

b. Do not consolidate shortages in bulk requests as general supplies, such as multiple hammers on a single order to fill shortages in several toolboxes. Follow procedures in the APSR EUM to order components against the specific item requiring the components.

c. The APO must process requests for all nonexpendable items.

#### **11–13. Modification work order and modification kits**

Organizations are not authorized to request modification work order (MWO) kits without prior approval from the item's MATDEV. The MATDEV is responsible for issue and installation of MWO kits at no cost to the organization per AR 750–10. If organizations receive equipment that was not modified per current MWOs, the organization must notify its logistics officer and installation MWO coordinator at the LRC to arrange for application of the MWOs per AR 750–10.

#### **11–14. Classified communication security items**

a. COMSEC equipment is used to encode and decode electronic data and communications traffic that is classified for the protection of national security information per AR 380–40. All Army COMSEC equipment end items are DA managed and controlled. The Army has established a centralized acquisition approval, distribution, and replacement process for all COMSEC equipment per AR 25–2 called the AISSP. Procedures pertaining to the are contained in TB 380–41.

b. Military standard COMSEC items of equipment are identified as adopted items in SB 700–20 and assigned standard LINs.

c. For the acquisition of commercial COMSEC equipment, the National Security Agency (NSA) has established a policy called the Commercial Communications Security Endorsement Program (CCEP). The CCEP permits decentralized procurement of selected unclassified items of commercial COMSEC devices from approved vendors. These commercial COMSEC equipment items may be designated by NSA as CCI, or CHVP, and they must be strictly controlled and managed accordingly as sensitive items of equipment. There are two types of COMSEC equipment controlled by NSA:

(1) Unclassified COMSEC.

(2) Classified COMSEC.

d. Classified COMSEC items are identified on the AEMM with a CIIC other than U, O, 7, or 9.

e. COMSEC items identified with a CIIC of C, D, E, F, S, or T are classified as Confidential, Secret, or Top Secret. These items will not be recorded in unclassified APSRs. Only central asset management will manage classified COMSEC equipment assigned FSC 5810 and cataloged in the AEMM with one of the following CIIC (C, D, E, F, S, or T).

f. Submit the request through the USACSLA website at <https://csla.army.mil>.

g. The procurement of commercial COMSEC items by Army elements is an exception to normal Army acquisition policies for standard items of COMSEC equipment and will be carefully evaluated on a case by case basis by ACOM/ASCC/DRU commanders to determine bona fide mission essential need before acquisition is approved. The following rules must be strictly adhered to:

h. Only commercial COMSEC equipment specifically endorsed by NSA and approved per AR 380–40 may be procured.

i. The local purchase of commercial COMSEC devices outside USACSLA channels is prohibited per AR 380–40. All requests must be submitted to USACSLA via the AISSP for procurement action. The purchase and use of COMSEC devices from unauthorized sources that have not been approved for DoD use by NSA is a serious security violation. Unauthorized use will result in a Reportable COMSEC Incident, an AR 15–6 investigation, and may result in adverse action.

*j.* Depending on the type of equipment, funding for the procurement of commercial COMSEC devices may have to be provided by the requiring ACOM/ASCC/DRU. USACSLA will advise accordingly.

*k.* The provisions of AR 71–32 regarding acquisition, authorization, and TAADS documentation requirements for commercial equipment must be strictly adhered to.

*l.* Accountability will be established and reported to the AESIP for all acquired COMSEC equipment per this regulation and AR 710–3. CCEP end items that do not have an assigned LIN or NSN must be reported to USACSLA for assignment of an appropriate identification number. Local assignment of MCNs for COMSEC equipment is specifically prohibited.

*m.* See AR 25–2 and AR 380–40 regarding the use of the AISSP. For additional information on the acquisition of commercial COMSEC equipment, refer to TB 380–41.

*n.* Physical security procedures for COMSEC materiel are in AR 380–40 and TB 380–41.

#### **11–15. Requests for items in addition to authorized allowances**

Authorization document changes are governed by AR 71–32. Additional requirements to meet an operational need may be addressed following the procedures in AR 71–9. Do not submit a request for supplies until the request to excess authorized allowances is approved according to those regulations.

#### **11–16. Preparing overseas movement requests**

For overseas deployment training requests, refer to AR 350–9.

#### **11–17. Requests for commercial construction-type equipment**

Use the procedures in AR 725–50 when requesting commercial construction-type equipment.

#### **11–18. Request for repair parts to support commercial construction equipment, materiel handling equipment, and commercial vehicles or commercial design tactical vehicles**

Prepare requests per section I of this chapter. Reference a military publication or commercial catalog.

Use a project code and an end item code (EIC) in the request document to identify part-numbered repair parts to support commercial construction equipment and materiel handling equipment.

*Note.* Follow AR 725–50 to prepare requests for commercial construction equipment, materiel handling equipment, or commercial vehicles and commercial design tactical vehicles.

#### **11–19. Requests for medical items**

Maneuver brigade commanders and attached organization commanders to a maneuver brigade will submit requests for class VIII(a) (medical) items through their Brigade Medical Supply Officer. Other commanders will request class VIII through their supporting Medical Logistics Company, Medical Materiel Center, or Installation Medical Supply Activity.

#### **11–20. Exception data requests**

*a.* Submit requests for items requiring exception data following the instructions in the EUM for the organization's designated APSR. For noncatalogued, nonstandard commercial items, enter a complete item description and an end item application, as a minimum, for the item being requested. Include justification approved by the commander or activity supervisor (or designated authority) of the requesting organization, that the item is required to restore equipment to mission-capable status or is needed to satisfy a mission-essential requirement.

*b.* Exception data is required for major item requests when:

(1) The authorization document does not contain nomenclature and a LIN to identify the item as ancillary equipment to a major system.

(2) The user has special requirements, such as preservation and packaging, ship-to address not listed in the DoD address activity supervisory, or winterization required.

(3) Exception data is necessary when requesting tracked combat vehicles, whether initial issue or replacement, because electronic or communications equipment differs from vehicle to vehicle within an organization. Replace overaged, high-mileage vehicles through a reissue.

#### **11–21. Monitoring property requests**

*a.* Modify requests promptly if the urgency of need or quantity required changes.

- b. Follow-up action is taken as required. When used, follow-up actions will be submitted as outlined in automated/manual procedural manuals.
- c. When an item is no longer needed, immediately cancel the sourcing action.
- d. Commanders and activity supervisors will ensure their open supply requests are reviewed and the requirement is still valid. Open supply requests are validated monthly with the SSA in RA activities, quarterly for USAR and ARNG.

## **11-22. Supply status**

Supply status tells the requester of a decision made by the supplier on a specific supply request and is an automated process. See code explanations in AR 710-2 and AR 725-50. Types of supply status are:

- a. *Shipment status.* Shipment status is advice of estimated shipment date (ESD) or actual shipment date.
- b. *Exception status.* Exception status results from any of the following supply decisions made by the supplier:
  - (1) Substitution of an authorized NSN or material number.
  - (2) Change of unit of issue (UI) and/or quantity.
  - (3) Back order established when materiel cannot be sent by the RDD.
  - (4) Partial supply action on a requested quantity.
  - (5) Request rejected (returned without action) for a specific reason.
  - (6) Cancellation confirmed.
  - (7) Procurement of materiel for direct shipment from vendor to customer.
  - (8) Events indicating that materiel may not be sent to the requester within the set time frame for the assigned priority or the RDD.

## **Section IV**

### **Follow-Up, Cancellation, Modification, and Reconciliation Procedures**

## **11-23. Follow-up, cancellation, and modification procedures**

- a. Maintaining accurate records of due-in requisitions ensures the organization has the right item and quantity to satisfy requirements, and the order has current status. Follow procedures in the appropriate APSR EUM.
- b. Follow-up action on an unfilled request is an automated process managed within an APSR's document register. Follow-up on items with shipment status is not mandatory in an APSR.
- c. Organizations will monitor supply and shipment status to ensure all documents are active and act as required by supply and shipment statuses in AR 710-2 and AR 725-50. Modify requests promptly when a change is required affecting the entire quantity of an order, such as PD, fund codes, or project codes. Submit a request for cancellation when all or part of a quantity requested is no longer needed.

## **11-24. Reconciliation or validation of supply requests**

This paragraph prescribes responsibilities and procedures for the Standard Army Validation and Reconciliation (SAVAR) Program and prescribes the validation process at the customer level. It also prescribes procedures on performing periodic reconciliations at all levels of the Army supply system. Reconciliation is a process used to keep due-in and due-out files synchronized if customers and SSAs operate in separate APSRs or other electronic business systems, while validation is the process to ensure all requisitions are for valid requirements. These procedures will—

- a. Improve readiness, sustainability, and availability of funds by maintaining accurate registers within wholesale, intermediate, and retail supply systems.
- b. Ensure recognition of the customer as the driving force within the supply system.
- c. Minimize the manual effort required at the customer level and the data processing required at all levels.
- d. Minimize the funds involved in unnecessary requisitions.
- e. Provide management and command visibility of the validation and reconciliation process.
- f. Validation is the most important step of the SAVAR process. There are many variables that affect the need for an item. These include changes in mission, personnel reductions, equipment changes, organization deactivations or reorganizations, cannibalization, lateral transfers, and fund reductions. All RA

organizations will validate open requisitions on a monthly basis. ARNG and USAR organizations validate open requisitions on a quarterly basis. To validate, the customer must—

- (1) Validate the continued need for quantities of items due in from the SSA. The requesting activity must conduct an item-by-item review to confirm the continued need for the item and the quantity requested.
  - (2) Verify all items with a shipping status indicating the item has been released and confirm all physically received items have been posted as receipts in the APSR.
  - (3) Check authorization documents to validate the authorization for the equipment.
  - (4) Determine if material may have been obtained from another source.
  - (5) Determine if there have been any changes to the stocked quantity for bench stocks, shop stocks, basic loads, or operational loads.
  - (6) When items are no longer required or excessive quantities are identified, submit requests for full or partial.
  - (7) Significant discrepancies may require face-to-face, item-by-item validation with the supporting SSA.
- g. Organizations who submit requisitions to an SSA using hard copy forms or a different electronic system outside the SSA's APSR will perform both reconciliation and validation with their SSA according to AR 710–2 and instructions from the supporting SSA. RA personnel will complete these processes on a monthly basis. ARNG and USAR complete these processes quarterly.

## **Section V**

### **Receiving Supplies**

#### **11–25. Receiving supplies**

a. The authority to receipt and accept supplies may be delegated by a commander, PEO, PM, PdM, or APO who will remain fully responsible for the supplies. At a minimum, the following is required:

- (1) A copy of the commander's current assumption of command, PEO, PM, PdM appointment charter and/or APO appointment memorandum, per AR 600–20 and/or paragraph 4–10.
- (2) The DA Form 1687 is used to designate individual(s) to receive supplies or electronic documents. The DA Form 1687 Signature Card and all other DA and DD forms requiring a signature will have a digital signature or a handwritten signature, not both. A handwritten full signature includes first name and full last name.

(3) The DA Form 1687, or similar document, or an electronic document with electronic signatures will be used to delegate authority for ammunition transactions per AR 700–28 and DA Pam 700–16.

b. Supplies received at the using company will be inventoried manually or electronically by quantity and serial number and compared to the receipt document. Postings to the property book will be accomplished within 7 calendar days for RA, this includes National Guard (NG) organizations/RC organizations mobilized and on active duty. All other NG and RC organizations have 30 calendar days to process property book transaction receipts, turn-in and fielding receipts, anything that affects the transaction affecting property book balance. Discrepancies will be documented and reported to the SSA within 3 days (30 days USAR) of receipt (except for class V). Supplies that are received from other than the SSA will be reported through the APO to the SSA whether there is a discrepancy or not.

c. Ammunition items will be verified by organization personnel delegated authority to receive items, to ensure correct DoDIC, quantity, lot number, and serial number, prior to departing the ASP. When discrepancies are discovered during receipt of ammunition items, the ASP accountable officer will be contacted, and the issue resolved prior to signing for the items and departing the ASP. Discrepancies, which cannot be resolved, will be addressed per AR 735–5, AR 190–11 and AR 190–45.

d. Discrepancies in shipment of classified COMSEC equipment, CHVP, and CCI require investigation and submission of incident reports per TB 380–41 and AR 380–40, respectively. Erroneous shipments of CCI and CHVP to the COMSEC account instead of the organization property book account do not require submission of COMSEC incident reports. However, suspected tampering, mishandling, unauthorized access, or frustrated shipments will be reported. In the event unclassified COMSEC equipment designated as CCI and CHVP is erroneously shipped to the COMSEC account instead of the organization APO, the following actions will be taken:

- (1) The COMSEC account manager will receipt for the material, post it to their COMSEC accounting records to establish an audit trail, and return a signed receipt, Standard Form (SF) 153 (COMSEC Material Report), to the shipper.

(2) The COMSEC account manager will immediately coordinate with the APO and initiate transfer to the organization property book account. To satisfy the requirements of AR 380–40 and SF 153 the form must contain a voucher number assigned by the COMSEC account manager will be used as a transfer document between the two accounts. This form may be assigned a document number by the APO and posted to their accounting records the same as any other receipt.

e. When equipment not currently authorized on the MTOE or TDA is delivered through official distribution channels, contractors, or other DA equipment fielding programs and is received by the APO, the APO must validate and confirm the continued need for the equipment per AR 71–32 and DA Pam 71–32. The APO is responsible to source and account for property essential the organization's operational and training missions as well as HQDA force/equipment modernization programs. The APO must avoid arbitrary or summary turn-in of such equipment as excess.

f. Serial and lot numbers will be entered on receipt documents for those items that require serial number entry on the property book.

g. Detailed procedures for processing receipts of classified COMSEC equipment and material by COMSEC accounts are contained in TB 380–41.

h. The APO will post property book items received or reported as unaccounted to the property book within 7 calendar days for RA, including NG organizations and RC organizations mobilized and on active duty. All other commanders of NG and RC organizations have 30 calendar days to process property book transaction receipts, turn-in any fielding receipts and any transaction that affects the property book balance.

i. Excess caused by vendor unit pack may be kept and used. Documentation accompanying material received directly from a contractor or a vendor under 31 USC Chapter 39, known as the Prompt Payment Act, will be sent to supporting SSA within 3 duty days of receipt.

j. Supplies and services procured with a Government purchase card or procured under direct vendor delivery procedures will be receipted and accepted. The transaction will be reported immediately to the Army purchase card holder or contracting office to acknowledge the Government's receipt and acceptance for the supplies and services rendered. This will authorize prompt payment to the vendor by confirmation in PIEE. Acceptance documents must be posted to the APSR within seven days of the agency accepting the equipment.

(1) ACOM, ASCC, and DRU commanders will utilize PIEE as the primary means to receipt and accept contracted supplies and services.

(2) All supplies and services that are receipted and accepted at final destination will be immediately issued an electronic material receipt acknowledgment in PIEE.

(3) Supplies receipted and accepted will conform to applicable quality and quantity requirements and acknowledged by the person authorized to inspect and accept them.

(4) Army activities using other than electronic data interchange to communicate receipt transaction and related documents is authorized only in exceptional circumstances by the command's PIEE coordinator or KO.

(5) Items considered to be nonexpendable, durable, or pilferable will be reported to the PHRH who will follow the instructions in chapter 5 to establish accountability. The above actions using PIEE do not negate the requirement for the processing of receipt documents through the appropriate Army APSR.

#### **11–26. Authorization to request or receipt for supplies and delegation of authority**

a. Upon assuming duties, commanders or APOs will send a copy of assumption of command orders or appointing memorandum to each SSA from which supplies are drawn. This authorizes the commander or accountable officer to request a receipt for supplies.

b. Use DA Form 1687 when an accountable or responsible person wants to designate military or civilian government personnel as their authorized representatives to request and/or sign for supplies requiring formal accountability at the user level. Contractor personnel performing transactions on behalf of an organization must be designated by a memorandum signed by the KO, PA, or contracting officer's representative (COR) on behalf of the supported activity, per the terms of the contract. Use delegation of authority to request receipt for all property listed in this regulation, class VII and other commodities like class VIII(a) controlled narcotics, ammunition, controlled items, COMSEC items, and weapons.

c. Commanders or activity supervisors may designate additional items requiring control and delegation. For example:

(1) APOs may designate persons under their control to request receipt for items from the SSA. If possible, designate different individuals to perform these actions to reduce potential for fraud, waste, and abuse.

(2) Commanders in ACOMs, ASCCs, and DRUs and PEOs (general officer (GO)/SES), PMs (colonel (COL)/GS-15) and PdM (LTC/GS-14) will appoint in writing (to include name, phone number, and email address) personnel authorized to inspect, accept, and/or reject materiel receipt documents in their organization using PIEE.

(3) HRHs and property custodians at any level may designate personnel to sign change documents in their absence for property the HRH controls. The use of change documents is explained in paragraph 12-3.

(4) These procedures may be used to delegate authority to a designated representative to sign or initial forms and records in this regulation, for example, the requirement to review PDs outlined in paragraph 11-7.

d. Prepare delegation of authority documents in enough copies to meet local needs per paragraph E-3.

e. The preparing organization or activity personnel will keep copies of completed delegation of authority documents. Send the other copies to the proper SSA and APO.

f. Only the responsible or accountable officer or person authorized by delegation of authority document will sign for supplies. Authorized representatives are required to have valid identification. Accomplish valid identification by comparing the electronic data interchange personal identifier number on the individual's CAC to the same number listed on the associated delegation of authority document and signature.

## **11-27. Receipt documents**

a. Supplies issued from an SSA are normally issued with DD Form 1348-1A (Issue Release/Receipt Document) or DD Form 1348-2 (Issue Release/Receipt Document with Address Label) and may use APSR system-generated forms or electronic forms. See DA Pam 700-16 for Class V receipt procedures. Customers acknowledge receipt and the first review or check of the NSN or material number and serial number (if applicable) of the supplies by signing their names, ranks, and the Julian date in block 7. Equivalent system-generated forms or transactions follow procedures in the EUM for the APSR used in the issuing SSA.

b. When items are received directly from a contractor or vendor, they are accompanied by a commercial invoice, DD Form 250 (Material Inspection and Receiving Report), or DD Form 1155 (Order for Supplies or Services). The customer acknowledges receipt of supplies by entering the signature, printed name, and date in the Receiver block on the commercial invoice, in block 22 on DD Form 250, or in block 26 on DD Form 1155. Send a copy of the receipt document to the SSA within 3 working days of receipt of supplies.

c. When items are received directly from a contractor or vendor and are not accompanied by any documentation, prepare four copies of DD Form 250. Complete blocks 7, 11, 13, 15, 16 (include document number for each request that pertains to items received), 17, 18, and 22. Complete other blocks only if correct information is readily available, for example, listed on the shipping container. Don't sign block 21B unless technically qualified to certify that items meet contract specifications. Keep one copy of the DD Form 250 and process the receipt; send remaining copies to the supporting SSA.

d. Upon receipt of nonexpendable items purchased with the government purchase card, the PHRH will prepare four copies of DD Form 250. Complete blocks as follows:

- (1) Block 1. Enter the phrase "government purchase card."
- (2) Block 2. Enter the invoice number or reference number from vendor's receipt.
- (3) Block 9. Enter the vendor's name and address.
- (4) Block 13. Enter the HR number and the organization address.
- (5) Blocks 15 to 20. Enter known information pertaining to item(s).
- (6) Block 22. Place signature of PHRH and date of purchase. Keep one copy of DD Form 250 and provide remaining copies of the DD Form 250 to the APO for processing per paragraph 11-25b.

e. Complete the receipt process in the APSR according to instructions in the EUM. File supporting documents according to AR 25-400-2 and document retention standards in this regulation. For all items directly shipped from a depot or vendor to the organization, post the receipt in the APSR and forward a copy of all receipt documents to the supporting SSA within 24 hours of the receipt. ARNG organizations



will send copies of government bills of lading and TK4 in-transit data cards to the U.S. Property and Fiscal Office (USPFO).

*f.* If the receipt is for the total quantity requested, remove and destroy all status cards from the due-in status file that apply to the request.

*g.* Use the procedures in AR 710–3 and AR 735–5 to report and document discrepancies.

*h.* When inspecting and inventorying receipts of unclassified CCIs, ensure that seals are intact and that no tampering has occurred. Report tampering per AR 380–40.

#### **11–28. Accounting for unaccounted property**

*a.* Unaccounted property is nearly always an indication of a past procedural failure, such as unposted receipts for physically received property; lost property which has been recovered; incomplete physical turn-in actions when property has been incorrectly removed from accountable records; purchases which were not properly accounted for. Property is rarely “found on installation,” but occasionally property may be discovered with no available record or transaction trail.

*b.* Causative research must be completed when property is discovered and does not appear on the finding organization’s accountable records. Causative research will include reconciliations of unposted inbound documents which may have been physically received but not processed; reviewing transaction history for loss adjustments; reviewing transaction history of turn-in or transfers which may have been incorrectly posted without completing the physical exchange of property; verification of previous fielding documents which may not have been correctly processed; utilizing the APSR and applications in AESIP to find the current owner, especially with serial numbered items; contacting item managers.

*c.* Unaccounted sensitive items require initiation of an investigation per AR 15–6 to determine the cause of the lapse in accountability and recommend measures to prevent reoccurrence. Sensitive items discoveries and lapses in accounting require incident reporting per AR 190–11. In addition, weapons and ammunition require reporting per AR 190–11. COMSEC, CCI, CHVP also require incident reporting per AR 380–40 and TB 380–41.

*d.* When such discrepancies in processing are discovered, attempt to complete the action, or reverse the original process as appropriate.

*e.* If the property’s origin cannot be determined, process an increase or inventory gain to the APSR property book record (see the EUM) as a “found on installation” (FOI) transaction, using the account appropriate to the item’s class of supply (for example, Class II on an organizational supply account, Class IX on a maintenance repair parts account, nonexpendable on a property book account). Process disposition of excess or unserviceable items per chapter 14.

*f.* When the discovered property is nonexpendable and was previously processed on a loss adjustment document, the approving authority will forward a memorandum to the finding organization’s APO, instructing the APO to reestablish accountability for the recovered property per AR 735–5. Reestablishment may be to the finding organization’s accountable records, or to the original losing organization, depending on the location of the property. The APO will make the determination. Once accountability has been reestablished, AR 735–5 also provides procedures to reimburse individuals who may have been previously charged for the loss.

## **Section VI**

### **Receipt, Shipment, and Issue of Property**

#### **11–29. Receiving property**

*a.* Commanders and activity supervisors will ensure that all management and accountability functions of receipt, storage, inventory, issue, and shipment fully utilize available AIT such as, barcode, 2D barcode, optical memory cards, RFI device tags, contact buttons, satellite tracking, or electronic signature capability.

*b.* The APO will ensure that—

(1) All receipts, shipments, and issues of property for which they are accountable, are posted to the appropriate property or sales account.

(2) Records to support each receipt or issue (or other postings) are maintained within the account for a minimum of one year after the posting date.

c. All property received from the national level, or a commercial vendor will be recorded on a stock record account before it is issued to an authorized customer.

#### **11-30. Property receipt, shipment, and issue**

*a. Receipt.*

(1) The receiving officer will record only the items actually received, regardless of the quantities shown on the shipping or transferring documents. Overages or short shipments will be reported per AR 735-5.

(2) Detailed instructions for receiving and handling shipments of Government property are prescribed in DoDM 4140.01.

*b. Shipments.*

(1) Accountability for property will be maintained during shipment and not dropped from accountability. Procedures are contained in AR 725-50 and Defense Transportation Regulation 4500.9-R.

(2) When Government-owned materials or supplies are furnished to contractors, one copy of the shipping document will be sent to the property administrator.

*c. Issue.* Property will be issued to authorized customers when a correctly prepared request for issue document is presented either manually or electronically.

#### **11-31. Total package fielding**

For total package fielding (TPF), the following procedures apply:

*a.* The MATDEV will field materiel to organizations based on the master fielding plan per AR 770-2 and DA Pam 770-2.

*b.* Regarding the receiving report, ship TPF materiel to the location designated by the MATDEV, normally the central receiving point or the SSA. Usually, the MATDEV will have a fielding team at the receiving location to assist the organization on the hand-off. Shipments should be received with a receiving report document and a requisition document from the authorized ordering agent. The central receiving point, SSA, or APO receiving the TPF will process the document in the APSR as appropriate. Do not alter the document number on the turn-in document. When shipment is received without a turn-in document, prepare a turn-in document if the document number is known; otherwise, hold shipment and notify the MATDEV for disposition instructions.

*c.* Provide TPF of B56-managed, classified COMSEC equipment to the gaining organization as a separate package by coordinating between USACSLA and the major system MATDEV. MATDEVs will provide USACSLA sufficient advance notification of requirements to ensure compliance with RDDs. Classified COMSEC materiel must be shipped to a designated COMSEC account.

#### **11-32. Receiving property directly from a vendor**

*a.* Property will be accompanied by a receiving report, such as a DD Form 250, DD Form 1155 (Order for Supplies or Services), Government purchase card receipt, or a Standard Form (SF) 44 (U.S. Government Purchase Order Invoice-Voucher). The report will be used to show receipt of property from a vendor under the terms of a contract or purchase order. The FAR and AR 30-22 provide specific procedures for the various types of purchases.

*b.* The receiving report supports a payment voucher and becomes a voucher to a property account. When vendors deliver directly to the using unit, a copy of the receiving report will be provided to the supporting stock record officer within 72 hours.

*c.* Instructions for processing receiving reports are in paragraph 11-27, and the FAR.

#### **11-33. Processing of receiving reports by the stock record officer**

The prompt payment of invoices is of prime importance in maintaining favorable relations with and cooperation of contractors furnishing supplies and/or services to the Government. It is essential that all receiving reports be prepared and forwarded as expeditiously as possible in order that payment may be made at the earliest possible date. It is of particular importance that the submission of receiving reports covering contracts that involve discounts be expedited.

#### **11-34. Property accountability for discrepancies in shipment**

*a.* Accountability for material that is "short" reverts to the consignor (unit and/or agency that initiated the request). The consignee will report the shortages on DD Form 361 (Transportation Discrepancy Report (TDR)) or SF 364 (Report of Discrepancy (ROD)) and coordinate with the supporting FAO to initiate

any necessary billing adjustments. Property responsibility for items not received in shipment ends because only the number actually received is posted to the consignee's stock record or sales account (see AR 735–5).

b. The consignee also assumes property responsibility for any “over” or damaged material (in the condition described). The consignee retains the material until final disposition. The consignee reports the “over” or damaged material on DD Form 361 or SF 364. The consignor provides disposition instructions for material.

c. Shortages of COMSEC equipment and CCI require the submission of a security report per TB 380–41.

### **11–35. Storing property**

a. Property will be stored per AR 740–1, AR 190–11, and AR 190–51.

b. Ammunition will be stored per AR 190–11 and/or host nation agreements and public law, whichever is more restrictive.

c. Unkeyed CCI and CHVP will be stored per AR 190–51.

d. Classified COMSEC equipment will be stored per TB 380–41.

e. USAR property will be positioned and accounted for as follows:

(1) At home station, or ECSs.

(2) All MTOE, CTA, and TDA authorized equipment required for home station training assemblies, including multiple unit training assemblies, will be located at the organization's home station. When there is not enough space for parking or storing authorized equipment at the home station, ACOM/ASCC/DRU commanders (or designated subordinate major command) will prescribe procedures for storage of equipment.

(3) MTOE/TDA/CTA property authorized to and owned by a USAR organization but not stored at home station may be stored in an ECS or other storage location as prescribed by the ACOM/ASCC/DRU commander (or designated subordinate major command). Equipment on hand in an ECS will be used to support annual training. Small arms will be stored at the unit's home station unless otherwise authorized by the MSC Commander.

(4) MTOE/TDA/CTA equipment stored in an ECS, or other approved storage site will be accounted for on the property book of the owning unit.

## **Chapter 12**

### **Assigning Responsibility for Property**

#### **Section I**

#### **Assigning Responsibility for Property**

##### **12–1. Overview**

a. This chapter provides policy and procedures for assigning responsibility for property. It also includes procedures for managing property by using an inventory list. The Army provides an organization with the equipment and materiel it needs to accomplish its mission. Property listed on an organization's property book account is controlled by an APO on accountable property records (see chapters 4 through 8). The APO also has direct responsibility and is liable for 100 percent of the value of all accountable property unless issued to a PHRH. APOs transfer direct responsibility for property and ensure property is issued to the appropriate level by issuing HRs for specific property to PHRHs.

b. Use the following records to assign responsibility for property:

(1) The property book.

(2) HRs, including PHRs and SHRs, or a fiduciary record if the asset is GFP.

(3) Temporary HRs.

(4) Equipment receipts.

c. General requirements for keeping records of responsibility are in this regulation. Specific instructions for keeping these records are in the rest of this chapter.

(1) Responsibility must be assigned in the APSR for all items accounted for on the property book.

(2) Durable property is not accounted for on property books, but responsibility for these items must still be assigned. If the APSR allows organization level management of durable property, use system-

generated procedures in the APSR EUM. Hard copy procedures in appendix E may be used only if this capability is not available in the APSR. Assign responsibility for all individual hand tools classified as durable in the AEMM, commercial or fabricated items similar to durable property, and all property meeting the criteria for durable property in chapter 4 and Table C–1.

(3) Expendable items do not require assignment of responsibility after issue, except for end item and SKO components, sensitive expendable items, and tools issued from a tool room. Expendable components will be controlled following procedures in this chapter and HRHs will assume responsibility for these items upon signing the applicable component control document. Control sensitive expendable items and tools issued from a tool room using HR or temporary HR procedures as applicable.

d. Property that has not been issued from the property book is the responsibility of the APO. Responsibility for this property is assigned to and accepted by the APO using the statement in paragraph 4–16.

e. When the property book is kept at the using organization level, the commander or PEOs (GO/SES), PMs (COL/GS–15) and PdM (LTC/GS–14) of the using organization accepts responsibility for all property recorded in the property book by signing the statement shown in paragraph 12–1g.

f. PHRHs will be appointed in writing by those designated in this regulation. A PHRH is the first level of responsibility for property signed from the APO. PHRHs have direct responsibility and this designation cannot be delegated. Sub hand receipting property at the PHRH level does not relieve the PHRH of direct responsibility. PHRH can delegate responsibility to SHRHs to assist with managing the PHR on a DA Form 1687.

g. PHRHs acknowledge Direct Responsibility for property by memorandum with the following statement: “By authority of (indicate appointing document or assumption of command order and date), I hereby assume direct responsibility for the property in the quantity shown on each of my signed HRs. I further assume direct responsibility for property not issued on Sub HR. (Signature and Date). (Signature block of the PHRH).”

h. Organization commanders and activity supervisors in TDAs will serve as PHRH when a consolidated property book is established. TDA activity supervisors may designate in writing a person to serve as PHRH.

i. A civilian activity supervisor in a TDA organization has supervisory responsibility and may designate persons to be PHRHs having direct responsibility for property authorized by a TDA.

j. For USAR and ARNG commanders, the following policies apply:

(1) In MTOE organizations, the using organization commander has both command and direct responsibility.

(2) In TDA activities, the commander has both command and direct responsibility and may designate persons to be the PHRHs with direct responsibility for the property authorized by TDA.

(3) USAR equipment pooled at ECSs will be put on HR by the organization having responsibility for the equipment per subparagraphs 12–1b or 12–1d above.

k. Ammunition items will be constantly accounted for per AR 700–28 and DA PAM 700–16.

## **12–2. Assigning responsibility to individuals**

a. Property is issued to the person filling the position identified in the authorization document as the user (such as individual, section, and platoon). The property may first be issued by the PHRH, to the person having supervisory responsibility over the user. The supervisor may further issue property by SHR to the user having individual responsibility.

b. Responsibility is assigned to persons for property issued to them for their personal use. Examples are OCIE, UH furniture, and family housing furniture. The individual will acknowledge responsibility by signing a receipt.

c. HRs will have changes posted as they occur; however, change documents may be used to avoid frequent posting to the HRs. Change documents are used according to the APSR EUM. If change documents are used, they are posted to the HR at least every six months, counting from the oldest change document in effect. HRs are adjusted to reflect current balances before performing an inventory.

d. The original of any receipt is kept by the person issuing the supplies. The duplicate is kept by the person receiving the supplies.

e. Immediately upon notification that a HR holder will be absent from his/her primary duties due to extended temporary duty, an emergency, or hospitalization, and a 100 percent joint inventory cannot be conducted, the commander, PEOs (GO/SES), PMs (COL/GS–15), PdM (LTC/GS–14)/activity chief will appoint an interim HRH and an inventory team. The newly appointed HRH and inventory team will

conduct an inventory of all property on the HR. This inventory is completed as soon as possible but must be accomplished within 30 days. Any discrepancies discovered will be reported to the commander, PEOs (GO/SES), PMs (COL/GS-15), PdM (LTC/GS-14), or activity supervisors, and accounted for per AR 735-5. Upon return of the original HRH or the appointment of a new HRH a joint inventory is accomplished.

### **12-3. Hand receipt procedures**

Whenever an HR is issued for any property to any individual, perform a review to validate that the NSN or material number and serial number match what is on the data plate, the supporting documents, and property data records in the APSR.

a. HRs are required whenever property book or durable items are issued. The HR lists the property that has been issued. The signature of a person on an HR establishes direct responsibility. Prepare separate HRs for deployable and fixed-based property.

b. When an HRH signs an HR, the HR constitutes an agreement to take care of the property and return it, when requested to do so, in the same condition it was in when received (allowing for any FWT from normal use). Failure to satisfy that agreement can mean that the HRH may be held liable for the missing or damaged property per the administrative actions in AR 735-5. The APO uses a PHR to issue items directly to an individual as the end user or to a commander or supervisor for subordinates to use. The PHRH signs the PHR, confirming receipt and accepting responsibility for the property. The signed PHR relieves the APO of direct responsibility for the property, while the APO retains accountability for the property records.

c. The PHRH's signature indicates they have inventoried and received the items and the PHRH accepts direct responsibility for the property. If the PHRH then further issues property to individual end users, or to supervisors for further issue to subordinate supervisors and end users, the additional HR shows that the subordinate now has the property, but the PHRH always retains direct responsibility. A complete inventory of the end item and components must be completed per paragraph 16-15 of this regulation whenever a new person takes over the PHR.

d. An end user, supervisor, or other individual who received the property from the PHRH and signed an SHR is called the SHRH. By signing the SHR, the SHRH acknowledges receiving the listed property and now has responsibility for it. A complete inventory of the end item and components must be completed per paragraph 16-15 of this regulation whenever a new person takes over the SHR.

e. Follow the procedures in the APSR EUM to record the issue of property book and durable items. Prepare the form in two copies. The person who prepares the HR must keep all copies of HRs current. Hard copy HRs per paragraph E-37 may be used to immediately assign responsibility for property and durable items but should be replaced with an updated record generated from the APSR as soon as possible. For HRs prepared by the APO, the APO keeps the original. The PHRH receives the second copy.

f. For SHRs prepared by the PHRH, the PHRH keeps the original. The SHRH receives the second copy. There is no restriction on the number of times property can be sub hand receipted. Under normal circumstances, it should not exceed from the commander to the direct supervisor, to the user in order to maintain a manageable chain of responsibility.

g. Post changes to HRs as they occur; however, change documents may be used to avoid frequent posting to the HRs. Change documents may be used according to the APSR EUM. If change documents are used, they are posted to the HR at least every six months, counting from the oldest change document in effect. HRs are adjusted to reflect current balances before performing an inventory.

h. When change documents are used, the following procedures apply. Post change documents to affected HRs:

- (1) At least every six months. Base the six-month period on the date of the oldest change document.
- (2) Before the change of any HRH at any level.
- (3) Before a change of APO or responsible official inventory.
- (4) Change documents are not required to be posted to HRs for furnishings in family quarters.

### **12-4. Temporary hand receipt procedures**

a. When property is issued or loaned for periods not exceeding 30 days, responsibility will be assigned by use of a temporary HR. After 30 days, the property will either be withdrawn from the person, or a permanent HR prepared.

b. AR 700–131 provides additional policy on loans of Army property. No property will be loaned outside of DoD organizations unless specifically authorized by AR 700–131.

c. Permanent HRHs of one organization will not loan property to members of other organizations unless approved by the owning APO, except for equipment on HR to USAR ECS and ARNG mobilization and training equipment sites.

d. Equipment authorized to an activity funded by the Army industrial fund will not be permanently loaned to other activities. If equipment is not required for mission accomplishment, action to change the applicable TDAs will be initiated per AR 71–32.

e. For temporary loans within a component, the owning APO is the approving authority. For loan of ARNG and USAR equipment to the RA, initiate requests at the ACOM, ASCC, or DRU level; the Reserve Component HQ (NGB or USARC) owning the equipment approves the request. See paragraph 12–5 for temporary loans to RA.

f. Prepare temporary HR documents following procedures in the APSR EUM or paragraph E–38.

(1) File the original copies of temporary HRs in date sequence.

(2) Within five days prior to expiration of the temporary HR, take the following actions—

(a) Notify the HRH and arrange for return of the property not later than the expiration date.

(b) Destroy all copies of the HR when the property is returned.

(c) If the person still needs the property, issue it by HR procedures.

g. Classified COMSEC materiel may be hand receipted by the COMSEC custodian using SF 153 (COMSEC Material Report) to persons cleared and authorized to receive the materials. When operational requirements dictate, the custodian may authorize PHRHs to SHR classified COMSEC materiel. COMSEC custodians must keep accurate records showing status of materiel to allow discharge of their responsibilities to the ACCOR. Find detailed procedures for the HR of COMSEC in TB 380–41.

## **12–5. Temporary loan of Army National Guard and U.S. Army Reserve equipment to the Active Component**

a. Only ACOM, ASCC, or DRU commanders may request temporary loan of ARNG and USAR equipment. Temporary loans are limited to 90 days. When a Reserve Component item on temporary loan must be held for over 90 days by the RA organization, the ACOM, ASCC, or DRU commander will submit a request for withdrawal to the DCS, G–3/5/7, Army Readiness Division (DAMO–ODR). The Reserve Component HQ (NGB or USARC) owning the equipment is authorized to approve temporary loans of 90 days or less.

(1) Forward requests for ARNG-owned equipment to: Chief, National Guard Bureau (NGB–ZA), 2500 Army Pentagon, Washington, DC 20310–2500.

(2) Forward requests for USAR-owned equipment to: Chief, U.S. Army Reserve (AFRC–LGS–E), 4710 Knox Street, Fort Liberty, NC 28310–5010.

(3) For ARNG loans, the State USPFO will process requests per AR 700–131.

(4) For USAR loans, the USARC, Deputy Chief of Staff for Logistics will process requests per AR 700–131.

b. Gaining ACOM, ASCC, or DRU commanders will report all temporary loans over 60 days to: Headquarters, Department of the Army, Army Readiness Division (DAMO–ODR), 400 Army Pentagon, Washington, DC 20310–0400, no later than the 65th day of the loan. Identify the gaining and losing organizations, LIN, NSN or material number, nomenclature, quantities involved, date of loan, and expected date of return. AR 700–131 outlines accountability procedures for equipment loans and leases. APOs for gaining and losing loan activities will adhere to those procedures.

c. Follow these procedures for ARNG equipment loaned to other military organizations while training at mobilization and training equipment sites, organization training equipment sites, or ARNG training sites, and equipment borrowed from other military organizations—

(1) Military property on authorized loan remains on the property records of the organization or activity concerned. It must be properly hand receipted to the user.

(2) In the case of loss or damage of military property through other than FWT, the PHRH will initiate and process property adjustment documents per AR 735–5.

(3) The owning organization APO will retain one copy of the applicable property adjustment document and return the remaining copies to the HRH for processing and approval.

d. The HRH who initiates procedures will ensure that monetary restitution for lost, damaged, or destroyed property is made to the USPFO of the owning state or the loaning military organization by either—

- (1) Transfer of funds.
- (2) Replacement in kind.
- (3) Lateral transfer of property for which property adjustment is being made.

#### **12-6. Use of equipment receipts**

a. Use DA Form 3749 to assign responsibility for property that is issued to the same person for brief recurring periods. Examples are the nuclear, biological, and chemical masks, individually assigned weapons, and radiation detection, indication, and computation equipment issued for training.

b. Prepare DA Form 3749 for each individually assigned weapon and other items. Give the receipt to the Soldier that will receive the item. Do not prepare new DA Forms 3749 when there is a change of the responsible official. Continue to accept DA Forms 3749 issued by previous responsible officials as long as the bearer of the card is validly listed on the master authorization list. Prepare and send a new DA Form 3749 when an old card is lost, mutilated, or destroyed; when a new member is assigned to an organization; or when the Soldier is assigned a different item. Paragraph E-39 gives instructions for preparing DA Form 3749.

c. Control weapons per AR 190-11.

d. Control equipment (other than weapons) as follows:

- (1) When the equipment is issued, the person receiving it will give DA Form 3749 for the item to the person making the issue.
- (2) When the item is returned, return DA Form 3749 to the person who received the equipment.

#### **12-7. Management of property by use of an inventory list**

Use the following procedure when the APO or responsible official finds that it is impractical to further assign responsibility to another person for property. For example, this situation may exist when shift operations, multiuse classrooms, or large support equipment is involved. This provision does not apply to items in storage that the APO controls. The APO or responsible official retains responsibility for the property. When this option is used, follow these procedures:

a. Prepare two copies of a HR document for the specific items from the APSR as an inventory list. Paragraph E-40 gives instructions for preparing DA Form 2062 as an alternative hard copy form inventory list if the property is not accountable in an APSR. The APO or responsible official keeps the original copy. Keep the second copy in the area where the property is located; place it where it can be easily seen. Prepare an inventory list for each room or other area.

b. Mark the property so that a person unfamiliar with it can easily identify it. Identification data may be put on labels and attached to the property. The items should be retained in an area to which ingress and egress is monitored. They should have no commercial application or value and should be large enough to prevent undetected removal.

c. The APO or responsible official will include the following in the organization SOP:

- (1) Instructions for people working in the room or area where the property is located. Instructions will require a comparison of the property on the list with that in the room. Include procedures for reporting discrepancies.
- (2) Instructions for reporting property moved from one location to another.
- (3) Any restrictions the APO or responsible official wants to include.
- (4) The commander or activity supervisor should review and update SOPs annually to maintain current status with systems of record.

d. Inventory the property at least semiannually. The APO or responsible official makes this inventory. Count items listed on the inventory list. Compare item serial numbers with those recorded on the inventory list and check the items for visible defects. If property has been lost, account for the items per AR 735-5.

e. After the semiannual inventory, enter the inventory quantity and inventory date on both copies of the inventory list.

## Section II

### Controlling Components of End Items

#### 12–8. Component hand receipt procedures

a. A CHR is a listing of all components of an SKO or an end item with components. All property with components issued to an individual user must always be issued with a CHR. The individual accepts responsibility for the property and its components by signing the CHR. A CHR may also be used when first issuing property to a person that has supervisory responsibility over the user, the PHRH may use system-generated summarized shortage listings from the APSR to simplify validating multiple CHRs with shortages on a SHR.

b. The CHR is also the record that validates all component shortages other than consumables between the PHRH and the user. Shortage listings are not issued at the user level since the CHR documents all required items and quantities (on hand or short). Shortage listings are not required above the end user level when a CHR is used to issue items to an SHRH before issuing to end users. All components are assumed to be present with the issued item unless otherwise documented on a CHR or validated shortage listing. Use a CHR when issuing an SKO or end item with components that—

(1) Have an individual basis of issue.

(2) Are to be issued to the using individual.

(3) Include special tools; test, measurement, and diagnostic equipment; and other special equipment authorized by a repair parts and special tools list contained in TMs. These items are not individually accounted for on property book records but, because of their nature, require control.

c. In an APSR, standard CHRs are derived from ADS syndicated through AESIP to the APSR. These ADS records are the same source of the data used to generate printed publications of SKO supply catalogs and TMs for end items with life cycle management, published on the SKO and electronic TM applications within the AESIP Army Enterprise Portal at <https://www.aesip.army.mil>. Some APSRs may also allow user created CHRs or additions of components to supplement existing standard CHRs. This capability enables assigning responsibility and documenting component shortages with a system generated CHR, based on publications such as SKO Supply Catalogs, TMs, or manufacturer's publication data for commercial items. Follow the applicable APSR EUM instructions to generate standard CHRs, modify a CHR, or produce user created CHRs.

d. Always use the most current reference document to prepare CHRs. The standard CHRs based on ADS database records which are generated from an APSR will often have a more current date than a printed SKO SC or TM due to the lengthier publication cycles for printed documents. If this occurs, use the SC or TM as a reference guide to help identify components, then use the APSR-generated CHR to conduct inventories and issue components listed on the CHR. If the published SKO SC or TM is more current than the APSR-generated CHR, use the most current document to perform the inventory, and report the discrepancy to the APSR help desk for correction or clarification. Document the discrepancy and corrective actions taken and verify if the discrepancy still exists during future inventories.

e. The following order of precedence determines which document to use as a CHR:

(1) When an APSR provides the ability to generate standard, modified, or user-created CHRs, the APSR-generated CHRs must be used. Follow the APSR EUM instructions to generate CHRs from the APSR.

(2) If an APSR cannot generate a standard or user created CHR for the SKO and components, follow instructions in the most current published SC to use the SC as an HR for the SKO.

(3) If an APSR cannot generate a standard or user created CHR for an end item with a TM, determine if the Army Publishing Directorate has published a pre-printed DA Form 2062 for HR in the electronic TM application on the AESIP Army Enterprise Portal and use the form as a CHR. This type of document can be identified by the letters HR after the TM number.

(4) If none of the documents in paragraph 12–8e(1) through 12–8e(3) are available, follow hard copy CHR procedures in paragraph E–42.

f. The person issuing the property prepares CHRs. Prepare CHRs in two copies. The preparer will keep the original. The using individual will keep the copy. The user's copy will be filed or kept with the issued equipment. File CHRs per AR 25–400–2, as applicable.



g. Complete the inventory as described in the applicable paragraph of chapter 16. Document all component shortages, record any discrepancies between reference documents used during the inventory, and issue the property to the individuals assuming responsibility for the items.

h. The PHRH assumes responsibility for replenishing shortages and validates the CHR by signing the document as an issue to the individual, following procedures in the APSR EUM for the specific document. If shortages are reported on a CHR, before validating the CHR the PHRH must ensure each shortage has an appropriate justification to authorize replenishment per paragraph 12–9b.

i. Keep CHRs current by posting changes as they occur or by using change documents. When change documents are used, follow the procedures in paragraph 12–3d.

*Note.* Consider remark codes in SCs when an SKO is documented and verify usable on-codes in published TMs to ensure the listed items apply to the specific end item or SKO being inventoried. Line through items on the CHR which are not authorized based on these codes.

### **12–9. Component shortages**

a. When an item that has components is issued on an HR, any nonexpendable, durable, and expendable non-consumable component shortages must be recorded and ordered against the specific item to ensure shortages are replenished when received. Do not summarize similar shortages and order components in bulk quantities on a single document for multiple end items or SKOs. Expendable consumable shortages such as chalk, ink, string, sandpaper, and similar items are expected to be consumed in use and replenished as needed.

b. Shortage records are prepared and validated at the level where the document registers are kept. The APO validates and replenishes nonexpendable component shortages, using documents the PHRH prepares and submits to the APO. The PHRH documents all component shortages to the user on a CHR and is responsible for ordering these items. To ensure appropriate adjustment actions are taken for losses and to account for shortages, PHRHs must review the following supporting documentation for the missing item prior to validating the CHR and authorizing replenishment—

(1) Items turned-in due to FWT—a copy of the turn-in receipt justifies the shortage.

(2) New or increased component authorizations—confirmation a change in the authorizing standard CHR, SKO SC, TM, or a similar authorizing document added the new component since the previous CHR was signed. HRHs are not liable for this type of shortage. Cite the increase from previous to current publication as the authority to order the additional item(s).

(3) Loss, damage, or destruction of a component requires appropriate adjustment actions per AR 735–5, regardless of whether the item is nonexpendable, durable, expendable non-consumable, or is scheduled for deletion from future component listings. The adjustment action provides the justification to replace the shortage.

(4) Expendable consumable shortages such as chalk, sandpaper, string, wipes, lubricants, and similar items do not require adjustment action unless negligence or misconduct is suspected. Replace these items as required when used.

c. When all shortages have been justified the PHRH validates the CHR issuing the item to the individual and requests the replacement components in the APSR, ordered against the specific end item or SKO.

d. Issues to individual end users will only use a CHR. If items are issued to a SHR before issue to the individual user, the PHRH may use either CHRs issued to the SHR, or shortage listings generated from the APSR to summarize and validate shortages for the total SHR. If none of the documents in paragraph 12–8e(1) through 12–8e(3) are available, follow hard copy DA Form 2062 procedures in paragraph E–41 and E–42.

e. In the event the most current publications are not on hand, the outgoing HRH will order required publications during the inventory. The incoming HRH will inventory by the publication on hand or, if no publication is on hand, by preparing a component list of items on hand pending receipt of the most current publication. Inform the commander or activity supervisor of this action.

f. Immediately upon receipt of the current publication, the HRH will direct a 100-percent inventory be taken to determine any overages or shortages. Turn-in overages, and account for shortages as follows:

g. Consider the number of shortages when choosing the method to validate shortages to SHRs. When there are only a few shortages, it is better to use a CHR. When there are multiple CHRs with shortages in an SHR, a summarized shortage listing generated from the APSR is better.

- h. Prepare summarized shortage listings in two copies per the APSR EUM instructions. The preparer keeps the original; the HRH keeps the copy. File shortages listings with the related HR.
- i. Keep CHRs and shortage listings current by posting changes as they occur or by using change documents. When change documents are used, follow the procedures in paragraph 12–3.
- j. Use the aircraft inventory record to control components of aircraft and other items which complete the aircraft. (See DA Pam 738–751 for the procedures.)

## **12–10. Tool room procedures**

a. *Overview.* The tool room or tool crib custodian is responsible for all tools contained within the tool room or tool crib. All tools issued from a tool room or tool crib become the personal responsibility of the recipient (user). Tools will be issued for daily use on DA Form 5519. For tools issued for less than 30 days a DA Form 3161 will be used and for tools issued for 30 days or more a DA Form 2062 will be used.

b. *Security.* Hand tools, tool sets and kits, and shop equipment are secured and controlled per the physical security standards of AR 190–51.

c. *Electronic tool room/tool cribs at installation/fixed base or depot activities.* This subparagraph applies strictly to tool room operations utilizing electronic tool control systems, at installation/fixed base activities or depot maintenance activities. This paragraph does not apply to tactical MTOE organizations issuing tools from a consolidated area.

(1) Tool room/tool cribs account for tools, both expendable and nonexpendable, utilizing an electronic system. Property book accountability is not required. The tool control officer is appointed in writing as the APO. The officer making the appointment must utilize the criteria in paragraph 4–10.

(2) The tool control officer requests tools through the appropriate accounts in the APSR (expendable, durable, nonexpendable).

(3) The tool control officer will—

- (a) Maintain separate document registers for expendable, durable tools and for nonexpendable tools.
- (b) Maintain a supporting document file for nonexpendable tools.
- (c) Perform and document inventories per paragraph 16–18.
- (d) Account for lost tools per AR 735–5.

d. *Unissued tool sets, kits, and outfits.* Tool SKOs that are not issued to using individuals are stored in and issued from a tool room (sometimes referred to as a tool crib). Tool sets which must be immediately available to perform time-critical, emergency maintenance actions to prevent system failures are not required to be secured in a tool room. Responsibility for these tools will be assigned to the on-duty supervisor. In cases where shift changes require more than one person to have access, the tool sets must be inventoried and signed for, using procedures in paragraph 12–3. Essential supervisory and operating personnel will restrict tool room access and maintain control of tool room keys. One of these individuals will accompany visitors in the tool room. The tool room custodian is responsible for all tools in the tool room. Tools issued from the tool room become the personal responsibility of the recipient (user). Only authorized personnel are allowed to sign for tools from the tool room and will sign for all tools they receive, including expendable tools. The responsible official provides a list of personnel authorized to draw tools from the tool room; the tool room custodian keeps a copy of the list and confirms the identity of personnel requesting tools by checking identification cards when the person is not familiar. When more than one SKO is maintained in the tool room, do not mix tools among the SKOs. Use AR 735–5 to account for lost, damaged, or destroyed tools stored in or issued from the tool room.

e. *Controlling issues of tools for one day or less.* When tools are issued for one day or less, use a log or temporary HR. If a log is used, the SKO HRH determines the type of log, such as a logbook, DA Form 5519, locally designed tracking mechanism, or card on file.

f. *Log procedures.* Prepare a separate log for each SKO on hand. Prepare the log for the end item only; that is, a major SKO may contain individual sets or kits within the set. Do not prepare a log for each SKO within the end item. The log may be maintained using DA Form 5519. Minimum log entries are NSN or material number and nomenclature of the tool, quantity issued, date of issue, signature of individual receiving the tool, and initials of the tool room custodian when the tool is returned. All entries are in ink. Check the log at the end of each workday or shift to ensure that all tools are returned. Destroy the log or register page when all tools on that page are returned.

g. *Hard copy index card file procedures.*

(1) Use 5- by 8-inch paper index cards to prepare a separate card for each tool authorized in the SKO. When more than one tool has the same NSN or material number, prepare a separate card for each.

Attach tabs to cards for tools not on hand that are listed on the shortage listing or for lost, damaged, or destroyed tools being processed under AR 735–5.

(2) Prepare a separate card file for each SKO in the tool room. Enter the NSN or material number, tool nomenclature, and the LIN of the SKO to which the tool belongs at the top of each card if the card file is kept in a card box or at the bottom of the card if the card file is kept in a visible index file. Use the rest of the card for dates of issue, signatures of the individuals receiving the tool, and initials of the tool room custodian upon each return of the tool. All entries are in ink. When the card is filled, destroy it, and make a new one.

(3) File the cards in NSN or material number or nomenclature sequence. Once a filing sequence is chosen, use the same sequence for suspense files. When a tool is issued, file the card in a separate suspense file reserved for issued tools. Use separate suspense files for each SKO card file. Check the file at the end of each workday or shift, as applicable, to ensure all tools are returned.

(4) When a tool is issued from the tool room for more than one day on a temporary or permanent HR, file the second of the HR with the card for the tool issued in the issued tool suspense file. Keep them separate from daily issue cards. If more than one tool is issued on the HR, pull all cards for the tools listed on the HR. Arrange them in the same sequence as they are listed on the HR. Attach them to the second copy of the HR and file them in the suspense file in the NSN or material number, national item identification number (NIIN), or nomenclature sequence for the first tool listed on the HR. Refile them in the SKO card file when the tools are returned.

*h. Temporary hand receipt procedures.* When using temporary HRs for daily issues, prepare DA Form 3161 in two copies (see paras 12–4 and E–38). If more than one SKO is stored in the tool room, enter the SKO LIN in block 8. File them in a separate suspense file for each SKO. Check the file at the end of each workday or shift, as applicable, to ensure all tools are returned.

*i. Controlling issue of tools for more than 1 day but fewer than 31 days.* Use a temporary HR. Prepare DA Form 3161 in three copies (see paras 12–4 and E–38). Find out how long the recipient needs to use the tool. Assign a return date and enter it in the Date Materiel block. File the original in a suspense file arranged in alphabetical sequence by the recipient's last name. File the second copy in another suspense file in tool NSN or material number, NIIN, or nomenclature sequence. Give the third copy to the recipient of the tool. Check return dates frequently. If the tool is not returned by the return date, notify the recipient to return the tool. When the tool is returned, destroy all copies of the HR.

*j. Controlling issue of tools for 31 days and longer.* Use a permanent HR (see paras 12–3 and E–37). Prepare DA Form 2062 in three copies. Find out how long the recipient needs to use the tool. Assign a return date and enter it in the top margin of DA Form 2062. File the original in a suspense file arranged in alphabetical sequence by the recipient's last name. File the second copy in another suspense file in tool NSN or material number, NIIN, or nomenclature sequence. Give the third copy to the recipient of the tool. Check return dates frequently. If the tool is not returned by the return date, notify the recipient to return the tool. When the tool is returned, destroy all copies of the HR.

*k. Controlling issue of special tools attached to aircraft.* The following procedures apply only to those special tools which are attached aircraft for extended periods while maintenance is being performed. The tool room operator will identify tools in this category and set up a special log to allow tools to be issued for a period not to exceed 5 working days. The tool user will sign for the item(s) and will not be required to re-sign for the tool(s) until the 5 day period has expired. If the tool is still attached to the aircraft after five days, the local tool room operator will perform a visual inspection and the period will be extended for another 5 working days.

*Note.* These procedures apply only to organizations which maintain aircraft, such as aviation intermediate maintenance facilities and aviation classification repair activity depots.

## **12–11. Cash sales of hand tools**

*a.* When an individual loses an organization's hand tool and admits liability for the loss, the individual may voluntarily, or in response to a request, offer payment of the value of the hand tool in cash or by check; do not demand cash payment. If hand tools are not stocked in the self-service supply center (SSSC), or if the SSSC advises that specific hand tools required are not available for sale, prepare and process DA Form 7923 (Statement of Charges/Cash Collection Voucher), per AR 735–5 and make the necessary HR adjustments. If hand tools are stocked at the SSSC—

(1) Prepare a written authorization statement in three copies signed by the commander, activity supervisor, or designated representative of the organization or activity for which the tool is being replaced. Include the statement, “[Rank or grade and name] is authorized to purchase the following hand tool(s) authorized by this organization (or activity). The hand tool(s) will remain the property of the U.S. Government. Allowable depreciation is chargeable to [accounting classification].” Following this statement, list the NSN or material number, nomenclature, and quantity of each hand tool authorized for purchase. Include the organization’s SSSC account number. Coordinate with the SSSC manager to determine if additional local requirements apply. Purchase of hand tools from the SSSC for personal (private) use is prohibited. In the ARNG, USPFO sale of hand tools to ARNG technicians and ARNG members is optional.

(2) File one copy of the authorization statement in a suspense file. Send the individual to the SSSC with the original and one copy of the authorization statement.

b. When the individual returns to the organization with the replacement hand tool(s) and/or completed authorization statement, copy 3 (suspense) may be destroyed. The individual making the purchase retains copy 2 and should retain this copy until the organization has been inspected or audited. If the SSSC-annotated copy shows that some or all of the tools were not purchased because they were temporarily out of stock, or for any other reason, prepare and process DA Form 7923 or DD Form 200 as appropriate, per AR 735–5.

## **Chapter 13**

### **Management of Basic and Operational Loads**

#### **13–1. General**

a. This chapter gives procedures for managing loads of all supplies except class V (ammunition), class VIII (medical repair parts), and class IX for the RA. ARNG organizations (except ARNG SSAs) and USAR MTOE commanders will not keep basic loads for classes of supply discussed in this chapter. This chapter also includes procedures for keeping the related records. Loads are a quantity of durable and expendable supplies kept by organizations to sustain their operations. There are four types of loads: basic loads, operational loads, prescribed loads, and combat loads (CLs).

(1) Basic loads are ACOM-, ASCC-, or DRU-designated quantities of class I through IV and VIII supplies which allow an organization to initiate its combat operations. Basic loads are combat deployable using organic transportation in a single lift. Basic load items subject to deterioration or having a shelf life are replaced as required. Excesses caused by unit pack may be kept and used.

(2) Operational loads consist of class I, II, III, IV, V, and VIII (except medical repair parts) kept by an organization to support operations for a given time. These supplies are combat deployable only after essential-lift requirements are met.

(3) Prescribed loads are quantities of maintenance-significant class II, IV, VIII, and IX organizational maintenance repair parts that support an organization’s daily peacetime organizational maintenance program. They are combat deployable only after essential-lift requirements are met.

(4) Combat loads are DA-designated quantities to be carried by each deployable weapon system to initiate combat as determined by the MATDEV.

b. See chapter 11 of this regulation for procedures to request, receive, and cancel items. See chapter 14 for turn-in procedures.

#### **13–2. Basic and operational loads**

a. *Basic loads.* Basic loads consist of class I through V (including maps) and class VIII (except medical equipment repair parts) supplies. The method of establishing the stockage level will also be prescribed. TDA health care activities will manage medical equipment repair parts per AR 40–61. When authorized, basic loads will be on hand or on request at all times. Class V basic loads will not be used for training unless approved by the DCS, G–4 (DALO–SPE). Requests that exceed the unit’s Training Ammunition Management Information System authorization must be approved by the DCS, G–3 (DAMO–TRC).

b. *Operational loads.* Operational loads consist of class I through V (including maps) and class VIII (except medical equipment repair parts) supplies.

(1) See AR 30–22 for operational loads of class I supplies.

(2) Up to a 15-day stockage of expendable class II (including maps), III (packaged), IV and VIII supplies are authorized, based on the allowances in CTA 50–970 and CTA 8–100. The stockage quantity will

be developed and justified on the basis of local experience. If the items are available through the Self-Service Supply Center, GSA Customer Service Center or by use of the purchase card, then seven days' stockage is sufficient. No records of demands are required.

(3) CTAs 50–970 and 8–100 also prescribe Allowances of durable items when they are not otherwise authorized. Durable items obtained using these CTAs will be controlled and responsibility assigned.

(4) Operational loads of class III (bulk) supplies are kept by units as directed by their ACOM/ASCC/DRU commanders.

*c. Load lists.*

(1) Basic and operational load lists register class of supply by list, which contain all items authorized for stockage in a load. These lists will be on file in the using unit. The using unit commander approves operational load lists. Copies of the initial approved basic load list for class II (including maps), IV and VIII (except medical equipment repair parts) supplies will be given to the appropriate SSA.

(2) It is not necessary to submit an entire new list to the SSA upon each periodic review. After submitting an initial list, units will give any changes to the SSA as they occur. A new list incorporating previous changes will be prepared for the using unit commander's approval and submitted to the SSA at the second and alternating periodic review. Listings for classes of supply not specifically mentioned here will be on file in the unit even if the SSA requires copies.

*d. Load records.*

(1) Commanders will account for basic and operational loads of class I and V supplies on property books to include theater property equipment property books. Records of responsibility are required. ACOM/ASCC/DRU commanders will designate which units are required to stock ammunition combat loads (CL) and prescribe the stockage requirements. Units not designated to actually have a CL on hand will have a properly prepared and authenticated DA Form 581 on hand. This DA Form 581 will serve the purpose of satisfying the requirement for the CL to be on hand or on order. The APO provides an information copy to the supporting ASP who will, depending on mission need and storage capability, ensure either the ammunition is stocked, or a prepositioned requisition is in place for the ammunition required. The APO will maintain the basic load authorization data on the property book records in order to expedite deployment.

(2) Durable items in the basic and operational loads require that responsibility be assigned using HR procedures.

(3) Basic and operational loads of class II both durable and expendable (including maps), III (packaged), IV and VIII supplies do not require property book accountability. Demand data will be maintained. Records will contain the essential data elements listed below.

(a) NSN/CAGE/PN/Management Control Number.

(b) Item description.

(c) Accounting requirements code (ARC).

(d) RC.

(e) CIIC.

(f) Unit of Issue.

(g) Stockage code.

(h) Date stockage code assigned.

(i) Authorized level.

(j) Document number for replenishment.

(k) Quantity requested.

(l) Balance on hand.

(m) Location.

(n) Supply categories of materiel code.

(4) Records for keeping demand data on operational loads of class I, II, III (packaged), IV and VIII supplies will be developed locally unless already defined by other applicable regulations.

*e. Designated alert forces.* Commanders of designated alert forces, such as initial ready companies (IRCs) and division ready brigades (DRBs) will establish operational plans and procedures to adequately identify and plan for a sufficient level of class IX repair parts support to sustain deploying equipment during the initial period of deployed operations. These plans and procedures will incorporate subparagraphs 13–2e(1) through 13–2e(3).

(1) A joint IRC/DRB and supporting materiel managers review at least 28 days prior to IRC/DRB mission assumption to identify class IX requirements, currently available assets to fill these requirements, and procedures to identify and expeditiously fill any shortfalls.

(2) Periodic reviews of IRC/DRB class IX status as a topic in organizational materiel readiness reviews.

(3) A joint IRC/DRB and support materiel managers review as soon as possible after deployment notification to adjust class IX requirements as necessary based on the specific deployment scenario, and to immediately address any remaining class IX shortfalls through cross-leveling and/or requisitioning using the highest allowable issue PD and appropriate required delivery date.

(4) Note that the LDAC has developed the deployment stock package analyzer as a tool that may be used to support the class IX repair parts planning addressed above. The deployment stock package analyzer software and users' manual may be downloaded from the LDAC web page.

### **13-3. Basic loads of class I, II, III, IV, V (ammunition combat load), and VIII (except medical repair parts) supplies**

a. ACOM, ASCC, or DRU commanders designate the organizations which must keep basic loads of class I, II, III, IV (type classified only), V (ammunition combat load), and VIII (except medical repair parts) supplies. Use the method prescribed by the ACOM, ASCC, or DRU commanders to establish stockage levels.

b. Account for basic loads of class I and V supplies on the property book. Use the procedures in chapters 4 through 8. Records of responsibility are also required. Use procedures in chapter 12.

c. Inventory class I items semiannually and class V items monthly.

### **13-4. Basic loads of class II (durable and expendable), III, IV, and VIII (except medical repair parts) supplies**

a. ACOM, ASCC, or DRU commanders designate the organizations which must keep basic loads of class II (durable and expendable), III, IV, and VIII (except medical repair parts) supplies. Commanders with medical maintenance activities manage medical equipment repair parts under AR 40-61. ACOM, ASCC, or DRU commanders also prescribe the method of establishing the loads and stockage levels.

b. The loads are managed by the element of the organization that keeps the expendable or durable document register.

c. Items authorized for stockage must be on hand or have a valid sourcing solution. Chapter 11 gives request procedures.

d. Follow the EUM instructions to manage loads in an APSR. Paragraph E-43 provides hard copy forms instructions when the APSR does not support the type of load. Keep one set of records for the class II and IV loads. Keep another set of records for the class VIII load. Do not consolidate the records.

e. Use HRs if durable items in the load are issued. Chapter 12 gives HR procedures.

f. Inventory the loads when demands and request levels are reviewed.

g. The commander keeping the load is the approving authority for the load.

h. Loads maintained as shop stocks are managed per AR 710-2.

### **13-5. Operational load of class I supplies**

Manage this load per AR 30-22.

### **13-6. Operational loads of class II, III (P), IV, and VIII (except medical repair parts) supplies**

a. All organizations are authorized operational loads of class II, III (P), IV, and VIII (except medical repair parts) supplies. Up to a 15-day stockage of supplies is authorized, based on Allowances in CTA 50-970 and CTA 8-100. If the items are available through an SSSC, then 7-day stockage is sufficient. No records of demands are required. Develop stockage quantity based on local experience.

b. No accounting records are required, but responsibility must be assigned for durable items. Use the procedures in chapter 12 or tool room procedures.

c. Durable items in these loads must be inventoried:

(1) When the HRH changes. Use the procedures in paragraph 16-15b.

(2) Semiannually by the HRH. Inventory the items as follows:

(a) Check all items to make sure the items match the descriptions on the HR. List any differences.

(b) Count all items. List any differences between the quantity on hand and that shown on the HR.

- (c) Visually check the items' conditions. Turn in unserviceable items. Repair damaged items.
- (d) Make sure excess items are turned in.
- (e) Record the results of the inventory on a memorandum. The memorandum will state that the required items were completely inventoried. The HRH must sign the memorandum. Give the original of the memorandum to the organization commander to file. The HRH will keep a copy of the memorandum.
- d. When the inventory is completed, the organization commander will—
  - (1) Determine if a property adjustment document for shortages is required per AR 735–5.
  - (2) Prepare and process property adjustment documents per AR 735–5 when prescribed.
  - (3) Make sure shortages are requested.

### **13–7. Operational load of class III (bulk) supplies**

Manage this load as directed by the ACOM, ASCC, or DRU commanders.

## **Chapter 14**

### **Disposition of Property**

#### **Section I**

#### **Disposition of Property and Turn in Procedures**

##### **14–1. Disposition of property**

a. APOs are relieved from accounting for property upon transfer of the property to another organization or upon turn-in of the property to an SSA. APOs will ensure that reporting requirements comply with AR 725–50, AR 710–3, and this regulation.

b. DEMIL is performed only by an authorized agency per procedures in DoDM 4160.21, Volume 1, and associated changes. Most property, other than explosive class V and items with the DEMIL code of P (classified property) or G (dangerous articles) will be demilitarized through the DLA–DS after it has been through a suitable reutilization screening period. For COMSEC equipment refer to AR 380–40 and paragraph 14–8.

(1) Any questions regarding whether or not an item is to be demilitarized by the appropriate ACOM/ASCC/DRU commander or by DLA–DS will be addressed and resolved prior to DEMIL actions being taken.

(2) Security controls required per the assigned CIIC are maintained until completion of the DEMIL process. ACOM/ASCC/DRU commanders have the authority to grant local DEMIL authorization for repair parts, less small arms' receivers, per the assigned item recoverability code to subordinate organizations performing field maintenance or sustainment maintenance functions.

(3) The ACOM/ASCC/DRU commanders DEMIL authorization of end items may not be delegated. When granting DEMIL authorizations, ACOM/ASCC/DRU commanders will—

(a) Ensure that commanders and supervisors of subordinate organizations are capable of conducting the required DEMIL per DoDM 4160.21, Volume 1, and associated changes.

(b) Issue authorization in writing specifying the type of DEMIL the organization can perform. Authorizations may be grouped; however, the unit and organization names must be included.

(c) Maintain records of organizations to which DEMIL authority has been granted to include the type of DEMIL.

(4) Commanders of units conducting DEMIL must maintain the written authorization on file. All organizations performing DEMIL must have a current copy of DoDM 4160.21, Volume 1 and associated changes for reference.

##### **14–2. When property is turned-in**

Items are turned-in when they—

- a. Are in excess to authorized allowances.
- b. Are not needed and the authorization is not mandatory.
- c. Become unserviceable or uneconomically repairable.

### 14-3. Where property is turned-in

Always turn in expendable and durable property to the SSA that normally issues the item. The SSA evaluates the property's condition, ARC, and RC and may approve direct turn-in to DLA-DS. Do not turn in supplies directly to the DLA-DS without SSA approval. For nonexpendable end items, the APO will request disposition through the DST and prepare documents from the APSR to comply with the disposition instructions. These items may be turned-in directly to DLA-DS with approved disposition instructions from DST or processed through the SSA per command policies. For excess and unserviceable nonexpendable components, the APO will generate documents from the APSR for organizations to complete turn-in actions.

a. ARNG commanders, if directed by the Chief, NGB, will turn in all property to the USPFO or as directed by the USPFO.

b. COMSEC custodians will turn in classified COMSEC items through the COMSEC Material Control System; disposal of classified COMSEC through non-COMSEC channels is specifically prohibited.

c. The CCI components and exterior COMSEC and CCI identification markings must be returned to Tobyhanna Army Depot for disposal. Local disposal actions for CCIs may not be taken unless specifically authorized by the assigned wholesale.

(1) Commanders will not dispose of CCIs through DLA-DS.

(2) Refer to paragraph 10-8 for special instructions regarding the disposal of COMSEC materiel.

### 14-4. Turn in to supply support activity

a. *General.* For special turn-in instructions, see Section II of this chapter.

(1) When an authorization document change causes a replacement of items, the items being replaced may be retained if needed as a substitute until receipt of the authorized items.

(2) The CG, AMC, as the LMI, in coordination with DCS, G-4 Director of Supply Policy (DALO-SPE) will make redistribution of excesses of critical items. ACOM/ASCC/DRU commanders, ARNG USPFOs, and the CNGB will maximize redistribution of critical items. Major items funded by PA are managed under the Total Army Equipment Distribution Program (TAEDP). TAEDP products provide materiel managers with information to furnish disposition instructions for excess PA-funded items.

b. *Redistribution of noncritical items.* ACOM/ASCC/DRU commanders, ARNG USPFO, and the CNGB will support maximum redistribution of noncritical items before directing turn in to the SSA. In-storage visibility is designed to provide decision makers a key tool in the redistribution process.

(1) Procedures for reporting excess ARNG TAEDP property will be established by the USPFO or the CNGB.

(2) The USPFO is authorized to designate officers other than APOs to classify items for withdrawal from ARNG units and for the turn-in to the USPFO. The individuals will be commissioned officers in the RA, or an Active Guard Reserve (AGR) commissioned officer.

(3) A commissioned officer of the ARNG of the United States may make the final FWT determination on all unserviceable property prior to disposition, if designated under 32 USC 710(a). The property may be located anywhere within the ARNG logistics system at the time the determination is made. The final decision will be made before the property is released to a disposal activity. When the decision has been made, the USPFO may designate unserviceable condemned clothing items for use as class "X" under 32 USC Chapter 7. Unserviceable condemned items, including class "X" clothing no longer required, will be turned in to DLA-DS. The USPFO is not authorized to convert used clothing into rags.

(4) Turn-in instructions for ARNG rapid deployment units will be included in procedural publications.

(5) ARNG property must be turned in to the USPFO before processing to DLA-DS. USPFOs may authorize ARNG units to deal directly with DLA-DS.

c. *Causative research.* Causative research must be completed when property is discovered and does not appear on the finding organization's accountable records.

d. *Other turn-ins to a Supply Support Activity.*

(1) Before turning in any damaged, excess, or unserviceable blessed or consecrated items, the installation staff chaplain will request the APO to drop such items from the property book. The request will also state the condition or status of the items, and that they will be disposed of in a manner acceptable to the distinctive faith group that blessed or consecrated them. After the APO has dropped the items from the property book, the items may be disposed of in the appropriate manner. Such items will not be turned over to property disposal officers.

(2) When weapons are found, commanders will conduct investigations as specified in AR 190-11.



e. *Turn-ins to Defense Logistics Agency Disposition Services.* Commanders of units or activity supervisors can turn in items, regardless of serviceability, to the DLA–DS with disposition instructions from the decision support tool planner. All material will be turned in to the activity responsible for consolidating and reporting excess material. This does not preclude the SSA from directing the units to turn in scrap to the DLA–DS. When so directed, the supporting maintenance activity will visually check (not technically inspect) these items to verify them as scrap.

(1) Classified COMSEC equipment CHVP and CCI, including components, scrap, or residue are specifically prohibited from turn-in to DLA–DS. All COMSEC material, including CCI and CHVP will be turned in to the supporting COMSEC account manager or installation SSA, as appropriate (according to its security classification), for automatic return item shipment to Tobyhanna Army Depot.

(2) Items of ITE reported to the software management support department (SMSD) may be directly turned in to the DLA–DS. Upon receipt of disposition instructions from SMSD, the APO will complete a DD Form 1348–1A (Issue Release/Receipt Document) or DD Form 1348–2 (Issue Release/Receipt Document with Address Label) and turn-in the items directly to the DLA–DS.

(3) Items identified as flight safety critical aircraft part (FSCAP) should be identified by criticality code. Criticality codes for FSCAP are (F) FSCAP item and (E) FSCAP–Nuclear hardened. Army activities turning in Army aviation items with one of the above listed criticality codes must request disposal documentation from the managing commodity command using the materiel returns program process.

f. *Forms used for turn-ins.* Forms used for turn-ins will contain the same essential elements of data as those for requests. Turn-ins of noncatalogued, nonstandard commercial items will contain, at a minimum, the complete item description and end item application.

g. *Discrepant shipments.* Shipments received that were not ordered or have defects will be handled as discrepant shipments. These must be returned to the SSA that issued the item with a turn-in document. Do not assign a new document number; use the same document number on which the item was issued. Enter return advice code “1T.”

h. *Parachutes and components.* Prepare a separate turn-in document for each different year of manufacture. Enter the date of manufacture on each turn-in document. Enter advice code “1Z.”

i. *Expendable batteries requiring special disposal.*

(1) Batteries containing HAZMAT such as lithium and mercury are classified for disposal purposes as hazardous waste.

(2) Magnesium batteries are nonhazardous solid waste for disposal purposes; however, they are not to be amassed and disposal must be controlled.

(3) Other type of batteries that need special handling and disposal are zinc silver chloride, certain lead acid batteries, and certain nickel-cadmium batteries.

(4) Primary batteries that need special handling and disposal will be treated as recoverable items but not necessarily as repairable items. These batteries are identified with a recoverability code “A.” Coordination for the turn-in to DLA–DS will be completed through the SSA. Refer to Army SB 11–6 and 11–30 for disposal instructions.

j. *Demilitarization.* Refer to AR 700–144 for DEMIL instructions.

k. *Displaced equipment due to program manager fielding.*

(1) The decision support tool planner will provide turn-in or transfer disposition for displaced equipment upon notification from the PM.

(2) Decision support tool disposition will be published no later than 180 days prior to fielding coincident with fielding schedules, materiel fielding agreements and materiel fielding plans.

#### **14–5. Forms used for turn-ins**

Process turn-ins using the organization’s APSR following procedures in the EUM, using system-generated transactions or forms from the APSR. Turn-in for items that are not managed in an APSR may be processed using hard copy procedures in appendix E if required by the receiving activity. Do not use hard copy procedures to circumvent system-generated processes in an APSR for convenience or preference.

## Section II

### Special Turn-In Instructions

#### 14–6. Turn-in to supply support activity

a. The using organization commander or activity supervisor ensures that adjustment documentation is prepared and processed per AR 735–5 when an item is unserviceable through other FWT. A competent technical authority will determine if an item's condition is other than obvious FWT.

b. Turn-in of property book items, other nonexpendable, durable items, and other types of Government property such as installation property not on property books, is required when items on hand exceed allowances, are unserviceable and not repairable, or as required by AR 710–1. Brigade and battalion commanders will have a property cross-leveling program in place. (ROTC, Reserve Personnel, Army funded clothing will be reported to the brigade commander for redistribution). The owning commander will deliver equipment and submit maintenance request work orders to the supporting maintenance activity. The supporting maintenance activity supervisor within their technical capabilities will classify items as unserviceable and nonrepairable and will assign the appropriate condition code. After clearance from the APO, the owning company/organization commander will turn the items into the supporting SSA. Items will be free of ammunition or explosives and cleaned within the company's ability. Maintenance records must be submitted with the items being turned in. Accompanying records will be per AR 750 –1.

c. Turn-in documents for all items requiring serial number accounting and CCI and CHVP will contain the serial number. Unclassified cryptographic equipment will be marked "CCI" or "CHVP" (as appropriate) in the remarks section of the turn in document. All turn-in receipts will be posted within 15 calendar days for RA, this includes ARNG/USAR units mobilized and on active duty. All other NG and Reserve Component (RC) units have 30 days to process property book transaction receipts, turn-in and fielding receipts and anything that affects the transactions affecting property book balance.

d. When on-hand property book items are projected to become excess, and have been reported in the decision support tool, and disposition instructions have not been provided, turn-in action will begin within 90 days after the effective date of the authorization document change. Property no longer required because of authorization document changes must have request for disposition entered into the decision support tool 180 days prior to the effective date of the new authorization document. The equipment must be turned in or transferred no later than 60 days prior to effective date of new authorization document but no sooner than 365 days prior to that date. The organization commander or activity supervisor and the supporting APO must review all equipment that will become excess in the following fiscal year upon the effective date of the current authorization document. This must be complete within 30 days of effective date of the current authorization document. If equipment is needed due to an operational requirement a memorandum requesting the equipment remain on hand until 30 days after the authorization effective date will be processed through the ACOM/ASCC/DRU commander and the ARNG G3 and G4 channels providing a justification. The memorandum must include a statement of understanding that if the equipment is kept past the effective date of the upcoming new authorization document that the unit is still financially responsible to keep the equipment in a high state of readiness per AR 750 –1. If the equipment is needed past the 30–day window, a DA Form 2028 (Recommended Changes to Publications and Blank Forms) will be processed per applicable policy 180 days prior to the effective date of the new authorization document. This action facilitates transition of the company to the new organization document and ensures OMA funds are available to ensure sustainability of the equipment. Brigade, battalion, and unit commanders must ensure that turn in of these deleted or reduced items does not degrade mission capability and readiness of the unit.

e. If disposition instructions are not received within 90 days prior to the effective date of the authorization document, the APO will follow up through the next higher echelon decision support tool coordinator to secure the necessary disposition instructions.

(1) On hand property book items within authorized quantities are turned in only if found to be unserviceable and determined to be not repairable by the supporting maintenance facility personnel.

(2) End items being turned in should be complete with all components and basic issue items (BII). If end items are not complete, the PHRH or APO must provide a shortage listing to document what is missing. All shortages will be investigated and accounted for per AR 735 –5. Attach the shortage list to the turn-in document. TRADOC training activities and AMC research and development activities that are issued items without components, will include copies of these issue documents when the items are turned

in to the SSA. (Documents supporting turn-in of these items will be marked: USED AS TRAINING AIDS AND FREQUENT DISASSEMBLY AND ASSEMBLY FOR INSTRUCTIONAL PURPOSE.)

(3) The SSA personnel will provide turn-in instructions for temporary loan items.

(4) Report and turn in excess medical materiel under AR 40 –61.

(5) Turn in excess OCIE to the SSA within 10 days (30 days for USAR).

(6) All excess and unserviceable classified cryptographic equipment and components will be transferred by the COMSEC account manager directly to Tobyhanna Army Depot through Communications Security Materiel Control System (CMCS) channels. Disposal through channels other than COMSEC channels is prohibited.

(7) Upon determination that locally purchased and/or fabricated nonaccountable (non-property book) property is unserviceable and nonrepairable, the commander or activity supervisor may designate item(s) to be disassembled to the degree necessary to recover any reusable components and identify the remains as scrap. Local purchased and or fabricated accountable (property book) items must be authorized and will be accounted for in the same manner as other standard or nonstandard accountable property.

(8) ACOM/ASCC/DRU commanders will establish the standard for materiel transferred between units within the command. Transfers from a RA unit to an RC unit will meet transfer conditions required by AR 710–1.

(9) Turn-in of non-property book items such as items not meeting the property accountability threshold and certain repair parts and components may require a technical inspection (TI). Check local command policy. This paragraph does not apply to FOI items.

(10) Commanders or activity supervisors will ensure serviceable excess repair parts and components are cross-leveled within the command or activity before turn-in is accomplished. Cross-leveling, transfer and/or turn in action will be accomplished within 15 working days after discovery of excess.

(11) Turn in unserviceable repairable equipment with a turn-in document and prepare a request document if a replacement is required.

(12) Initiate turn-in action of excess components within 10 days after receipt of supply publications and/or changes to them. Batteries with a recoverability code of “A” are recoverable items and are turned in to the SSA for disposition.

(13) Excess caused by unit pack may be kept and used.

(14) Unserviceable nonrepairable equipment and uneconomical repairable recoverability code “O” items are turned in as scrap and processed through the SSA.

f. Causative research will include reconciliations of unposted inbound documents which may have been physically received but not processed; reviewing transaction history for loss adjustments; reviewing transaction history of turn-in or transfers which may have been incorrectly posted without completing the physical exchange of property; verification of previous fielding documents which may not have been correctly processed; utilizing the APSR and applications in AESIP to find the current owner, especially with serial numbered items; contacting item managers.

(1) Unaccounted sensitive items require initiation of an investigation per AR 15–6 to determine the cause of the lapse in accountability and recommend measures to prevent reoccurrence. Sensitive items discoveries and lapses in accounting require incident reporting per AR 190–11. In addition, weapons and ammunition require reporting per AR 190–11. COMSEC, CCI, CHVP also require incident reporting per AR 380–40 and TB 380–41.

(2) When such discrepancies in processing are discovered, attempt to complete the transaction, or reverse the original process as appropriate.

(3) If the property's origin cannot be determined, process an increase or inventory gain to the APSR (see the EUM) as FOI, using the account appropriate to the item's class of supply (for example, CLII on an organizational supply account, CLIX on a maintenance repair parts account, nonexpendable on a property book account). Process disposition of excess or unserviceable items per AR 190–11.

(4) When the discovered property is nonexpendable and was previously processed on a loss adjustment document, the approving authority will forward a memorandum to the finding organization's APO, instructing the APO to reestablish accountability for the recovered property for the property recovered, per AR 735–5. Reestablishment may be to the finding organization's accountable records, or to the original losing organization, depending on the location of the property. The APO will make the determination.

(5) Once accountability has been reestablished, AR 735–5 also provides procedures to reimburse individuals who may have been previously charged for the loss.

(6) If the FOI item is not authorized, complete TI per AR 750 –1 and request disposition through DST.

(7) CCI and CHVP that is discovered and is not on an accountable record requires investigation per AR 15 –6 and the submission of an incident report per AR 380 –40.

(8) Discovered classified COMSEC material discovered not on COMSEC accountable records will be immediately reported to the COMSEC Account Manager at the COMSEC account. All such discoveries will require investigation per AR 15–6 and incident reporting as specified in TB 380–41.

g. Request for documentation for flight safety equipment will be directed to the Aviation and Missile LCMC by either email or facsimile. The email address is [datareconstruction@redstone.army.mil](mailto:datareconstruction@redstone.army.mil). These items must have DEMIL action performed prior to being offered for sale at the DLA–DS and be accompanied by the supporting documentation. All documents will be posted within seven calendar days for RA; this includes NG units/RC units mobilized and on active duty. All other ARNG and USAR units will have 30 calendar days to process property book transaction receipts, turn-in, and fielding receipts et cetera, anything that affects the transactions affecting property book balance.

#### **14–7. Turn-in of property book and nonexpendable items**

a. Property book items must be excess or found to be unserviceable (not repairable by support maintenance) before they can be turned in. The commander or activity supervisor for whom the property is maintained, and the next higher HQ may authorize turn-in or transfer of property that is no longer required or authorized by organization authorization documents, that is excess, or that is obsolete up to 365 days prior to the effective date of the new authorization document. Initiate a turn-in action no later than 10 days after the item is determined to be excessive or unserviceable.

b. Turn-in items complete with all COEI and BII unless disposition instructions allow turn-in “as is”. Complete a shortage list using procedures to document component shortages in the APSR EUM. Only use DA Form 2062 (Hand Receipt/Shortage Listing) to document shortages if the APSR cannot generate a shortage listing for the specific item. Have the shortage list signed by either the organization commander or activity supervisor, or APO and include it with the turn-in document.

c. All items must receive a TI per AR 750–1 and DA Pam 750–8 prior to requesting disposition for turn-in. TI for items on the Master Divestiture List are not required. Disposition instructions may vary depending on the supply condition code of the item. Use the maintenance request to determine the supply condition code of the property. Include a copy of the completed TI document with the turn-in document in all cases.

d. Vehicle classification. Create two copies of DA Form 461–5 (Vehicle Classification Inspection) to classify the items. This form is:

(1) Required if the items are in Federal Supply Group 23 (ground effect vehicles, motor vehicles, trailers, and cycles).

(2) Required if the items are in Federal Supply Group 24 (tractors).

(3) Not required for turn-ins of items replaced from operational readiness float with approved disposition instructions per this chapter.

e. Prepare the items to be turned-in as follows:

(1) Clean the item within your ability.

(2) Update all accompanying maintenance records.

(3) Package and preserve the items only to the extent needed to protect them during movement to the SSA.

(4) Deliver the items to the turn-in point.

f. The receiving SSA turn-in clerk will accept the items and post the receipt in the APSR following procedures in the EUM, sign and date the receipt document, then give the original copy to the organization representative. The ammunition SSA clerk will accept the turn-in of items on DA Form 581 after the turn-in has been affected. The clerk will annotate the quantity turned-in in block 20, sign block 31b, and date block 31c. Give the organization representative a copy.

g. After the items have been accepted—

(1) Verify the system-generated transaction has completed in the APSR as a decrease to the balance on hand.

(2) File the posted document in the supporting document file.

#### **14–8. Reporting and turning in classified communication security materiel**

a. Reporting COMSEC material, other than that generated under the provisions of NSA–NAG–16F, is assigned to one of five accounting legend codes (ALCs) depending upon classification, purpose, and

inventory requirements. Submit a report to the central office of record upon the generation, receipt, and all subsequent transfers of all ALC 6 material. The central office of record personnel will maintain a record of all ALC 6 material charged to a COMSEC account. Record all transactions involving ALC 6 material, including, but not limited to, issue for use and destruction (zeroization), in a local disposition record. The central asset management will retain the local disposition records per TB 380–41 until the records are audited by USACSLA.

b. Commanders or activity supervisors, APOs, and other responsible individuals must ensure that unserviceable COMSEC items and systems containing COMSEC components are submitted for repair only to those support organizations specifically authorized to perform maintenance on COMSEC materiel.

c. All CCIs, both end items and components, are coded automatic return items and must be returned to the COMSEC supervisory activity (DoDAAC W81U11) at Tobyhanna Army Depot for final disposal action. This applies to commercial nonstandard COMSEC devices designated CCI as well as to Army adopted standard CCIs.

*Note.* DEMIL and disposal of COMSEC equipment below depot level is prohibited.

#### **14–9. Turn-in of expendable and durable supplies**

Serviceable, expendable, and durable supplies must be turned-in to the SSA when they are excess. See paragraph 3–15 to turn in SSSC items. Unserviceable, expendable, and durable supplies with RCs A, D, F, H, O, Z, and L must also be turned-in to the SSA. The customer organization to the SSA will turn in all unserviceable-durable items or expendable items replaced at the organizational level and having RCs of O or Z that are actually consumed in use as scrap, as well as any other item or by-product determined to require collection or special handling due to local, state, or Federal environmental regulations. Prepare turn-in documents following procedures in the APSR EUM. Do not use a return advice code.

a. Attach DA Form 2407 (Maintenance Request) (available through normal publication supply channels) or DA Form 5990–E (see DA Pam 750–8) to the turn-in if the item was inspected and found to be unserviceable.

b. Deliver the items to the turn-in point. The SSA retains the original copy the turn-in document, and the organization receives a copy.

c. After the items have been accepted, verify the turn-in was completed in the APSR. The copy received from the SSA may be destroyed.

d. Turn in unserviceable and economically salvageable material to the SSA. Refer to AR 735–5 for turn-in other than FWT.

#### **14–10. Disposal of batteries**

Batteries containing lithium, mercury, zinc, and silver chloride and certain batteries containing lead acid and nickel are designated as HAZMAT by the Occupational Safety and Health Administration and Environmental Protection Agency. These batteries are potentially dangerous to personnel, equipment, and the environment. For example, lithium batteries can explode and vent poisonous gases if exposed to extreme heat (130 degrees Fahrenheit or 54 degrees Celsius). Although these batteries are categorized as expendable, they have an RC of A; turn them in to the appropriate SSA when no longer useable even though they may not be considered repairable. Magnesium batteries are considered nonhazardous solid waste for disposal purposes but should not be accumulated in large quantities or discarded with trash. Find specific disposition guidance in SB 11–6. Check the AEMM for the RC.

#### **14–11. Turn-in of found on installation property**

Process all FOI property per paragraph 11–28. The organization personnel finding the property will bring the item to record in the APSR first, then process the turn-in through the APSR. When known, turn FOI property to the SSA that would supply the item. When not known, turn them in to any SSA. At ARNG organizations, report FOI property to the USPFO using turn-in documentation. The USPFO will direct movement of the property. Additionally, unclassified CCIs that are discovered and are not on accountable record require an incident report be submitted per AR 380–40. Immediately (same day) report discovery of classified COMSEC materiel, including unclassified CCIs that are not on accountable records, as a physical insecurity per AR 380–40.

#### **14–12. Turn-in of temporary loan materiel**

Temporary loan items are owned by the SSA that issued the item. It remains on the SSA's accountable records. Temporary loan items, therefore, must always be turned-in to the SSA that issued the item following procedures in the APSR EUM.

- a. Prior to turn in, repair temporary loan property to restore it to the same condition as when it was issued. Any repairs needed but not done will be charged to the organization.
- b. Deliver the property to the SSA.
- c. After the turn-in clerk accepts the turn-in, file the document in the general inventory management correspondence file.
- d. These procedures do not apply to the ARNG.

#### **14–13. Turn-in of reusable containers**

- a. There are two types of returnable containers: Government-owned, and vendor-owned. Intermodal containers for shipping are also governed by AR 56–4.
- b. Government-owned containers. These are containers with NSN or material numbers, such as shipping and transit containers, drums, carboys, cylinders, or canisters.
- c. Records of receipt, issue, transfer, or loss of containers will identify containers by type.
- d. Containers will be turned-in when requesting refills. If empty containers are not furnished, justification must be given in the request.
- e. Turn in government-owned containers following procedures in the APSR EUM, whether items are nonexpendable, durable, or expendable.
- f. Vendor-owned containers. These containers are managed under the terms of the contract. Records of receipt, issue, transfer, disposition, or loss will identify containers by type, including the contract number.

#### **14–14. Return of discrepant shipments**

- a. There are two types of discrepant shipments: items that were not requested and items with hidden defects.
- b. For turn-in of items not requested, prepare the turn-in following the APSR EUM instructions, using return advice code 1T.
- c. For turn-in items with defects, prepare the turn-in following the APSR EUM instructions, using return advice code 1U.
- d. Where appropriate or required, prepare and process a ROD per AR 725–50.
- e. Deliver the items to the turn-in point.
- f. Once the clerk accepts the turn-in, take these actions—
  - (1) For property book items, check the property book to see if the original document was posted as an increase to the balance. If it was, post the turn-in as a decrease. If it was not or after posting, file the document in the supporting document file along with the original document.
  - (2) For other than property book items, destroy the turn-in document.

#### **14–15. Return of property issued to support Department of the Army-approved emergency requirements**

Turn in property issued to support DA-approved emergency requirements when the emergency is over. This includes property rented or leased.

- a. Prepare turn-in documents following the APSR EUM using return advice code 1P.
- b. Deliver the property to the SSA.
- c. When the turn-in is complete, file the document in the general inventory management correspondence file.

#### **14–16. Turn-in of parachutes and components**

Turn in parachutes and parachute components (FSC 1670) following procedures in the APSR EUM.

- a. Prepare a separate turn-in document for each different year of manufacture.
- b. Enter return advice code 1Z.
- c. Deliver the items to the turn-in point.
- d. After turn-in, verify the transaction posted in the APSR as a decrease to the balance.

e. File the document for property book items in the supporting document files. Destroy other turn-in documents.

#### **14–17. Turn-in information technology equipment**

When approved disposition instructions direct the turn-in of ITE to the DLA–DS, the APO will complete DD Form 1348–1A following instructions in the APSR EUM for turn-in to the servicing DLA–DS. A copy of the disposition instructions will accompany turn-in documents.

#### **14–18. Return of items to the self-service supply center**

- a. Turn in SSSC items that are no longer required. They may be returned to the SSSC when:
  - (1) They are in the same condition as purchased.
  - (2) They are in the same unit pack as purchased.
- b. No paperwork is required to return SSSC items. Simply return the items. Credit will be given to the organization.
- c. If the items do not meet the criteria in paragraph 14–15a, turn them in per paragraph 14–6.

#### **14–19. Product quality deficiency reports exhibit return program**

Commanders will use product quality deficiency reports (PQDRs) to report equipment component failures; these reports are the method of officially documenting unexpected failure, unexpected wear or impact of mission failure attributed to a specific component quality, or lack of detail in manufacturing of the part. The owning organization will prepare SF 368 (Product Quality Deficiency Report (PQDR)) per policy provided by AR 750–1, preferably using the Naval Sea Systems Command's Product Data Reporting and Evaluation System website. To submit the PQDR—

- a. Go to <https://www.pdrep.csd.disa.mil>.
- b. Click on EZ PDR Login and follow the steps. Include all required information, such as the document and contract numbers and the CAGE code. Contact your supporting logistics assistance representative as needed for specific guidance.
- c. The submitting activity should provide pictures and whatever other details possible to document the deficient performance. The LCMC item manager uses the PQDR to authorize the shipment of PQDR exhibits to the SOS or wherever directed by appropriate authority. This serves as a credit to the organization for replacing the deficient item at no cost to the organization or for complete labor and parts-related expense, depending on specific circumstances.

*Note.* Tank-Automotive and Armament Command logistics assistance representative or Tank-Automotive and Armament Reference command system change requests to assist with or guide MWO questions and issues.

### **Section III**

#### **Lateral Transfer of Property**

#### **14–20. Transfers**

Transfers of nonexpendable property from one organization to another are called lateral transfers. These transfers are made when there is excess property in one organization and shortages in another or when equipment is withdrawn from the ARNG or USAR and transferred to RA per paragraph 14–24.

- a. All transfers of equipment will be synchronized and coordinated per AR 710–1 through DST.
- b. Commanders or activity supervisors will ensure transfers are posted to the property book upon receipt within processing standards in Table 1– 1.
- c. Property transferred will meet the standards in AR 750–1.
- d. Scrap or salvage will not be transferred.
- e. The gaining APO for APSR fielded activities/companies will update the unique item registry per AR 710–3 if the APSR does not perform this function automatically.
- f. Classified COMSEC materiel will be transferred/shipped by COMSEC account manager through approved COMSEC channels as specified in TB 380–41.
- g. Noncatalogued, nonstandard commercial items. The availability of excess serviceable materiel will be advertised by the senior commander or activity supervisor within the geographic area and around the installation holding the materiel. Materiel will also be cross leveled on the installation. Materiel will be held

for possible demand for 30–days after advertising. Commanders or activity supervisors will ensure organizations attempt to identify and catalog items with an AEMM approved NSN or material number before turn-in to the DLA–DS.

#### **14–21. Transfer approval**

Lateral transfers will be made when approved by or at the direction of:

- a. For deployable property.* The lowest level commander or activity supervisor over both organizations involved if in the same Component (RA, ARNG, or USAR).
- b. For fixed base property on the same installation.* The senior commander or activity supervisor, if property is within the same Component and will not be transferred to another Component.
- c. For fixed base property between installations.* The lowest level commander or activity supervisor over both installations involved. When the transfer involves two ACOMs, ASCCs, or DRUs, coordinate it between the commands. If approved, the losing ACOM, ASCC, or DRU directs the transfer.
- d. Approving authority.* When the ACOM, ASCC, or DRU is the directing or approving authority for lateral transfers between different commands, the ACOMs, ASCCs, or DRUs may delegate the authority to the installation supply division, LRC, or equivalent. Within AMC organizations, the LRC or equivalent may further delegate to the installation equipment manager.
- e. Army National Guard.* In the ARNG, the USPFO may delegate their authority to the APO when the property book has been centralized at a division or brigade.
- f. Transfer property.* Process all requests to transfer property from the ARNG and the USAR to the RA per paragraph 14–23.
- g. Non-Army organizations.* Transfers of property between Army and non-Army organizations requires the approval of DCS G–4, Director of Supply Policy Directorate (DALO–SPE).

#### **14–22. Equipment reduction initiatives**

In the event of an Armywide equipment reduction initiative such as force restructuring or other mass divestitures, some or all of the below initiatives can be approved by the DCS, G–4 (approval must be in writing from the appropriate higher HQ).

- a.* Excess equipment can be identified to be turned in to supporting maintenance facilities to expedite bringing the equipment to AR 750–1 standards for turn-in or transfer. Funding for this requirement will be determined at the time of execution by the DCS, G–4.
- b.* Excess equipment can be identified to be turned-in “as is” condition to expedite processing.
- c.* Other special circumstances for equipment turn-in or transfer must be requested as an Exception to Policy to the appropriate proponent for the policy; in some cases, the equipment must be on a published command internal transfer, or a valid DST issued PSD and the PSD must be complied with.

#### **14–23. Withdrawal or diversion of Reserve Component equipment**

This paragraph provides procedures for ACOM/ASCC/DRU commanders to request the withdrawal or diversion of ARNG and USAR equipment, to include equipment purchased under the dedicated procurement program. All requests to transfer property from the ARNG and the USAR to the RA require approval by the Secretary of Defense per DoDI 1225.06.

- a.* ACOM/ASCC/DRU commanders will forward requests for the withdrawal or diversion of RC equipment to the DCS, G–3/5/7 (DAMO–ODR), 400 Army Pentagon, Washington, DC 20310 –0400. The DCS, G–3/5/7 (DAMO–ODR) will staff each request to establish the availability of needed equipment. The DCS, G–3/5/7 (DAMO–ODR) will coordinate each request with the CNGB and Office of the Chief of Army Reserve prior to forwarding the request to the Assistant Secretary of Defense for Strategy, Plans and Capabilities.
- b.* ACOM/ASCC/DRU commanders will provide the following for each request for withdrawal or diversion of ARNG/USAR owned equipment:
  - (1) Complete justification and actions taken internally to fill shortages (for example, internal redistribution) before requesting RC equipment.
  - (2) Complete unit designations, locations, MTOE/TDAs, and UICs of the gaining and proposed losing units.
  - (3) Detailed information for each line item requested including LIN, ARC, NSN or material number, nomenclature, quantity required, quantity authorized, quantity on hand, quantity currently requisitioned with



document numbers, and whether an item requested was bought under the dedicated procurement program.

(4) Replacement plan.

c. ACOM/ASCC/DRU commanders requesting authority to withdraw or divert ARNG and USAR equipment will submit detailed replacement plans to the DCS, G-3/5/7 (DAMO-ODR). ACOM/ASCC/DRU commanders will return, fund the replacement, or replace in-kind each withdrawn item at no cost to the ARNG and USAR.

d. When the President orders the RA or mobilizes RC units under full mobilization (10 USC 12301(a)) or partial mobilization (10 USC 12302(a)), or the Presidential Selective Reserve Call Up (10 USC 12304), ACOM/ASCC/DRU commanders requesting authority to withdraw equipment must submit projected replacement plans as follows:

(1) For equipment withdrawn from mobilized units, ACOM/ASCC/DRU commanders requesting authority to withdraw RC equipment will submit replacement plans to the DCS, G-3/5/7 within 60 days of the date the unit is released from active duty.

(2) For equipment withdrawn from units not mobilized or ordered to active duty, ACOM/ASCC/DRU commanders requesting authority to withdraw or divert RC equipment will submit replacement plans to the DCS, G-3/5/7 within 60 days of the date the equipment is withdrawn or diverted.

(3) When individual Soldiers are ordered to active duty under a Presidential Selective Reserve Call Up (10 USC 12304), ACOM/ASCC/DRU commanders requesting authority to withdraw RC equipment will submit the replacement plan as a part of the request for withdrawal or diversion.

e. Transfer accountability for approved equipment withdrawals by a lateral transfer. The affected USAR ARNG HQ commander will ensure losing units drop the transferred equipment from the unit property book and requisition replacement items immediately.

f. Requests for ARNG-owned equipment will be forwarded to Chief, NGB, ARNG-G4-LGS, 111 S. George Mason Drive, Arlington, VA 22204.

g. Requests for USAR-owned equipment will be forwarded to Commander, U.S. Army Reserve Command (AFRC-LGS-E), 4710 Knox Street, Fort Liberty, NC 28310-5010.

h. For ARNG loans, the State USPFO processes loan requests per AR 700-131.

i. For USAR loans, the USARC Deputy Chief of Staff for Logistics will process loan requests per AR 700-131.

(1) Upon approval of loan request, the gaining ACOM/ASCC/DRU commander and the RC HQ commander will ensure a joint TI of equipment to be loaned is accomplished per AR 750-1 and applicable TMs. Maintenance deficiencies and component shortages will be annotated and filed with accountability documents.

(2) Gaining ACOM/ASCC/DRU commanders will report all temporary loans over 60 days to the DCS, G-3/5/7 (DAMO-ODR). Identify the gaining and losing organizations, LIN, NSN or material number, nomenclature, quantities involved, date of the loan and expected date of return.

(3) When an item on temporary loan must be held for over 90 days by a RA unit, the gaining ACOM/ASCC/DRU commander will submit a request for withdrawal. Submit the request prior to the 60th day of the loan.

#### **14-24. Unit identification code and Department of Defense activity address code changes to property accounts**

When a parent organization maintaining a property book is notified that the UIC and DoDAAC will be changed, process a transfer of property from the previous UIC and DoDAAC following the procedures in the APSR EUM. File a copy of the resulting document confirming the transfer of property between accounts.

#### **14-25. Transfer procedures**

*a. Transfer of property as follows:*

(1) Determine the item to be transferred.

(2) Make sure the item meets 10/20 maintenance standards.

(3) The losing organization prepares transfer documents following procedures in the APSR EUM, using system-generated or electronic forms produced by the APSR. Prepare the transfer documents in enough copies to meet the needs of the losing and gaining organizations. See paragraph E-23 to prepare hard copy forms for lateral transfer when required.

(4) Document any component shortages using the procedures in the APSR EUM. DA Form 2062 in hard copy will only be used if the APSR cannot generate shortage listings for the specific item. Include the shortage listing with the transfer transaction. The organization designated representative (DA Form 1687) will sign and date the transfer document as the issuing individual.

(5) Notify the gaining organization's APO that the property is ready for transfer.

*b. Losing organization.* The losing organization personnel will ensure action is initiated to transfer OMA, funds to the gaining organization when OMA funded components (appropriation and budget activity code 3 or 5) are missing from property transferred within the same ACOM, ASCC, or DRU.

*c. For transfer of accountable classified communications security equipment.* Document transfers of COMSEC material per the procedures contained in this regulation, TB 380–41, and instructions of the central office of record. Central asset managements that transfer material must ensure they receive a signed receipt digitally or with an ink signature.

*d. Deliver or ship the equipment to the gaining organization or have the gaining organization pick up.*

(1) When equipment is being transferred from one installation to another, the losing organization must coordinate transportation and delivery through the installation transportation officer (ITO). If the organization is supported by a pass-through transfer/turn-in facility, complete the transfer following the facility's procedures.

(2) The losing organization personnel will schedule an appointment with the ITO to drop off equipment.

(3) The PHRH or PHRH's designated representative will ensure all supporting documentation for the transfer is with the equipment or hand deliver it to the ITO.

(4) The ITO will process the equipment for shipment and provide the losing organization with DD Form 1348–1A. DD Form 1348–1A must have the LIN, NSN or material number, and serial number in block 17 as supporting documentation to show where the equipment is in case of an audit or inspection. The organization will provide copies to their supporting APO.

(5) The losing organization PHRH, along with the ITO and losing organization APO, will track the asset from one losing installation to the gaining installation. When the equipment has arrived at the gaining installation, the losing organization APO will notify the gaining APO of its arrival.

(6) The losing organization personnel will retain all transportation documents documenting shipment of property to the gaining organization until the gaining organization receives the equipment and closes out the transfer in their APSR. All other supporting documentation for the transfer of the equipment will be retained per chapter 6 of this regulation.

*e. The primary hand receipt holder or designated representative of the gaining organization will—*

(1) Conduct a receipt of property inventory of the end item and all components (or verify shortage documentation) per paragraph 16–14 ensuring that property meets the conditions in the transfer directive.

(2) The gaining organization personnel will review the equipment data plate to ensure the NSN or material number and serial number match the lateral transfer.

(3) The organization designated representative (DA Form 1687) will sign for the property as the receiving individual.

(4) Give the losing organization's representative a copy of the signed transfer document.

*f. The gaining organization accountable property officer will—*

(1) Post the lateral transfer transaction in the APSR.

(2) Provide the losing organization APO a posted copy of the transfer document.

(3) File the original transfer document in the supporting document file.

(4) ARNG will also send a copy of completed transfer document to the USPFO.

(5) Submit requests for nonexpendable component shortages.

*g. The losing organization accountable property officer will—*

(1) Verify the completed lateral transfer transaction in the APSR.

(2) File the copy of the transfer document in the document file.

(3) Upon transfer of unclassified CCIs, APOs will comply with the reporting requirements.

#### **14–26. Transfer of organizational clothing and individual equipment when an organization moves**

When notified that an organization is moving, OCIE management activity personnel will—

*a.* Select OCIE records from the file, compute total quantities for each NSN or material number, and enter quantities by NSN or material number on the transfer document.

*b.* For hard copy property book, subtract appropriate quantities from balance in the hands of Soldiers.

*c.* For electronic business systems, process each OCIE record and subtract balances from records.

- d. Attach original and at least one copy of each OCIE record to the transfer document which will accompany the organization.
- e. Attach one copy of each OCIE record to the APO's copy of the transfer document.
- f. Retain one copy in the OCIE record file for 1 year.

## **Chapter 15**

### **Minor Property Book Adjustments**

#### **15-1. Performing minor property book adjustments**

- a. Accounting data errors affecting the balance of property records (such as incorrect postings of turn-in or receipt documents) will be corrected by reversing the effect of the incorrect entry.
- b. Minor property book adjustments that do not affect the on-hand balance as a loss or gain will be accomplished as an administrative adjustment. Follow procedures in the APSR EUM to perform the adjustment actions.
- c. If the APSR allows recording comments and/or electronically attaching supporting information (such as digital photographs, forms, or similar artifacts) to support the action as part of the APSR transaction, an externally filed supporting document is not required. System-generated adjustment documents from the APSR may be filed as supporting documents if required, or paragraph E-35 provides hard copy form procedures for DA Form 4949 when hard copy forms are used as a supporting document if an APSR cannot capture justification comments and supporting artifacts within the transaction.
- d. The PHRH or the APO will approve the adjustments prior to posting transactions.
- e. These minor adjustments are authorized only when there is no actual gain or loss of GP.
- f. If there is a possibility of physical substitution or the item is a sensitive item, initiate an investigation per AR 735-5.
- g. An administrative adjustment cannot be used to adjust lot numbers and serial numbers for items that have been exchanged during maintenance. Use a supply transaction with a turn-in and corresponding issue document to post these changes.
- h. Use administrative adjustments to account for changes or errors in data elements such as obvious serial or lot number errors, or changes to serial number requirements for a NSN or material number. For example, transposed numbers or miscopied serial numbers from issue documents will be corrected using administrative adjustments. Use administrative adjustments to add or remove serial numbers if the NSN or material number's serial number requirements change.
- i. The administrative adjustments can be used to show consumption nonexpendable items designed to be consumed when used (such as a weather balloon, or disposable single-use aerial delivery materials), including a brief explanation of the circumstances requiring the adjustment action.
- j. Essential data elements for the administrative adjustments are—
  - (1) Organization or activity.
  - (2) Document number.
  - (3) Item number (change from—change to).
  - (4) NSN or material number/LIN.
  - (5) Item description/RICC.
  - (6) ARC.
  - (7) UI.
  - (8) Quantity.
  - (9) Authority.
  - (10) Reason.
  - (11) Initiating officer signature and date (for consumption only) or equivalent authentication in the APSR.
  - (12) APO signature and date or equivalent authentication in the APSR.

#### **15-2. Discrepancies in makes, models, sizes, obvious errors in serial numbers, changes to serial number requirements**

When the NSN or material number listed on the property book differs from the NSN or material number on hand and the difference is due to discrepancies in makes, models, sizes, obvious errors in serial numbers, or changes to serial number requirements, correct the error as follows within 72-hours of verifying the correct data.

- a. Prepare adjustment documents in enough copies to meet local needs.
- b. The commander or activity supervisor, or the APO will sign and date adjustment documents or perform the equivalent verification per the APSR EUM instructions.
- c. Update property HRs and shortage listings.
- d. File the posted adjustment action in the supporting document file.
- e. For RICC 2 items, ARNG organizations send a copy of all adjustment documents to the USPFO.
- f. Report unclassified CCI NSN or material number and serial number changes to the CCISP per AR 710–3.
- g. Conduct a review for all serial number changes to validate that the NSN or material number and serial number were posted correctly on all transactions.

### **15–3. National stock number or material number changes**

When item identifying data such as NSN or material number, PN, or MCN change for an item on hand, follow procedures in the APSR EUM to perform the adjustment. For weapons and unclassified CCIs, report NSN or material number changes to the DoD Small Arms Serialization Program or CCISP, as applicable, per AR 710–3.

### **15–4. Unit of issue changes that affect the balance on hand**

When the UI of an item has changed and the change will affect the balance on hand, an adjustment is required. Take the following actions to adjust the balance if the APSR does not automatically recalculate balance changes—

- a. Calculate if the balance on hand can be converted to the new UI without a remainder. For example, the UI for an item may change from each (EA) to set (SE) consisting of two pieces.
  - (1) If 10 of the items are on hand as UI of each, the balance can convert from 10 each to 5 sets (5 SE of 2 EA).
  - (2) If 11 of the items are on hand as UI of each, the balance cannot be converted to the new UI without a remainder. The balance of 11 items would equal 5 sets (of 2 each) with 1 extra item. The extra item will be turned in as excess if the new total exceeds allowances. If the converted items and remaining partial quantities are within the organization's total allowances, retain the remainder of the partial Set and request to fill the shortage.
- b. Complete the turn-in for any excess items caused by the UI change before completing the administrative adjustment in the APSR. Follow procedures in the APSR EUM to perform the adjustment.

### **15–5. Change in accounting requirements (accountable to nonaccountable)**

An item may be changed from accountable to nonaccountable because of a change to a DA publication. For example, when an accountable item is deleted from CTA 50–900 and placed into CTA 50–970, it becomes nonaccountable. The item will be dropped from property book accounting but does not have to be turned-in because it is still authorized. For unclassified CCIs destroyed during missile or other projectile firing, attach a signed and witnessed live firing or launch statement to the adjustment transaction. Process the adjustment to the balance following the procedures in the APSR EUM.

### **15–6. Change in accounting requirements (nonaccountable to accountable)**

Items that require property book accounting are listed in chapter 5, chapter 8, and Table C–1. An item may be changed from nonaccountable to accountable because of a change to a DA publication. When an on-hand item is changed from nonaccountable to accountable, take the following actions—

- a. Count the item to find the quantity on hand.
- b. Process the adjustment to the balance following the procedures in the APSR EUM.
- c. Request any resulting shortages in the APSR.

### **15–7. Assembly or disassembly of an end item**

NICPs, life cycle managers, or other enterprise-level agencies may direct an end item identity change through assembly of an end item from components, or disassembly of a standard end item into components. Organizational level requisitioning or assembling of excess repair parts and/or components to create an unauthorized end item is prohibited.

- a. Assembly. Some items are requested by component but are accounted for as end items. Examples of these items are tents and some SKOs. Account for these items upon receipt of the main item in the

combination, such as canvas for a tent or the main storage cases for SKOs. Some CMI may require separate maintenance plans, which may require the asset to exist as an end item equivalent (as a property book asset) to enable configuration as a reportable system per the APSR EUM.

b. Disassembly. Most items assembled as a standard end item may not be disassembled without NICP approval. Examples of those items are generators and power organizations. Some items are requested as end items but are turned-in by component. An example of this scenario includes certain types of radio sets when turned-in to Depot activities. Disposition instructions will direct disassembly of the expendable cables, mounts, and amplifiers to turn-in separately to the SSA, then returning the radio transmitters to the depot as nonexpendable separately posted items. When all components of the end item are turned-in, drop the item from accountability.

c. Follow the procedures for assembly of an end item in the APSR EUM. For disassembly, complete turn-in or other directed redistribution of the disassembled components prior to completing the disassembly adjustment in the APSR. Attach all component turn-in or redistribution supporting documents with any disassembly administrative adjustment. When the end item is issued to the HRH, update shortages per chapter 12 if necessary.

#### **15–8. Consumption of class I, II, III, basic loads or class V combat loads**

When class I, II, III, basic load, operational load, and class V CL issued in support of research, development, test, and evaluation (RDT&E) items are consumed, adjust the property records. Some items lose their identity through use (for example, detector kits and decontamination kits, FSC 4230) or are depleted (basic loads). Follow procedures in the APSR EUM or use DA Form 4949 to adjust the property book records. Any other regulatory requirement recording consumption is separate from the property book adjustment. Take the following actions:

a. The responsible official will prepare adjustment documents in enough copies to meet local needs. Enter the following:

(1) Name of the organization in the Organization/Activity block.  
(2) Data for the consumed item in the columns of the Change From section. Include date of pack for meals, combat individual in the Item Description column. Include the lot number for class V items in the Item Description column.

(3) Reason for the change in the Authority block. An example is “field training exercise 11–26, May 2022.”

(4) If DA Form 4949 is used, check the Consumed checkbox.

b. After DA Form 4949 is prepared, the responsible official will—

(1) Sign and date adjustment document. Sign in the Initiating Officer’s Signature block.

(2) Send the adjustment document to the APO.

c. The APO will—

(1) Sign and date adjustment document.

(2) Post the adjustment document to the property book following procedures in the APSR EUM. Annotate the document transaction number on the adjustment document.

(3) Update property HRs and shortage listings.

(4) File the adjustment document in the supporting document file.

(5) Request replacement items.

(6) In the ARNG, send a copy of the adjustment document to the USPFO.

d. Property records are not required to be adjusted when:

(1) Basic loads are rotated, except to change lot numbers and serial numbers recorded in the APSR for class V CLs to show lot numbers and serial numbers of newly received class V CL items.

(2) Class III basic load items that are routinely stored in equipment fuel tanks are consumed. Replenish this portion of the load from the operational load.

e. ARNG commanders, if directed by the CNGB, will document use of training ammunition per DA Pam 700–16.

## **Chapter 16**

### **Evaluations, Inspections, Inventories and Reporting**

#### **16–1. General requirements and references**

a. The commander, PEOs (GO/SES), PMs (COL/GS15) and PdM (LTC/GS14)/supervisor, or activity supervisor ensures property—

- (1) Accounting is complete and accurate to include, for example, serial numbers and lot numbers.
- (2) Is on hand and serviceable.
- (3) Is safeguarded and internal control measures are in place and enforced.
- (4) Excess property is turned in or transferred per published organization-internal disposition, if possible, or decision support tool disposition within the timeframe allotted unless PSD has a reclama submitted.

b. Brigade and/or battalion level or equivalent commanders or supervisors, PEOs (GO/SES), PMs (COL/GS15) and PdM (LTC/GS14) will evaluate all supply operations using the standards of the CSDP as outlined in chapter 3 of this regulation, requirements listed in DA Form 7768, and procedures per this chapter.

c. Commanders, PEOs (GO/SES), PMs (COL/GS15) and PdM (LTC/GS14) at every level and supervisors ensure that physical security inspections are conducted per AR 190–11 and AR 190–13.

#### **16–2. Inventory policy**

a. Properly planned and executed physical inventories and location surveys continuously improve accountable property record accuracy. The scheduling, type, method, and scope of the physical inventory process depend largely on the activity's management expectations. Such expectations include ensuring mission readiness, audit readiness, testing for existence and completeness, maintaining internal controls, or meeting other mission objectives. Written inventory plans that detail how and when all property will be inventoried must be approved by the local APO and be made available for review during evaluations and inspections, or by audit personnel as required. Physical inventories may take different forms, including wall-to-wall, cyclic, sampling, and "by exception" methodologies.

b. This chapter prescribes mandatory inventory intervals and methods for the APO and APO appointing authority to develop suitable inventory plans which comply with DoDI 5000.64 and DoD 5220.22–M.

c. Physical inventory plans will provide a schedule for completion of all physical inventories and must include an awareness of an item's acquisition or replacement cost, security classification, and its criticality.

d. A minimum 98 percent physical inventory accuracy rate (100 percent for classified or sensitive property) will 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, per ASTM International E–2132–11 standards. Property loss must be calculated by using the number of items reported per the procedures in DoD 7000.14–R.

e. Sampling methods may be used to supplement a mandatory inventory requirement. 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 at the prescribed intervals per this chapter. Do not use sampling methods for classified or sensitive property.

f. Favorable physical inventory results do not eliminate the need for compliance with internal controls or the need for continuous improvement. Internal controls and procedures should be regularly evaluated for effectiveness and improvement.

g. Inventory by exception is authorized per paragraph 16–9 by the APO responsible for that custodial area or asset type. This type of inventory uses actions or transactions (for example, move orders, maintenance actions, calibration checks, usage logs (or flight logs)), where the items are "touched" by disinterested parties (for example, 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 internal control procedures to ensure the validity of accountable property records.

h. The physical inventory of GFP should be performed by the contractor per terms and conditions within the contract, per GFP policy in chapter 10 inventory policy per chapter 16 of this regulation. Physical inventory requirements for GFP to be performed by a contractor beyond the requirements of the

mandatory property clauses (FAR 52.245–1 and prescribed DFARS clauses) must be dictated in the work statement and supported by a DD Form 1423 (Contract Data Requirements List).

*i.* A MOA should be in place for items held by other DoD Components to establish the terms for inventory validation. The MOA should include the data required, responsibilities of personnel (both owner and custodian), validation frequency, or other specific needs of the property owner. Ownership of property held in custody of another DoD Component does not automatically transfer to the custodian. Financial responsibility and reporting are maintained by the property owner.

*j.* Inventory methods may vary depending on the location and type of property and are directed by the command or APO in the inventory plan, along with approved methods, procedures, and the control measures required to ensure independent verification of the inventoried assets. Inventories are conducted to verify existence of the asset and completeness of the accountable record, and may include identification or verification of additional information, such as use, condition, status, NSN or material number and serial number confirmation, model confirmation, manufacturer confirmation, assigned user, year of manufacture or other data elements. This may include direct physical touch, video, photographs, AIT devices, and other electronic methods as long as the method used provides an indication the asset exists at the time the observation is made for inventory.

### **16–3. General requirements**

*a. Unique Item Tracking.* For units whose Unique Item Tracking (UIT) transactions are not fed into an Army serial number tracker (ARSNT) directly, AR 710–3 requires that all APSRs enable activities to report transactions for all RICC 2, A, B, C, and Z items.

(1) Property book ARSNT reporting is automatically accomplished if the property book is maintained by an APSR. If the property book is not automated, but the SSA through which issue and receipt transactions are processed is automated, then these transactions will be automatically reported to the registry. Other transactions such as lateral transfers and administrative adjustment reports, which are not processed through an SSA must be reported by the APO per AR 710–3. If both the property book and supporting SSA through which issues and turn-ins are accomplished are manual, SSA personnel will manually report all transactions for reportable items to the central collection activity (CCA) for entry into the Web UIT. The DA minimum goal for ARSNT compatibility is 98 percent.

(2) RICC changes for nonautomated property books with MTOE/TDA property on hand will be reported by the APO to the CCA within 15 days. The APO will report RICC changes from zero to two, A, B, C, and Z.

(3) Property administrators or APO for Government-owned, contractor-operated facilities will comply with this paragraph and AR 710–3 in reporting all reportable items to the UIT Registry.

(4) COMSEC Account Managers will report all classified COMSEC reportable items to the AESIP database per AR 710–3. Unclassified CCI and CHVP are reported per AR 380–40.

*b. Automated Resource Management System.* Automated equipment will be reported to the Automated Resource Management System (ARMS) database. The purpose of the DoD ARMS is to provide asset visibility to the Defense Automation Resources Information Center in support of DoD resource managers worldwide.

*c. Additional asset reporting policy.* AR 710–3 contains additional policy for asset reporting systems.

### **16–4. Capital equipment reporting**

*a.* General property plant and equipment and Real Property with a unit cost of \$250,000 and up, must be recorded, depreciated, and reported annually to the Defense Finance and Accounting Services (DFAS). DFAS prepares Consolidated Balance Sheets and other Federal financial statements and provides annual reports to Congress for the DoD.

*b.* National Defense Equipment Property and Plant and Equipment is reported in the Annual Army Financial Report on the required Supplementary Stewardship Information Report. This includes 280 MTOE property items. Missiles are excluded and are reported as Operating Materials and Supplies.

### **16–5. Department of Defense Small Arms Serialization Program**

The purpose of the Department of Defense Small Arms Serialization Program (DoDSASP), (requirement control symbol DD–MIL (A) 1629) is to maintain continuous visibility over small arms by serial number from procurement through DEMIL and disposal. It is designed to provide investigative agencies, within 72 hours, the identification of the last Army activity accountable for a specific serial numbered small arm.

- a. An Army APSR objective is to accomplish DoDSASP reporting by supply and accounting systems as a by-product of processing supply transactions such as receipt, issue, transfer, and adjustment.
- b. If DoDSASP reporting is not automatically accomplished by the APSR used, comply with the procedures in AR 710–3. The serial number data will be provided to the designated local supporting DoDSASP reporting activity within five days of the supply transaction. The local Small Arms Serialization Surety Officer will ensure that the local DoDSASP reporting activity files are updated, and the data is formatted and reported to the UIT Central Registry within 10 days of the supply transaction. ACOM/ASCC/DRU commanders will designate the reporting activities within the command, which operate on an installation or overseas area support basis. APO/SSAs will identify their supporting reporting activity.

#### **16–6. Controlled Cryptographic Item Serialization Program**

The purpose of the CCISP is to maintain continuous visibility over designated CCI and CHVP end items by serial number from procurement through DEMIL and disposal. It is designed to provide the NSA and other investigative agencies, the identification of the last Army activity accountable for a specific serial numbered cryptographic device.

- a. The NSA designates items as CCI/CHVP and establishes asset-tracking requirements. All CCI end items are reportable based on their assigned RICC. SB 700–20 identifies reportable CCIs and those exempted from CCISP reporting.
- b. An Army APSR objective is that CCISP reporting will be accomplished by supply and accounting systems as a byproduct of processing supply transactions such as receipt, issue, transfer, and adjustment.
- c. If CCISP reporting is not automatically accomplished by the APSR used, comply with the procedures in AR 710–3. The serial number data will be provided to the designated local supporting CCISP reporting activity within five days of the supply transaction. The local CCI serialization surety officer will ensure that the local CCISP reporting activity files are updated, and that the data is formatted and reported to the UIT Central Registry within 10 days of the supply transaction. ACOM/ASCC/DRU commanders will designate the reporting activities within the command that operate on an installation or overseas area support basis. APO and SSAs will identify their supporting reporting activity.

#### **16–7. Communications security equipment asset control and reporting**

The NSA, as the National Manager for all COMSEC material, mandates strict control and accounting of such items from initial manufacture and production to proper disposition and destruction.

- a. Classified COMSEC equipment and components are accounted for in the CMCS by COMSEC account managers operating established COMSEC accounts. APOs managing DoDAAC accounts are required to maintain property records within an APSR or on manual accounting records (manual accounts) for all classified items authorized in TAADS. However, such records will only reflect authorization and identification data. Accounting and management information for classified COMSEC equipment is maintained for the responsible commander or activity supervisor by the supporting COMSEC account. Property book and stock record accounts are prohibited from accounting for classified COMSEC equipment. (See para 4–18 and chapter 8 for additional procedures.)
- b. All unclassified COMSEC equipment end items (class II and class VII) designated controlled item and CHVP must be separately accounted for by serial number on property book records. CCI and CHVP equipment installed into larger systems as component end items are identified as associated support items of equipment in basis of issue plans during system development. Because the NSA mandates the total visibility and strict accountability of COMSEC equipment by serial number for reasons of national security, separate accountability for CCI and CHVP is required on property books and, its continuous reporting and tracking via the CCISP is mandatory. (See AR 710–3 for detailed policies and procedures).

#### **16–8. Radiation Source Tracking System**

The purpose of the DoD Radiation Source Tracking System is to maintain continuous visibility by serial number and wipe test of all chemical detector and monitor components requiring periodic testing and tracking per AR 710–3. The Radiation Source Tracking System is designed to provide the identification of the last Army activity accountable for a specific serial numbered cell and to track wipe test data. APOs will ensure that serial numbers for source components are recorded on property books. APOs will report changes to the designated source serialization officer (SSO) as prescribed in AR 710–3. Serial numbers will be reconciled as directed by the SSO.



a. An Army logistics APSR objective is to have Radiation Source Tracking System reporting accomplished by supply, accounting, and maintenance systems as a byproduct of processing supply transactions such as receipt, issue, transfer, and adjustment, and maintenance actions such as wipe testing.

b. If Radiation Source Tracking System reporting is not automatically accomplished by the APSR used, comply with the procedures in AR 710–3. The serial number data will be provided to the designated local Radiation Source Tracking System reporting activity within five days of the supply transaction. (See AR 710–3 for wipe test reporting requirements.) The SSO will ensure that the local Radiation Source Tracking System reporting activity files are updated, and the data is formatted and reported to the UIT Central Registry within 10 days of the supply transaction. The ACOM/ASCC/DRU commanders will designate the reporting activities within the command, which operate on an installation or overseas area support basis. The APO/SSAs will identify their supporting reporting activity.

#### **16–9. Inventory methods**

a. Inventory methods may vary depending on the location and type of property and are directed by the command or accountable officer in a written annual inventory plan, along with approved methods, procedures, and the control measures required to ensure independent verification of the inventoried assets. Changes to the inventory plan must be documented in written addendums to the plan. The APO must provide the written inventory plan during evaluations, inspections, and audits.

b. Inventories are conducted to verify existence of the asset and completeness of the accountable record, and may include identification or verification of additional information, such as use, condition, status, NSN or material number, UII and serial number confirmation, model confirmation, manufacturer confirmation, assigned user, year of manufacture or other data elements.

c. Inventory methods may include direct physical touch, video, photographs, AIT, and other electronic methods as long as the method used provides an indication the asset exists at the time the observation is made for inventory. For example, live video may allow a remote individual to inventory an asset in an inaccessible area and reasonably confirm the item's data, but pre-recorded video or still photos without date and time records may be subject to fraud or manipulation. The inventorying individual and responsible official certifying the inventory must be confident the remote means provide sufficient controls to perform an accurate observation for inventory.

d. Inventories are categorized as physical inventories or inventories by exception. Sampling is a supplemental control measure but does not replace an inventory observation.

(1) Property inventoried on a previous inventory within the inventory period does not require additional inventories, subject to the accountable officer's inventory plan. For example, ASIOE and CMI inventoried with parent items of a system does not require an additional cyclic inventory.

(2) Any 100 percent inventory completed within the annual inventory period can satisfy the annual inventory requirement and does not require additional scheduled cyclic inventories.

(3) If longer inventory intervals are scheduled, sampling may be used to monitor general property management compliance between inventories to assess the need for additional directed inventories. For example, an APO in a garrison facility or a storage site with little movement of property may determine an annual inventory is sufficient, with random monthly samples of a small number of items to verify existence and completeness. If the samples discover discrepancies, a directed inventory of a specific HR or activity may be necessary, while those in compliance may continue with the longer intervals.

e. Physical inventories involve verification through observations by the individual performing the inventory. In all physical inventories the inventorying individual is the person observing the item (directly or remotely through real time electronic means), verifying the data, and recording the results. All inventories must use AIT whenever possible to improve inventory accuracy and efficiency. Examples of physical inventories include:

(1) Wall to wall (or "closed" inventory)—completing a 100 percent inventory of all items in a single inventory event, with the facility closed to inventory movement.

(2) Cyclic (or "open" inventory)—completing a 100 percent inventory requirement using scheduled intervals to inventory a percentage of total items throughout an inventory period.

f. Sampling—inventorying a sample size selected portion of total items as an additional control measure. Sampling cannot be used for classified or sensitive items and does not replace 100% inventories or directed inventory requirements but can be used to assess quality and accuracy of inventories, to identify potential problems which might require more complete inventories, and as control measures used by commands to monitor and assess performance of subordinate activities.

(1) Sampling for existence testing, also known as book-to-floor inventory, means checking to ensure property data provided from the APSR matches the data on the asset's data plate and associated supporting documentation, confirming an accountable asset exists as recorded in the accountable record.

(2) Sampling for random completeness testing, also known as floor-to-book inventory, verifies assets are accounted for in an APSR and the accountable records are complete and match the asset. In this type of inventory, the inventorying individual will randomly select assets, annotate identifying data (model, nomenclature, NSN or material number, UIC, serial number, owning UIC, and so forth) and compare that data with information in the Army's APSR for completeness testing.

(3) Statistical/Judgmental—using statistical mathematical models or judgment based on experience to determine items and quantities to sample. For example, statistical analysis of transaction errors might indicate problems with a process or suggest a recommend sample size and item type to determine if problems exist. Judgment-based samples by experienced personnel may suggest samples based on observation of past trends, indicating certain items must be sampled more often than others.

*g.* Inventories by exception use actions or transactions completed in the normal course of business, where the items are “touched” by disinterested parties without stewardship responsibilities for the property, supported by documentation directly associated with a specific accountable asset. The supporting documentation for the transactions or actions can be used as evidence for a physical inventory of a specific asset. In inventories by exception the individual performing the inventory is not directly or personally observing the asset itself but is verifying and reconciling the supporting documents generated by the transactions or actions. Inventories by exception can include electronic verification, or inventory by proxy, but the inventorying individual and responsible official certifying the inventory must be confident the supporting documentation used confirms existence of the asset and completeness of the accountable record.

(1) Electronic verification of equipment examples:

(a) Information technology network scans that can trace a network identification to a physical item.

(b) RFID, telematics, global positioning, or other indicators that can be traced to a specific physical item.

(2) Inventory by proxy examples:

(a) Maintenance records, such as calibration checks, work orders, or other actions that require the individual performing the action to verify a specific asset, creating verifiable transactions or paper supporting records.

(b) Dispatch logs, flight logs, or movement orders that indicate a specific asset was verified and a transaction performed to record the usage or movement.

#### **16–10. Command inspections and reviews**

*a.* Commanders and activity supervisors will inspect all subordinate organizations or activities for compliance with supply operations addressed in this regulation. Frequency of command inspections will be per the CSDP per chapter 3 of this regulation. Commanders or activity supervisors may elect to use staff personnel to conduct the inspection of an installation level supply operation when resources of the next higher command are not available. Commanders and activity supervisors will ensure that inspecting personnel are not from the activity being inspected and that there is no conflict of interest.

*b.* Conduct command inspections per chapter 3 of this regulation.

*c.* CSDP requirements tables are published in DA Form 7768 (Command Supply Discipline Program Evaluation Report) as a mandatory interactive checklist to conduct evaluations.

*d.* Commanders or activity supervisors at all levels will ensure semiannual property book reviews are conducted and documented (for example, training calendars).

(1) These reviews can be consolidated and executed at any level as long as all subordinate organizations (for example, detachment, company, and so forth) are included. The intent is to ensure organizations identify, recover, account for, and reintegrate excess property back into the Army supply system.

(2) Property book reviews will ensure that—

(a) All equipment/supplies are brought to record on the organization property book through inventories of all buildings, sheds, and containers located within the command footprint.

(b) Identify, bring to record, and request command internal transfers if possible or a PSD from the command DST for all excess property within 10 days of identification.

## **16–11. Inventory general requirements**

a. The APO must prepare written inventory plans that detail how and when all property the APO is accountable for will be inventoried. The APO publishes inventory plans for PHRHs awareness, and inventory plans must be made available for review during evaluations and inspections, or by audit personnel as required.

b. Physical inventories may take different forms per paragraph 16–1 and other paragraphs in this chapter.

c. See table 16–1 for prescribed inventories, intervals, and inventory requirements.

d. Use AIT integrated with the APSR to the fullest possible extent to ensure efficient and accurate inventory results and capture of IUID information per AR 700–145.

e. Visually check the condition of the items during inventory. If they are damaged, report the damage to the issuing activity during receipt, or to the supporting maintenance activity for items in the organization's possession.

f. AR 710–3 explains which items require serialized item management within an APSR and during the item's life cycle, but other items may be issued with serial numbers on receipt documents regardless of whether the serial number is tracked in the APSR.

(1) Verify items with physical serial numbers and ammunition lot/serial numbers.

(2) Compare the item's physical serial number with the one recorded on the supporting documents and the APSR records. If there is no serial number listed on receipt documents, but the item has a physical serial number, enter it on the receipt document for future reference if serialized item management requirements change. Report any serial number problems to the issuing activity for correction.

g. HR holders at all levels should pay particular attention to data plates when conducting all inventories. When a data plate and/or IUID marking is discovered missing, damaged, or unreadable the following steps should be taken:

(1) The organization representative will check the TM first to see if the data plate is a field level replacement item and can be ordered through the normal supply process.

(2) If the data plate is not available within the TM then the organization representative is to check with their onsite logistics assistance representative which, in return, will contact the PM responsible for the equipment to get another data plate made or replaced.

(3) A new data plate can be made at the organization's cost by utilizing the Letterkenny Army Depot website at <https://www.letterkenny.army.mil>.

h. Unless specified as an end-item-only inventory in this regulation, all inventories require verifying components using the most current appropriate publication per chapter 12.

i. Inventory of weapons and controlled items.

(1) Inventories of weapons and ammunition will not be done by organization armorers nor by the same person two months in a row.

(2) Inventories of controlled items other than weapons and ammunition are done by any PHRH.

j. Property that is lost, damaged, or destroyed is accounted for per AR 735–5.

k. Loss of COMSEC equipment, CHVP, and CCI requires the submission of an incident report per TB 380–41.

l. Property determined to be unserviceable through FWT is disposed of per chapter 14.

m. Causative research (see glossary) is conducted to determine the reason for inventory discrepancies.

n. Inventory of medical SKOs and assemblages are conducted per AR 40–61.

o. Inventory of historical art and artifacts are conducted per AR 870–20.

p. Inventory of stock record accounts at the retail level is conducted per AR 710–2.

q. Inventory of stock record accounts at AMC supply distribution activities and depots is conducted per AR 740–26. Personal property at these facilities is inventoried per paragraph 16–12.

r. Library materials accounted for under the provisions of AR 735–17 will be inventoried on cyclic basis so all items are inventoried at least once every 3 years.

s. For USAR and ARNG, jointly held inventory of organization ammunition and explosives (A&E) and facility keys will be inventoried with key and lock custodians during change of commander (change PHRH) inventory, if so directed by the CNGB. The ARNG/USAR organization/activity commanders, if so directed by the CNGB, will conduct physical counts monthly of A&E and inventory A&E by serial number quarterly. (See AR 190–51 for activity and vehicle keys, and locks inventory.)

t. All classified COMSEC equipment, components, key assigned account legend code 1 or 2 must be physically inventoried at least semiannually, and the inventory results reconciled with the Army COMSEC Army COMSEC Central Office of Record. All other COMSEC material accounted for by the COMSEC Account Manager such as equipment and components must be physically inventoried at least annually or upon change of custodian. (See procedures in TB 380–41.)

## 16–12. Inventories of personal property at U.S. Army Materiel Command supply distribution activities and depots

a. Supplies and equipment on hand at AMC accountable supply distribution activities and depots will be inventoried once a year according to Defense Logistics Manual 4000.25–2. This will be done more often when prescribed by other regulatory guidance.

b. A complete physical inventory of all supplies and equipment in storage at SSA awaiting issue or turn-in will be accomplished annually per table 16–1, as applicable. The results will be reconciled with the stock accounting records.

c. At the user level, all on-hand property carried on property book records and/or HR records will be inventoried annually, or upon change of the PHRH, whichever comes first.

d. Upon change of the APO, all property not issued on HR will be jointly inventoried by the outgoing and incoming APOs. The conduct of these inventories will be documented, and the results reconciled with the accounting records. See table 16–1 for variances in the frequencies of these inventories. The above inventories will be accomplished per this chapter.

e. Real property heritage assets will be inventoried at least once every 3 years or upon change of the APO, whichever comes first, per AR 405–45. The results will be reconciled with the accounting records. Real property, general property, and equipment and stewardship land will be inventoried at least once every 5 years.

f. For Army prepositioned stocks, a 100 percent inventory is required when ships are off loaded during cyclic maintenance vessel berthing. Inventories will be conducted more often when prescribed by other regulations or when directed by the commander, activity supervisor, or the APO. The person having possession of, or having command and/or direct responsibility, over the property is responsible for the conduct of the inventory. The APO will ensure inventories are conducted when required. A record of the inventory and all administrative or property adjustment documents resulting from the inventory will be maintained with the property records for a minimum of 2 years.

g. Installation support activities collocated with Army maintenance depots will inventory their materiel assets using the inventory rules of Defense Logistics Manual 4000.25–2.

h. When and where feasible and practical, physical inventories will be accomplished using AIT.

**Table 16–1**  
**Type of inventories and discrepancies**

Inventory type	Requirements	Time allotted/Frequency
Change of PHRH (commander/PHRH or other appointed PHRH)	a. Incoming and outgoing PHRH will conduct joint inventory of property listed on the primary HR (see paragraph 12–7). For USAR and ARNG, joint inventory organization property not further hand receipted below the PHRH level. Inventory conducted per AR 190–51 for activity and vehicle keys and locks, AR 190–11 for arms, A&E keys, and locks.	Within 30 days before effective date of assumption of duties.
	b. Inventory will be completed before new PHRH assumes duties or outgoing PHRH departs (whichever is first).	Not applicable.
	c. When inventory cannot be completed, a written request for extension will be requested from next higher command.	Maximum of two extensions (15 days each) may be granted by next higher commander/Major USAR Command/State AG.

**Table 16–1**  
**Type of inventories and discrepancies—Continued**

<b>Inventory type</b>	<b>Requirements</b>	<b>Time allotted/Frequency</b>
	d. In the event an outgoing PHRH cannot be present, the next higher commander, PEO (GO/SES), PM (COL/GS–15), PdM (LTC/GS–14) or activity supervisor will ensure the PHRH interests are protected by appointing a disinterested officer who will remain until the incoming PHRH assumes responsibility. The officer appointed to protect the interests of the outgoing PHRH will accept temporary responsibility for the property. An inventory of property by the disinterested officer and incoming PHRH must again be accomplished.	
PHRH inventory (includes GFP and UH furnishings)	<p>a. Inventory property as directed by the APO.</p> <p>b. Prepare a signed and dated statement of inventory results. System-generated output from APSRs will satisfy this requirement, or memorandum. Hard copy systems use procedures in this regulation. File and distribute inventory results as follows:</p> <p>(1) One copy in the organization.</p> <p>(2) Original copy to APO.</p> <p>(3) When property books are at using organization level, send copy to next higher commander, activity supervisor, or PEO (GO/SES), PM (COL/GS–15), and PdM (LTC/GS–14).</p>	Annually or cyclic (monthly, quarterly, or semiannually) as directed by the APO (USAR every 18 months). This includes a floor-to-book sampling as describes in paragraph 16–12.
Change of APO	<p>a. Outgoing APO will verify all property on HR has been inventoried.</p> <p>b. Incoming and outgoing APO will jointly—</p> <p>(1) Inventory all property that is not on HR.</p> <p>(2) Verify property books and associated files are complete and accurate.</p> <p>c. Commander, activity supervisor, PEOs (GO/SES), PMs (COL/GS–15) and PdM (LTC/GS–14) of the outgoing APO will ensure—</p> <p>(1) Records are brought to satisfactory condition, if notified (in writing) by incoming APO of unsatisfactory condition.</p> <p>(2) Adequate time is provided to conduct this inventory.</p> <p>d. Incoming APO becomes accountable on effective date when no extensions are granted.</p>	<p>Within 30 days before the effective date of APO change (USAR 60 days).</p> <p>Commander, activity supervisor, PEOs (GO/SES), PMs (COL/GS–15) and PdM (LTC/GS–14) may grant up to two 15–day extensions if requested by either APO (USAR one 30–day extension).</p>
APO inventory	<p>a. Inventory all property not on HR.</p> <p>b. Prepare a signed and dated statement of inventory results. System-generated output from APSRs will satisfy this requirement, or a memorandum. Hard copy systems use paragraph 16–21. File and distribute inventory results as follows:</p> <p>(1) One copy in the organization.</p> <p>(2) Original copy to APO.</p> <p>(3) When property books are at using organization level, send copy to next higher HQ.</p> <p>c. Forward copy of inventory memorandum to APO appointing authority.</p>	Annually.
Property book inventory action by APO	a. Ensure HRHs conduct inventories.	Annually or cyclic.

**Table 16–1**  
**Type of inventories and discrepancies—Continued**

Inventory type	Requirements	Time allotted/Frequency
	<p>b. Provide HRHs a schedule with which to complete inventory. (See para 16–11).</p> <p>c. Review all inventory memorandums submitted by HR holders for completeness and take corrective action as required.</p> <p>d. Verify all property on the property book has been inventoried.</p>	<p>As needed.</p> <p>Upon receipt of inventory memorandum.</p> <p>Annually.</p>
Receipt, turn-in, and issue of property	<p>a. Verify the physical count of material.</p> <p>b. Verify and list serial, and lot numbers, and dates of manufacture of end items are correct on all documents.</p>	<p>Per occurrence before signing documents.</p> <p>Same as above.</p>
Change of custody of arms storage facility	<p>a. Incoming and outgoing custodians will physically count weapons, ammunition, and major parts for arms, such as barrels and subassemblies with CIIC code 1–4. Record results on a HR.</p> <p>b. For consolidated arms storage facilities, verify a physical count has been conducted by each person having access to the weapons and ammunition. Results must be recorded on the APSR SHR or DA Form 2062. This number does not replace the cyclic weapons serial number inventory.</p>	<p>When responsibility for the custody of the arms storage facility keys is transferred.</p> <p>When opening and closing the arms storage facility.</p>
Command directed	<p>a. Required upon—</p> <ol style="list-style-type: none"> <li>(1) Evidence of forced or unlawful entry.</li> <li>(2) Discovery of open or unattended storage areas.</li> <li>(3) Alleged misappropriation of GP.</li> </ol> <p>b. Commanders, activity supervisors, PEOs (GO/SES), PMs (COL/GS–15) and PdM (LTC/GS–14) ensure inventories are conducted after field exercises to verify OCIE and equipment are on hand and serviceable.</p> <p>c. Upon notification that an HRH will be absent for an extended period of time the commander, activity supervisor, PEOs (GO/SES), PMs (COL/GS–15) and PdM (LTC/GS–14)/activity chief will appoint an interim HRH.</p> <p>d. Splitting/combining rear detachment and task force property. Complete inventory when property book is being split between task force and rear detachment.</p> <p>e. Deploying/redeploying company. Complete inventory and HR update required for company deploying or redeploying.</p>	<p>a. Immediately upon discovery of incident.</p> <p>b. Within 15 days after the exercise (30 days for USAR and ARNG).</p> <p>c. Immediately upon notification.</p> <p>d. 60–90 days (Aviation organizations 120 day) prior to deployment and upon redeployment.</p> <p>e. 60–90 days (Aviation organizations 120 day) prior to deployment and upon redeployment.</p>
Controlled items other than weapons and ammunition	<p>a. The PHRH ensures physical inventory of sensitive, explosive, and hazardous items is conducted. Any HR or SHR holder may conduct this inventory as directed by the commander or PHRH. Inventory items identified by CIIC of 8, 9, \$, Q, and Y (night vision devices and navigation systems).</p> <p>b. Prepare a signed and dated statement of inventory results. System-generated output from APSRs will satisfy this requirement, or a memorandum. Hard copy systems use procedures in this regulation. File and distribute inventory results as follows:</p> <ol style="list-style-type: none"> <li>(1) HRHs retain one copy and forward one copy to APO.</li> <li>(2) The APO will inventory all sensitive items not on a HR and submit inventory results to the APO appointing authority.</li> </ol>	<p>Quarterly.</p>

**Table 16–1**  
**Type of inventories and discrepancies—Continued**

<b>Inventory type</b>	<b>Requirements</b>	<b>Time allotted/Frequency</b>
Weapons and ammunition	a. PHRH ensures physical inventories are conducted for items with a CIIC of “1–6” and “R.”  (1) Weapons by serial number. (2) A&E items by quantity, lot number, and serial number. (3) A&E items rigged or preconfigured for rapid deployment.	Monthly. (USAR, ARNG, and AMC research and development activities conduct physical counts monthly and inventory by serial number quarterly).
	b. PHRH may assign an NCO, warrant officer, officer, or DoD Civilian to do the inventory. Organization armorers will not perform this inventory, nor will this inventory be conducted by the same individual consecutively.	Monthly.
	c. Commanding General, U.S. Army Criminal Investigation Command, will develop procedures for inventory of weapons and ammunition file at a U.S. Army Criminal Investigation Laboratory.	Monthly.
	d. Training and ammunition being stored in an approved holding area.	Daily.
Basic and operational loads	Commanders ensure the following inventories are conducted: a. Physical count and serviceability check of classes I, II, III (packaged), IV and VIII. Maintain a file copy of inventory results.	Semiannually.
	b. Quantity inventory of class III (bulk).   (1) DD Form 1348–8.	This inventory is documented on DD Form 1348–8 and will reflect the quantity on hand as of 0800 hours local time, the first day of the month. In the event the first day of the month is a nonduty day and no issues or receipts are made, the monthly inventory may be conducted at the close of business the last workday of the month.  Use the inventory results as of 0800 hours local time, the first day of the month. In the event the first day of the month is a nonduty day and no issues or receipts are made, the monthly inventory may be conducted at the close of business the last workday of the month.
	(2) Submit Monthly Petroleum Bulk Accounting Summary report to next higher commander for approval.	(2) Within 3 workdays after end of the month.
	c. Lot/serial number and serviceability check of class V. Record inventory results and forward to the APO as part of controlled items inventory.	Monthly.
OCIE	Commanders will ensure: a. Soldiers newly assigned or departing the organization will have OCIE physically counted to ensure items agree with OCIE records.	a. Within 5 workdays after arrival or before departure.

**Table 16–1**  
**Type of inventories and discrepancies—Continued**

Inventory type	Requirements	Time allotted/Frequency
	<p>b. Physical count of OCIE for Soldiers placed in an absent without leave (AWOL) status, hospitalized, confined to military or civilian correctional facility or emergency leave. Place results on separate DA Form 3645 and DA Form 3645–1 (Additional Organizational Clothing and Individual Equipment Record). Secure Soldier's OCIE.</p> <p>c. Soldier's OCIE is turned in to the issue point. Place a copy of the cleared OCIE record in the Soldier's military personnel records jacket when—</p> <ol style="list-style-type: none"> <li>(1) Dropped from rolls (DFR).</li> <li>(2) Hospitalized over 60 days.</li> <li>(3) PCSs while on emergency leave.</li> </ol>	<p>b. Immediately upon notification of status.</p> <p>c. Immediately upon notification of status (30 days for USAR, 45 days for ARNG).</p>
	d. ARNG organization commanders will ensure OCIE show-down inspections are conducted of all items authorized. Verify items are on hand and serviceable.	
CIF property book	<p>The APO will—</p> <ol style="list-style-type: none"> <li>a. Physically count the property. A memorandum is prepared recording the results. Send one copy to the appointing official, and file one copy.</li> <li>b. Compute the total dollar value of stockage.</li> </ol>	Annually (cyclic inventory is optional so long as all property is inventoried every 12 months).
CIF inventory	<ol style="list-style-type: none"> <li>a. Use the computed annual total dollar value for completing DA Form 444 (Inventory Adjustment Report (IAR)) within each FY.</li> <li>b. When discrepancies can be attributed to negligence, process adjustments per AR 735–5, and conduct causative research when: <ol style="list-style-type: none"> <li>(1) Discrepancy exceeds one-half of one percent of total dollar value of all issues, temporary loans, laundry or maintenance transactions, and turn-ins for a single line.</li> <li>(2) Adjustments over \$500 in extended line item value.</li> </ol> </li> <li>c. Send completed IAR for approval.  For IARs that do not exceed 2.5 percent of the total dollar value of stockage authority is as follows: <ol style="list-style-type: none"> <li>(1) \$3,000 or less—commander of the APO.</li> <li>(2) Over \$ 3,000—first commander in position authorized grade O–5 or above.</li> <li>(3) Over \$10,000—first commander in the grade of O–6 in the chain of command. GOs may delegate, in writing, an O–6 as approval authority.</li> <li>(4) ARNG state AG is the approving authority for USPFO IARs but may delegate approval authority to a federally recognized ARNG GO.</li> </ol> </li> <li>d. CIFs processing overages (and any simultaneous requirements for the overages) as FOI property may use multiline turn-in/request documents.</li> </ol>	<p>As needed.</p> <p>Within 15 days after discovery of the discrepancy.</p> <p>Within 15 days after completion of an inventory.</p>
Discrepancy adjustment other than CIF		



**Table 16–1**  
**Type of inventories and discrepancies—Continued**

Inventory type	Requirements	Time allotted/Frequency
(1) Property book	<p>a. APO will conduct causative research.</p> <p>(1) Causative research must be completed to ensure the property is not related to an uncompleted or incorrectly processed action, or to find the owner of the equipment prior to FOI. If causative research does not identify an owner, then the APO will prepare an FOI for overages and post to the property book record upon signature from Command representative.</p> <p>(2) If causative research identifies the owner, the APO will notify the owning commands APO to coordinate return of equipment.</p> <p>b. APO will prepare turn-in for overages.</p> <p>c. APO will account for shortages per AR 735–5.</p> <p>(1) Controlled items will also be reported per AR 190–11.</p> <p>(2) CCI must have an incident report initiated per DA Pam 25–2–16.</p>	<p>Within 10 days (30 days USAR and ARNG).</p> <p>Within 10 days (30 days USAR and ARNG).</p> <p>Within 15 days (75 days USAR; 45 days ARNG).</p> <p>(1) Immediately.</p> <p>(2) Immediately.</p>
(2) Basic and operational loads	<p>a. Durable items that are:</p> <p>(1) Over the authorized level will be added to record of responsibility. No authorized items will be turned in to APO.</p> <p>(2) Shortages will be accounted for per AR 735–5.</p> <p>b. Expendable items will have records adjusted by recording correct quantity for overages or shortages. No authorized items will be turned in to APO.</p>	<p>(1) Within 3 workdays (30 days for USAR, ARNG).</p> <p>(2) Within 15 days (30 days for USAR, ARNG).</p>
Tool room/tool crib	The tool control officer will prepare a memorandum showing the results of the inventory. Any shortages noted will be accounted per AR 735–5. System-generated output will satisfy this requirement.	Annually.

Note:

AMC property book inventories will be conducted every 3 years.

### 16–13. Deployment/redeployment inventories

a. A deployment/redeployment inventory is required prior to organization movement so that HRs reflect organization equipment posture at time of movement. The verification of this inventory is a requirement of certification of deployment and clearance for redeployment. Commanders and supervisors ensure inventory of property is completed per table 16–1.

b. There are six events requiring 100 percent inventories:

(1) Task force split with left-behind equipment.

(2) Rear detachment.

(3) Deploying equipment.

(4) Theater provided equipment.

(5) Relief in place and transfer of authority.

(6) When the organization returns to home station, there are inventories to unify rear detachment, left-behind equipment, and redeployed equipment.

c. These inventories must be verified by next higher commander prior to the departure of the deploying organization or within 30 days of the unification of multiple HRs upon redeployment.

### 16–14. Receipt and issue of property inventory

a. When receiving property from any issuing activity such as an SSA or equipment fielding, inventory the items as follows—

- (1) Make sure the items are for your organization. Verify the document or purchase order numbers and/or the receiving organization name on the receipt document. Do not sign for property unless it is for your organization.
  - (2) Check the item to make sure it matches the description on the receipt document. Report problems to the issuing activity for correction.
  - (3) Count all items. Make sure the quantity received agrees with the quantity recorded on the receipt document. Report any differences to the issue activity for correction.
  - (4) Check end items for completeness. Use the most current publications to identify components, record component shortages, and resolve component shortages. Report any identified shortages to the issuing activity to resolve, or to receive an updated shortage listing from the issuing activity prior to receipt.
  - (5) Check the serial numbers when items with serial numbers are received.
  - (6) If serviceability of an item is questionable, notify the APO. The receiving organization APO and the issuing activity APO will resolve the matter.
  - (7) Sign the receipt document after actions in paragraphs 16–14a(1) through 16–14a(6) have been completed. Provide the receipt document to the APO for posting within 7 calendar days from the date of the transaction for RA (30 days ARNG or USAR).
- b. Any time equipment is being issued a review must be conducted to validate that the NSN or material number, ULL, and serial number are properly documented on the issue document against what is posted in the APSR.
- c. When property is to be issued on an HR or SHR, the receiving person must inventory the property. Take the following actions:
- (1) Check all items to make sure the items and their descriptions on the HR match. List any differences.
  - (2) Count all items. Make sure the quantity received agrees with the HR. Check end items for completeness. Per chapter 12, use the most current publications to identify components, record component shortages, and resolve component shortages.
  - (3) Compare the serial number of the item with the serial number recorded on the property book. List any serial number differences and take action for any data plate discrepancies per paragraphs 15–1 and 16–11f. Report differences to the person issuing the property. Make sure all problems are corrected before signing the HR.
  - (4) Sign the HR after actions in paragraphs 16–14a(1) through 16–14a(6) have been completed.
  - (5) Check COMSEC equipment, including unclassified CCIs for signs of tampering, covert entry to shipping containers, or unauthorized access to the equipment itself. Report any signs of tampering to the organization or installation security officer. Unreconciled discrepancies in the control, receipt, and accounting of classified COMSEC equipment must be reported as a COMSEC incident per AR 380–40 or TB 380–41 as applicable.

### **16–15. Change of hand receipt holder inventory**

When the HRH is replaced at any level (PHR or SHR), the incoming and outgoing HRH will inventory all property listed on HRs. Up to 30 days will be allotted to conduct the joint inventory. When the inventory cannot be completed in the allotted time, request an extension in writing from the commander or supervisor.

- a. The incoming and outgoing HRH will coordinate these actions prior to the inventory—
- (1) Check with the next higher commander or supervisor for any instructions.
  - (2) Make sure all PHRs, SHRs, and shortage records per paragraph 12–8 are updated.
  - (3) Review the HR to find the type of items to inventory. If needed, select personnel to assist in the inventory and give them instructions.
  - (4) Ensure the most current publications are on hand to enable accurate component inventories.
  - (5) Notify SHRHs of when and how to perform the inventory.
- b. Inventory the property as follows:
- (1) Check the items to make sure the item and the description on the HR match. List any differences.
  - (2) Visually check the condition of the property. List any damaged property.
  - (3) Check end items for completeness. Use the most current publications to identify components, record component shortages, and resolve component shortages. Check the document register to make sure that component shortages are on request.

(4) Record any additional component shortages and component overages discovered during the inventory.

(5) Compare the serial number of the item with the serial number recorded on the property book. List any serial number differences and take action for any data plate discrepancies per paragraphs 15–1 and 16–11f. This review must be conducted to validate that the NSN or material numbers, UII, and serial numbers are properly documented on the issue document against what is posted in the APSR.

(6) If items are in maintenance, make sure the maintenance request is valid. Verify all open maintenance requests with the supporting maintenance facility, and verify the item is in the custody of the maintenance activity.

(7) Report damaged equipment to organization maintenance personnel for repair.

c. Report differences pertaining to property book items to the APO. The APO conducts causative research for these differences. Causative research includes, but is not limited to, comparing all posted actions in the APSR to the documents that support those postings, verifying all HR change documents searching storage areas controlled by the APO and organization, and ensuring that end item identity was not destroyed by consolidation, disassembly, or mislabeling. When inconclusive findings are made, take the following actions:

(1) Establish accountability and request disposition for FOI property.

(2) Turn in overages.

(3) Account for losses per AR 735–5.

(4) Prepare and process administrative adjustments per chapter 15 to correct differences within sizes, makes, or models.

(5) Post all adjustment documents to the APSR and adjust shortage listings accordingly per chapter 10.

(6) Submit requests for issue per 11 and the APSR EUM to replace shortages.

d. If an HRH dies or departs the organization without transferring responsibility for property, the organization commander or supervisor will appoint a person to act on their behalf so that a joint inventory can be conducted.

#### **16–16. Change of command hand receipt holder inventory**

a. Commanders of ACOMs, ASCCs, and DRUs will apply the policies and procedures in this paragraph to their specific command structures.

b. When organization commanders are scheduled to change command, a joint inventory will be conducted before the outgoing commander departs. The outgoing commander will have all HRs, SHRs, and component listings updated prior to the start of the inventory. Once company HRs are updated, the APO will provide an updated HR for the inventory during the scheduled in-brief.

(1) The brigade/battalion (or equivalent) commander will designate (in writing) the incoming commander as the PHRH and the date and timeframe for the joint inventory. The brigade/battalion commander will furnish a copy of this designation to the APO. The brigade/battalion commander will ensure the outgoing commander makes it a priority to update all company HRs within 30 days of the joint inventory.

(2) The brigade/battalion commander will ensure the incoming commander has scheduled an inventory in-brief with the APO.

(3) Incoming and outgoing commanders will not begin their inventory until after the APO in-brief.

(4) The outgoing commander will comply with all approved DST PSDs prior to the change of command or PHRH inventory.

(5) The APO will ensure all primary HRs are updated prior to the inventory.

(6) The APO will provide the incoming commander detailed written instructions, view-only access to the organization's account in the APSR, an updated copy of the company HR, and any nonexpendable shortage listings.

(7) The incoming commander will complete a joint inventory with the outgoing commander following Change of HRH inventory procedures per paragraph 16–15.

(8) After reconciling the inventory results with the APO, the incoming commander will submit a written report through the battalion level commander to the brigade level commander; the APO will be provided a copy. This report will outline the results such as item shortages, overages, lost, or damaged items and the action taken to account for the loss and damaged items.

(9) The APSR records must reflect the current state of the property account, and all transfers, turn-ins, receipts, Adjustments will continue to be processed during the inventory. The APO will ensure the incoming commander has view-only APSR access and is aware of all property actions (receipts, transfers, turn-ins, and adjustments) performed during the inventory.

#### **16–17. Change of responsible official in the U.S. Army Reserve**

In the USAR all property not on a valid HR must be inventoried by the responsible official (the commander or supervisor with direct responsibility for the property). Take the following actions prior to the inventory.

a. The incoming responsible official will check with the next higher commander or supervisor for any instructions. The incoming responsible official will review all property records to judge their condition in terms of satisfying accounting requirements, then ensure that all HRs are currently assigned to the organization.

b. The incoming responsible official will compare HRs with the property book to identify any items not issued on the HR and list these items. After completing these actions, inventory those items not issued on HR.

c. The outgoing responsible official will ensure that all HRs or SHRs and OCIE records (see DA Form 3645) are updated and resigned no more than 180 days prior to the change of responsible official inventory. The signature on SHRs or DA Form 3645 verifies that the item is on hand and includes all components, less any identified shortages.

d. The outgoing responsible official will resolve all discrepancies and initiate relief from responsibility per AR 735–5 prior to the effective date of the change of responsible officials.

#### **16–18. Tool room inventory**

Inventory the tool room annually. Inventory all tools and SKO in the tool room. Record the results of the inventory, including discrepancies, on a memorandum. Account for all discrepancies per AR 735–5. Inventory listings produced in electronic systems will satisfy the requirement for the memorandum.

#### **16–19. Annual or cyclic inventory existence inventory sampling, book to floor**

a. Conduct an annual, 100 percent inventory of all property assigned to the organization. The officer responsible for the organization's property will ensure that this inventory is conducted and will determine how the inventory is performed within the organization. A cyclic inventory may be used to accomplish the annual inventory as a flexible method to distribute the annual inventory workload throughout the year instead of a single annual inventory. The inventory method must be published in the APO's inventory plan.

b. If the cyclic inventory option has been chosen, conduct cyclic inventories of a percentage of the property items at selected intervals. Calculate the items to be inventoried at each interval using the following procedures—

(1) To ensure workload is balanced in each inventory interval, use the quantity of items on hand per LIN when selecting LINs to inventory, not simply the number of LINs.

(2) Select a suitable interval and range of LINs to inventory based on the quantity of items to inventory within each LIN. For example, an APO may direct inventories of about 10–12 percent of the property book items monthly, or about 25 percent quarterly, or 50 percent semiannually, or a combination of similar intervals and quantities ensuring 100 percent of the property is inventoried within the annual period.

(3) The APO may vary cyclic schedules in the annual inventory plan to accommodate supported or organizational missions. The APO may also approve extensions or adjustments to the inventory plan as requirements change during the year by documenting the adjustments in writing. Local policies should dictate cyclic extension or schedule adjustment approval processes within the organization.

(4) If the location of HRs makes the inventory of a certain number of lines impractical, the APO or responsible official may choose to completely inventory specific HRs.

(5) The APO or responsible official will publish the inventory plan, designating the items to be inventoried. APOs or responsible officials managing GFP will also publish an inventory plan to provide to the KO, PA or COR designating GFP items to be inventoried.

(6) The responsible official notifies SHRHs when and how the inventory is to be performed.

c. Inventory the required items issued to SHRHs, and any property not issued to SHRHs.

(1) Check the items to make sure the item and the description on the HR match. List any differences.

(2) Visually check the condition of the property. List any damaged property.

(3) Check end items for completeness. Per chapter 12, use the most current publications to identify components, record component shortages, and resolve component shortages. Check the document register to make sure that component shortages are on request.

(4) Record any additional component shortages and component overages discovered during the inventory.

(5) Compare the serial number of the item with the serial number recorded on the property book. List any serial number differences and take action for any data plate discrepancies per paragraphs 15–1 and 16–11f. This review must be conducted to validate that the NSN or material numbers, UII, and serial numbers are properly documented on the issue document against what is posted in the APSR.

(6) If items are in maintenance, make sure the maintenance request is valid. Verify all open maintenance requests with the supporting maintenance facility, and verify the item is in the custody of the maintenance activity.

(7) Report damaged equipment to organization maintenance personnel for repair.

d. Report differences pertaining to property book items to the APO. The APO conducts causative research for these differences. Causative research includes, but is not limited to, comparing all posted actions in the APSR to the documents that support those postings, verifying all HR change documents searching storage areas controlled by the APO and organization, and ensuring that end item identity was not destroyed by consolidation, disassembly, or mislabeling. When inconclusive findings are made, take the following actions:

(1) Establish accountability and request disposition for FOI property.

(2) Turn-in overages.

(3) Account for losses per AR 735–5.

(4) Prepare and process administrative adjustments per chapter 15 to correct differences within sizes, makes, or models.

(5) Post all adjustment documents to the APSR and adjust shortage listings accordingly per chapter 12.

(6) Submit requests for issue per chapter 11 and the APSR EUM to replace shortages.

#### **16–20. Completeness inventory sampling, floor-to-book**

a. Along with the annual or cyclic inventory, APOs must direct floor-to-book sampling of capital assets over \$250,000 organization cost to test for completeness of the auditable records. Sampling is intended to be a command level monitoring control, not an additional organization level inventory. Floor-to-book samples for completeness are similar to what the general equipment auditor assesses during audit site visits.

b. The quarterly sampling size for completeness inventories is at least 25 assets per Battalion or equivalent organization per quarter, totaling no less than 100 assets per year. If the organization has randomly sampled all possible on-hand capital assets without meeting the sampling size, then non-capital assets will be randomly sampled to reach the quarterly and annual totals. Commanders at O – 5 and O – 6 levels, or GS – 14 and GS – 15 activity supervisors at levels of organization conducting the CSDP will establish procedures to designate individuals above the using organization/primary hand receipt holder level to randomly select assets to validate that each asset is recorded correctly in the APSR. Sampling should be integrated into existing engagements whenever possible, such as maintenance and supply terrain walks, staff assistance visits, and similar events.

c. The designated individuals will choose assets to sample, collect data plate information, then provide sampled information to the APO to determine the accuracy of accountable records and key supporting documents described in chapter 7, section IV.

d. At a minimum, floor-to-book samples will verify that the item is in the APSR under the correct organization and that the data plate NSN or material number, UII marker, and serial number match. Include the following mandatory paragraphs in the completeness memorandum:

(1) The first paragraph states the following: "Per AR 710–4, the following Capital Asset Completeness Sampling inventory was sampled during [month and year the sampling was conducted]."

(2) List the sampled assets by LIN, NSN or material number, UII marker, nomenclature, and serial number.

(3) State the results of verification of completeness for each sampled capital asset. If discrepancies document the discrepancy, describe the corrective action taken to resolve the discrepancy.

(4) Chosen assets must be documented on a memorandum and signed by the evaluator selecting the assets and the APO upon review of the APSR.

#### **16–21. Change of accountable property officer inventory**

Perform this inventory when the APO of an organization is replaced. The incoming and outgoing APOs conduct the inventory jointly. Property not issued on HR must be inventoried.

a. The outgoing APO will take these actions prior to the inventory—

(1) Arrange inventory for all property not assigned to a PHRH. The outgoing APO is responsible for this property.

(2) Make sure all completed receipts, transfers, turn-ins, and adjustment documents have been posted to the property book.

(3) Recall all temporary hand receipted equipment or arrange for physical inventory at the using location. If mission dictates that recall is impractical, the incoming APO may accept an updated HR.

(4) Make the property book and related files available to the incoming APO for review and provide the incoming APO with view-only access to the accounts in the APSR.

(5) Provide the incoming APO a listing of all equipment in maintenance.

(6) Assist the incoming APO in the review of the property records.

b. The incoming APO will check all supporting documentation and document registers to ensure all records are in compliance and support all entries to the property book. These records must be in compliance with current ARs as well as DoD directives, instructions, and regulations. The records must be able to pass an Army or DoD audit at all times.

c. The incoming APO will—

(1) Verify the organizational structure of all assigned organizations is correct in the APSR, and all MTOE, TDA, JTA authorization documents are current.

(2) Check the property book and document register to find if all items from the authorized column of the MTOE, TDA, or JTA are on-hand or have a valid sourcing solution, such as an inbound requisition, lateral transfer, TPF, or similar sourcing. If items are not on-hand or do not have a sourcing solution, verify if a report of supply constraints has been submitted, or if a documented national level supply constraint exists. If not, the outgoing APO will make sure that shortages are placed on request.

(3) Review the status of all inbound and outbound PSDs.

(4) Review the property book, document register, and document file to judge the condition of the records in terms of satisfying accounting requirements.

(5) Verify all PHRHs are presently assigned to the organization and all HRs are current and signed.

(6) Identify all property on hand which is not issued to a PHRH.

d. After completion of the actions in paragraph 16–21a, the incoming and outgoing APO will jointly inventory the items not issued on PHRs. Use the following procedures—

(1) Check all items to make sure the items and their descriptions on the property book match. List any differences.

(2) Visually check the condition of the property. List any damaged property. Damaged equipment will be accepted as being on hand and reported to maintenance for action.

(3) Count all items not issued on an HR. List any shortages or overages.

(4) Check end items for completeness. Use the most current publications to identify components, record component shortages, and resolve component shortages. Check the document register to make sure that component shortages are on request. Record any additional component shortages and component overages discovered during the inventory.

(5) Compare the serial number of the item with the serial number recorded on the property book. List any serial number differences and take action for any data plate discrepancies per paragraph 15–1 and paragraph 16–11f. This review must be conducted to validate that the NSN or material numbers, UII, and serial numbers are properly documented on the issue document against what is posted in the APSR.

(6) If items are in maintenance, make sure the maintenance request is valid. Verify all open maintenance requests with the supporting maintenance facility, and verify the item is in the custody of the maintenance activity.

e. Report damaged equipment to organization maintenance personnel for repair.

f. The outgoing APO conducts causative research for differences. Causative research includes, but is not limited to, comparing all postings to the applicable property book page against documents that support those postings, verifying all HR change documents, searching storage areas controlled by the APO,

and ensuring that end item identity was not destroyed by consolidation, disassembly, or mislabeling. When no conclusive findings are made, take the following actions:

- (1) Request disposition for overages.
- (2) Account for OCIE property book overages as gains using DA Form 444. After posting the gains to the OCIE property book, turn in any excess determined per chapter 10 to the SSA.
- (3) Establish accountability and request disposition for FOI property.
- (4) Turn in overages.
- (5) Account for losses per AR 735–5.
- (6) Prepare and process administrative adjustments per chapter 15 to correct differences within sizes, makes, or models.
- (7) Post adjustment documents to the APSR and adjust shortage listings accordingly per 12.
- (8) Submit requests for issue per chapter 11 and the APSR EUM to replace shortages.
- g.* After the actions in paragraphs 16–21a through 16–21c have been completed, the incoming APO will complete the statement of accountability for the property.
- h.* When the inventory cannot be completed within the prescribed time (30 days), the APO appointing authority may request extensions. If an extension is not granted, the incoming APO becomes accountable on the effective date. Extensions must be in writing and will not exceed 30 days. A maximum of two extensions may be requested.
- i.* The commander or activity supervisor will ensure all records are brought up to standards by the outgoing APO if notified in writing by the incoming APO of specific deficiencies and problems with the records.
- j.* The incoming APO will prepare a summary memorandum of the results of the change of APO inventory, filed with the property book supporting documents.

## **16–22. Annual accountable property officer inventory**

This inventory is required when property books are kept at other than the using organization level. The APO conducts this inventory. All items not issued on HRs must be counted.

- a.* Take the following actions prior to the inventory—
  - (1) Make sure all completed receipts, turn-ins, and adjustment documents have been posted to the property book.
  - (2) Compare HRs with the property book to find the items that are not issued. List these items.
- b.* Inventory the items as follows:
  - (1) Check the items to make sure the item and the description on the HR match. List any differences.
  - (2) Visually check the condition of the property. List any damaged property.
  - (3) Check end items for completeness. Use the most current publications to identify components, record component shortages, and resolve component shortages. Check the document register to make sure that component shortages are on request.
  - (4) Record any additional component shortages and component overages discovered during the inventory.
  - (5) Compare the serial number of the item with the serial number recorded on the property book. List any serial number differences and take action for any data plate discrepancies per paragraphs 15–1 and 16–11f. This review must be conducted to validate that the NSN or material numbers, UII, and serial numbers are properly documented on the issue document against what is posted in the APSR.
  - (6) If items are in maintenance, make sure the maintenance request is valid. Verify all open maintenance requests with the supporting maintenance facility, and verify the item is in the custody of the maintenance activity.
  - (7) Report damaged equipment to organization maintenance personnel for repair.
- c.* The APO conducts causative research for these differences. Causative research includes, but is not limited to, comparing all posted actions in the APSR to the documents that support those postings, verifying all HR change documents, searching storage areas controlled by the APO, and ensuring that end item identity was not destroyed by consolidation, disassembly, or mislabeling. When inconclusive findings are made, take the following actions:
  - (1) Establish accountability and request disposition for FOI property.
  - (2) Turn in overages.
  - (3) Account for losses per AR 735–5.

(4) Prepare and process administrative adjustments per chapter 15 to correct differences within sizes, makes, or models.

(5) Post adjustment documents to the APSR and adjust shortage listings accordingly per chapter 12.

(6) Submit requests for issue per chapter 11 and the APSR EUM to replace shortages.

d. When the inventory is completed, the APO will prepare a memorandum summarizing the results of the inventory, including (when applicable) that differences have been accounted for per AR 735–5 and this regulation. File the original memorandum at the property book level. Send a copy of the memorandum to the APO's appointing authority.

### **16–23. Sensitive item inventory**

a. Inventory sensitive items and unclassified CCI's quarterly (no more than one quarter of a year between inventories). Explosives (ammunition), firearms (CIIC of P), controlled medical items (CIIC of R and Q) and HAZMAT must be inventoried monthly. HRHs must inventory all Sensitive items and CCI's identified with a CIIC of 1 through 6, 8, 9, P, Q, R, and CIIC Y night vision devices and navigation systems. The CIIC is shown in the AEMM, on the property book record, and on HRs or SHRs. The APO or responsible official must notify HRHs when the items are to be inventoried (for monthly and quarterly requirements). The APO inventories sensitive items not listed on HRs.

(1) For weapons and ammunition, use the procedures in paragraph 16–24b. Inventory other sensitive items as follows:

(a) Check the items to make sure the item and the description on the HR match. List any differences.

(b) Visually check the condition of the property. List any damaged property.

(c) Check end items for completeness. Per chapter 8, use the most current publications to identify components, record component shortages, and resolve component shortages. Check the document register to make sure that component shortages are on request.

(d) Record any additional component shortages and component overages discovered during the inventory.

(e) Compare the serial number of the item with the serial number recorded on the property book. List any serial number differences and take action for any data plate discrepancies per paragraphs 15–1 and 16–11f. This review must be conducted to validate that the NSN or material numbers, UII, and serial numbers are properly documented on the issue document against what is posted in the APSR.

(f) If items are in maintenance, make sure the maintenance request is valid. Verify all open maintenance requests with the supporting maintenance facility, and verify the item is in the custody of the maintenance activity.

(2) Report damaged equipment to organization maintenance personnel for repair.

(3) Shortages, signs of tampering, or unauthorized access to CCI equipment also require initiation of a COMSEC incident.

(4) HRHs report the results of the inventory to the responsible official. Complete the sensitive inventory listing generated from the APSR per the EUM.

b. The responsible official reports differences pertaining to property book items to the APO. The APO conducts causative research for these differences. Causative research includes, but is not limited to, comparing all postings to the applicable property book page against documents that support those postings, verifying all HR change documents, searching storage areas controlled by the APO or organization, and ensuring that end item identity was not destroyed by consolidation, disassembly, or mislabeling. When inconclusive findings are made, take the following actions—

(1) Establish accountability and request disposition for FOI property. Unaccounted sensitive items require initiation of an investigation per AR 15–6 to determine the cause of the lapse in accountability and recommend measures to prevent reoccurrence.

(2) Request disposition for overages.

(3) Account for shortages per AR 735–5. Shortage of CCI's also requires the initiation of an insecurity report per TB 380–40.

(4) Prepare and process administrative adjustments per chapter 15 to correct differences within sizes, makes, or models.

(5) Post adjustment documents to the APSR and adjust shortage listings accordingly per chapter 12.

(6) Submit requests for issue per chapter 11 and the APSR EUM to replace shortages.



c. The responsible official (or APO for items not on HR) will sign the sensitive items inventory report from the APSR or generate a memorandum certifying the results of the inventory and stating the following:

(1) All sensitive material, explosive materials, and HAZMAT have been inventoried.

(2) Either no differences were discovered or that differences have been reported per AR 190–11, if required.

(3) Differences have been accounted for per AR 735–5, when applicable.

d. Follow the APSR EUM for instructions to complete the specific report. File the original of the inventory report or memorandum at property book level. File a copy at organization level if the responsible official is an HRH.

e. Property inventoried on a sensitive items inventory during a cyclic inventory period will be counted as completed for the cyclic inventory.

#### **16–24. Weapons and ammunition inventories**

a. Use the following inventory procedures when the responsibility for the custody of the arms storage facility keys is transferred between authorized persons:

(1) Both incoming and outgoing custodians must conduct a physical count of the weapons and ammunition. (In consolidated arms storage facilities, where access to weapons and ammunition is restricted due to physical layout, both persons will verify that a physical count has been made by each person that had access to weapons and ammunition.) If a specific quantity of materiel is being stored in the arms room in locally banded and sealed containers, record these items on hard copy DA Form 2062 as “Container protected by seal# which contains X rounds of Y ammunition.” Make a separate entry for each container in the item description block of DA Form 2062 with the quantity listed as 1.

(2) Record the results of the inventory on the APSR generated HR for the arms storage facility. Keep completely filled forms until the next serial number inventory (see para 16–24b) is completed. At that time, they may be destroyed. When differences are found during the serial number inventory and are not resolved, keep the forms as an exhibit to DD Form 200.

(3) The person receiving the keys to the arms storage facility receipts for the weapons and ammunition. This person must sign the current arms storage facility HR.

b. Use the following inventory procedures when conducting the monthly weapons and ammunition inventory (for ARNG and USAR, quarterly, not to exceed 90 days from the previous inventory).

(1) The responsible official or an NCO, a warrant officer, an officer, or a DoD Civilian appointed by the responsible official performs the inventory of weapons by serial number and inventory of ammunition by lot number or serial number for missiles (or other serial numbered ammunition items). The same person will not perform this inventory in consecutive months. The organization armorer will not perform this inventory. Use the following procedures—

(2) Check the items to make sure the item and the description on the HR match. List any differences.

(3) Visually check the condition of the property. List any damaged property.

(4) Check end items for completeness. Per chapter 12, use the most current publications to identify components, record component shortages, and resolve component shortages. Check the document register to make sure that component shortages are on request.

(5) Record any additional component shortages and component overages discovered during the inventory.

(6) Compare the serial number of the item with the serial number recorded on the property book. List any serial number differences and take action for any data plate discrepancies per paragraphs 15–1 and 16–11f. This review must be conducted to validate that the NSN or material numbers, UII, and serial numbers are properly documented on the issue document against what is posted in the APSR.

(7) If items are in maintenance, make sure the maintenance request is valid. Verify all open maintenance requests with the supporting maintenance facility, and verify the item is in the custody of the maintenance activity.

(8) Report damaged equipment to the armorer to schedule for repair.

(9) Inventory ammunition by listing it by purpose (that is, basic load, operational load, or training), DoD identification code, lot number, quantity on hand, and quantity signed out on the inventory form. List quantities shown on banded or sealed-and-banded containers. Do not break manufacturer, ASP, or quality assurance specialist, ammunition surveillance, seals for inventory purposes. Note any tampering, damage, or broken seals or bands.

- c. Complete the weapons and ammunition inventory listing generated from the APSR per the EUM.
  - (1) The person conducting the inventory will sign the inventory. The responsible official (or APO for items not on HR) will sign the weapons and ammunition inventory report from the APSR or generate a memorandum certifying the results of the inventory and stating the following:
    - (a) All sensitive material, explosive materials, and HAZMAT have been inventoried.
    - (b) Either no differences were discovered or that differences have been reported per AR 190–11, if required.
    - (c) Differences have been accounted for per AR 735–5, when applicable.
  - (2) File the original of the inventory report or memorandum at property book level. File a copy at organization level if the responsible official is an HRH.
- d. If the weapons are not maintained in an APSR which generates an inventory listing, record the results of the inventory on a memorandum and provide it to the APO. Record the serial number of each weapon on the memorandum. The use of a preprinted memorandum listing serial numbers is authorized. Indicate on the memorandum any weapons signed out or in support maintenance. Record the quantity of loose ammunition and banded or sealed containers on the memorandum. The seal numbers for individual containers should be listed on the memorandum. Retain the inventory memorandum per AR 190–11 (2 years if no discrepancy is noted; 4 years if a discrepancy was noted).
- e. Report any discrepancies to the responsible official immediately. If any question of serviceability occurs (for example, damaged containers or seals tampered with or broken), contact a quality assurance specialist, ammunition surveillance, for serviceability verification. The ASP for the organization should be able to provide information to contact the quality assurance specialist, ammunition surveillance.
- f. The responsible official reports discrepancies to the APO. The APO conducts causative research for these discrepancies. Causative research includes, but is not limited to, comparing all postings to the applicable property book page against documents that support those postings, verifying all HR change documents, searching storage areas controlled by the APO organization, and ensuring that end item identity was not destroyed by consolidation, disassembly, or mislabeling. When no conclusive findings are made, take the following actions—
  - (1) Turn in overages as FOI property per chapter 14.
  - (2) Account for shortages per AR 735–5.
  - (3) Post adjustment documents to the property book per chapter 15.
  - (4) Submit any required reports per AR 190–11 or AR 710–3.

#### **16–25. Special inventory procedures for classified communication security equipment**

- a. COMSEC custodians are appointed to account for all classified COMSEC materiel issued or hand receipted to the organization. AR 380–40 and TB 380–41 provide detailed criteria for appointment of COMSEC custodians. COMSEC custodians will not be relieved of their responsibilities and will not depart their organizations until a clearance for the COMSEC account has been received from the ACCOR. COMSEC custodians will not deviate from these procedures.
- b. Procedures for the inventory of classified COMSEC material accounted for in the CMCS are contained in TB 380–41. All classified COMSEC equipment and components assigned ALC 1 or 2 must be physically inventoried at least semiannually, and the inventory results reconciled with the Army COMSEC Central Office of Record. All other CMCS accountable COMSEC equipment must be physically inventoried annually. A Joint inventory of all CMCS items must be 100% physically inventoried upon change of COMSEC Account Managers.
- c. Unclassified CCI end items are assigned CIIC 9 in the AEMM/Army Master Data File (AMDF) as sensitive items and must be physically inventoried by serial number quarterly. CHVP are assigned CIIC 7 and must also be inventoried quarterly as sensitive COMSEC items. Official written/certified inventory reports will be prepared by all HR holders, (APO for items not on HR), and the results retained on file by the APO and HR holder for review by command inspectors. In addition, a 100% physical inventory of all unclassified COMSEC equipment is required to be conducted jointly upon change of property book/SRA APOs.
- d. All COMSEC equipment will have an automated identification tracking device affixed (two-dimensional bar, RFID tag) by the manufacturer or Depot. Caution: For security reasons users are prohibited from placing any type of tag, decal, or label on COMSEC equipment without written authorization and instructions as to its placement on the device by USACSLA.

e. The physical loss, or loss of accountability of an unkeyed CCI or CHVP equipment must be immediately reported (within 72 hours) as a COMSEC Incident per AR 380–40 by the APO. Further, the responsible commander or activity supervisor will direct investigation per AR 15–6 in compliance with AR 735–5.

f. COMSEC account managers are responsible for the submission of a COMSEC incident report for any CCI or CHVP device accounted for by the APO, when the equipment contains cryptographic key being accounted for in the CMCS. The COMSEC account manager will provide the APO copies of all incident reports and subsequent investigation results pertaining to a loss of keyed CCI/CHVP, to support the APO in obtaining relief from equipment accountability per AR 735–5.

#### **16–26. Communications Security Classified Audit and Inspection Program**

a. USACSLA is charged with the responsibility for conducting formal audits and physical security inspections of all COMSEC facilities and accounts. The mandated audits and inspections are coordinated with ACOM/ASCC/DRU commanders.

b. ACOM/ASCC/DRU commanders will conduct command COMSEC inspections of their subordinate elements as required by AR 380–40. Only USACSLA trained and certified Command COMSEC Inspectors are authorized to review COMSEC account operations and CMCS Accounting Records.

c. Information and detailed guidance for the conduct of command COMSEC inspections, and USACSLA audit and inspection programs are contained in AR 380–40 and TB 380–41.

#### **16–27. Annual central issue facility property book inventory**

This is a 100 percent physical count of all OCIE recorded in the balance column of the CIF property book. This paragraph does not apply to the ARNG or USAR. The APO conducts the inventory. The APO may select personnel to assist with the inventory. Base the date of the inventory either on the date of the last change of APO or on the last semiannual inventory, whichever was later. A cyclic inventory may be used instead of the semiannual inventory. When the cyclic inventory option is used, the inventory frequency will be monthly, bimonthly, or quarterly. Regardless of the frequency, all property must be inventoried at least semiannually.

a. *Prior to the inventory.* Take the following actions prior to the inventory:

(1) Select an inventory cutoff date and notify supported organizations of the dates of the inventory and what transactions will or will not be processed.

(2) Make sure all completed receipt and turn-in documents have been posted to the property records. Post all completed summaries of turn-ins, issues, adjustments, and cash collections to the property records on the day following the cutoff date.

(3) If needed, select personnel to assist in the inventory and give them instructions.

b. *Conducting the count.* After completing the pre-inventory actions, the APO or individuals selected and supervised by the APO physically count OCIE.

(1) Compare HRs with the property records to find the items that are not issued on HRs. List these items.

(2) If items are in maintenance or the laundry, make sure the maintenance and laundry requests are valid. Check all open maintenance and laundry requests with the supporting maintenance and laundry facilities. List these items.

(3) Count all items listed on the property records. Add quantities that are on HRs and those items in maintenance and the laundry. List overages and shortages. Turn in excess OCIE to the SSA within 10 days of the review.

c. *Conduct causative research for differences.* Causative research includes, but is not limited to, comparing all postings to the applicable property book record against documents that support those postings, verifying all HR change documents, searching storage areas controlled by the APO, and ensuring that end item identity was not destroyed by consolidation, disassembly, or mislabeling. The APO will resolve any differences between the counted quantity and the recorded quantity, if possible, through causative research.

d. *Inventory adjustments.*

(1) Prepare DA Form 444 in three copies as shown in paragraph E–44.

(2) The APO must document causative research on DA Form 444 when adjustments are for:

(a) For sensitive items having a CIIC 1 through 6, 8, 9, P, Q, R; night vision devices; and navigation systems (for example, GPS).

(b) Adjustments exceeding 0.5 percent of the combined total (dollar value) of issues and turn-ins of a single LIN with supported Soldiers since the last inventory adjustment.

(c) Adjustments over \$500 in extended line item value.

(3) Those adjustments requiring causative research in paragraph 16–27d(2) that show negligence was the cause or for which no cause could be found will be supported by action taken per AR 735–5. When preparing DD Form 200, ensure that the unit price used is current.

(4) Adjustments other than those in paragraph 16–27d(2) do not require causative research. However, if the APO suspects that negligence may be involved in the adjustment, conduct causative research. Support those adjustments for which negligence is found to be the cause by action taken under AR 735–5.

*e. Processing the inventory adjustment report.*

(1) The APO assigns a document number from the nonexpendable document register to DA Form 444 and posts DA Form 444 to the property records.

(2) The APO sends the original and first copy to the approving authority within 5 workdays after the date the adjustments are posted to the property records and within 30 days after the inventory is completed. When the approving authority returns DA Form 444 to the APO for further research, complete the research and resubmit DA Form 444 within 15 days. When the research cannot be completed within 15 days, request an extension. The approving authority may grant an extension of up to 30 additional days. The APO holds the second copy in suspense.

(3) The approving authority for DA Form 444s at a CIF resulting from an inventory is determined by the total value of the gains and losses on DA Form 444 per this regulation.

(a) Once total adjustments (both gains and losses) for the FY exceed 2.5 percent of the total dollar value of the stockage allowances, then approval authority for all DA Form 444s is the approval authority in paragraph 16–27. Do not include DA Form 4949 in totals used to determine the 2.5 percent cutoff.

(b) Compute the dollar value of the stockage allowances as of the last day of the first month of the FY. Multiply the stockage allowances for each item by the unit price. Add the results for all stockage allowances lines to determine the total stockage allowances value. Use this value for all DA Form 444s during the FY.

(4) Final disposition of DA Form 444 depends upon the action taken by the approving authority.

(a) If all items listed on DA Form 444 are approved, the approving authority will date and sign the report in the SSA commander block. The DA Form 444 approving authority retains the first copy and files it in the DA Form 444 file. The original copy will be returned to the APO for filing in the supporting document file. On receipt of the original, the APO will destroy the second copy.

(b) If one or more items listed on DA Form 444 are disapproved by the approving authority, the approving authority will circle the item number(s) and indicate the investigative procedure (either AR 15–6 or AR 735–5) desired in the SSA commander block. The approving authority then signs and dates DA Form 444 in the SSA commander block.

(c) If the approving authority desires an AR 15–6 investigation, return the original copy to the APO to file in the supporting documents file. The approving authority is responsible for starting the investigation per AR 15–6. The approving authority holds the first copy in suspense pending receipt of the completed AR 15–6 investigation. The APO destroys the second copy of DA Form 444.

(d) If the approving authority desires DD Form 200, return the original copy of DA Form 444 to the APO with instructions to initiate DD Form 200 within 5 workdays. When prepared, send it to the approving authority. The approving authority will process DD Form 200 per AR 735–5. The approving authority holds the first copy pending receipt of the completed DD Form 200. The APO destroys the second copy of DA Form 444.

(e) Assign DA Form 1574–1 (Report of Proceedings by Investigating Officer) and DA Form 1574–2 (Report of Proceedings by Board of Officers) the same document number as was assigned to DA Form 444. When completed, send a copy of the proceedings or DD Form 200 to the APO to file in the supporting document file to support DA Form 444.

(f) When the inventory is completed, prepare a memorandum for the APO's signature. The memorandum will state that the inventory was conducted. It will also state, when applicable, that differences have been accounted for paragraph 16–27d and/or AR 735–5. File the original of the memorandum at the property book level. Send a copy of the memorandum to the person who appointed the APO.

## Chapter 17

### Reserve Officers Training Corps and National Defense Cadet Corps

#### **17–1. Responsibilities of educational institutions hosting the Army’s Senior and/or Junior Reserve Officers’ Training Corps/National Defense Cadet Corps programs**

a. ROTC programs are established at educational institutions by the Secretary of the Army per 10 USC 2102 and AR 145–1 and AR 145–2. When approved, educational institutions may be authorized to maintain an ROTC property book account. An ROTC program is a TDA activity with an assigned DUIC and a separate DoDAAC.

b. Educational institutions hosting the Army’s SROTC program should establish property responsibility and accountability as follows:

(1) The ROTC commander may elect to maintain accountability and responsibility for Government property when it is issued for use by the ROTC program. The ROTC commander should—

(a) Appoint a representative from the educational institution as the military property custodian. The appointed individual requests, receives, stocks, and accounts for Government property issued to the school. The property custodian also transacts property matters on behalf of the educational institution.

(b) Conform to ARs relating to issue, care, use, safekeeping, turn-in, and accounting for Government property that is issued to the educational institution. All property should have AIT capability that integrates with Army automated information systems.

(c) Comply with the provisions of ARs pertaining to furnishing a bond or proof of insurance to cover the value of all Government property issued to the educational institution except uniforms issued to cadets, expendable articles, and supplies expended in operation, maintenance, and instruction.

(d) Furnish the name of the military property custodian and the assistant property custodian to the appropriate ROTC brigade commander.

(e) Provide people for clerical duties and other labor required to fulfill the responsibilities of the custodian.

(2) The educational institution may request the Army to assume responsibility and accountability for Government property issued for the ROTC program use, per AR 145–1. When this option is approved, the professor of military science (PMS), by virtue of their position, assumes command responsibility for the Government property. The PMS will appoint an APO per paragraph 4–10.

c. The educational institution hosting the JROTC program should assume accountability and responsibility for the Government property issued for use by the JROTC program as per AR 145–2. School authorities should sign a formal agreement attesting to the school’s commitments as outlined in AR 145–2 and as follows:

(1) To provide adequate storage and issue facilities, at no cost to the Army, for all Government property provided for the JROTC program.

(2) To provide people for clerical duties and other labor required to fulfill the responsibilities of the custodian.

d. Under either program (SROTC or JROTC/NDCC not to accompany), the APO or military property custodian will be appointed in writing (the APO by memorandum from the PMS and the military property custodian by letter or memorandum from a school official). The appointed person will acknowledge responsibility for property book accounts required per paragraph 4–16.

e. Control of ROTC/NDCC property is the responsibility of the APO or military property custodian. Protection of the institution’s responsibility requires a HR for property issued to units and individuals.

f. When one APO or military property custodian is accountable for property of several institutions, separate HR files will be kept for each supported institution.

g. When an educational institution elects to be accountable and responsible for Army property, the following exceptions will apply:

(1) All personnel serving on active duty who are assigned to, detailed to, or stationed at any institution will not accept appointment as military property custodian. If the ROTC brigade commander agrees, officers and NCOs may assist the custodian if it does not interfere with their primary military duties.

(2) Under unusual circumstances and with approval of the ROTC brigade commander, the institution may authorize in writing either of the following persons to act temporarily for the military property custodian:

(a) An official of the institution.

(b) An officer or NCO on active duty at the institution.

### **17-2. Accounting for property**

a. Nonexpendable Government property issued for use in ROTC/NDCC units will be accounted for on property book records per chapter 6. In addition, personal property authorized per CTA 50-900, will be accounted for using OCIE procedures and the APSR end user manual. The following modifications apply:

(1) The accountable record for personal items is the property book. The types of data and essential elements of data for personal item records are the same as for other property book records. A basic property book record will be maintained for each item authorized and/or on hand.

(2) The balance recorded on the property book "accounting data" will reflect the total owned by the unit. Personal items "assigned" to individuals are reflected in the "remarks" data elements of the property record.

(3) Individual clothing items will be issued to individuals on HR. The individual receiving the items will sign and date the form.

b. At educational institutions having both Army and other Service ROTC units, Army property records will be kept separately from other Services' property. Items issued on a per-school basis will be accounted for on either the Army or another Service ROTC property record. In determining the record to use will depend on whether the Army or another Service requested and received the item.

c. At educational institutions hosting Army and other Service units, one military property custodian may account for the property of all Services. All property issued to an Army ROTC/NDCC unit will be accounted for as Army property.

d. When SROTC and JROTC units are hosted at the same military junior college, records for each program must be kept separately. A military property custodian must be assigned for the JROTC account and may serve as the custodian for both accounts.

### **17-3. Authorization data**

a. Paragraph 7-1 provides the basic policy governing authorization data. All educational institutions should adhere to the basic policy for managing authorization data for ROTC units, except as modified below.

b. ROTC brigade commanders will maintain a current personnel roster to support the total authorized quantity on the property book when personnel data is used as a basis of issue for computation.

c. Basic, operational, or prescribed loads/combat spares are not authorized.

### **17-4. Requesting and receiving Army property**

DA authorization documents are the basis for requesting property for Army ROTC/NDCC units. Educational institutions having both Army and other Services' ROTC units should make maximum joint use of items authorized on a per-school basis. Chapter 11 prescribes the policies and procedures for requesting and receiving Army property. The following modifications apply:

a. The PMS will coordinate with other Services to determine if the item required will be requested by the Army, or by another Service. If agreement cannot be reached, the PMS will refer the matter for resolution to the Army ROTC brigade commander.

b. If justified, Army ROTC brigade commanders may request an item authorized on a per school basis even though the item is on hand or due in from another Service.

c. Upon notice from a carrier that a shipment of supplies has arrived, the military property custodian or APO will arrange for immediate delivery of the supplies into their custody.

d. Educational institutions are authorized to purchase supplies and equipment for use by formally enrolled ROTC/NDCC students if the items are available for sale in DA stocks. (See AR 700-84 for limitations.)

e. Requests for commercial basic and advanced course textbooks will be submitted to the ROTC brigade commander for approval.

### **17-5. Disposition of property**

Relief from responsibility in ROTC/NDCC units will be per paragraph 14-5 and AR 735-5. The following policy modifications will be used:

a. Excess items will be turned in to the supporting installation after all current requirements and redistribution possibilities have been thoroughly considered by the ROTC brigade commander and HQ ROTC cadet commanders respectively. Full use will be made of items procured with ROTC/NDCC funds.

*b.* Clothing items authorized to students that become excess due to a decrease in enrollment may be retained if needed for the following school year.

*c.* Transfer of property between ROTC/NDCC units will be approved by the ROTC brigade commander having jurisdiction over both the losing and gaining ROTC brigades. HQ ROTC Cadet Commander will approve property transfers between different brigades. Transfer of property must not cause property to be excess in the gaining unit nor create a shortage in the losing unit.

## **Appendix A**

### **References**

#### **Section I**

##### **Required Publications**

Unless otherwise indicated, all Army publications are available on the Army Publishing Directorate website at <https://armypubs.army.mil>. DoD publications are available on the Executive Services Directorate website at <https://www.esd.whs.mil>. United States Codes are available on the USC website at <https://us-code.house.gov>.

##### **AR 15–6**

Procedures for Administrative Investigations and Boards of Officers (Cited in para 1–17a.)

##### **AR 25–1**

Army Information Technology (Cited in para 1–6b(4).)

##### **AR 25–2**

Army Cybersecurity (Cited in para 11–14a.)

##### **AR 25–400–2**

Army Records Management Program (Cited in para 1–11.)

##### **AR 30–22**

Army Food Program (Cited in para 1–6b(16).)

##### **AR 40–61**

Medical Logistics Policies (Cited in para 4–9b.)

##### **AR 50–5**

Nuclear Surety (Cited in para 5–8g(5).)

##### **AR 50–6**

Chemical Surety (Cited in para 5–8g(5).)

##### **AR 56–4**

Distribution of Materiel and Distribution Platform Management (Cited in para 8–21.)

##### **AR 71–9**

Warfighting Capabilities Determination (Cited in para 11–15.)

##### **AR 71–32**

Force Development and Documentation Consolidated Policies (Cited in para 7–1c(1).)

##### **AR 165–1**

Army Chaplain Corps Activities (Cited in para 8–35.)

##### **AR 190–11**

Physical Security of Arms, Ammunition, and Explosives (Cited in para 5–8c(2).)

##### **AR 190–13**

The Army Physical Security Program (Cited in para 5–9a.)

##### **AR 190–51**

Security of Unclassified Army Resources (Sensitive and Nonsensitive) (Cited in para 5–8g(2).)

##### **AR 190–54**

Security of Nuclear Reactors and Special Nuclear Materials (Cited in para 5–8g(5).)

##### **AR 220–1**

Army Unit Status Reporting and Force Registration—Consolidated Policies (Cited in para 7–2.)

##### **AR 290–5**

Army Cemeteries (Cited in para 1–6b(9).)



**AR 350–9**

Overseas Deployment Training (ODT) (Cited in para 11–16.)

**AR 350–38**

Policies and Management for Training Aids, Devices, Simulators, and Simulations (Cited in para 1–6b(17).)

**AR 380–40**

Safeguarding and Controlling Communications Security Material (Cited in para 1–6b(13).)

**AR 381–143**

Non-Standard Materiel Policy and Intelligence Procedures (U) (Cited in para 1–6e(6).)

**AR 405–45**

Real Property Inventory Management (Cited in para 4–3j.)

**AR 420–1**

Army Facilities Management (Cited in para 1–6b(5).)

**AR 630–10**

Absence Without Leave, Desertion, and Administration of Personnel Involved in Civilian Court Proceedings (Cited in para B–1a.)

**AR 638–2**

Army Mortuary Affairs Program (Cited in para B–22.)

**AR 700–28**

Ammunition Management (Cited in para 4–9b.)

**AR 700–84**

Issue and Sale of Personal Clothing (Cited in para 1–6b(12).)

**AR 700–131**

Loan, Lease, and Donation of Army Materiel (Cited in para 4–3j.)

**AR 700–138**

Army Logistics Readiness and Sustainability (Cited in para 8–13b(3).)

**AR 700–145**

Item Unique Identification (Cited in para 1–8b.)

**AR 708–1**

Logistics Management Data and Cataloging Procedures for Army Supplies and Equipment (Cited in para 1–21e(1).)

**AR 710–1**

Centralized Inventory Management of the Army Supply System (Cited in para 8–13.)

**AR 710–3**

Inventory Management Asset and Transaction Reporting System (Cited in para 1–8b.)

**AR 725–50**

Requisition, Receipt, and Issue System (Cited in para 2–3d.)

**AR 735–5**

Property Accountability Policies (Cited in para 1–14f.)

**AR 735–17**

Accounting for Library Materials (Cited in para 1–6b(2).)

**AR 740–26**

Physical Inventory Control (Cited in para 4–9b.)

**AR 750–1**

Army Materiel Maintenance Policy (Cited in para 14–6b.)

**AR 750–10**

Army Modification Program (Cited in para 11–13.)

**AR 840–10**

Flags, Guidons, Streamers, Tabards, and Automobile and Aircraft Plates (Cited in para 7–13a(3).)

**AR 870–20**

Army Museum Enterprise and Army Artifact Collection (Cited in para 1–6b(8).)

**ATP 4–35.1**

Ammunition and Explosives Handler Safety Techniques (Cited in para 5–8g(8).)

**CTA 8–100**

Army Medical Department Expendable/Durable Items (Cited in para 13–2b(2).)

**CTA 50–900**

Clothing and Individual Equipment (Cited in para 2–4t(2).)

**CTA 50–909**

Field and Garrison Furnishings and Equipment (Available at <https://fmsweb.army.mil>.) (Cited in para 7–13a(2).)

**CTA 50–970**

Expendable/Durable Items (Except Medical, Class V, Repair Parts, and Heraldic Items) (Cited in para 5–4e(6).)

**DA Pam 25–403**

Army Guide to Recordkeeping (Cited in para 1–5.)

**DA Pam 385–64**

Ammunition and Explosives Safety Standards (Cited in para 5–8g(1).)

**DA Pam 405–45**

Real Property Inventory Management (Cited in para 4–9g.)

**DA Pam 600–8**

Military Human Resources Management Administrative Procedures (Cited in para 4–16c.)

**DA Pam 700–16**

Ammunition Management (Cited in para 9–19.)

**DA Pam 708–2**

Cataloging and Supply Management Data Procedures for the Army Enterprise Material Master (Cited in para 11–5.)

**DA Pam 738–751**

Functional Users Manual for the Army Maintenance Management System—Aviation (Cited in para 12–9j.)

**DFAS–IN Manual 37–100**

Defense Finance and Accounting Service Regulation Manual 37–100 (Available at <https://www.as-afm.army.mil> (CAC required).) (Cited in para 5–5.)

**DoD 7000.14–R**

Department of Defense Financial Management Policy (Cited in title page.)

**DoDI 4161.02**

Accountability and Management of Government Contract Property (Cited in para 4–12n.)

**DoDI 5000.64**

Accountability and Management of DoD Equipment and Other Accountable Property (Cited in title page.)

**DoDI 5000.76**

Accountability and Management of Internal Use Software (IUS) (Cited in para 8–26c.)

**DoDM 4100.39**

Federal Logistics Information System (FLIS) Procedures (Cited in para 10–11e.)

**DoDM 4160.21**

Defense Materiel Disposition (Cited in para 8–26e.)

**FAR Part 45**

Government Property (Available at <https://www.acquisition.gov>.) (Cited in title page.)

**FAR Part 46**

Quality Assurance (Available at <https://www.acquisition.gov>.) (Cited in para 10–10j.)

**FAR Part 52**

Solicitation Provisions and Contract Clauses (Available at <https://www.acquisition.gov>.) (Cited in title page.)

**FAR 52.245–1**

Government Property (Available at <https://www.acquisition.gov>.) (Cited in para 10–2b(4).)

**SB 8–75–S11**

Department of the Army Supply Bulletin-Army Medical Department Supply Information (Cited in para 8–15a(5).)

**SB 700–20**

Army Adopted/Other Items Selected for Authorization/List of Reportable Items (Cited in para 4–5g.) (Available only through Army Enterprise Systems Integration Program (AESIP) at <https://www.aesip.army.mil>.)

**TB MED 1**

Storage, Preservation, Packaging, Packing, Maintenance, and Surveillance of Material; Medical Activities (Cited in para 8–15a(5).)

**31 USC Chapter 39**

Prompt Payment (Cited in para 11–25i.)

**32 USC Chapter 7**

Service, Supply, and Procurement (Cited in para 14–4b(3).)

**40 USC 524**

Duties of executive agencies (Cited in para 10–10a.)

**Section II****Prescribed Forms**

Unless otherwise indicated, DA forms are available on the Army Publishing Directorate website at <https://armypubs.army.mil>.

**DA Form 1687**

Notice of Delegation of Authority—Receipt for Supplies (Prescribed in para 7–18f.)

**DA Form 2062**

Hand Receipt/Shortage Listing (Prescribed in para 1–21a(1)(a).)

**DA Form 2063**

Prescribed Load List (Prescribed in table E–27.)

**DA Form 2064**

Document Register for Supply Actions (Prescribed in table E–8.)

**DA Form 2765–1**

Request for Issue or Turn-In (Prescribed in table 7–1.)

**DA Form 3161**

Request for Issue or Turn-In (Prescribed in para 7–18f.)

**DA Form 3318**

Record of Demands–Title Insert (Prescribed in table E–27.)

**DA Form 3328**

Property Record (Prescribed in para 1–7d.)

**DA Form 3328–1**

Serial Number Record (Prescribed in table E–17.)

**DA Form 3645**

Organizational Clothing and Individual Equipment Record (Prescribed in para 8–34c.)

**DA Form 3645–1**

Additional Organizational Clothing and Individual Equipment Record (Prescribed in table 16–1.)

**DA Form 3749**

Equipment Receipt (Prescribed in para 12–6a.)

**DA Form 4949**

Administrative Adjustment Report (AAR) (Prescribed in table 7–1.)

**DA Form 5519**

Tool Sign Out Log/Register (Prescribed in para 12–10a.)

**DA Form 7768**

Command Supply Discipline Program Evaluation Report (Prescribed in para 2–10f.)

## Appendix B

### Procedures to Account for Property of Personnel in Absent Statuses

#### **B-1. Step 1: Action required by organization commander or designated representative**

Description of actions: AWOL, duty status-whereabouts unknown, DFR.

a. *Organizational clothing and individual equipment.* Inventory and turn over OCIE and other GP to which the Soldier is not entitled to the appropriate supply officer. Make credit entries for the items on the Soldier's DA Form 3645. Maintain two copies of DA Form 3645 in the organization suspense files. Upon notification that the Soldier has been reassigned, died, or DFR, transfer one copy with the personnel records per AR 630-10.

b. *Personal military clothing.* Inventory personal military clothing on DA Form 3078 (Personal Clothing Request) in four copies. All copies will be signed by the individual conducting the inventory and the witness. The organization commander will initial all copies. Place the original copy with the clothing in a suitable container. Retain copies 2, 3, and 4 in the organization suspense files. Upon notification that the Soldier has been reassigned, died, or DFR, transfer copy 4 with the personnel records per AR 630-10.

c. *Personal civilian clothing or property.* Inventory personal civilian clothing and property on plain white bond paper in four copies, identified with the Soldier's name, grade or rank, and DoD identification number. All copies will be signed by the individual conducting the inventory and the witness. The organization commander will initial all copies. Place the original copy with the clothing in a suitable container. Attach and distribute copies 2, 3, and 4 with the corresponding copies of DA Form 3078 used to inventory personal military clothing in step 1b. Upon notification that the Soldier has been reassigned, died, or DFR, transfer copy 4 with the personnel records per AR 630-10. Record high-dollar-value items and items of intrinsic value by make, model, serial number, color, and so forth; note the condition of each item.

d. *Privately-owned motor vehicles.* Inventory privately-owned motor vehicles and include them with the personal civilian clothing and property inventory.

e. *Currency.* Deposit all currency with the servicing FAO to Deposit Fund 21X6875 (Suspense, Department of the Army). Record the transaction on DA Form 54 (Record of Personal Effects) and include the date, collection voucher number, and the disbursing officer's symbol number. Maintain copies of the collection voucher with the inventory of personal effects. Upon notification that the Soldier has returned or been reassigned, the FAO will refund the deposit. If the Soldier has died or DFR, the FAO will refer the case to Commander, U.S. Army Financial Management Command (AFMF-FS), 8899 East 56th Street, Indianapolis, IN 46249.

#### **B-2. Step 2: Action required by organization commander or designated representative**

The commander will ensure that all property abandoned or left behind belongs to the absent Soldier.

a. Clothing will not be exchanged for clothing of any other Soldier.

b. Only a commissioned officer, warrant officer, or NCO in the grade of E-5 or above will conduct the inventory.

c. The inventory will be conducted by the by a unit supply representative, the commander or a designated representative and a witness.

d. The individual Soldier will witness the inventory of his own property if the situation permits.

e. Personal property along with excess personal military clothing will be inventoried separately from initial issue and OCIE.

f. Description of actions: Immediately upon completion of the inventory, secure personal military clothing, personal civilian clothing and property, privately-owned motor vehicles, and FAO receipts in the organization facilities or in a secure storage area designated by the senior commander.

#### **B-3. Step 3: Action required by organization commander or designated representative**

Description of actions: Disposition.

a. *Absent without leave and duty status-whereabouts unknown.* After securing the property, take no further action until the Servicemember returns or is DFR. If the Soldier is returned prior to being DFR to military custody at an installation other than the one from which they departed, the commander of the former station will arrange with the local transportation office for shipment of the abandoned effects to the Soldier's new station. The abandoned effects can be shipped to the Servicemember collect or charges paid from currency deposited under paragraph B-1 e (with consent of the Soldier). If the Soldier's spouse

or Family member(s) located at their former duty station OCONUS are returned to CONUS at Government expense, the Joint Travel Regulation provides for shipment of personal property at Government expense from OCONUS area. The commander of the Soldier's former organization should contact the Military Personnel Office and the transportation office to determine the entitlement for movement of the spouse or Family member(s), consequently, personal property.

*b. Dropped from rolls.*

(1) Include copies of inventory forms, to include DA Form 3645, DA Form 3078 with attached personal clothing or property inventory, and a copy of the FAO receipt in the DFR packet per AR 630–10.

(2) Also take the following actions:

(a) Turn in personal military clothing through supply channels for reclassification and return to stock; complete appropriate turn-in document in three copies to indicate turn-in to the appropriate supply officer and include it with the clothing upon turn-in. The turn-in document will contain the statement that the Soldier was DFR on a specified date and that all recoverable items abandoned as reflected on the inventory are included in the turn-in. The supply officer will retain the original copy and return two receipted copies to the organization. File one copy with the organization supply records and provide one copy to the appointed summary court officer.

(b) Secure personal civilian clothing and property, privately-owned motor vehicles, and FAO receipts. If the Soldier's former duty station is in CONUS, a summary court officer appointed by the commanding officer of the installation at which the property is located will dispose of those items. If the Soldier's former duty station is OCONUS, the Soldier is entitled to shipment of personal property to their home of record or place of entry on active duty, and to shipment of their privately-owned motor vehicle, if authorized to the port servicing the member's home of record or place of entry on active duty. Such shipment is authorized whether or not the Soldier's spouse or Family member(s) are located OCONUS. If the spouse or Family member(s) are not present OCONUS, the organization commander will be responsible for ensuring action is taken with the transportation office on behalf of the Soldier to arrange for shipment of their personal property. To accomplish this, the commander of the Soldier's former OCONUS organization will contact the transportation office to arrange for shipment of the personal property.

**B–4. Step 4: Action required by organization commander or designated representative**

Description of actions: Discharged for hardship reasons while on leave from OCONUS.

a. OCIE. See paragraph B–1a.

b. Personal military clothing. See paragraph B–1b.

c. Personal civilian clothing or property. See paragraph B–1c.

d. Privately-owned motor vehicles. See paragraph B–1d.

e. Currency. See paragraph B–1e. The FAO will credit the deposit to the Soldier's final pay account or refund the deposit upon notification of a mailing address.

**B–5. Step 5: Action required by organization commander or designated representative**

Description of actions: Safekeeping (see paragraph B–2).

**B–6. Step 6: Action required by organization commander or designated representative**

Description of actions: Disposition.

a. Ship personal civilian clothing, property, and privately-owned motor vehicles (if authorized) belonging to a Soldier on leave in CONUS, to be separated for hardship reasons upon receipt of reassignment orders. Spouse or Family members, if present in the command, will make arrangements for property shipment. If spouse or Family members are not present, the organization commander will assume responsibility. Deposit treasury checks with FAO and consider them in computing the final pay account.

b. Turn in the personal military clothing through supply channels. Complete the turn-in document, in three copies, to indicate turn-in to the appropriate supply officer and include it with the clothing. The turn-in document will contain the statement that the Soldier was reassigned (specify date). The supply officer will retain the original copy and return two receipted copies to the organization. File one copy with organization supply records and transfer one copy with the personnel records per AR 630–10.

**B–7. Step 7: Action required by organization commander or designated representative**

Description of actions: Reassigned for compassionate reasons while on leave from OCONUS.

a. OCIE. See paragraph B–1a.

- b. Personal military clothing. See paragraph B-1*b*.
- c. Personal civilian clothing or property. See paragraph B-1*c*.
- d. Privately-owned motor vehicles. See paragraph B-1*d*.
- e. Currency. See paragraph B-1*e*. The FAO will credit and deposit to the Soldier's final pay account or refund the deposit upon notification of a mailing address.

**B-8. Step 8: Action required by organization commander or designated representative**

Description of actions: Safekeeping (see paragraph B-2).

**B-9. Step 9: Action required by organization commander or designated representative**

Description of actions: Disposition. Personal military clothing, personal civilian clothing and property, and privately-owned motor vehicles (if authorized) belonging to a Soldier who has been assigned from an OCONUS to a CONUS installation under compassionate conditions can be shipped upon receipt of the message approving the Soldier's request for compassionate reassignment provided the message states that "PCS orders reassigning [member] to [gaining organization] will be issued by [losing organization] on or about [date]. Movement of spouse or Family members and household goods in advance of orders is authorized under paragraphs M7003-4 and M8017, JTR." If message does not contain this statement, shipment will be delayed until orders are issued. The spouse or Family member(s), if present in the command, will make arrangements for property shipment. If the spouse or Family member(s) are not present, the organization commander will assume responsibility. Deposit treasury checks with the FAO and credit them to the Soldier's pay account.

**B-10. Step 10: Action required by organization commander or designated representative**

Description of actions: Confinement in a military correctional facility, inventory. A Soldier will witness the inventory of their property, if possible.

- a. OCIE. See paragraph B-1*a*.
- b. Personal military clothing. See paragraph B-1*b*. Army prisoners, upon original confinement, will be transported to appropriate facility with personal military clothing items listed in AR 700-84. Give copy 3 of inventory to the individual.
- c. Personal civilian clothing or property. See paragraph B-1*c*. Give copy 3 of inventory to the individual.
- d. Privately-owned motor vehicles. See paragraph B-1*d*.

**B-11. Step 11: Action required by organization commander or designated representative**

Description of actions: Safekeeping. See paragraph B-2. Currency will not be collected by the organization commander.

**B-12. Step 12: Action required by organization commander or designated representative**

Description of actions: Disposition.

- a. Ensure that the prisoner has in their possession authenticated copies of personal military clothing and personal civilian clothing or property inventories when reporting to the confinement or correctional facility.
- b. Subsequent to court-martial, transfer prisoners detained at a confinement facility to a correctional facility. Prior to transfer action, the losing organization commander will accomplish the following actions, as appropriate:
  - (1) For Soldiers sentenced to unsuspended discharges, turn-in items of personal military clothing (other than clothing items listed in AR 700-84) through supply channels. Complete the turn-in document, in triplicate, to indicate turn-in to the appropriate supply officer and include it with the clothing. The supply office will retain the original copy and return two receipted copies to the organization. File one copy with organization supply records and transfer one copy with the personnel records per AR 630-10.
  - (2) The prisoner will review personal civilian clothing or property inventory lists (not the clothing or property) and give the organization supply sergeant instructions for its disposal. The property will be disposed of per the written instructions received from the prisoner. Maintain these instructions in the organization supply records. The authorized options for disposal of personal property are:

(a) If the prisoner is from a duty station in CONUS, shipment, at the prisoner's expense, to a person designated by the prisoner. Property may be shipped collect if appropriate arrangements can be made prior to shipping.

(b) Shipment, at Government expense, if the prisoner is from an OCONUS, to the prisoner's home of record or place of entry on active duty. If the prisoner elects to have the property shipped to a designation other than their home of record or place of entry on active duty and additional expenses are incurred, the prisoner will pay the additional expense.

(c) Items can be sold, and the money deposited to the prisoner's account.

(d) Items can be donated to charitable organizations.

(e) Items can be donated to another individual.

(f) Items can be destroyed.

(g) If a prisoner refuses to give disposal instructions for their property, the items can be disposed of as abandoned or unclaimed property per DoDM 4160.21.

**B-13. Step 13: Action required by organization commander or designated representative**

Description of actions: Confinement in a civilian correctional facility. Inventory. Individual will witness the inventory of their property, if possible.

a. *Organizational clothing and individual equipment.* Do not turn in OCIE. Inventory it with personal military clothing on DA Form 3078.

b. *Personal military clothing.* See paragraph B-1 b. Give copy 2 of the inventory to the individual.

c. *Personal civilian clothing or property.* See paragraph B-1 c. Give copy 2 of the inventory to the individual.

d. *Privately-owned motor vehicles.* See in paragraph B-1 d.

**B-14. Step 14: Action required by organization commander or designated representative**

Description of actions: Safekeeping. See paragraph B-2. Secure OCIE. Currency will not be collected by the organization commander.

**B-15. Step 15: Action required by organization commander or designated representative**

Description of actions: Disposition.

a. If the prisoner is from a duty station in CONUS, take no further actions after securing property pending return of the Soldier.

b. If the prisoner is from a duty station OCONUS, he may desire shipment of personal property to CONUS. If such shipment is requested the shipment may be made to the prisoner's home of record, place of entry on active duty, or to another point subject to the prisoner paying any excess costs incurred as a result of shipping the property an excess distance. The commander of the prisoner's former organization should contact the transportation office to determine entitlements.

**B-16. Step 16: Action required by organization commander or designated representative**

Description of actions: Emergency leave inventory. Individual Soldier will witness the inventory of their property, if possible.

a. *Organizational clothing and individual equipment.* Do not turn in OCIE. Inventory it with personal military clothing on DA Form 3078.

b. *Personal military clothing.* See paragraph B-1 b. Give copy 2 of the inventory to the individual Soldier.

c. *Personal civilian clothing or property.* See paragraph B-1 c. Give copy 2 of the inventory to the individual Soldier.

d. *Privately-owned motor vehicles.* See paragraph B-1 d.

**B-17. Step 17: Action required by organization commander or designated representative**

Description of actions: Safekeeping. See paragraph B-2. Secure OCIE. Currency will not be collected by the organization commander.

**B-18. Step 18: Action required by organization commander or designated representative**

Description of actions: Disposition. Take no further action after securing property pending return of the Soldier.



**B-19. Step 19: Action required by organization commander or designated representative**

Description of actions: Hospitalization. (For a Soldier stationed OCONUS, medically evacuated to CONUS, or on leave in CONUS from OCONUS and hospitalized in CONUS, also see paragraph 4-5) Inventory. The individual Soldier will witness the inventory of their property, if possible.

a. *Organizational clothing and individual equipment.* Do not turn in OCIE. Inventory it with personal military clothing on DA Form 3078.

b. *Personal civilian clothing or property.* See paragraph B-1b. Give copy 2 of the inventory to the individual Soldier.

c. *Personal civilian clothing or property.* See paragraph B-1c. Give copy 2 of the inventory to the individual Soldier.

d. *Privately-owned motor vehicles.* See paragraph B-1d.

e. *Currency.* Currency will be collected by the organization commander in emergency situations only (see para B-1). In nonemergency situations, the Soldier will deposit currency to the patient trust fund.

**B-20. Step 20: Action required by organization commander or designated representative**

Description of actions: Safekeeping (see para B-2).

**B-21. Step 21: Action required by organization commander or designated representative**

Description of actions: Disposition.

a. If the Soldier is hospitalized at a medical treatment facility at their duty installation, secure the clothing or property in the organization facilities pending return of the Soldier.

b. If the Soldier is hospitalized at a medical treatment facility away from their duty installation, direct coordination will be made with the medical treatment facility's commander to ship personal clothing and property (not to exceed 225 pounds) needed for the Soldier's personal use.

c. If the Soldier is reassigned to a medical holding detachment, the organization commander will coordinate directly with the medical holding detachment commander and the ITO for the full or partial shipment or disposition of the Soldier's personal military clothing, personal civilian clothing or property, privately-owned motor vehicle and, if appropriate, treasury checks. Turn in the Soldier's OCIE per paragraph B-1a. If the medical treatment facility commander issues a written statement that the Soldier's treatment or hospitalization will be prolonged, the Soldier may request shipment of their personal property. The organization commander should contact the ITO to determine entitlement. A spouse or Family member(s), if present in the command, will make arrangements for property shipment. If shipment is to be made, include copies of all inventory lists with the property. Shipment will be at Government expense. The organization commander will send inventory lists and the following signed statement to the medical holding detachment commander: "The items and quantities of personal property belonging to (grade of rank, name, DoD identification number, and organization) appearing on the attached inventory lists have been shipped on Government Bill of Lading No. dated via (express, motor freight, or other carrier)." //signed//Organization Commander's signature block.

**B-22. Step 22: Action required by organization commander or designated representative**

Description of actions: Death or missing. Commander will process personal effects of deceased or missing personnel per AR 638-2.

**B-23. Step 23: Action required by organization commander or designated representative**

Description of actions: Safekeeping (see para B-2).

**B-24. Step 24: Action required by organization commander or designated representative**

Description of actions: Disposition. The commanding officer of the installation at which effects are located will appoint a summary court to secure and dispose of personal military clothing, personal civilian clothing or property, privately-owned motor vehicles, and FAO receipts.

## Appendix C

### Property Accountability Requirements

#### C-1. Introduction

Table C-1 provides requirements for items as expendable, durable, or nonexpendable property. Nonexpendable property requires formal accountability and control per chapter 5.

#### C-2. Determining accountability requirements

Durable and expendable property require control using HR procedures per chapter 12 section I if the items are end items, or CHR procedures per chapter 12 section II if the items are components. Any other property meeting the criteria of nonexpendable property per chapter 5 may be placed on formal property book records. Commanders should consider the workload and requirements of the formal property book accountability process before making this decision. Strict enforcement of procedures in chapter 12 may be better in certain cases.

**Table C-1**

**Type of property**

Type of Property	Criteria	Accounting
Authorization Documents per AR 71-32	On hand property that is no longer authorized and is pending turn-in having a unit cost greater than \$5,000 and/ or a CIIC code of other than "U." Includes all property previously authorized by an MTOE, TDA (to include TDA section III supplement items).	Nonexpendable, see chapter 5
Authorization Documents per AR 71-32	On hand substitutes for property to include Commercial Off the Shelf items, for property authorized per AR 71-32 having a unit cost greater than \$5,000 and/or a CIIC code of other than "U."	Nonexpendable, see chapter 5
Authorization Documents per AR 71-32	Property authorized by CTA 50-900. This property does not include insignia and initial and supplemental personal clothing issued under AR 700-84 for RA and USAR organizations, ROTC reserve personnel, Army funded clothing, and ROTC OCIE items are exempt from formal property book accountability.	Nonexpendable, see chapter 5
Authorization Documents per AR 71-32	Property authorized by CTA 50-909 having a unit cost of \$5000.00 or greater and any property regardless of price that has a CIIC of other than "U" and all property in CTA 50-909, appendix B regardless of price. This property does not include ammunition issued in support of events scheduled to begin within 5 days or installation property having a unit cost of less than \$5,000 and a CIIC of "U" per this regulation.	Nonexpendable, see chapter 5
Authorization Documents per AR 71-32	Property authorized in CTAs 8-100 and 50-970.	Durable, see chapter 5
Authorization Documents per AR 71-32	Property included in HQDA-approved interim authorizations.	Nonexpendable, see chapter 5
Authorization Documents per AR 71-32	Property listed in the "required" and/or "authorized" column of the MTOE, deployable TDA (to include TDA section III supplement items), and JTA (when the Army has responsibility for the JTA unit's supply functions) and property listed in appendix B of CTA 50-909.	Nonexpendable, see chapter 5
Add-on armor kits	Add on body armor kits with FSC 2541, Weapon Systems Specific Vehicular Accessories.	Nonexpendable, see chapter 5
Audiovisual material	Audiovisual production master material and copies that are accounted for under AR 25-1.	Durable, see chapter 5
Books	On hand books (individual or sets) having a unit value of \$300 or more (regardless of ARC) and not controlled by libraries established per AR 735-17.	Nonexpendable, see chapter 5

**Table C-1**  
**Type of property—Continued**

Type of Property	Criteria	Accounting
Capital Equipment	Capital equipment is non-consumable personal property which possesses a capital nature and is classified as non-expendable in the Army supply system or would be so classified if included in that system. The capitalization threshold is \$250,000 for all IUS and other general equipment assets for all other general and working capital funds.	Nonexpendable, see chapter 5
Class I	Subsistence items not part of a basic or operational load.	Expendable, see chapter 5 and AR 30-22
Class I	On hand basic loads of class I when authorized. When basic loads are not on hand, the PBO will enter the basic load authorization requirement into the APSR.	Nonexpendable, see chapter 5
Class V	All items categorized Class V (ammunition) and the items is an inert training device.	Nonexpendable, see chapter 6
Class V	Class V (ammunition) with a sub classification other than "L," missile materiel, the item is expendable, but still requires property book accounting.	Nonexpendable, see chapter 5
Class V	On hand operational loads of all CLV per AR 700-28 and DA Pam-700-16.	Nonexpendable, see chapter 5
Class VII	All items categorized Class VII (major end item).	Nonexpendable, see chapter 5
Components of medical assemblages	Components of medical assemblages per AR 40-61 having a unit cost of \$5,000 or more, and/or a CIIC code of other than "U."	Nonexpendable, see chapter 5
Components, ASIOE	Associated Support Items of Equipment are normally documented in MTOE/TDA/Joint duty assignment authorizations and must be accounted under these authorizations. If items are listed as ASIOE in a BOIP but not separately documented in organizational authorization documents, account for the property and adjust authorization documents per AR 71-32.	Nonexpendable, see chapter 5
Components, CMI	Material designated as Component Major Items in a BOIP. Designate as separately posted component in the APSR and report as a system with the parent item.	Nonexpendable, see chapter 5
Components, Nonexpendable COEI	Nonexpendable Components of End Item (COEI) with a CIIC code 1- 6, 8, 9, P, Q, R, night vision goggles, cryptographic high value products (CHVP and navigation sets/GPS). Designate as separately posted component in the APSR and report as a system with the parent item.	Nonexpendable, see paragraph 4-24
Components, Other	Components with ARC D or X which do not meet criteria above are controlled per chapter 8.	Durable or expendable, see chapter 5
Components, separate for schools and training centers	On hand components having a unit cost greater than \$5,000 and/or a CIIC code of other than "U," which meet the criteria for assignment of a nonstandard line item number per DA Pam 708-1, when only the component is required (HQDA-approved schools and training centers only).	Nonexpendable, see chapter 5
Consumable items	All items which do not require nonexpendable or durable accounting for other reasons and are assigned Class I (subsistence); Class III (petroleum, oil, and lubricants); Class VI (personal demand items); Class IX (repair parts and assemblies).	Expendable, see chapter 5

**Table C-1**  
**Type of property—Continued**

Type of Property	Criteria	Accounting
Containers, components of other items	All items with ARC D or X, assigned FSC 8115, FSC 8145, or FSC 9540 and the item is NOT considered an end item.	Expendable or Durable, see chapter 5
Containers, as end items	All items assigned FSC 8115, FSC 8145, or FSC 9540 and the item is considered an end item.	Nonexpendable, see chapter 5
Containers, components of containers	All items assigned FSC 8115, FSC 8145, or FSC 9540 and the item is a component of a container, the item is expendable.	Expendable, see chapter 5
Containers, ISO	FSC 8150, ISO configured containers.	Nonexpendable, see chapter 5
Containers, Reusable or Refillable	All Government-owned refillable containers, such as cylinders, carboys, and liquid petroleum gas containers with ARC N, and/or authorized by an MTOE, TDA, JTA, or CTA. List containers, including serial numbers, on records of receipt, issue, transfer, or loss.	Nonexpendable, see chapter 5
Containers, Reusable or Refillable	All Government-owned refillable containers, such as cylinders, carboys, and liquid petroleum gas containers, with ARC D or X. List containers, including serial numbers, on records of receipt, issue, transfer, or loss.	Durable or Expendable, see chapter 5Expendable, see chapter 5
Cryptographic items	On hand class II and class VII CCI assigned CIIC 9 and CHVP assigned CIIC 7, (regardless of unit cost), that are separately authorized or when installed as component end items of larger system.	Nonexpendable, see chapter 5
DLA-DS Withdrawals	Any durable or expendable item of serviceable equipment that is withdrawn from the DLA must be approved and controlled per chapter 6.	Durable or Expendable, see chapter 5Expendable, see chapter 5
DLA-DS Withdrawals	Any nonexpendable item of serviceable equipment per DA Pam 708-1 App. D that is withdrawn from the DLA must be approved and accounted for on the user's property book.	Nonexpendable, see chapter 5
Donated or Abandoned material	Donated or abandoned materiel defined as nonexpendable per DA Pam 708-1 App. D having a unit cost greater than \$5,000 and/or a CIIC code of other than "U."	Nonexpendable, see chapter 5
Electronics – Information Technology Equipment (ITE)	On hand information technology equipment (ITE), including leased information management processing equipment having a unit cost greater than \$5,000 and/or a CIIC code of other than "U." However, all computers, servers, laptops, tablets, monitors, and printers will be accounted for on the property book regardless of price.	Nonexpendable, see chapter 5
Electronics – Secure phones and secure phone modules	Cellular, satellite, or other secure phones with a secure module or capability will be accounted for regardless of dollar value. Separate secure modules with a separate serial number will also be accounted for (separate from the phone) on property accountability records.	Nonexpendable, see chapter 5
Electronics – Wireless portable electronic devices (PEDs)	Army-allocated, Government-owned PEDs, regardless of price.	Nonexpendable, see chapter 5
Electronics – Wireless PEDs	PEDs received incidental to a contract for services, not Government-owned, devices which may be exchanged as needed and are returned at the termination of the service contract.	Durable, see chapter 5

**Table C-1**  
**Type of property—Continued**

Type of Property	Criteria	Accounting
Equipment in place	Nonexpendable equipment of a moveable nature affixed to real property, but able to be removed without destroying or reducing the usefulness of the facility. It does not include installed building equipment. See DA Pam 708-1 App. D and DA Pam 708-2.	Nonexpendable, see chapter 5
Flags, guidons, streamers, heraldry	All items assigned FSC 8345, flags and pennants, organizational colors, national flags, state flags, positional colors, distinguishing flags, awards, streamers, guidons, and tabards authorized by AR 840-10.	Nonexpendable, see chapter 5
Flags, guidons, streamers, heraldry	All other flags and pennants not meeting the criteria for nonexpendable accounting are expendable. These items will not be provided to individuals as gifts unless authorized per AR 1-100.	Expendable, see chapter 5
Furnishing, Appliances, Office Equipment, Recreational Equipment, Food Service Equipment	All items assigned FSC 3510, FSC 4110, FSC 4140, FSC 6240, FSC 7105, FSC 7110, FSC 7125, FSC 7195, FSC 7210, FSC 7220, FSC 7230, FSC 7290, FSC 7310, FSC 7320, FSC 7350, FSC 7820, or FSC 7910 and the unit price is over \$2,500.	Nonexpendable, see chapter 5
Furnishing, Appliances, Office Equipment, Recreational Equipment, Food Service Equipment	All items assigned FSC 3510, FSC 4110, FSC 4140, FSC 6240, FSC 7105, FSC 7110, FSC 7125, FSC 7195, FSC 7210, FSC 7220, FSC 7230, FSC 7290, FSC 7310, FSC 7320, FSC 7350, FSC 7820, or FSC 7910 and the unit price is over \$300 but less than \$2,500.	Durable, see chapter 5
Furnishing, Appliances, Office Equipment, Recreational Equipment, Food Service Equipment	All items assigned FSC 3510, FSC 4110, FSC 4140, FSC 6240, FSC 7105, FSC 7110, FSC 7125, FSC 7195, FSC 7210, FSC 7220, FSC 7230, FSC 7290, FSC 7310, FSC 7320, FSC 7350, FSC 7820, or FSC 7910 and the unit price less than \$300.	Expendable, see chapter 5
Gifts	Conditional gifts of tangible personal property authorized and accepted under AR 1-100 if value is \$300 or greater and FSC of material is not considered expendable per DA Pam 708-1 Appendix D. This property does not apply to similar property accounted for according to NAF procedures.	Nonexpendable, see chapter 5
Government-furnished equipment (GFE)	GFE (ARC-N) in the hands of contractors or a third party exceeding \$300 or any property with a CIIC code other than "U."	Nonexpendable, see chapter 5
GFE	GFE (ARC-N) in the hands of contractors or a third party below \$300 with a CIIC code of "U."	Expendable, see chapter 5
GFP	Accountable property records will be established in an APSR for all government property purchased, or otherwise obtained, having an acquisition cost of \$5,000 or more, meeting the criteria of nonexpendable per DA Pam 708-1 Appendix D. This includes such property of any value controlled or managed at the item level, leased items (capital leases) of any value; and assets sensitive or classified (see DoDM 4100.39).	Nonexpendable, see chapter 5
History-related Items	Items not meeting criteria as historical properties or artifacts per AR 870-20 but which have similar characteristics and significance to the unit, having a unit cost greater than \$5,000 and/or a CIIC code of other than "U." Historically significant items include but are not limited to weapons, military equipment, articles of clothing and personal equipment, flags, works of art, unit and individual decorations, and campaign streamers. They also include other objects, except official records, that constitute relics or evidence of battle experience or other military activity of local or national significance to the U.S. or foreign armed forces. Verify status of these items per AR 870-20 to determine whether the item requires organizational accounting or transfer to U.S. Army Center of Military History (CMH).	Nonexpendable, see chapter 5
History-related Items	Organizational Heritage Materiel is formerly historical property and artifacts which have been deaccessioned from CMH per AR 870-20 and transferred to an organization's property books by a formal agreement issued from CMH.	Nonexpendable, see chapter 5

**Table C-1**  
**Type of property—Continued**

Type of Property	Criteria	Accounting
History-related Items	Historical property and artifacts: Army property, current, excess, obsolete, or condemned, and any war trophy that has been designated historical by appropriate authority. Any object that has been designated by appropriate authority as being historically significant because of its association with a person, organization, event, or place, or because it is a representative example of military equipment that has been accessioned into the Army Historical Collection. Also, any object and that may not have been so designated but, because of its age or obvious significance, is inherently historical. All historical artifacts are the responsibility of the CMH and will be registered and cataloged into the central catalog.	Nonexpendable, see AR 870-20
Medical Equipment	Medical equipment authorized by AR 40-61 having unit cost greater than \$5,000 and/or a CIIC code of other than "U" and not required to be type classified.	Nonexpendable, see chapter 5
Medical Supplies	Non-consumable supply Class 8 items as limited by AR 40-61 and not otherwise coded with an ARC of N.	Durable, see chapter 5
Negotiable media	On hand toll negotiable media devices meeting the criteria of nonexpendable per DA Pam 708-1.	Nonexpendable, see chapter 5
Non-consumable property	Non-consumable personal property having a unit cost over \$500, but less than \$5,000, assigned a CIIC of "U" and a RICC of "0" not otherwise coded with an ARC of "N" (nonexpendable).	Durable, see chapter 5
Non-standard, Commercial and Fabricated Items	Commercial and fabricated items similar to those items coded with an ARC of D.	Durable, see chapter 5
Non-standard, Commercial and Fabricated Items	Commercial or fabricated items similar to items with an ARC of X in Federal Logistics (FEDLOG).	Expendable, see chapter 5
Non-standard, Commercial and Fabricated Items	On hand non-standard, commercial, or fabricated items similar to items coded nonexpendable in the AMDF contained on FEDLOG having a unit cost greater than \$300 and/or a CIIC code of other than "U."	Nonexpendable, see chapter 5
Nontactical Vehicles	Nontactical GSA long-term assignment vehicles.	Nonexpendable, see chapter 5
OCIE	All items listed in SB 700-20 and is assigned FSC 8405, FSC 8415, FSC 8420, FSC 8425, FSC 8430, FSC 8435, FSC 8440, FSC 8445, or FSC 8450 and the item is not a clothing bag item or authorized by CTA 50-970.	Nonexpendable, see chapter 5
Property for use by other Service or Government Agency	Property received by an Army unit or activity specifically for use by another Service or other Government agency where accountability will be retained by the Army. At the conclusion of the operation for which the material was obtained, disposition is accomplished by the Army unit maintaining accountability.	Nonexpendable, see chapter 5
Relocatable facility	A facility that is specially designed and constructed to be readily erected, disassembled, transported, stored, and re-used. Examples of relocatable facilities include, but are not limited to, trailers, CONEX boxes, sheds on skids, tension fabric structures, and air supported domes. A relocatable facility is not constructed as a part of any other military vehicle, DoD tactical equipment (vehicle mounted or wheeled and towable) or equipment which is already accounted for in a designated APSR.	Nonexpendable, see chapter 5
Rental or leased property	On hand property obtained through rental or lease contracts for more than six months having a unit cost greater than \$5,000 and/or a CIIC code of other than "U" or not applicable to cost per copy contracts. However, costs per copy contracts are maintained within the contractor's record files.	Nonexpendable, see chapter 5

**Table C–1**  
**Type of property—Continued**

Type of Property	Criteria	Accounting
Research, Development, Test, & Evaluation	RDT&E property having a unit cost greater than \$5,000 and/or a CIIC code of other than "U."	Nonexpendable, see chapter 5
Research, Development, Test, & Evaluation	Supplies consumed by Government activities in the manufacturing, testing, sampling, or for experimental purposes. Also included are audiovisual products, training devices, training aids, and displays when these supplies will be consumed or rendered unserviceable for the purpose originally intended.	Expendable, see chapter 5
Software	Software other than IUS.	Durable, see chapter 5
Software	IUS. Account for IUS, not required at the using unit APO level.	Nonexpendable
Supplies	Office supplies and equipment (such as, paper, staplers, and hole punchers) with a unit cost of less than \$500. Items over \$500 must be reviewed for other accounting requirements.	Expendable, see chapter 5
Supplies	Supplies consumed in the maintenance and upkeep of public service. Examples are oil, paint, fuel, and cleaning and preserving materials.	Expendable, see chapter 5
Supplies	Supplies that lose their identity when used to repair or complete other items. Examples are assemblies, repair parts, and accessories.	Expendable, see chapter 5
Tents and tarpaulins	All items assigned FSC 8340, tents and tarpaulins, and the item is considered an end item.	Nonexpendable, see chapter 5
Tents and tarpaulins	All items assigned FSC 8340, tents and tarpaulins, and the item is NOT an end item.	Durable or expendable, see chapter 8
Test program sets	Test program set having a unit cost greater than \$5,000 and/or a CIIC code of other than "U."	Nonexpendable, see chapter 5
Tools	All hand tools in FSC 5110, FSC 5120, FSC 5130, FSC 5133, FSC 5136, FSC 5140, FSC 5180, FSC 5210, FSC 5220, and FSC 5280 when the unit of issue contains more than one item (such as, package, box, and dozen) and the cost of a single item (unit of measurement) is less than \$50, the entire set will be treated as an expendable item at the user level, even though it may be coded as durable in FEDLOG.	Expendable, see chapter 5
Tools	All hand tools in FSC 5110, FSC 5120, FSC 5130, FSC 5133, FSC 5136, FSC 5140, FSC 5180, FSC 5210, FSC 5220, and FSC 5280 with a unit cost of \$50 or more.	Durable, see chapter 5
Tools	All items coded with an ARC of "D" in FEDLOG except specific hand tools requiring nonexpendable accounting.	Durable, see chapter 8
Tools	Tools which are ARC D or X, are less than \$300, and do not meet other criteria for property book accounting. Manage individual tools per chapter 6, components of sets or end items per chapter 7.	Expendable or Durable, see chapter 5
Tools, Hand, or Measuring Tools	All hand tools or measuring tools and the unit price of the item is equal to or exceeds \$300.	Nonexpendable, see chapter 5
Tools, Special Tooling, Jigs, Fixtures, and Templates	Special tooling, jigs, fixtures, and templates provided—(1) Like item is not available through normal supply channels. (2) Items are fabricated for exclusive use by U.S. Army Joint Munitions Command depots in depot rebuild programs and cost less than \$5,000 each.	Expendable, see chapter 5

**Table C–1**  
**Type of property—Continued**

Type of Property	Criteria	Accounting
Tools, Special Tools and Test equipment	On hand special tools and test equipment over \$300 that are—not required to be type classified separately; required for the operation of an end item authorized by MTOE/TDA/JTA/CTA; listed in any TM.	Nonexpendable, see chapter 5
Training Aids, Devices, Simulators, and Simulations (TADSS)	Training Aids, Devices, Simulators, and Simulation training equipment meeting the criteria of nonexpendable per DA Pam 708–1 Appendix D; TADSS of any value that are controlled or managed at the item level; leased TADSS (capital lease) of any value; and TADSS that are sensitive or classified. TADSS are those training enablers established as an Army Acquisition Program (AP) and described in AR 350–38.	Nonexpendable, see chapter 5
Vendor–installed equipment	Vendor–installed equipment or equipment delivered directly to the user having a unit cost greater than \$5,000 and/or a CIIC code of other than “U.”	Nonexpendable, see chapter 5
Expendable FSCs	The following FSCs are considered expendable ARC X: 2510, 2520, 2530, 2540, 2590, 2610, 2620, 2630, 2640, 2910, 2915, 2920, 2925, 2930, 2935, 2940, 2945, 2950, 2990, 2995, 3010, 3020, 3030, 3040, 3110, 3120, 3130, 4010, 4020, 4030, 4510, 4710, 4720, 4730, 4810, 4820, 5310, 5315, 5320, 5325, 5330, 5335, 5340, 5345, 5350, 5355, 5360, 5365, 5510, 5520, 5530, 5610, 5620, 5630, 5640, 5650, 5660, 5670, 5680, 5905, 5910, 5915, 5920, 5925, 5930, 5340, 5945, 5950, 5955, 5960, 5961, 5962, 5963, 5965, 5970, 5975, 5977, 5985, 5990, 5995, 5999, 6105, 6145, 6750, 6810, 6820, 6830, 6840, 6850, 7340, 7510, 7520, 7530, 7540, 7920, 7930, 8010, 8020, 8030, 8040, 8105, 8110, 8120, 8125, 8130, 8135, 8140, 8305, 8310, 8315, 8320, 8325, 8330, 8335, 8455, 8510, 8520, 8530, 8540, 9310, 9320, 9330, 9340, 9350, 9390, 9410, 9420, 9430, 9440, 9450, 9505, 9510, 9515, 9520, 9525, 9530, 9535, 9545, 9610, 9620, 9630, 9640, 9650, 9660, 9670, and 9680.	Expendable, see chapter 5
Nonexpendable FSCs	The following FSCs are considered nonexpendable ARC N, if the unit price is \$300.00 or greater: 2210, 2220, 2230, 2305, 2310, 2320, 2330, 2340, 2350, 3210, 3220, 3405, 3408, 3410, 3411, 3412, 3413, 3414, 3415, 3416, 3417, 3418, 3419, 3422, 3424, 3426, 3431, 3432, 3433, 3436, 3438, 3439, 3441, 3442, 3443, 3444, 3445, 3446, 3447, 3448, 3449, 3450, 3461, 3465, 3470, 3520, 3530, 3540, 3550, 3590, 3605, 3610, 3611, 3615, 3620, 3625, 3630, 3635, 3640, 3645, 3650, 3655, 3660, 3670, 3680, 3685, 3690, 3693, 3694, 3695, 3710, 3720, 3730, 3740, 3750, 3810, 3815, 3820, 3825, 3830, 3910, 3915, 3920, 3930, 3940, 3950, 3960, 4120, 4130, 4210, 4220, 4230, 4240, 4310, 4320, 4330, 4410, 4420, 4430, 4440, 4450, 4460, 4520, 4540, 4910, 4920, 4921, 4923, 4925, 4927, 4930, 4931, 4933, 4935, 4940, 4960, 5410, 5411, 5420, 5430, 5440, 5445, 5450, 5805, 5810, 5811, 5815, 5820, 5821, 5825, 5826, 5830, 5831, 5835, 5840, 5841, 5845, 5850, 5855, 5860, 5865, 5895, 6605, 6610, 6615, 6620, 6625, 6630, 6635, 6636, 6640, 6645, 6650, 6655, 6660, 6665, 6670, 6675, 6680, 6685, 6695, 6710, 6720, 6730, 6740, 6780, 7010, 7020, 7021, 7022, 7025, 7030, 7035, 7040, 7042, 7045, 7050, 7360, 7420, 7430, 7435, 7440, 7450, 7460, 7490, 7710, 7720, 8460, 8820.	Non Expendable, see chapter 5
Unmanned Aerial Systems	All Unmanned Aerial Systems (UAS) regardless of price, ARC, or CIIC code.	Non Expendable, see chapter 5



## Appendix D

### Best Practices for Hand Receipt Holders

#### D-1. General

a. This regulation and AR 735-5 will help you manage your HRs and avoid liability for property losses or damage. This regulation also has information on some special types of HRs such as equipment receipts, shortage listings, and tool crib issues.

b. Basic principles:

(1) Do not sign for any property without performing a complete inventory, including components (see chapter 12).

(2) Assign responsibility for property to the lowest level end user whenever possible (see chapter 8).

(3) Inventory your property regularly, including components, not just the end item. Build inventories and basic checks on accountability and responsibility into normal operations, pre- and post-combat checks, mission recovery, movements, and transfers, not just when directed by the APO or commander (see chapter 16).

(4) Make basic responsibility for property part of your organizational culture, at every rank and echelon from the lowest execution level to senior command policies. Individuals learn to care for their equipment, junior leaders learn by checking subordinates' equipment and being responsible for others, senior leaders monitor and implement controls (see chapter 3).

(5) Adjust for losses promptly when they're discovered, using the appropriate method for the type of loss. Taking action immediately for smaller losses with lower thresholds of approval can prevent larger loss adjustments with senior commander or activity supervisor visibility. Don't hide losses. Delays in reporting make it more difficult to recover equipment, or to assess liability appropriately, and for controlled or sensitive items a delay may violate reporting requirements (see AR 735-5).

#### D-2. Component management

You may be given a CHR to sign, a system-generated shortage listing, or a hard copy DA Form 2062 (prepared per para E-41) initialed by the issuer, if you are receiving a SKO or an end item that has components issued with it. The components that make up a SKO are listed in the Supply Catalog or Component List (CL) for that SKO. The components that are issued with the end item are listed in that item's TM. You are responsible for these components too and must turn them in when you turn in the primary item. Components are assumed to be present and issued with the end item or SKO unless otherwise documented on a CHR or shortage listing. All losses of components require justification, such as a turn-in receipt for damaged items, publications showing the item was recently added to a TM/SKO and has not yet been issued to the HRH, or an adjustment action for losses per AR 735-5. This applies whether the component item is nonexpendable, durable, or expendable, except for consumable items such as string, wire, paint, solder, or sandpaper. Chapter 12 provides more information on managing components.

a. The CHR is a list of all those component items that make up an SKO or are normally issued with an end item but are not listed separately on your HR. The CHR should not list the items that are consumed in use, such as string, wire, paint, solder, or sandpaper. When you sign the CHR you are accepting responsibility only for the components you inventoried and recorded as received on the CHR.

b. The shortage listing is a different kind of document compared to a CHR. This document lists the components that you did not get with your SKO or end items, even though the SC, CL, or TM shows them as included. Whoever issued you the end item will initial the quantity column of the form to verify the items and quantities you are short. Since you do not sign the shortage listing, the end item listed at the top of the shortage listing will also appear on your regular HR or SHRH. When all the missing items listed on the shortage listing have been issued to you, the SKO or end items will be complete, and the shortage listing will be destroyed.

c. The shortage listing, SC, CL, TM, and CHR are good aids to use during your inventories to make sure you still have all those items that go along with your end item or SKO. Be certain to use the most current version of the TM or SC.

#### D-3. Inventories

To track all the property issued to organizations, periodic inventories are conducted to ensure the property is still in place and in usable condition. Chapter 16 provides information on the various types of

inventories and how often they must be performed. A part of the APO's responsibilities is to ensure that those inventories are accomplished when needed, including sampling or floor-to-book inventories for control measures, monitoring, and audit purposes. To do this the APO will remind (in writing) the PHRHs or contractors in the possession of GFP through the KO, PA, or COR when to conduct an inventory and, if cyclic, what items to include. The APO will also request a response from the PHRH (in writing) to document when the inventory was completed and the results of that inventory. The APO must also do their own inventory by making sure all the HRs are up-to-date and signed by the proper persons, and then physically counting all the other property that is not on a valid HR.

#### **D-4. Inventory procedures**

All PHRHs must ensure the required inventories are conducted when requested to do so and provide a written statement to the APO of the results of that inventory. To conduct a proper inventory, take the following steps:

- a. Verify all HRs are current, and all turn-ins and issues (change documents) have been posted to your copy of the HR.
- b. If you have some items that are on SHR to your subordinates—
  - (1) Instruct the SHR to verify the physical existence of the item(s).
  - (2) Ensure that the SHR has a current copy of the SHR to use to verify the existence.
  - (3) Require a written response from the SHR stating the date and results of the inventory.
- c. Physically locate and count each item listed on your HR that is not listed on a valid SHR. If possible, all items should be brought to one central location. If the item has a serial number, verify that the number on the item matches the serial number shown on your HR.
  - (1) When you have several of the same items, affix a unique sticker with a discrete number or other identifying mark to each individual item as it is counted. If the items are too small to tag, collect them all in one place or container and count them all at the same time. This will help preclude counting the same item twice.
  - (2) If the items being counted are SKO, use the CL or current SC to ensure all the required tools, parts, and so on, are in place or otherwise accounted for (shortage listing) before considering the SKO as on hand. When possible use a mat or sheet that shows the outline and has a place for each required item. This ensures all items are correctly identified and counted.
  - (3) When items are spread among several locations, inventory all like items at the same time to preclude items from being moved during the inventory and being double-counted or missed.
- d. Look over each item when it is counted to ensure it has no obvious damage or other indications that it might be unserviceable, for example, scars, across the top of a radio case or a broken handle on a screwdriver.
- e. Report to the APO any extra property discovered during the inventory. If additional quantities (more than are posted to your HR) are found, turn them in to your APO or have the APO add them to your HR.
- f. Complete the inventory as soon as possible. Do not delay completion of the inventory because you are trying to locate missing equipment.
- g. Prepare a memo showing the results of the inventory. Note any shortages. Sign and date the memo. If you are the PHRH, send it to the APO. If you are the SHR, send it to your PHRH. Keep one copy in your file.
- h. Initiate adjustment action (such as, cash collection voucher, statement of charges, or financial liability investigation) for any missing items per AR 735-5. If the items are found later, adjustment documents can be changed or canceled accordingly.
- i. Make sure your HR is adjusted to reflect the results of your inventory.

#### **D-5. New hand receipt holders**

If you are a new HRH or are assuming an HR from someone, inventory all the property, including COEIs, and verify the serial numbers before you sign the HR. Whenever possible do the inventory jointly with the outgoing HRH. Once you sign the HR you are responsible for the property and are held accountable. Verify CHRs and shortage listings if there are any. For items on SHRs, verify that the SHR is still authorized to have the property and is aware of their responsibility to safeguard the property, and obtain a current inventory from them. If time or distance prevents you from personally counting all your property, you may have someone assist in the inventory; however, you will still be responsible for the property. When

distance prevents you from physically viewing your property or randomly checking on it between inventories, you should consider issuing it on a SHR to someone at that location.

#### **D-6. Helpful hints**

- a.* Keep your HRs current.
  - b.* Make sure all your items are accounted for on a primary HR (or a SHR when necessary).
  - c.* Verify quantities and serial numbers before you sign.
  - d.* Annotate your HR with the location or SHR number next to each item listed.
  - e.* Do not loan property to another organization unless the action is approved by the APO or commander.
  - f.* Randomly spot-check the location and the physical condition of your property between inventories.
  - g.* When you no longer need an item, turn it in or request disposition from the APO.
  - h.* Always keep copies of your turn-in and issue documents until they have been posted to your HR.
- Destroy all HR transactions during the HR update process once you have verified that the transactions have been posted.
- i.* Make sure change documents are posted to your HR at least every 6 months.
  - j.* Maintain a current copy of all memos documenting the results of the inventories of your SHRHRs.
  - k.* Frequently remind SHRHRs of their responsibility to safeguard their property.
  - l.* Make sure your SHRHRs do not leave your organization without clearing their SHRs.
  - m.* Make sure damaged or missing items are reported in a timely manner.
  - n.* Store your equipment in a secure area. Report any indications of theft or break-in to your supervisor, organization commander, or first sergeant.
  - o.* Make sure the property you are signed for is protected when you go on leave or temporary duty. If you plan to be absent more than 30 days, have a temporary HR holder assume your HRs during that time. Do a joint inventory before you depart and again when you return.
  - p.* Report to your supervisor, organization commander, or first sergeant any circumstances that make it impossible to secure your property from loss or theft.
  - q.* Clear your HR or transfer your property responsibility to your successor before you leave your organization. Obtain a signed receipt.
  - r.* Update SHRHR holders before Master HR is updated with the APO.
  - s.* Read and understand the APO guidelines (if provided) for management of property and required inventories.

## Appendix E

### Hard Copy Forms Procedures

#### Section I

##### Introduction

#### E–1. General Information

Hard copy forms procedures will only be used when the designated APSR is not available due to system outage or austere mission conditions, or under specific scenarios to supplement some APSR transactions as described in this publication. Do not use hard copy forms as routine processes to circumvent the APSR, for preference, or for convenience. Per paragraph 1–10, all hard copy form transactions must be entered in the APSR within three business days of when access is restored. The forms listed in this appendix are completed electronically when a digital version is published (see <https://armypubs.army.mil> for DA Forms, <https://www.esd.whs.mil> for DD Forms, <https://www.gsa.gov> for SF Forms). Forms without a digital version may be completed manually on paper. Online application-based equivalents of forms are approved by the proponent of this regulation and are completed electronically per the application's EUM. This appendix provides specific details on how to use, complete, and distribute hard copy forms when required.

#### E–2. General procedures for hard copy forms

- a. Leave blank spaces that do not require entries. Normally negative numbers, zero, and “not applicable” entries are not required.
- b. Clearly print or type all entries on forms in this appendix, except personal signatures and initials. Use blue or black ink unless a pencil entry is specified. Repetitive information may be entered by use of a rubber stamp.
- c. Only use abbreviations authorized by Army Publishing Directorate's ABCA website at <https://armypubs.army.mil>.
- d. In this regulation, the terms noun and nomenclature are used interchangeably.

#### Section II

##### Hard Copy Supply Requests

#### E–3. Hard copy forms used to request supplies

- a. Table E–1 provides instructions to complete DA Form 1687 as a delegation of authority to request and receive supplies. Table E–2 lists the forms used to request supplies and the type of supplies requested with the form. Organizations must submit all requests for supplies, regardless of SOS, to the SSA that supports the organization for the class of supply requested. The systems catalog record determines the SOS for the requested item. Use hard copy forms in the absence of automation and for contingency operations as a last resort during extended system outages.
- b. Keep DA Form 1687s current. Use the following procedures:
  - (1) Prepare DA Form 1687 to add personnel as authorized representatives. Enter the statement “Added, previous editions remain in effect” in the Remarks block.
  - (2) To delete personnel, prepare DA Form 1687 as shown in table E–1 and list the names of the persons deleted. Personnel to be deleted do not sign or initial the card. Enter an “X” in the withdraws from block. Circle this block using colored pencil or ink. Enter the words “Deleted, other personnel listed remain in effect” in the remarks block.
  - (3) DA Form 1687s expire on the date entered in the expiration date block but keep the expired DA Form 1687 on file in the ARIMS. When these forms expire, prepare new forms.
  - (4) Personnel are required to sign DA Form 1687 digitally or manually for actions described in this regulation, both types of signature are not required. Commanders will not delegate or appoint contractor personnel on DA Form 1687 to sign for, turn in, or transfer government equipment or supplies. The KO, COR, or PA will sign a memorandum appointing the contractor with the specified responsibilities and designating the UIC and DoDAAC requiring support from an external organization. The KO, COR, or PA will

use either digital or ink signature on the memorandum, not both. The KO, COR, or PA will distribute the memorandum to all organizations providing support to a contract.

**Table E–1**  
**Completion instructions (by block) for DA Form 1687**

<b>Block</b>	<b>Instruction</b>
Date	Enter the calendar date the form is prepared.
Organization Receiving Supplies	Enter the name of the organization, and if prepared by an HRH to delegate authority to request or receipt for supplies enter the HR number or name of the section involved.
Location	Enter the name of the installation where the organization is located.
Name	Enter last name, first name and middle initial.
Authority Req/Rec	Enter the word “Yes” in this block for each person authorized to request or receive supplies. Otherwise, enter the word “No.”
Signature and Initials	Authorize representatives will sign here in ink if digital signature is not used.
Undersigned hereby delegates to, withdraws from	Commander, HRH, responsible officer, or accountable officer delegating authority places an “X” in the appropriate block.
Remarks	Enter the SSA or other activity to which the form is being sent.
UIC	Enter UIC.
DoDAAC/Account Number	Enter DoDAAC/Account number.
Name	Enter last name, first name and middle initial.
Grade	Enter the grade of the person delegating authority.
Telephone Number	Enter the telephone number of the person delegating authority.
Expiration date	Enter the expiration date of the DA Form 1687. This date is determined by the person making the delegation. Do not set a date later than the date the person delegating authority expects to remain in the position of authority.
Signature	Person delegating authority digitally signs with CAC if handwritten (ink) signature is not used.

**Table E–2**  
**Forms used to request supplies**

**Form:** DA Form 581

**Used to Request:** A&E (see DA Pam 700–16 for instructions).

**Form:** DA Form 2765–1 (Request for Issue or Turn-In)

**Used to Request:** Expendable, durable, or nonexpendable single line item with NSN or material number listed in the AEMM.

**Form:** DA Form 3161 (Request for Issue or Turn-in)

**Used to Request:** Ten or more line items of supplies normally provided by a SSSC when SSSCs are not available. Five or more line items of packaged class III items. Expendable medical items within a medical facility. Five or more lines of supplies normally ordered on a recurring basis. Examples are insignia, badges, and individual awards.

**Form:** DD Form 1348–6 (DoD Single Line Item Requisition System Document (Manual - Long Form))

**Used to Request:** Non-NSN or material number single line item. NSN or material number single line item when the NSN or material number is not listed in the AEMM. MWOs and modification kits. Classified items. All exception data requests.

#### **E–4. Preparing DA Form 2765–1**

a. When used as a request for issue, DA Form 2765–1 (Request for Issue or Turn-In) is a four-part carbon interwoven hard copy or electronic form. When prepared, present the number of copies required by local needs. One copy may be filed in the due-in status file. Instructions for preparing a DA Form 2765–1 are in table E–3.

*Note.* In paragraph 11–7, supply requests that are required by a maintenance request submitted by a supported organization do not have to be recertified. Instead, enter the maintenance job order number in column f–Request For–of DA Form 2064 (Document Register for Supply Actions).

b. Enter RDD “999” for NMCS requests requiring expedited handling originating overseas (or in CONUS organizations deploying within 30 days.) For all other NMCS or ANMCS requests, enter “N” for NMCS or “E” for ANMCS in the first position of block 21. Entries in the second and third position of block 21 may indicate short RDD. When used, enter the number of days within which the materiel is required. If there is no RDD, leave the RDD block blank. To schedule an RDD beyond the standard delivery date, see instructions in AR 725–50.

c. Enter the EIC in card columns (CCs) 54 through 56 or block 18 of every request for issue, cancellation, and modification for repair parts having end item application.

**Table E–3**  
**Completion instructions (by block) for DA Form 2765–1 as a request for issue**

Block	Instruction
A	Enter the name and address of the SSA.
B	Enter the name and address of the requesting organization.
C	Blank.
D	DOC Identifier.
E	RIC To.
F	Suffix.
1	DOC Identifier.
2	Routing Identifier.
3	Modeling & Simulation.
4	Enter the FSC.
5	Enter the NIIN.
6	Add.
7	Enter the UI.
8	Enter the quantity.
9	Service Code.
10	Requisitioner DoDAAC.
11	Enter the Julian date.
12–16	Enter the DoDAAC.
12	Enter the document number’s serial in the document register.
17	Fund Code.
18a	Enter the proper EIC in block 18 or CCs 54–56. EICs are listed in the AEMM for most major end item NSN or material numbers but not for repair part NSN or material numbers. Use the EIC that identifies the major end item for which the request applies. For example, if the part is being applied to a radio which is installed on a truck, use the EIC for the radio, not the truck. If an EIC has not been assigned to the end item, leave the EIC blank.
18b	For a major end item request (as shown for block 18a), enter the type of requirement code (TRC) (see app E). Enter the code in the second and third positions of block 18.
19	Enter the project code if assigned; otherwise leave blank.
20	Enter the PD.
21	Enter RDD or leave blank. Enter “999” for NMCS requests requiring expedited handling originating overseas (or in CONUS organizations deploying within 30 days.) For all other NMCS or ANMCS requests, enter “N” for NMCS or “E” for ANMCS in the first position of block 21. Entries in the second and third position of block 21 may indicate short RDD. When used, enter the number of days within which the materiel is required.
22	Enter the proper advice code to give specific instructions to the SOS; otherwise leave blank (see app B).

**Table E-3**  
**Completion instructions (by block) for DA Form 2765-1 as a request for issue—Continued**

Block	Instruction
L	Enter the cost detail account number when required.
O	Enter one or two words to describe the item requested.
P	Enter the type, number, date, and page number of the authorizing publication and other applicable data, that is, support list allowance card or mandatory parts list number.

**E-5. Preparing DA Form 3161 when used as a request for issue**

- a. DA Form 3161 may be used to request supplies from an SSA as shown in table E-4.
- b. Use DA Form 3161 only on a fill-or-kill basis. Do not make due-outs on these forms.
- c. Prepare enough copies of the forms to meet local needs.
- d. In the ARNG, the USPFO should publish specific instructions for using DA Form 3161.

**Table E-4**  
**Completion instructions (by block) for DA Form 3161 as a request for issue**

Block	Instruction
Issue	Enter an "X" for issue.
Sheet number	Number sheets consecutively.
Number of sheets	Enter total number of sheets included in this request.
1	Request No. Enter issuing document number (DoDAAC, Julian date, and serial number).
2	Voucher No. Enter receiving document number (DoDAAC, Julian date, and serial number).
3	Send To: Enter name and address of receiving agency, including UIC.
4	Enter the date material is required.
5	Enter DoDAAC.
6	Priority. Leave blank.
7	Enter accounting or funding data, if applicable.
8	Request From. Enter name and address issuing agency, including UIC.
9	End Item Ident. (Enter if applicable for issue of components to an end item.).
9a	Name or Manufacturer. (Enter if applicable).
9b	Model. (Enter if applicable).
9c	SN (Serial Number, enter if applicable).
10	Enter the authorizing publication.
11	Job Order No. (Enter if applicable).
12a	Enter the item number, in sequence, for each item requested.
12b	Enter the NSN or material number for each item requested.
12c	Enter one or two words to describe each item requested. Enter the words "Last Item" after last entry.
12d	Enter the UI of each item requested.
12e	Enter the quantity of each item requested.
12f	Enter the proper issue code from the form.
12g	Supply Action. Enter the quantity received.
12h	Enter unit price.
12i	Enter total price.
12j	Posted. Put the date in the Date block and initials in the By block.

**Table E-4**  
**Completion instructions (by block) for DA Form 3161 as a request for issue—Continued**

Block	Instruction
13	The issuing individual will print name and date and will sign this block; include rank.
14	The issuing individual will print name and date and will sign this block include rank (if applicable).
15	When items are issued, the person signing for the items will print name and date and will sign this block; include rank.

#### **E-6. Preparing DD Form 1150 as an issue document**

a. Use DD Form 1150 (Request for Issue/Transfer/Turn-In) as shown in table E-5 to issue items from national level activities or to non-Army activities.

b. Prepare DD Form 1150 in two copies, and present one copy to the receiving activity. The issuing activity retains the original.

**Table E-5**  
**Completion instructions (by block) for DD Form 1150 as an issue document**

Block	Instruction
1. Issue, Transfer, Turn-in	Check Issue box.
2. Delivery Date	Enter date.
3a. To: Location	Enter the name of the receiving activity.
3b. To: Custodian Code	Enter the UIC, DoDAAC, or other identifier of the receiving activity.
4. From: Location	Enter the name of the activity issuing the item.
4. From: Custodian Code	Enter the UIC, DoDAAC, or other identifier of the activity issuing the item.
5. Request Number	Leave blank for issue.
6. Accounting and Funding Data	Enter accounting information if applicable, such as fund citation, work breakdown structure (WBS) Element, Cost Center, Work Center. Leave blank if not required.
7. Document Number	Enter the document number.
8. Priority	Leave blank for issue.
9a. Name/Manufacturer	Leave blank for issue.
9b. Model	Leave blank for issue.
9c. Serial Number	Leave blank for issue.
9d. Publication	Leave blank for issue.
(1). Item No.	Enter the item number, in sequence, for each item being issued.
(2). Asset ID	Enter unique identifying numbers for the item, such as equipment record number, data ID, or admin number if required.
(3). Item description	Enter enough words to identify each item being turned in. Include item serial numbers, if applicable.
(4). Stock Number	Enter the item's NSN or material number.
(5). Unit of issue	Enter the UI of each item being issued.
(6). Request Quantity	Enter the quantity of each item being issued.
(7). Received Quantity	Receiving individual enters the quantity actually received.
(8). Unit price	Enter the unit price.
(9). Total cost	Enter the total cost.
10a. Requested By Signature	Enter the signature of the individual issuing the item(s).
10b. Date	Enter the date signed.
11a. Delivered By Signature	Enter the signature of the issuing representative or individual completing the delivery to the gaining activity.



**Table E-5**  
**Completion instructions (by block) for DD Form 1150 as an issue document—Continued**

Block	Instruction
11b. Date	Enter the date signed.
12a. Received By Signature	Enter the signature of the receiving activity representative.
12b. Date	Enter the date signed.

### **E-7. Preparing DD Form 1348-6 as a request for issue with exception data**

a. Use DD Form 1348-6 (DoD Single Line Item Requisition System Document (Manual - Long Form)) as shown in table E-6 to request items. Exception data for NSN or material number items are required only when the items being requested do not have a manufacturer's PN, consisting of a five-digit CAGE code and a PN. Enter the exception data in blocks 2 through 9 of DD Form 1348-6. If required, attach additional exception data, including as much of the following as possible and any other information that would aid in identification. For non-cataloged, nonstandard, commercial items, enter a complete item description and include the end item application. For PDs 01 through 08, add on the back of the form the appropriate justification, signed by the commander (or their designee) of the requesting organization, that the item is required to take a piece of equipment off deadline or is needed to satisfy a mission-essential requirement. If text length precludes use of the back of the form, use an informal memorandum.

- (1) Manufacturer's name.
- (2) Publication number, page number, and date of publication.
- (3) Size, shape, color, and purpose of the item requested.
- (4) End item identification to include the EIC.

b. Prepare DD Form 1348-6 in two copies, and present one copy to the SSA. File the second copy in the due-in status file. Find instructions for preparing DD Form 1348-6 as a request for a non-NSN or material number item in table E-6. Find instructions for preparing DD Form 1348-6 for a NSN or material number item in table E-7.

**Table E-6**  
**Completion instructions (by block) for DD Form 1348-6 as a request for issue for a non-national stock number or material number item**

Block	Instruction
1-7	Leave blank.
8-22	Enter the CAGE code, when available (see note 1), and the PN. When PN exceeds 10 digits, see note 2.
23-24	Enter the UI.
25-29	Enter the quantity requested. Use all five positions. Enter zeros to the left of the quantity.
30-35	Enter the organization DoDAAC.
36-39	Enter the Julian date.
40-43	Enter the serial number.
44	Enter demand code. Enter "R" for recurring or "N" for nonrecurring.
45-53	Leave blank.
54-56	Enter the proper EIC in CC 54-56. EICs are listed in the AEMM for most major end item NSN or material number but not for repair part NSN or material numbers. Use the EIC that identifies the major end item for which the request applies. For example, if the part is being applied to a radio which is installed on a truck, use the EIC for the radio, not the truck. If an EIC has not been assigned to the end item, leave blank.
57-59	Enter a project code if assigned; otherwise leave blank.
60-61	Enter the PD.
62-64	Enter RDD or leave blank. Enter "999" for NMCS requests requiring expedited handling originating overseas or in CONUS organizations deploying within 30 days. For all other NMCS or ANMCS requests, enter "N" for NMCS or "E" for ANMCS in CC 62. Entries in CCs 63 to 64 may indicate a short RDD. When short RDDs are used, enter the number of days within which the materiel is required.
65-66	Enter the proper advice code to give specific instructions to the SOS; otherwise leave blank (see app B).

**Table E-6**  
**Completion instructions (by block) for DD Form 1348-6 as a request for issue for a non-national stock number or material number item—Continued**

Block	Instruction
67-80	Leave blank.
Identification data section (completion instructions by block number)	
6	Enter the type, number, date, and page number of the authorizing publication.
7	Enter one or two words to describe the item requested.
8	Enter a complete item description.
9	Enter an end item application. Enter other information if it is available. For PDs 01 through 08, add on the back of form the appropriate justification, signed by the commander (or his designee) of the requesting organization, that the item is required to remove a piece of equipment from deadline or is needed to satisfy a mission essential requirement.
10	Requisitioner (Clear text name and address).
11	Remarks (see note 3).

Notes:

<sup>1</sup> When a CAGE code is not available, complete blocks 8 through 22 with as much data as possible.

<sup>2</sup> When the PN (CCs 17- 22) exceeds 10 digits, enter the complete PN (to include the CAGE code when available) in block 1 of this section. Enter the federal supply code for manufacturers, when available, first followed by the PN.

<sup>3</sup> Use block number 11 (remarks), as required. Enter notations for fund cite, fund available, and validation for procurement purposes if needed. Enter the date and signature of receipting person when DD Form 1348-6 is used for issue purposes.

**Table E-7**  
**Completion instructions (by block) for DD Form 1348-6 as a request for issue for a national stock number or material number item**

Block	Instruction
1-7	Leave blank.
8-20	The NSN or material number of the item requested.
21-22	Leave blank.
23-24	Enter the UI.
25-29	Enter the quantity requested. Use all five positions. Enter zeros to the left of the quantity.
30-35	Enter the organization DoDAAC.
36-39	Enter the Julian date.
40-43	Enter the serial number.
44	Enter demand code. Use "R" for recurring or "N" for nonrecurring.
45-53	Leave blank.
54-56	Enter the proper EIC in CCs 54-56. EICs are listed in the AEMM for most major end item NSN or material numbers but not for repair part NSN or material numbers. Use the EIC that identifies the major end item for which the request applies. For example, if the part is being applied to a radio which is installed on a truck, use the EIC for the radio, not the truck. If an EIC has not been assigned to the end item, leave blank.
57-59	Enter project code if assigned; otherwise, leave blank.
60-61	Enter the PD.
62-64	Enter RDD or leave blank. Enter "999" for NMCS requests requiring expedited handling originating overseas (or in CONUS organizations deploying within 30 days). For all other NMCS or ANMCS requests, enter "N" for NMCS or "E" for ANMCS in CC 62. Entries in CC 63-64 may indicate short RDD. When short RDDs are used, enter the number of days within which the materiel is required.
65-66	Enter the proper advice code to give specific instructions to the SOS; otherwise, leave blank (see app B).
67-80	Leave blank.

Note:

For the identification data section, complete blocks 2 through 9 with as much data as possible. Use block number 11 (Remarks), as required. Enter notations for fund cite, fund available, and validation for procurement purposes if needed. Enter the date and signature of receipting person when DD Form 1348-6 is used for issue purposes.

### **E-8. Hard copy requests for non-mission capable and anticipated not mission capable supply**

If the end item affected by the work stoppage has an assigned EIC, enter the EIC in block 18, or blocks 54 through 56 on the request for issue DA Form 2765-1.

a. An ANMCS request is required when such a condition is anticipated. Submit these requests for only the quantity required to return the equipment to mission capable status.

b. For NMCS conditions requiring expedited handling originating overseas (or in CONUS organizations alerted for deployment within 30 days), use the following procedures:

- (1) A requesting organization will possess the FAD per AR 725-50.
- (2) Enter "PDs 01-03" in block 20 (CCs 60 through 61). Use the PD relating to UND A and the organization's FAD. See AR 725-50.
- (3) Enter "999" in block 21 (CCs 62 through 64).
- (4) Enter the proper EIC in block 18 or CCs 54 through 56. EICs are listed in the AEMM for most major end items but not for repair-part NSN or material numbers. Use the EIC that identifies the major end item for which the request applies. If you cannot identify the specific end item, or if no EIC has been assigned to the end item, leave the EIC blank.

c. For all other CONUS or overseas NMCS requests other than 999 or ANMCS requests (all FADs), use these procedures.

- (1) Enter an "N" in the first position of block 21 (CC 62) for NMCS requests.
- (2) Enter an "E" in the first position of block 21 (CC 62) for ANMCS requests.
- (3) Short RDDs may be entered in the second and third positions of block 21 (CCs 63 through 64). When used, enter the number of days within which the materiel is required.

(4) Enter "PDs 01-08" in block 20 (CCs 60 through 61). For ANMCS, use the PD relating to UND B in organizations having FAD I, II, or III and the PD relating to UND A in organizations having FAD IV or V. Use table See AR 725-50.

(5) Enter the proper EIC in block 18 or CCs 54 through 56. EICs are listed for most major end item NSN or material numbers but not for repair-part NSN or material numbers. Use the EIC that identifies the major end item for which the request applies. If you cannot identify the specific end item, or if no EIC has been assigned to the end item, leave the EIC blank.

### **E-9. Hard copy document registers, DA Form 2064, or electronically generated DA Form 2064**

The document register is a record of document numbers assigned to supply documents. It serves as the suspense file for open supply transactions.

- a. There are three types of document registers: nonexpendable, durable, and expendable.
- (1) The nonexpendable register is kept at property book level and is used to record supply transactions for property book items (regardless of ARC) and nonexpendable components.
  - (2) One durable register is authorized to be maintained at the organization level as directed by the APO. The APO may authorize this register be combined with an expendable document register, making an expendable or durable register. Normally, the organization supply element will maintain this register.
  - (3) Expendable document registers are kept by each element within an organization that is authorized to submit supply requests to an SSA. Use it to record supply transactions for expendable items.

*Note.* Applicable to the USAR only, assign a document number from the durable or expendable register when personal clothing is requested for an individual unless authorized by the APO.

b. The APO designates, by informal memorandum, those elements within an organization authorized to request expendable and durable supplies. The APO will ensure that document numbers are not duplicated among organization elements. The informal memorandum will specify class of supply, DoDAAC, and the block of document serial numbers to be used by that element. The informal memorandum will also specify any restrictions. For example, only one element within an organization is authorized to request durable items. Other elements would be restricted from requesting durables. The expendable or durable document register will have the same DoDAAC as the property book account. As noted in paragraph E-9a(2), maintain only one durable register within the organizational activity authorized by the property book account. When assignment of the durable register is made to an element outside the

property book office, that is, an S-4 in the division or brigade, establishing and maintaining HRs or short-age listings becomes the responsibility of the element having the register.

c. Keep document registers by calendar year or FY. Use the procedures in AR 25-400-2 to file procedures.

d. Record supply documents in the document register as explained in table E-8.

e. When an organization document is found or received that is not recorded in the document register or that has a document number which duplicates a recorded document number for a different transaction, take the following action:

(1) Research the transaction with all activities that would be acted upon if valid. If the document is an obvious error or was never processed, destroy it. If the document was processed, submit a request for cancellation.

(2) If the document cannot be cancelled and is for an expendable or durable item—

(a) File the document in the applicable file per the document's number.

(b) Record the document on a blank DA Form 2064 and draw a line through the remaining blank spaces on that register page. File the page immediately following the page where the document would have been recorded using the same page number plus a letter for the new page. For example, if filed following page 13, number the new page 13a; a second new page behind page 13 would be page 13b.

(c) When extracting open documents at the beginning of a calendar year or FY from an inactive document register to the new document register per AR 25-400-2, record the open documents in correct document transaction number sequence as the first entries in the new document register.

(3) If the document cannot be cancelled and is for a nonexpendable item—

(a) Record the document in the nonexpendable document register using procedures in paragraphs E-9e(2)(b) and E-9e(2)(c).

(b) File the document in the supporting document file in document transaction number sequence with a statement, signed by the APO that explains the circumstances.

f. When a document number from the wrong document register is assigned to a transaction, such as an expendable document number to a request for a nonexpendable item, cancel the transaction and re-submit it using a document number from the correct document register. If the transaction is completed, or cannot be cancelled, assign a document number to the transaction from the correct document register. On the document registers and in the due-in suspense files, cross-reference each document number to the other. File completed copies in the file that supports the correct document register. When a nonexpendable document number is erroneously used, file a statement in the supporting document file that cross-references the document number from the correct document register. Dispose of file copies as required for the correct document register.

*Note.* In the USAR only, assign a document number from the durable and/or expendable register when personal clothing is requested for an individual unless authorized by the APO.

**Table E-8**  
**Completion instructions (by block) for DA Form 2064 actions**

Block	Instructions
Element keeping the register	Enter the name of the element and organization keeping the register.
DoD Activity Address Code	Enter the organization DoDAAC that will be put on the request COMSEC custodians will enter the COMSEC account number used to request classified COMSEC equipment and components.
UIC	Enter the UIC of the requesting organization.
Page Number	Enter page number. Pages are numbered in sequence.
Date (a)	Enter Julian date.
Serial Number (b)	Enter the assigned four-digit document serial number. Restart the sequence daily.
Document Sent To (c)	Multiple use, enter appropriate info:
*If request for issue or turn-in	Enter the last three digits of the SSA DoDAAC. Classified COMSEC custodians enter the last three digits of the supporting SSA COMSEC account number.

**Table E-8**  
**Completion instructions (by block) for DA Form 2064 actions—Continued**

Block	Instructions
*For other uses	For other than request for issue or turn-in enter name of activity the document is sent to.
Stock Number (d)	Multiple use, enter appropriate info:
*If single item on document	Enter the NSN or material number of the item being requested or turned in. For nonexpendable document registers, the LIN may be included for purposes of continuity and cross-reference.
*Issue or turn-in of multiple items on DA Form 3161	Leave Blank.
*Ammunition Request	Leave Blank.
*For other uses	Leave Blank.
Noun (e)	Multiple use, enter appropriate information:
*If single item on document	Enter one or two words that identify the item requested or turned in.
*Issue or turn-in of multiple items on DA Form 3161	For request for issue or turn-in on DA Form 3161. Enter "DA Form 3161".
*For other uses	For other than requests for issue or turn-in, enter a description of the form or action. Examples include SoC (statement of charges), FLIPL, and administrative adjustment.
Request For (f)	Multiple use, enter appropriate information:
*For requests related to HR or equipment	Enter HR or equipment number, or other locally assigned identification for which item is requested.
*For requests related to work orders	For supply requests that are required by a maintenance request enter the job order number.
*For other uses	For adjustment documents, such as statement of charges or FLIPLs, applicable HR number may be entered.
PD (g)	Enter the PD of the request for issue: otherwise, leave blank.
Initials (h)	Multiple use, enter appropriate information:
*For supply requests	The person authorized to authenticate requests will place their initials in this column for each UND A and B request. Otherwise, leave blank.
*For requests related to work orders	For UND A and B supply requests that are required by a maintenance request, leave blank.
*Note	Initials are not required for requests that have been extracted from another register.
Request (i)	Multiple use, enter appropriate information:
*If single item requested	Enter the quantity requested.
*Issue or turn-in of multiple items on DA Form 3161	For request for issue on DA Form 3161. Leave blank.
*For other uses	For other than request for issue, leave blank.
Rec'd/Turn-In (j)	Enter the quantity received from the SSA or quantity turned in. Enter partial receipts in pencil. Otherwise, leave blank.
Due-In (k)	Enter the quantity due-in when document number is assigned (pencil entry). On receipt of materiel or receipt of cancellation, or rejection status, change the due-in quantity.
Date Follow-Up Due (l)	Multiple use enters appropriate information. All entries are made in pencil. When the space in this column is insufficient, use column n for remarks.

**Table E-8**  
**Completion instructions (by block) for DA Form 2064 actions—Continued**

Block	Instructions
*Do this when	Supply status card is received for total due-in quantity. Erase any previous entry, enter status code, and if provided the estimated delivery date (EDD) from the card.
*Do this when	Supply status card is received for part of due-in quantity. Erase previous entry, enter status code, EDD if provided and quantity from status card.
*Do this when	Shipment status card is received for total due-in quantity. Erase previous entry, enter document identifier code (DIC) and the date shipped or ESD from the card.
*Do this when	Shipment status card is received for part of due-in quantity. Erase previous entry, as appropriate, DIC, the date shipped, or ESD and quantity from status card.
*Do this when	Final action is completed. Erase old entry.
Date Completed ( <i>m</i> )	Multiple use, enter appropriate information. All entries are made in pencil. When the space in this column is insufficient, use column <i>n</i> for remarks.
*Do this when	Final action is completed. Enter Julian date. If a partial quantity is received, enter the Julian date of receipt in pencil.
*Do this when	Cancellation or rejection status is received for total quantity requested. Enter the status code and the Julian date of the cancellation or rejection verification.
*Do this when	Request documents are canceled prior to forwarding to the SSA, and when documents other than request for issue are canceled. Enter CXL and the Julian date.
*Do this when	Adjustment documents per AR 735-5 or administrative adjustments are posted to the property records, or damaged property is release by the investigating officer initialing the release document. Enter the Julian date.
Remarks ( <i>n</i> )	Multiple use, enter appropriate information. Erase pencil entries when a reply to a submitted document (for example, cancellation, modification, follow-up) is received.
*Do this when	Cancellation/rejection status is received for part of the quantity requested: mark partial quantity received in column <i>j</i> ., a permanent entry when action is completed. Enter status code, quantity cancelled, and the Julian date of the cancellation/rejection verification.
*Do this when	DIC "AF1", "AFC", or "AT_" follow-up is submitted. Erase proper entry in column 1. Enter appropriate DIC for type of follow-up and Julian date (pencil entries).
*Do this when	Request for transportation status is submitted: Erase entry in column <i>i</i> . Enter DIC "TM1" and Julian date (pencil entries).
*Do this when	Request modifier is submitted: Update entries for which modification is requested. Enter appropriate "AM_" DIC and Julian date (pencil entries).
*Do this when	Request for cancellation for total due-in quantity is submitted: Enter DIC "AC1" and Julian date (pencil entries).
*Do this when	Request for cancellation for part of due-in quantity is submitted: Enter DIC "AC1", Quantity to be cancelled, and Julian date (pencil entries).
*Do this when	Follow-up on a cancellation request is submitted: Erase AC1 and enter Julian date in column <i>n</i> . Enter DIC "AK1" and Julian date (pencil entries).
Note 1	All entries will be made in ink or typed unless otherwise stated. Make corrections by drawing a single line through the incorrect entry and entering the correction above the original entry.
Note 2	Document registers are kept by calendar or FY. When closing out document registers at the end of the year, enter the statement "Closed Out": the current date, and the signature of the individual performing the posting on the next available line following the last document entry in the register. Use the procedures in AR 25-400-2 for filing and extracting document registers.
Note 3	Block <i>n</i> (Remarks) may be used to record the document number assigned to a reorder when an item is canceled and requested again. This will ensure continuity during the reconciliation process with customers.

## E-10. Hard copy supply status

Complete requests on DA Form 2765-1 as described in table E-9.

**Table E-9**  
**Completion instructions (by block) for DA Form 2765-1 supply status**

Block	Instruction
1-3	DIC indicates supply status.
4-6	Routing identifier code of the supply source furnishing the status.
7	Media and status code from the supply request.
8-22	NSN or material number of the item.
23-24	UI of the item.
25-29	Quantity to which the status applies.
30-43	Document number to which the status applies.
44	Suffix code entered if the status card applies to a partial issue.
45-50	Address of the activity to receive the materiel.
51	Signal code from the original supply request.
52-53	Fund code from the original supply request.
54-56	Distribution code (CC 54) from the original supply request. Type requirement code (CCs 55 through 56) from the original supply request; otherwise, leave blank.
57-59	Project code from the original supply request; otherwise, leave blank.
60-61	PD form the original supply request.
62-64	Julian date this card was processed.
65-66	Supply status or rejection code (see app C).
67-69	Routing identifier code of the last known SOS.
70-73	EDD.
74-80	Unit price of the item.

## E-11. Hard copy follow-up procedures

Completion instructions for follow-up procedures are listed in table E-10. When hard copy follow-up action on an unfilled request is used, do not submit follow-ups earlier than:

- For PD 01 through 08 requests, at least 9 calendar days have passed since the document date or the EDD on the latest supply or shipment status (see tables E-10 and E-11) has not been received.
- For PD 09 through 15 requests, at time of monthly reconciliation and supply or shipment status has not been received.
- For PD 01 through 15 requests:
  - At time of monthly reconciliation and the ESD has expired.
  - It is determined that a valid existing supply status is unsatisfactory in terms of estimated availability date.
  - Fourteen calendar days have passed since a cancellation request was submitted and supply or shipment status has not been received.
  - For shipments with a final destination at CONUS activities when 30 calendar days have passed since the date shipped shown on the shipment status document and the shipment has not been received.
  - For shipments with a final destination to OCONUS activities when 60 calendar days have passed since the date shipped shown on the shipment status document and the shipment has not been received.
- Record the follow-up in the document register. Enter "AF1" or the AT\_-series DIC used per AR 725-50, and the Julian date of the action in column n.
- Send the follow-up to the SSA.
- In the ARNG, instead of the time frames noted in paragraph E-11a, commanders will make sure follow-up action is not taken earlier than:

- (1) For PD 01 through 08 requests, at least 17 calendar days have passed since the document date and supply, or shipment status has not been received.
- (2) For PD 09 through 15 requests, at least 30 calendar days have passed since the document date and supply, or shipment status has not been received.
- (3) Thirty calendar days have passed since the submission date of a cancellation request and supply, or shipment status has not been received.

**Table E-10**  
**Completion instructions (by block) for DA Form 2765-1 follow-up**

Block	Instruction
1-3	DIC indicates supply status.
4-6	Routing identifier code of the supply source furnishing the status.
7	Media and status code from the supply request.
8-22	NSN or material number of the item shipped.
23-24	UI of the item shipped.
25-29	Quantity of items shipped.
30-43	Document number to which the status applies.
44	Suffix code entered if the status card applies to a partial issue.
45-50	Address of the activity to receive the materiel.
51	Hold code is entered if applicable.
52-53	Fund code from the original supply request.
54-56	Distribution code (CC 54) from the original supply request. Type requirement code (CCs 55 through 56) from the original supply request; otherwise, leave blank.
57-59	Project code from the original supply request; otherwise, leave blank.
60-61	PD from the original supply request.
62-76	TCN, government bill of lading, or other shipment organization number.
77	Mode of shipment (see app D).
78-80	Date available for shipment.

#### **E-12. Hard copy follow-up on a shipment (request for transportation status)**

Follow-up with shipment status is not mandatory. Find completion instructions for DA Form 2765-1 AU1 status in table E-11. When used, do not submit follow-ups earlier than the following:

- a. For shipments with a final destination at CONUS activities, until 30 calendar days have passed since the date shipped or ESD and the shipment has not been received.
- b. For shipments with a final destination at OCONUS activities, until 60 calendar days have passed since the date shipped or ESD and the shipment has not been received.

**Table E-11**  
**Completion instructions (by block) for DA Form 2765-1 regarding shipment status card, document identifier code AU1 reply to cancellation request**

Block	Instruction
1-3	DIC indicates supply status.
4-6	Routing identifier code of the supply source furnishing the status.
7	Media and status code from the supply request.
8-22	NSN or material number of the item shipped.
23-24	UI of the item shipped.
25-29	Quantity of items shipped.
30-43	Document number to which the status applies.



**Table E-11**  
**Completion instructions (by block) for DA Form 2765-1 regarding shipment status card, document identifier code AU1 reply to cancellation request—Continued**

Block	Instruction
44	Suffix code entered if the status card applies to a partial issue.
45-50	Address of the activity to receive the materiel.
51	Hold code is entered if applicable.
52-53	Fund code from the original supply request.
54-56	Distribution code (CC 54) from the original supply request. Type requirement code (CCs 55 through 56) from the original supply request; otherwise, leave blank.
57-59	Project code from the original supply request; otherwise, leave blank.
60-61	PD form the original supply request.
62-76	TCN, government bill of lading, or other shipment organization number.
77	Mode of shipment (see app D).
78-80	Date available for shipment.

### **E-13. Hard copy cancellation procedures using DA Form 2765-1**

Submit a request for cancellation when all or part of a quantity requested is no longer needed. Include the EIC in CCs 54 through 56 on all customer-initiated cancellation requests. Use the following procedures:

*a. Preparing a request for cancellation.*

(1) If status has been received, enter "AC1" in block 1. Enter the quantity to be canceled in block 8. Circle these entries using colored pencil or ink.

(2) If no status has been received, prepare a request for cancellation. Remake the supply request from the document register and proper supply publication. Enter "AC1" in block 1 (CCs 1 through 3). Enter the quantity to be canceled in block 8. Circle these entries using colored pencil or ink.

*b. Processing.*

(1) Record the cancellation request in the document register. Enter "AC1" and the Julian date if re-requesting cancellation of the entire quantity; or enter "AC1," the quantity, and the Julian date if requesting cancellation of a partial quantity. Make these entries in pencil in column n.

(2) Send the cancellation request to the SSA.

*c. Completing a cancellation action.* A request for cancellation is not complete until verification is received from the SSA. This is a supply status card with a BQ status code. When verification is received, do the following:

(1) When the entire quantity requested is cancelled—

(a) Post the document register. Enter "BQ" and the Julian date of the cancellation verification in column m. Erase any previous entry in column A. Erase the "AC1" and Julian date in column n.

(b) Remove all status cards and other documents for the item from the due-in status file and destroy them.

(c) If the cancellation verification applies to the nonexpendable document register, file it in the document file; otherwise, destroy it.

(2) When part of a quantity requested is canceled—

(a) Post the document register. Erase the "AC1," quantity, and Julian date in column n. Enter "BQ," quantity canceled and the Julian date of cancellation verification in column n. Erase the previous entry in column 1, as appropriate. Make the entry in column j permanent if action is completed. Change the due-in quantity in column k.

(b) If the cancellation verification applies to the nonexpendable document register, file it in the document file; otherwise, destroy it.

*d. Following up on cancellation requests.* Follow-ups on cancellation requests are not mandatory. When used, 14 calendar days must have passed since a cancellation request was submitted and supply or shipment status has not been received. Use the following procedures:

(1) If a status card is available, use it. Enter "AK1" in block 1. Enter the quantity to be canceled in block 8. Circle these entries using colored pencil or ink.

(2) If a status card is not available, prepare a follow-up. Remake the supply request from the document register and proper supply publication. Enter "AK1" in block 1 (CCs 1 through 3). Enter the quantity to be canceled in block 8. Circle these entries using colored pencil or ink.

(3) Record the follow-up in the document register. Erase "AC1," the quantity, and the Julian date in column n. Enter "AK1," the quantity, and the Julian date the action is started in column n.

(4) Send the follow-up to the SSA.

#### **E-14. Hard copy modification of previously submitted requests**

a. *Use.* Use a request modifier document to modify the following information on previously submitted requests. Use it only when the change pertains to the entire quantity due in. It must be submitted for each open request when an organization's FAD or UND changes. Prepare DA Form 2765-1 as follows:

(1) Media and status code, block 3.

(2) TRC, EIC, block 18.

(3) Project code, block 19.

(4) PD, block 20.

(5) RDD, block 21.

(6) Advice code, block 22.

b. *Preparation.*

(1) If status has been received, use the latest status card. Enter the correct AM\_-series DIC from AR 725-50 in block 1. Enter the new data in the appropriate blocks. Delete a previously submitted code by circling the empty block. Circle these entries using colored pencil or ink.

(2) If no status has been received, prepare a request modifier. Remake the supply request from the document register and proper supply publication. Enter the correct AM-series DIC from AR 725-50 in block 1 (CCs 1 through 3). Enter the new data in the appropriate blocks. Be sure to include the project code, RDD, and advice code if one or more of these codes were entered on the original requisition. If any of these codes are left off, they will be deleted from the transaction automatically. Circle these entries using colored pencil or ink.

c. *Processing.* Record the request modifier in the document register as follows:

(1) If the PD was modified, draw a line through the original PD in column g; enter the new PD. Have the request authenticated if required.

(2) Enter the correct AM-series DIC from AR 725-50 and the Julian date of the action in column n.

(3) Send the request modifier to the SSA.

#### **E-15. Hard copy receipt documents**

a. Supplies issued on hard copy forms from an SSA are normally issued with DD Form 1348-1A or DD Form 1348-2, except for class V materials. Customers acknowledge receipt and the first review or check of the NSN or material number and serial number (if applicable) of the supplies by signing their names, ranks, and the Julian date in block 7.

b. Items in stock at the SSA are issued on DA Form 2765-1. The customer acknowledges receipt of the supplies by entering the quantity received in block S, and the Julian date, signature, and rank in block V of DA Form 2765-1.

c. When items are requested on DA Form 3161, the issue is made on that form. See paragraph E-37 for use of a DA Form 3161 as a receipt document. The customer acknowledges receipt of the supplies by completing the supply action column and entering the date, printed name, signature, and rank in block 15.

d. Place the receipt document for items recorded on the nonexpendable document register in the supporting document file. Destroy the receipt document for items recorded on the expendable or durable document register. For all items directly shipped from a depot, commanders will forward a copy of all receipt documents to the supporting SSA within 24-hours of the receipt. Send copies of government bills of lading and TK4 in-transit data cards to the USPFO.

e. If the receipt is for the total quantity requested, remove and destroy all status cards from the due-in status file that apply to the request.

## Section III

### Hard Copy Turn-In Procedures

#### **E-16. Hard copy turn-in of property book and nonexpendable items**

a. Follow general turn-in instructions in paragraph 14-7. Prepare DA Form 2765-1 as shown in table E-12 for turn-in from an activity below the national level to an SSA. Prepare DD Form 1150 as shown in table E-13 when turning in items from a national-level activity. Do not use a return advice code. When turning in non-cataloged, nonstandard, commercial items, enter the complete line item description and end item application as a minimum. Enter any other identifying data that may be available.

b. Make sure the following documents accompany the turn-in:

(1) *Component shortage list*. Use DA Form 2062; the PHRH or APO must sign it. Send two copies and keep one in suspense; destroy this copy when final turn-in credit is received. A component shortage list is not required when:

(a) There are no shortages.

(b) The turn-in is for an item replaced from operational readiness float.

(2) *Maintenance request*. DA Form 2407 (Available through normal supply channels) or DA Form 5990-E to classify the item is required for all turn-ins regardless of classification by the maintenance activity, except for turn-ins of items replaced from operational readiness float.

c. The SSA turn-in clerk will accept the items by entering the quantity received and signing the turn-in document. Then, give the original copy to the organization representative. The ammunition SSA will accept the turn-in of items on DA Form 581 after the turn-in has been affected. The checker will annotate in block 20 the quantity turned-in, sign block 31b, and date block 31c. Give the organization representative a copy.

d. After the items have been accepted—

(1) Post the turn-in to the property book page for the item. Post the quantity turned-in as a decrease to the balance on hand.

(2) Post the document register to show the turn-in was completed, which also applies when turn-in to DLA-DS is directed. This applies only to organizations served by an SSA using hard copy form accounting procedures. If the servicing SSA uses an APSR, the intermediate level supply system will capture the turn-in transaction.

(3) File the posted document in the supporting document file.

#### **E-17. Hard copy turn-in of expendable and durable supplies**

Follow general instructions in paragraph 14-9. See paragraph 14-18 to turn in SSSC items. Prepare DA Form 2765-1 as shown in table E-12. Do not use a return advice code. Enter the reason for the turn-in in block P as follows:

a. If the item is excess, enter the words "Turn-in excess." If it works, also enter the word "Serviceable." If it does not work, enter the word "Unserviceable." If unserviceable, enter an explanation per paragraph 3-6.

b. If a replacement is required, enter "Turn-In-Replacement-Unserviceable" and an explanation.

(1) Use FWT.

(2) Refer to AR 735-5 for items other than FWT.

c. Attach DA Form 2407 (available through normal supply channels) or DA Form 5990-E to the turn-in if the item was inspected and found to be unserviceable.

d. Deliver the items to the turn-in point. The SSA retains the original copy of DA Form 2765-1, and the organization receives the fourth copy of DA Form 2765-1.

e. After the items have been accepted, post the document register to show the turn-in was completed. The copy received from the SSA may be destroyed.

f. Turn in unserviceable and economically salvageable material to the SSA.

#### **E-18. Hard copy turn-in of temporary loan materiel**

Follow general instructions in paragraph 14-12. Turn in to the SSA that issued the item as follows:

a. Prepare DA Form 2765-1 as shown in table E-12.

b. Use the same document number on which the items were received from the SSA. Do not enter the turn-in on the document register.

- c. Enter return advice code 1Q in block 22 of DA Form 2765–1 or in CCs 65 and 66.
- d. Prior to turn-in, repair temporary loan property to restore it to the same condition as when it was issued. Any repairs needed but not done will be charged to the organization.
- e. Deliver the property to the SSA.
- f. After the turn-in clerk accepts the turn-in, file the document in the general inventory management correspondence file.
- g. These procedures do not apply to the ARNG.

#### **E–19. Hard copy return of discrepant shipments**

- a. There are two types of discrepant shipments: items that were not requested and items with hidden defects.
  - b. For turn-in items not requested by using DA Form 2765–1, prepare the form per table E–12.
    - (1) Assign a new document number and enter it on the document register.
    - (2) Enter return advice code 1T in block 22 of DA Form 2765–1.
  - c. For turn-in items with defects by using DA Form 2765–1, prepare the form per table E–12.
    - (1) Assign a new document number and enter it on the document register.
    - (2) Enter return advice code 1U in block 22 of DA Form 2765–1.
    - (3) Where appropriate or required, prepare and process a ROD per AR 725–50.
  - d. Deliver the items to the turn-in point.
  - e. Once the clerk accepts the turn-in, take these actions:
    - (1) For property book items, check the property book to see if the original document was posted as an increase to the balance. If it was, post the turn-in as a decrease. If it was not or after posting, file the document in the supporting document file along with the original document.
    - (2) For other than property book items, destroy the turn-in document.

#### **E–20. Return of property issued to support Department of the Army-approved emergency requirements**

Turn in property issued to support DA-approved emergency requirements when the emergency is over. This includes property rented or leased.

- a. Use DA Form 2765–1 prepared per table E–12.
- b. Do not assign a new document number. Use the same one on which the item was received from the SSA. Do not enter the turn-in on the document register.
- c. Enter return advice code 1P in block 22 of DA Form 2765–1.
- d. Deliver the property to the SSA.
- e. When the turn-in is complete, file the document in the general inventory management correspondence file.

#### **E–21. Turn-in of parachutes and components**

Turn in parachutes and parachute components (FSC 1670) using DA Form 2765–1.

- a. Prepare a separate DA Form 2765–1 for each different year of manufacture. Prepare the form per table E–12.
- b. Enter the date of manufacture in block P of DA Form 2765–1.
- c. Enter return advice code 1Z in block 22 of DA Form 2765–1.
- d. Deliver the items to the turn-in point.
- e. For property book items, after receipt by the SSA, post the turn-in as a decrease to the property book balance.
- f. Complete the document register.
- g. File the document for property book items in the supporting document files. Destroy other turn-in documents.
- h. Enter the reason for the turn-in in block P as follows:
  - (1) If the item works, enter the words “Turn-In: Excess: Serviceable.”
  - (2) If the item does not work, enter the words “Turn-In: Excess: Unserviceable.”
  - (3) If the item is not excess, enter the words “Turn-In: Replacement: Unserviceable.”
  - (4) If the item is unserviceable, also enter an explanation. Use:
    - (a) FWT.
    - (b) See AR 735–5 for other than FWT.

**Table E-12**  
**Completion instructions (by block) for DA Form 2765-1 as a turn-in**

Block	Instruction
A	Enter the name and address of the SSA.
B	Enter the name and address of the requesting organization.
4	Enter the FSC.
5	Enter the NIIN (if scrap leave blank).
7	Enter the UI.
8	Enter the quantity.
12-16	Enter DoDAAC.
11	Enter the Julian date.
12	Enter the document serial number.
18a	Enter the proper EIC in block 18 or CCs 54 through 56. EICs are listed in the AEMM for most major end item NSN or material numbers but not for repair part NSN or material numbers. Use the EIC that identifies the major end item for which the request applies. For example, if the part is being applied to a radio which is installed on a truck, use the EIC for the radio, not the truck. If an EIC has not been assigned to the end item, leave the EIC blank.
18b	If a major end item request, (as shown in table E-3) enter the TRC (see app E). Enter the code in the second and third positions of block 18.
19	Project code if assigned; otherwise, leave blank.
20	Enter the PD.
21	Enter RDD or leave blank. Enter "999" for NMCS requests requiring expedited handling originating overseas (or in CONUS organizations deploying within 30 days.) For all other NMCS or ANMCS requests, enter "N" for NMCS or "E" for ANMCS in the first position of block 21. Entries in the second and third position of block 21 may indicate a short RDD. When used, enter the number of days within which the materiel is required.
22	Enter the proper advice code to give specific instructions to the SOS; otherwise, leave blank (see app B).
L	Enter the cost detail account number when required.
O	Enter one or two words that describe the item requested.
P	Enter the type, number, date, and page number of the authorizing publication and other applicable data, for example, support list allowance card or master priority list number.

**Table E-13**  
**Completion instructions (by block) for DD Form 1150 as turn-in from national-level activities**

Block	Instruction
1. Issue, Transfer, Turn-in	Check TURN-IN box.
2. Delivery Date	Enter date.
3a. To: Location	Enter the name of the receiving activity.
3b. To: Custodian Code	Enter the UIC, DoDAAC, or other identifier of the receiving activity.
4. From: Location	Enter the name of the activity initiating turn-in.
4. From: Custodian Code	Enter the UIC, DoDAAC, or other identifier of the activity initiating turn-in.
5. Request Number	Leave blank for TURN-IN.
6. Accounting and Funding Data	Enter accounting information if applicable, such as fund citation, WBS Element, Cost Center, Work Center. Leave blank if not required.
7. Document Number	Enter the turn-in document number.
8. Priority	Leave blank for TURN-IN.
9a. Name/Manufacturer	Leave blank for TURN-IN.

**Table E-13**  
**Completion instructions (by block) for DD Form 1150 as turn-in from national-level activities—Continued**

<b>Block</b>	<b>Instruction</b>
9b. Model	Leave blank for TURN-IN.
9c. Serial Number	Leave blank for TURN-IN.
9d. Publication	Leave blank for TURN-IN.
(1). Item No.	Enter the item number, in sequence, for each item being turned in.
(2). Asset ID	Enter unique identifying numbers for the item, such as equipment record number, database ID, or admin number if required.
(3). Item description	Enter enough words to identify each item being turned in. Include item serial numbers, if applicable.
(4). NSN or material number	Enter the item's NSN or material number.
(5). Unit of issue	Enter the UI of each item being turned in.
(6). Request Quantity	Enter the quantity of each item being turned in.
(7). Received Quantity	Receiving individual enters the quantity actually received.
(8). Unit price	Enter the unit price.
(9). Total cost	Enter the total cost.
10a. Requested By Signature	Enter the signature of the individual initiating turn-in.
10b. Date	Enter the date signed.
11a. Delivered By Signature	Enter the signature of the representative for the activity turning in the item(s) or individual completing the delivery to the receiving activity.
11b. Date	Enter the date signed.
12a. Received By Signature	Enter the signature of the receiving activity representative.
12b. Date	Enter the date signed.

Note: Attach a copy of the approved turn-in directive.

## **Section IV**

### **Hard Copy Lateral Transfer of Property**

#### **E-22. Organization identification code and Department of Defense activity address code changes to property accounts**

When a parent organization maintaining a hard copy property book is notified that the UIC and DoDAAC will be changed, take the following steps:

- a. Prepare Form 3161 to transfer property laterally from the old UIC or DoDAAC to the new UIC or DoDAAC.
- b. Obtain the losing document number from the existing register, post to block 1 (Request Number) of DA Form 3161, close out the old register, and start a new document register using the new UIC or DoDAAC. Obtain the gaining document number from the new register and post it to block 2 (voucher number) of DA Form 3161.
- c. Post the losing entry to each property book page (zero the page) and prepare a new property book page for each item. Post the gaining entry from the lateral transfer to the new pages.

#### **E-23. Hard copy lateral transfer procedures**

- a. Follow general instructions for transfer of property in paragraph 14-21:
  - (1) Use DA Form 3161 to transfer property book items between Army activities below the national level. Use DD Form 1150 to transfer to or from national level Army activities or a non-Army activity. The losing organization representative prepares the form. Prepare the form in enough copies to meet the needs of the losing and gaining organizations. Table E-14 gives instructions to prepare DA Form 3161 as a lateral transfer. Table E-15 gives instructions to prepare DD Form 1150 as a lateral transfer.
  - (2) Document any component shortages per paragraph E-41. Attach the original copy of the DA Form 2062 to the gaining organization's copy of the lateral transfer document. The organization designated

representative (DA Form 1687 or contractor designated by memorandum) will sign and date the lateral transfer document issuing the items.

(3) Send lateral transfer document and shortage listings to the approving authority.

(4) Attach a copy of the approved transfer directive.

b. When the approved document is returned, the losing organization representative will—

(1) Assign a document number to the lateral transfer document.

(2) Submit requests for cancellation for all open requests for components pertaining to the equipment.

(3) Notify the gaining organization's APO that the property is ready for transfer.

(4) Ensure action is initiated to transfer OMA funds to the gaining organization when OMA funded components (appropriation and budget activity code 3 or 5) are missing from property transferred within the same ACOM, ASCC, or DRU.

(5) Complete the physical exchange inventories as described in paragraph 14–26.

c. The APO of the gaining organization will—

(1) Assign a document number to the lateral transfer document.

(2) Give the losing organization's APO a copy of the signed and annotated lateral transfer document.

(3) Post the lateral transfer document to the property book.

(4) File the original of the lateral transfer document in the supporting document file.

(5) Submit requests for component shortages.

(6) For ARNG, send a copy of completed the lateral transfer document to the USPFO.

d. The losing organization APO will—

(1) Post the lateral transfer document to the property book.

(2) File the copy of the lateral transfer document in the document file.

(3) Upon transfer of unclassified CCI, APOs will comply with the reporting requirements.

**Table E–14**  
**Completion instructions (by block) for DA Form 3161 as a lateral transfer**

Block	Instruction
Issue	Leave blank.
Turn-in	Leave blank.
Sheet number	Number sheets consecutively.
Number of sheets	Enter the total number of sheets.
1. Request NO.	Losing organization will enter the document number assigned to the lateral transfer. Document number is the DoDAAC, Julian date, and serial number.
2. Voucher NO.	Leave blank. Gaining organization will enter their document number, DoDAAC, Julian date, and serial number.
3. Send to	Enter the name and UIC of the gaining organization.
4. Date material required	Leave blank.
5. DoDAAC	Leave blank.
6. Priority	Leave blank.
7. Accounting or funding data	Leave blank.
8. Request from	Enter the name and UIC of the losing organization.
9. End item	Leave blank.
9a. Name/Manufacturer	Leave blank.
9b. Model	Leave blank.
9c. Serial Number	Leave blank.
10. Publication	Leave blank.
11. Job order NO.	Leave blank.
12a. Item NO.	Enter the item number, in sequence, for each item being transferred.
12b. Stock NO.	Enter the NSN or material number and LIN for each item being transferred.

**Table E-14**  
**Completion instructions (by block) for DA Form 3161 as a lateral transfer—Continued**

<b>Block</b>	<b>Instruction</b>
12c. Item description	Enter enough words to identify each item being transferred. Include item serial numbers, if applicable.
12d. UI	Enter the UI of each item being transferred.
12e. Quantity	Enter the quantity of each item being transferred.
12f. Code	Enter "LT" to indicate lateral transfer.
12g. Supply action	Enter the supply action.
12h. Unit price	Enter the unit price.
12i. Total cost	Enter the total cost.
12j. Posted	Enter the posted number.
Date	Enter the date number.
By	Enter the by number.
13. Issue/Turn-in Quantity Column is Requested	
Date	Enter the date.
By	The APO of the losing organization or the organization designated representative (DA Form 1687) will print name and digitally sign this block. Include rank.
14. Issue QTY in Supply Action Column	
Date	Leave blank.
By	Leave blank.
15. Rec QTY in Supply Action Column	
Date	Enter the date.
By	The APO of the receiving organization or the organization designated representative (DA Form 1687) will print name and digitally sign this block. Include rank.

Note:

Attach a copy of the approved transfer directive.

**Table E-15**  
**Completion instructions (by block) for DD Form 1150 as lateral transfer**

<b>Block</b>	<b>Instruction</b>
1. Issue, Transfer, Turn-in	Check TRANSFER box.
2. Delivery Date	Enter date.
3a. To: Location	Enter the name of the gaining organization.
3b. To: Custodian Code	Enter the UIC, DoDAAC, or other identifier of the gaining organization.
4. From: Location	Enter the name of the losing organization.
4. From: Custodian Code	Enter the UIC, DoDAAC, or other identifier of the losing organization.
5. Request Number	Enter the losing activity document number for transfer.
6. Accounting and Funding Data	Enter accounting information if applicable, such as fund citation, WBS Element, Cost Center, Work Center. Leave blank if not required.
7. Document Number	Enter the gaining activity document number.
8. Priority	Enter the transfer priority from the transfer directive, if assigned. Leave blank if not.
9a. Name/Manufacturer	Leave blank for transfers.
9b. Model	Leave blank for transfers.
9c. Serial Number	Leave blank for transfers.



**Table E–15**  
**Completion instructions (by block) for DD Form 1150 as lateral transfer—Continued**

<b>Block</b>	<b>Instruction</b>
9d. Publication	Leave blank for transfers.
(1). Item No.	Enter the item number, in sequence, for each item being transferred.
(2). Asset ID	Enter unique identifying numbers for the item, such as equipment record number, database ID, or admin number if required.
(3). Item description	Enter enough words to identify each item being transferred. Include item serial numbers, if applicable.
(4). Material Number	Enter the item's NSN or material number.
(5). Unit of issue	Enter the UI of each item being transferred.
(6). Request Quantity	Enter the quantity of each item intended to be transferred.
(7). Received Quantity	Receiving individual enters the quantity actually received.
(8). Unit price	Enter the unit price.
(9). Total cost	Enter the total cost.
10a. Requested By Signature	Enter the signature of the losing activity representative.
10b. Date	Enter the date signed.
11a. Delivered By Signature	Enter the signature of the losing activity representative or individual completing the delivery to the gaining activity.
11b. Date	Enter the date signed.
12a. Received By Signature	Enter the signature of the gaining activity representative.
12b. Date	Enter the date signed.

Note:

Attach a copy of the approved transfer directive.

## **Section V**

### **Hard Copy Property Book Records**

#### **E–24. Organizing the hard copy property book**

a. Organize property books as follows:

(1) Commanders of MTOE organizations and deployable TDA activities (such as U.S. Army Criminal Investigation Division) will organize their property books so deployable and fixed base property is kept by separate sections. Although not required, a separate section may also be kept for each type of deployable property, for example, OCIE and basic loads. For procedures on maintaining the OCIE section of the property book, refer to chapter 17.

(2) Other TDA activities and JTA organizations may combine all property in one section or keep separate sections by type of authorization document.

b. All commanders and activity supervisors will keep a separate classified section when either the property description or quantity is classified. Safeguard the classified section as directed by security regulations.

c. The APO will select one of the following methods to file property book pages within each section:

- (1) LIN sequence.
- (2) NSN or material number sequence.
- (3) Alphabetical.

(4) A combination of paragraph E–24c(1) through E–24c(3). For example, if a LIN sequence is chosen, those items not having a LIN could be filed at the rear of the proper section in NSN or material number or alphabetical sequence.

#### **E–25. Preparing property book records**

a. There are two forms used for property book accounting: DA Form 3328 (referred to as the property book page) and DA Form 3328–1 (Serial Number Record) (referred to as the serial number page).

(1) The property book page, DA Form 3328, is a two-sided form. Record the following data types on this form:

(a) *Authorization data.* Take this data from the property authorization document. It shows the quantity required and authorized. It is posted to the front of the form to ensure the proper required and authorized quantity is posted on the form. The basis of issue may be used; maintain a current roster of personnel to support the total quantity required and authorized.

(b) *Identification data.* This data identifies the item on hand. It is posted to the front of the form. Post the acquisition price of the item in the Item Description block of the form.

(c) *Accounting data.* This data shows the quantity on hand and the transactions that change the quantity. Post it on the front of the form.

(d) *Management data.* This data is used by the APO to manage the property. It includes the location of the property and due-in information. Post it on the reverse side of the form.

*Note.* The serial number page (DA Form 3328–1) is a two-sided form. It will contain the serial numbers of items requiring serial number accounting. When the quantity on hand requiring serial number accounting is nine or fewer, enter the serial number and location in the Remarks block of DA Form 3328.

(2) This procedure will not be used for items requiring U.S. Army or serial number accounting. (When using this method of serial number accounting, locations are pencil entries, but record serial numbers in ink or in type.) The serial number page will include identification data and location of the item.

b. Commanders or activity supervisors will coordinate all classified COMSEC property transactions with their supporting COMSEC account or subaccount. Property book pages for classified COMSEC items will show only authorization and identification data. Mark pages “See COMSEC accounting record for stock transactions an on-hand balance.” Establish and maintain property book pages for unclassified CCIs exactly the same as all other property book pages.

c. Obtain data to record on property book pages from the following sources:

- (1) Property authorization documents.
- (2) SB 700–20.
- (3) AEMM.
- (4) AR 700–138.
- (5) DA Form 581.

d. Prepare DA Form 3328 for all nonexpendable property shown in Table C–1. Instructions for preparing DA Form 3328 are in table E–16. Property book records will not be completely remade for hard copy property books only. Instead, the balance will be brought forward to a new record when property book records become filled, illegible, or new forms are directed for use. When converting from the hard copy system, use the procedures in paragraph 7–11 once property is established in an APSR. When the property book or all supporting records are lost, stolen, or destroyed, the APO will process a request for waiver of military property accounting requirements per paragraph 1–15.

e. For OCIE, a separate page is required for each LIN authorization. Account for sized items of OCIE on the same page or on a serial number page (DA Form 3328–1) per table E–17. Mark the page as follows—

- (1) Enter “See Reverse” or “See Serial Number Page” in the NSN or material number block.
- (2) List each NSN or material number and size of the item on the reverse side of the page as shown in table E–16.
- (3) When the number of sizes and volume of transactions make it impractical to use the reverse side of the page, use a serial number page (DA Form 3328–1) to list item NSN or material numbers and sizes. Enter the quantity on hand for each NSN or material number in pencil. Change these figures as necessary.
- (4) At training installations using hard copy procedures, where trainee rotation is 10-weeks or less, size management data will be maintained at the discretion of the property book appointing authority.
- (5) The OCIE balance recorded on the property book page will show only the quantity on the shelf. Items in laundry or maintenance and bulk issues (HR quantities) are considered to be on-the-shelf. Do not include OCIE possessed by supported Soldiers in the balance. Record quantities of OCIE possessed by supported Soldiers and mission essential civilians in the remarks data element of the property book record. Update this quantity when determining the stockage quantity and add it to the on-the-shelf balance to report asset data required by AR 710–3. Summarize issues to and turn-ins from supported Soldiers. In the ARNG and USAR, summarize nonrecoverable OCIE issued to support Soldiers, but do not

summarize or drop from the property book recoverable OCIE issues. Summary procedures are in chapter 17.

(6) Make all entries in ink or in type unless otherwise stated.

(7) When two or more NSN or material numbers (makes, models, or sizes) are on hand against a single LIN authorization, the following applies:

(a) Prepare a basic page. Leave the UI, NSN or material number, logistics control code, CIIC (formerly security), date posted, balance, and publication data blocks blank. The item description block will not include the make or model.

(b) Prepare a separate page for each of the makes or models. Leave the authority, required allowances, and authorized allowances blocks blank. File these pages immediately behind the basic page in NIIN sequence. The item description block will include the EIC of the item. EICs can be found for each end item NSN or material number in the AEMM.

(8) When only one make or model of a LIN is on hand, only one DA Form 3328 is required. This page will show all data entered on basic and make-or-model pages. See table E-16 for an example of a page where one make, or model is on hand. The Item Description block will include the EIC of the item. Find EICs for each end item in the AEMM.

(9) When two or more makes or models with the same NSN or material number are on hand against a single LIN authorization, only one DA Form 3328 is required.

(10) When an authorized line is on request but not on hand, prepare a basic page and record the authorization and management data. Add the remaining data when item is received.

(11) When an authorized line has multiple ERCs, leave the ERC block blank on the front of the form to indicate that the item has multiple ERCs. In the remarks block on the reverse side, list the ERCs and the individual quantities for each.

f. Instructions for preparing DA Form 3328-1 are in table E-17. Use as many pages as needed to record the serial numbers of items. File serial number pages immediately behind the make or model page to which they apply. Items meeting any of the following conditions require serial number accounting.

(1) Record serial numbers exactly as they appear on the data plate, including special characters.

(2) Record items listed in the AEMM with a CIIC other than U or blank and having a serial number.

This also applies to similar commercial items not listed in the AEMM.

(3) Record items having a serial number that is determined pilferable by the APO, regardless of whether they are listed in the AEMM or have a CIIC.

(4) Record ITE, including micrographics equipment such as microfiche readers or printers and viewers, except for keyboards. Also record class II nonexpendable CCIs (receivers and transmitters) used with systems such as mobile subscriber equipment and a single-channel ground and airborne radio system.

(5) Single-channel ground and airborne radio systems that require serial number tracking are authorized by MTOE or other authorization documents and provide direct support maintenance activity assets to exchange with customer organizations. These nonexpendable class II unclassified CCI receivers or transmitters are part of the direct support maintenance activity equipment authorization. See the MTOE or TDA section III's remarks column.

g. Formally account for class II nonexpendable unclassified CCIs used in maintenance-support operations and requiring serial number tracking on the property book accounting records. Establish a separate page for the quantity identified in section III's Remarks column of the MTOE or other authorization document.

h. Record HR class II, nonexpendable, unclassified CCI used in maintenance operations to the direct support maintenance facility that authorized the equipment and provided COMSEC support. Include serial numbers on the HR.

i. Direct support maintenance organization personnel will use DA Form 2407 (available through normal supply channels) or DA Form 5990-E to exchange serial number reportable class II, nonexpendable, unclassified CCIs. Enter the serial number in block 2 and the maintenance organization in block 20, h. Give a copy of the completed maintenance request to the APO.

j. The APO will use the completed request from the maintenance activity as a temporary HR to support property records. To update the HR, include exchanges made on maintenance requests. Use maintenance requests instead of temporary requests for issue or turn-in.

k. The direct support maintenance facility personnel will use routine, nonexpendable, item turn-in procedures through the APO to retrograde unclassified CCIs deemed to be uneconomically repairable.

*Note.* Do not use this procedure for items requiring U.S. Army or serial number accounting. DA Form 3328–1 is required for these items. (When using this method of serial number accounting, locations are pencil entries, but record serial numbers in ink or type.) The serial number page will include identification data and location of the item.

**Table E–16**  
**Completion instructions (by block) for DA Form 3328**

<b>Block</b>	<b>Instruction</b>
Date posted	Enter the Julian date for when the page is prepared.
Balance brought forward	Enter “O” or the balance from old page (ink entry).
Document or Transaction Identification number	Enter document number, if applicable.
Quantity received	Enter quantity received.
Quantity turn-in	Enter turn-in quantity.
Balance	Enter balance.
UIC	Enter the UIC.
Authority	Enter the authorization type identified in paragraph 4–1 and table C–1.
NSN or stock number	Enter the NSN or material number of the item. For ammunition, enter the FSC and DoD ammunition code.
UI	Enter the UI.
LIN	Enter the LIN.
ERC	Enter the ERC.
Required ALW	Enter the required allowances.
Authorized ALW	Enter the authorized allowances.
RICC	Enter the RICC.
LCC	Enter the logistics control code.
SEC	Enter the CIIC.
ECC	Enter the equipment category code.
Item description	Enter item description.
Remarks	Enter remarks, if applicable.

**Table E–17**  
**Instructions for DA Form 3328–1 blocks**

<b>Block</b>	<b>Instruction</b>
SN	Enter the serial number.
Location	Enter the location.
UIC	Enter the UIC.
NSN or stock number	Enter the NSN or material number.
Item description	Enter the item description.

## **E–26. Preparation of property book pages for substitute items**

When substitute items are on hand, these procedures apply:

a. The authorized item page will show the quantity and LIN of the substitute item. Enter this information in pencil on the next-to-last transaction line as follows: “(Quantity) each substituted by LIN (enter LIN).” If the substitute item has no LIN assigned, enter the data from the NSN or material number block of the substitute item page.

b. Prepare a separate DA Form 3328 for each substitute item having a different NSN or material number or when two or more LINs are substituted by the same NSN or material number. Leave the Required allowances and the Authorized allowances blocks blank. Enter "substitute for LIN (enter LIN)" in the authority block. Make this entry in pencil. File substitute item pages behind the authorized item page regardless of if the substitute item is also authorized by the authorization document.

#### **E-27. Posting accounting data on DA Form 3328**

After the property book page is prepared, it is ready for posting supply transactions. Post supply documents that affect the quantity on hand. Post these transactions to the front of the page. Make the postings as transactions occur. Make all entries in ink or in type. Post supply transactions only to make or model pages.

#### **E-28. Posting management data on DA Form 3328**

Use the reverse side of the property book page for posting management data. Enter this data in pencil. Update entries as changes occur. Post this data as follows.

a. *Location column.* Enter each HR file number to which the item has been issued or has the item due-in. For family-quarters furnishings, the word "Issued" may be entered as the location. For items not issued on HR, enter their location.

b. *Quantity Authorized column.* Enter the total quantity authorized for each HR or location. This entry is not required on each separate page of makes or models. The basic page will include the authorized column for the entire LIN by HR or location. It may be left blank for a family-quarter's furnishings.

c. *Quantity on Hand column.* Enter the total quantity issued on each HR or location. For basic pages, this may be the grand total of all makes or models issued to each HR or location.

d. *Document Number column.* Enter the document numbers for any due-in items by location. Leave blank if nothing is due into that location. This information is not required on make or model pages.

e. *Quantity Due In column.* Enter the quantity due in, by location. For basic pages, this may be the grand total of all makes or models due in on each HR or location. Leave blank if nothing is due to that location.

f. *Remarks block.* Use this block to record any other data needed. Examples are as follows:

- (1) For ammunition, enter the quantity by lot number and any serial number (if applicable).
- (2) For class II basic load, enter the quantity by lot number and inspection test date.
- (3) For protective masks, enter the lot number and the quantity on hand of each lot.
- (4) For deleted, inactive, obsolete, or terminal NSN or material number or LIN, enter the reason why item is still retained on hand.
- (5) When substitute pages are used, leave the quantity authorized column blank. The total in the quantity on hand column will be the same as the balance on the last transaction line.

#### **E-29. Posting entries on DA Form 3328-1**

After the serial number page is prepared, it is ready for posting of item serial numbers and locations. Make the posting as transactions occur. Post the transactions as follows:

a. *Serial number column.* Enter the serial number for those items identified in paragraph E-25g (ink or type entry). Draw a line through the number when the item is turned-in or transferred from the property book.

b. *Location column.* Enter the HR number to which the item is issued (pencil entry). For items not issued on HR, enter their location. Update as changes occur.

#### **E-30. Correcting entries to property book pages**

a. *DA Form 3328.*

(1) When making corrections, draw a single line through the mistake. Make sure the mistake can still be read.

(2) When a mistake is found that does not affect the balance column, draw a line through it. Make the correct entry either above the mistake or in the correct column, as applicable. Use this method to correct obvious mistakes in the NSN or material number or document numbers. Transposing numbers or an error in one or two digits of a number are considered obvious mistakes. Miscopying a number from the issue document is also considered an obvious mistake. When a mistake is made and the balance is not

affected, just cross through the mistake. When a document number mistake is made, just cross through the mistake and annotate the correct document number.

(3) When a posting mistake is found in the balance column, line out the error. Enter "CORR" in the unused column of the line having the mistake. Make a correcting entry on the next available line. This entry will consist of the current date, original document number, and the adjusted balance. Enter "CORR" in any unused column of the line with the correcting entry.

(4) When a posting is made to the wrong page, the balance column is affected. Make the correction per paragraph E-30a(3). After the correction has been made, post the document to the correct page. Line out the original posted date that was placed on the document and initial it. Enter the new posted date.

*b. DA Form 3328-1.*

(1) Draw a line through the mistake when making corrections. Make sure the mistake can still be read.

(2) When an obvious error is made in posting the serial number, draw a line through the error. Make the correct entry in the same block that the error was made. Use this method to correct obvious mistakes in serial numbers. Correct transposed numbers or miscopied numbers from an issue document using DA Form 4949. Enter a brief explanation on the reverse side. Use the Authority block to cite this paragraph. Line through "Change Material No." and modify to read "Change Serial Number". Use this method to record the exchange of components. See paragraph E-30b(4). The commander of a company level property book or APO as appropriate will approve the form. If there is a possibility of a substitution or the item is a sensitive item, initiate an investigation per AR 735-5. Serial number changes for sensitive items require DD Form 200 and an AR 15-6 investigation if changes involve more than two characters.

(3) When a serial number is posted to the wrong page, draw a line through it. Then post it to the correct page.

(4) When items containing serial numbers are replaced or swapped for the exact LIN and NSN or material number while in maintenance, complete the exchange as a supply transaction. Do not process a serial number change, use the issue and receipt documents to process a decrease of the old item and increase of the new item.

### **E-31. Remaking property book pages**

*a. DA Form 3328.* Remake these pages when they are torn, mutilated, or completed. Use the following procedures:

(1) Transfer the information from the date posted, balance brought forward, and the quantity received columns from the old page. Use the balance brought forward line if it is available. Otherwise, use any available transaction line. Carry the last recorded balance forward to a new page. Enter the same date and the balance from the old page on the new page. Make these entries on the first balance brought forward line. File the old page in the inactive file. In the ARNG, a USPFO representative will remove the old page from the property book and file the old page in the inactive file.

(2) If the balance cannot be read or the page is lost, research all files. An officer that is not responsible for the property will be appointed to conduct the research. The APO appointing authority makes this appointment. If the correct balance cannot be determined by the research, the appointed officer will conduct a physical inventory. Post the results to the property book page; enter the date, per inventory, and inventory balance on the next available line. It may be necessary to post this information to a new page. The appointed officer will sign above the entry. In the ARNG, a USPFO representative will verify the reconstructed balance.

*b. DA Form 3328-1.* Remake these pages when necessary or when the APO wants to transfer the information to a new page. Transfer the serial numbers that are not lined out from the old page to a new or different age. File the old page in the inactive file. When lines are transferred to the inactive file, annotate the transfer date in ink at the top right corner. Disposition will be per paragraph 7-19.

### **E-32. Transferring accountability of a hard copy property book**

Follow general procedures in paragraph 4-22. When all other actions are complete, enter the statement in paragraph 4-16 on a separate DA Form 3328. Enter the UIC on the statement page in the UIC block. File it as the first DA Form 3328 filed in the property book. If kept at the company level, file the commander's responsibility statement, per paragraph 4-16, in front of the APO's accountability statement. Keep it with the property book until the next change of APO or until the next change of appointing officer, then place it in the inactive file.

### **E-33. Converting hard copy property books to an Accountable Property Systems of Record**

When hard copy property book records are converted to an APSR, organizations will use the following procedures to affect continuity of operations and to preserve an audit trail of transactions for research purposes:

a. After conversion to the APSR, verify all property has been accounted for by producing APSR-generated HRs and checking the LINs, NSN or material numbers, serial numbers, and quantities against the hard copy property book pages.

b. Prepare DA Form 4949 and enough copies to meet local needs. Enter the following:

(1) *Organization/Activity block*. This is the organization which will have command responsibility for the property book.

(2) *Document number (Transaction number) section (DoDAAC/Date/Serial)*. This is the document number that will be used to close out all hard copy property book pages and record the transfer to the APSR.

(3) *Change From section*. This will contain the statement, "Property of the following UICs has been dropped from hard copy accounting records." List UICs.

(4) *Change To section*. This will contain the following statement, "Property of the following UICs has been converted to the (name of APSR)." List UICs.

(5) *Authority block*. This regulation.

(6) *Change Accounting section*. Check the Change Accounting checkbox.

(7) *Accountable property officer signature block*. Signature of APO or responsible official. Attach a copy of DA Form 4949 to a copy of all HRs for an audit trail and file in the supporting documents file.

c. Reduce the balance on hand quantity on all hard copy property book records to zero using the conversion document number and dispose of the pages using procedures provided in paragraph E-34.

### **E-34. Disposition of property book pages**

When pages are removed from the active property book, file them in the inactive file. Keep the inactive file separate from the property book. The inactive file may be kept by calendar or FY. File pages in the same sequence as the active property book. Do not remove ARNG property book pages from the active property book until completion of the next USPFO reconciliation. Dispose of pages in the inactive file per AR 25-400-2, as applicable.

### **E-35. Minor adjustments to hard copy property books**

Follow general procedures in chapter 15 in this regulation to prepare, route, and file DA Form 4949.

Transactions affecting property balance or management data require adjustments to DA Form 3328 property book pages following procedures in paragraphs E-29 and E-30. Transactions affecting serial numbers require adjustments to DA Form 3328-1. Follow the specific actions to post DA Form 4949 adjustments to property book pages by type of adjustment—

a. *National stock number or material number changes*.

(1) Prepare DA Form 3328s and, if needed, DA Form 3328-1s for the new NSN or material number item if necessary.

(2) Post DA Form 4949 to the property book as follows—

(a) Post the change from quantity to DA Form 3328 for the old NSN or material number item. Post the change from quantity as a decrease to the balance on hand. This will bring the quantity to a zero balance. File DA Form 3328 for the old NSN or material number item in the inactive file.

(b) Post the change to quantity to DA Form 3328 for the new NSN or material number item. Post the change to quantity as an increase to the balance on hand.

(c) Update serial number pages if required. Draw a line through the NSN or material number on the serial number page. Enter the change to NSN or material number. File the serial number pages behind the change to property book page.

(3) Update HRs and shortage listings.

(4) Enter the management data on the reverse side of DA Form 3328 for the new NSN or material number item.

(5) Post the document register to show the DA Form 4949 as being completed.

(6) File DA Form 4949 in the supporting document file.

b. *Unit of issue changes that affect the balance on hand*.

(1) Post the turn-in to the property book page for any excess which may be caused by UI/organization of measures changes before preparing DA Form 4949.

(2) Erase the old UI from the property book for the item. Enter the new UI.

(3) Post DA Form 4949 to the property book page for the item as follows:

(a) Post change from quantity as a decrease to the balance on hand. This will bring the quantity to a zero balance.

(b) Post the change to quantity as an increase to the balance on hand.

(4) Update proper HRs and shortage listings.

(5) Update the data on the reverse side of the property book page for the item.

(6) Post the document register to show DA Form 4949 as being completed.

(7) File DA Form 4949 in the supporting document file.

*c. Change in accounting requirements (accountable to nonaccountable).*

(1) Post DA Form 4949 to the property book page for the item. Post the change from quantity as a decrease to the balance on hand. This will bring the quantity to a zero balance. File the property book page in the inactive file.

(2) Destroy any serial number pages for the item.

(3) Update proper HRs and shortage listings.

(4) Post the document register to show DA Form 4949 as being completed.

(5) File DA Form 4949 in the supporting document file.

(6) For RICC 2 items, ARNG organizations send a copy of all DA Form 4949s to the USPFO.

*d. Change in accounting requirements (nonaccountable to accountable).*

(1) Assign a document number to DA Form 4949.

(2) Prepare a property book page for the item. Prepare a serial number page for the item if needed.

(3) Post DA Form 4949 to the property book as follows:

(a) Post the change to quantity to the property book page for the item. Post the change to quantity as an increase to the balance on hand.

(b) Enter the item serial numbers on the serial number page if applicable.

(4) Update proper HRs. Prepare shortage listings if required.

(5) Enter the management data on the reverse side of the property book page for the item.

(6) Post the document register to show DA Form 4949 as being completed.

(7) File DA Form 4949 in the supporting document file.

*e. Assembly of an end item.*

(1) Post DA Form 4949 to the property book page for the item. Post the change to quantity as an increase to the balance on hand.

(2) Post the document register to show DA Form 4949 as being completed.

(3) File DA Form 4949 in the supporting document file.

(4) When the end item is issued to the HRH, take these actions:

(a) Prepare a shortage listing if necessary.

(b) Update the data on the reverse side of the property book page.

*f. Disassembly of an end item.*

(1) Post DA Form 4949 to the property book page for the item. Post the change from quantity as a decrease to the balance on hand.

(2) Update proper HRs and shortage listings.

(3) Update the data on the reverse side of the property book page (DA Form 3328).

(4) Post the document register to show DA Form 4949 as being completed.

(5) File DA Form 4949 in the supporting document file.

*g. Consumption of class I, II, III, basic loads or class V combat loads.*

(1) When class I, II, III, basic load, operational load, and class V CL issued in support of RDT&E items are consumed, adjust the property records. Some items lose their identity through use (for example, detector kits and decontamination kits, FSC 4230) or are depleted (basic loads). Use DA Form 4949 to adjust the property book records. Any other regulatory requirement recording consumption is separate from the property book adjustment. Take the following actions:

(2) Post DA Form 4949 to the property book page for the item. Post the change from quantity as a decrease to the balance on hand.

(3) Update the proper HR.

(4) Update the data on the reverse side of the property book page.



- (5) Post the document register to show DA Form 4949 as being completed.
- (6) File DA Form 4949 in the supporting document file.
- (7) Property records are not required to be adjusted when:
  - (a) Basic loads are rotated, except change lot numbers and serial numbers recorded on property book pages for class V CLs to show lot numbers and serial numbers of newly received class V CL items.
  - (b) Class III basic load items that are routinely stored in equipment fuel tanks are consumed. Replenish this portion of the load from the operational load.
  - (c) ARNG organizations will document use of training ammunition per DA Pam 700–16.

### **E–36. Hard copy property book accounting for medical assemblies and equipment sets**

Follow general procedures in paragraph 8–15. Prepare DA Form 3328 to account for medical assemblies as follows:

- a. Prepare DA Form 3328 for the medical assembly. Follow the instructions in table E–16 to prepare the form. On the reverse side, record in ink or type the organization assemblage code in the Remarks block. Organization assemblage codes can be searched at the Army Medical Logistics Command's Medical Materiel Information Portal at <https://a01.usamma.amedd.army.mil/mmip>. Do not post formal accounting data to this form.
- b. Prepare a separate DA Form 3328 for each nonexpendable component of the medical assembly. Enter "Component of [enter LIN of assembly or set]" in the Authority block of each page. File these pages behind the page for the medical assembly. Post the accounting data to these forms using the procedures in section I of this chapter. A pencil entry may be made in the Remarks block to record the authorized quantity per set, that is, three per set.

## **Section VI**

### **Hard Copy Procedures to Assign Responsibility for Property**

### **E–37. Hard copy hand receipt procedures**

Follow the general procedures for HRs:

- a. Use DA Form 2062 to record the hard copy issue of property book and durable items. Prepare the form in two copies. The person who prepares DA Form 2062 must keep all copies of HRs or SHRs current.
  - (1) For HRs prepared by the APO, the APO keeps the original. Provide the second copy to the PHRH.
  - (2) For SHRs prepared by the PHRHs, the PHRH keeps the original. Provide the second copy to the SHRH.
- b. Table E–18 gives instructions to prepare DA Form 2062 for use as an HR. File HRs and SHRs per AR 25–400–2, as applicable.
- c. Keep HRs current. Do this by posting changes as they occur or by using change documents. When change documents are used, the following procedures apply:
  - (1) Use DA Form 3161 for issue and turn-in transactions between the APO and the PHRH. The form is also used for issue and turn-in transactions between the PHRH and the SHRH. Table E–19 gives instructions to prepare DA Form 3161 as a change document.
  - (2) Prepare the form in two copies. The person who issues or turns in the item keeps the original.
  - (3) The person receiving the property keeps the second copy.
  - (4) When an end item issued on a change document has component shortages, prepare a shortage listing (see para E–41) to document the missing components. Do not assign a shortage listing number until the change document is posted to the HR.
  - (5) After the item description in column C, write "with H/R shortage listing" to cross-reference. File copies of change documents with the proper HR.
- d. Post hard copy change documents to HRs or SHRs when required in paragraph 12–3 as follows:
  - (1) Compare all change documents. When an issue and a turn-in has been made for the same item, post only the difference in quantity. Draw a line through serial numbers for items turned in. Enter new serial numbers if they are recorded on the property book.
  - (2) Add quantities issued to the old quantity shown for the item; enter the new quantity in the next quantity column. Add new serial numbers to the HR if they are recorded on the property book. If an issued item is not already listed on the HR, enter it on the next available line.

(3) Subtract quantities turned-in or expended as operational load from the old quantity shown for the item; enter the new quantity in the next quantity column. If the new quantity is zero, draw a line through the block. Line through the serial numbers of items turned in.

(4) Advance all other quantities to the next quantity column. Line out unused blocks in the column. Have the HRH sign and date the receipt.

(5) Destroy change documents after actions in paragraphs E-37d(1) through E-37d(4) have been completed.

(6) Assign a shortage listing number to shortage listings prepared per paragraph E-41 and file them with the HR to which it applies.

e. Use DA Form 2407 (Available through normal supply channels) or DA Form 5990-E to document items turned-in for repair between the APO and the HRH.

**Table E-18**  
**Completion instructions (by block) for DA Form 2062 prepared as a hand receipt**

Block	Instruction
From	Enter the name of the organization, organization, section, or squad which issues the property. Do not enter a person's name.
To	1. Enter the name of the organization, section, or squad to which the property is issued. 2. For a quarter's furniture or property of a personal nature, such as sheets, pillowcases, or beds, enter the name and rank of the person receiving the property.
HR number	Enter the number assigned to the HR.
End item stock number	Leave blank.
End item description	Leave blank.
Publication number	Leave blank.
Publication date	Leave blank.
Quantity	Leave blank.
Stock number (or NSN) a	1. Enter the NSN or material number of the item being described. 2. LIN may be entered for identifying items to be inventoried on a cyclic basis (use ink or pencil).
Item description b	1. Enter enough words to identify the item. Include the make or model number if the item has one. 2. Enter the type, number, date, and changes in force of the publication that contains the BII list, mandatory discretionary components, or other components list (ink or pencil entry). The publication number will normally be an operator's TM (-10 series) or supply catalog. This entry will be made above the item description and within the same block.
*c	When used as a hand or sub HR, enter the shortage listing number for the item (pencil entry). If shortage listing is not required, leave blank. HR for quarter's furniture, enter the proper condition code at time of issue (ink or pencil entry). Condition codes are listed below. (Entry required only for family-quarters occupants).
SEC d	Enter control item inventory code from AEMM.
UI	Enter the UI.
QTY Auth f	Enter the quantity authorized to be on hand (pencil, ink, or electronically).
Quantity (A-F) g	1. Enter the quantity on hand for each item listed. Line out all unused blocks in columns with recorded quantities. 2. Advance all quantities to the next quantity column when quantities change. Quantities must be advanced when changing HRHs. The person receiving the property will sign, enter their rank and date the proper quantity column on the last page (ink entry). The last page is the last numbered page. It may be an odd or even number. The last page may be reserved for signatures only. (The original page will have an original signature; the copy may have a carbon signature).  Enter page number(s).

Note:

Make all entries in ink or electronically. Make corrections of errors in the NSN or material number or item description columns by drawing a single line through the wrong data and writing in the correct data above the lined-out error. Correct quantity column error by entering the correct quantity in the next column, carrying all the other quantities forward to the new column and having the HRH sign both columns.

**Table E–19**  
**Completion instructions (by block) for DA Form 3161 prepared as a change document**

<b>Block</b>	<b>Instruction</b>
Issue	Enter "X" when used for an issue.
Turn-in	Enter "X" when used for a turn-in.
Sheet number	Number sheets consecutively.
NO. Sheets	Enter the total number of sheets.
1. Request NO.	Enter "Change Document."
2. Voucher NO.	Leave blank. Gaining organization will enter their document number.
3. Send to	Enter the name, UIC, and HR number (if applicable) of the organization, organization, section, squad, receiving the items.
4. Date material required	DoDAAC, Julian date, and serial number.
5. DoDAAC	Leave blank.
6. Priority	Leave blank.
7. Accounting/Funding data	Leave blank.
8. Request from	1. Enter the name, UIC, and HR number (if applicable) of the organization, organization, section, squad, which issues or turns in the items. 2. For turn-in of a quarter's furniture or property of a personal nature, such as sheets, pillowcases, or beds, enter the name and rank of the person who turns in the items.
9. End Item Ident	Leave blank.
9a. Name/Manufacturer	Leave blank.
9b. Model	Leave blank.
9c. Serial number	Leave blank.
10. Publication	Leave blank.
11. Job Order NO.	Leave blank.
12a. Item NO.	Enter a description of the item. Include the make or model if the item has one.
12b. Stock NO.	Enter the NSN or material number and LIN for each item being transferred.
12c. Item description	Enter enough words to identify each item being transferred. Include item serial numbers, if applicable.
12d UI	Enter the UI.
12e. Quantity	Enter the quantity to be issued or turned in.
12f. Code	Enter the proper issue or turn-in code.
12g. Supply action	The person that signs block 15 will enter the quantity received.
12h. Unit price	Leave blank.
12i. Total cost	Leave blank.
12j. Posted	Leave blank.
Date	Leave blank.
By	Leave blank.
13. Issue/Turn-in Quantity column is requested	
Date	Enter the date.
By	The person who issues or turns in will print name and digitally sign this block.

**Table E–19**  
**Completion instructions (by block) for DA Form 3161 prepared as a change document—Continued**

Block	Instruction
14. Issue QTY in “Supply Action” Column	
Date	Leave blank.
By	Leave blank.
15. Rec QTY in “Supply Action” Column	
Date	Enter the date.
By	The person receiving the issue or turn-in will print name and digitally sign this block.

Notes:

<sup>1</sup> Enter “Nothing Follows” below the last item entered on the form. Make this entry in the item description column.

<sup>2</sup> When the HRH is replaced, inventory all property listed on the HR. Complete the inventory before the new HRH assumes responsibility for the property. The responsible official will specify how much time will be allowed to conduct the inventory. When an HRH leaves the area of their primary duties for more than 30 calendar days (for example, temporary duty, leave, emergency, hospitalization, or extended detached duty) the commander or activity supervisor will appoint a temporary HRH. Conduct a joint inventory upon departure and return of the HRH to ensure that direct responsibility for the property is maintained continuously.

**E–38. Hard copy temporary hand receipt procedures**

Follow the general procedures for temporary loans in paragraph 12–4. Use DA Form 3161 for temporary HRs between Army activities below the National level. Use DD Form 1150 for temporary HRs to or from National level activities, or non-Army activities. Prepare two copies of the appropriate form as a temporary HR. The person issuing the items keeps the original copy. The person receiving the items keeps the second copy. Table E–20 gives instructions to prepare DA Form 3161 as a temporary HR. Table E–21 gives instructions to prepare DD Form 1150 as a temporary HR. A temporary HR may be accomplished by using a locally procured rubber stamp used in conjunction with the receipt document. The rubber stamp must contain the essential elements of data for an HR.

**Table E–20**  
**Completion instructions for completing DA Form 3161 as a temporary hand receipt**

Block	Instruction
Issue	Enter “X” when used for an issue.
Turn-in	Leave blank.
Sheet number	Number sheets consecutively.
Number of sheets	Enter the total number of sheets.
1. Request NO.	Enter “Temporary Hand Receipt.”
2. Voucher NO.	Leave blank.
3. Send to	Enter the name, UIC, and HR number (if applicable) of the organization, organization, section, squad, receiving the items.
4. Date material required	Leave blank.
5. DoDAAC	Leave blank.
6. Priority	Leave blank.
7. Accounting/Funding data	Leave blank.
8. Request from	1. Enter the name, UIC, and HR number (if applicable) of the organization, organization, section, or squad which issues or turns in the items. 2. For turn-in of a quarter’s furniture or property of a personal nature, such as sheets, pillowcases, or beds, enter the name and rank of the person who turns in the items.
9. End item	Leave blank.
9a. Name/Manufacturer	Leave blank.
9b. Model	Leave blank.

**Table E–20**  
**Completion instructions for completing DA Form 3161 as a temporary hand receipt—Continued**

<b>Block</b>	<b>Instruction</b>
9c. Serial number	Leave blank.
10. Publication	Leave blank.
11. Job Order NO.	Leave blank.
12a. Item NO.	Enter the item number, in sequence, for each item issued.
12b. Stock NO.	Enter the NSN or material number of the item being issued.
12c. Item description	1. Enter a description of the item. Include the make or model number if the item has one. 2. Enter serial numbers when recorded on the property book, HR, or SHR. 3. Enter the condition code of a quarter's furniture when issued to family-quarters occupants.
12d. UI	Enter the UI.
12e. Quantity	Enter the quantity to be issued.
12f. Code	Enter an "I" for each item listed.
12g. Supply action	The person that signs block 15 will enter the quantity received.
12h. Unit price	Leave blank.
12i. Total cost	Leave blank.
12j. Posted	Leave blank.
Date	Leave blank.
By	Leave blank.
13. Issue/Turn-in Quantity column is requested	
Date	Enter the date.
By	The person who issues or turns in will print name and digitally sign this block.
14. Issue QTY in Supply Action column	
Date	Leave blank.
By	Leave blank.
15. Rec QTY in Supply Action column	
Date	Enter the date.
By	The person receiving the issue or turn-in will print name and digitally sign this block.

**Note:**

Enter "Nothing Follows" below the last item entered on the form. Make this entry in the item description column.

**Table E–21**  
**Completion instructions (by block) for DD Form 1150 as temporary hand receipt**

<b>Block</b>	<b>Instruction</b>
1. Issue, Transfer, Turn-in	Check ISSUE box.
2. Delivery Date	Enter date.
3a. To: Location	Enter the name of the receiving activity.
3b. To: Custodian Code	Enter the UIC, DoDAAC, or other identifier of the receiving activity.
4. From: Location	Enter the name of the activity initiating turn-in.
4. From: Custodian Code	Enter the UIC, DoDAAC, or other identifier of the activity initiating turn-in.
5. Request Number	Stamp or print the words "Temporary Hand Receipt."
6. Accounting and Funding Data	Enter accounting information if applicable, such as fund citation, WBS Element, Cost Center, Work Center. Leave blank if not required.
7. Document Number	Enter the turn-in document number.

**Table E–21**  
**Completion instructions (by block) for DD Form 1150 as temporary hand receipt—Continued**

<b>Block</b>	<b>Instruction</b>
8. Priority	Leave blank for temporary HRs.
9a. Name/Manufacturer	Enter the Name/Manufacturer of the item being issued on a temporary HR.
9b. Model	Enter the Model of the item being issued on a temporary HR.
9c. Serial Number	Enter the Serial Number of the item being issued on a temporary HR.
9d. Publication	Enter the publication related to the item being issued on a temporary HR.
(1). Item No.	Enter the item number, in sequence, for each component issued with the item.
(2). Asset ID	Enter unique identifying numbers for the item, such as equipment record number, database ID, or admin number if required.
(3). Item description	Enter enough words to identify each component. Include item serial numbers, if applicable.
(4). Stock Number	Enter the item's NSN or material number.
(5). Unit of issue	Enter the UI of each component.
(6). Request Quantity	Enter the quantity of each item component.
(7). Received Quantity	Receiving individual enters the quantity actually received.
(8). Unit price	Enter the unit price.
(9). Total cost	Enter the total cost.
10a. Requested By Signature	Enter the signature of the individual issuing the item.
10b. Date	Enter the date signed.
11a. Delivered By Signature	Enter the signature of the representative for the activity receiving the item or individual completing the delivery to the receiving activity.
11b. Date	Enter the date signed.
12a. Received By Signature	Enter the signature of the receiving activity representative.
12b. Date	Enter the date signed.

### **E–39. Hard copy equipment receipt procedures**

Issue equipment on DA Form 3749 per paragraph 12–6. Table E–22 provides instructions to complete DA Form 3749.

**Table E–22**  
**Completion instructions (by block) for DA Form 3749 Equipment Receipt prepared as a change document**

<b>Block</b>	<b>Instruction</b>
1. Unit	Enter the name of the organization.
2. Receipt NO.	Enter a locally designed number.
3. Stock NO.	Enter the NSN or material number of the item being described.
4. Serial number	Enter the serial number of the item when recorded on the property book, HR, or SHR.
5. Item description	Enter the nomenclature of the item.
6. Acknowledge receipt from	Enter the name of the unit or organization, which issues the equipment.
7. Name	Enter the name of the person who will receive the equipment.
8. Signature	The person who will receive the equipment will sign this block.
9. Grade	Enter the grade of the person.
Back of form	
Signature of issuing official	Enter the name of the issuing officer and issuing officer will digitally sign.

## E-40. Inventory lists

Follow the general procedures for inventory lists in paragraph 12-7. Complete the DA Form 2062 per table E-23. After the semiannual inventory, enter the inventory quantity in the next unused quantity column of both copies of DA Form 2062. Enter the inventory date in the proper quantity column on the last page of both copies of DA Form 2062.

**Table E-23**  
**Completion instructions (by block) for DA Form 2062 prepared as an inventory list**

Block	Instruction
From	Enter the name of the organization, organization, section, or squad which owns the property.
To	Enter the location of the property.
HR number	Leave blank.
End item stock number	Leave blank.
End item description	Leave blank.
Publication number	Leave blank.
Publication date	Leave blank.
Quantity	Leave blank.
Stock number (or NSN) a	Enter the NSN or material number of the item being described. The LIN may be entered to identify items to be inventoried on a cyclic basis (ink or pencil entry).
Item description b	Enter the item description and enter serial numbers when recorded on the property book. Line out serial numbers when items are issued on an HR or turned in.
*c	Leave blank.
SEC d	Enter control item inventory code from AEMM.
UI e	Enter UI.
QTY auth. f	Enter the quantity authorized to be on hand (pencil, ink, or electronically).
Quantity (A-F) g	1. Enter the quantity on hand for each item listed. Line out all unused blocks in columns with recorded quantities. 2. Advance all quantities to the next quantity column when quantities change. Quantities must be advanced when changing HRHs. The person receiving the property will digitally sign or sign in ink, enter their rank and date the proper quantity column on the last page. The last page is the last numbered page. It may be an odd or even number. The last page may be reserved for signatures only.
Page of pages	Enter page number(s).

## E-41. Hard copy hand receipt shortage listing procedures

a. When an item that has components is issued on an HR, any nonexpendable and durable component shortages must be recorded and placed on order. The PHRH documents all component shortages less expendable consumables to the user on a CHR and is responsible for ordering these items. Use a shortage listing to record the shortages. Prepare the shortage listing using either blank or preprinted DA Form 2062s, which can be found in the AESIP SKO app and in the back of TMs. The templated forms are published in conjunction with selected TMs. Available preprinted DA Form 2062s are identified in Army Publishing Directorate by the letters HR after the publication number. Consider the number of shortages when choosing the form to use as a shortage listing. When there are only a few shortages, it is better to use a blank DA Form 2062. If there are a lot of shortages, use the preprinted version. When a blank DA Form 2062 is used, list only the items short.

b. Shortage listings are prepared at the level where the document registers are kept. The APO records nonexpendable or durable component shortages for SHRHs. PHRHs will record all component shortages less expendable consumable—that is, cloth, string, paper, cheesecloth, sandpaper, and ink—for SHRHs. Normally, replenishment of consumables will be a responsibility of the PHRH. The APO, PHRH, or S-4 (depending on who keeps the expendable or durable document register) records durable component

shortages. The person responsible for keeping document registers (APO, PHRH, or S-4) will validate component shortages by initialing and dating the Quantity column of DA Form 2062 after the last entry.

*Note.* It is recommended that the person issuing the shortage listing also enter the document number of the request on which shortage items have been ordered in block b of DA Form 2062 to assure the customer that items have been placed on order and to simplify the reconciliation process between both parties.

c. Prepare shortage listings in two copies. The preparer keeps the original; the PHRH keeps the copy. File shortage listings with the related HR. Table E-24 gives instructions for preparing DA Form 2062 as a shortage listing.

d. Keep shortage listings current by posting changes as they occur or by using change documents. When change documents are used, follow the procedures in paragraph 12-9. When all shortages listed on the shortage listing are filled, remove it from the file and destroy it.

e. Use the aircraft inventory record to control components of aircraft and other items which complete the aircraft. (See DA Pam 738-751 for the procedures.)

**Table E-24**  
**Completion instructions (by block) for DA Form 2062 for shortage listing**

Block	Instruction
Title	Enter the consecutive shortage listing number after the title.
From	Enter the same data recorded on the HR receipt to which the shortage listing applies.
To	Enter the same data recorded on the HR to which the shortage listing applies.
HR number	Enter the same data recorded on the HR to which the shortage listing applies.
End item stock number	Enter the NSN or material number of the item for which shortages exist. Enter the LIN if the item has one.
End item description	Enter the description of the item for which shortages exist.
Publication number	Enter the publication number listed for the end item on HR. Include current changes if any.
Publication date	Enter the date of the publication listed for the end item on the HR.
Quantity	Enter the number of end items to which the shortage listing applies.
Stock number (or NSN) a	Enter the NSN or material number of the missing item described. The LIN may be entered to identify items to be inventoried on a cyclic basis.
Item description b	Enter a description of the missing item.
*c	Enter the ARC of the missing item.
SEC d	Leave blank.
UI e	Enter the UI of the missing item.
QTY auth. f	Leave blank.
Quantity (A-F) g	1. Enter the quantity missing for each item listed. Line out all unused blocks in columns with recorded quantities. 2. Advance all quantities to the next quantity column when quantities change. Quantities must be advanced when the person that validated the shortages is replaced. 3. The person filling the position identified in the From block will initial and date the last page under the last recorded item (ink entry). Shortages must be validated by the current responsible person.
Page of pages	Enter page number(s).

Note:

Make all entries in ink or electronically unless otherwise stated.

#### **E-42. Hard copy component hand receipt procedures**

a. Follow general CHR procedures in paragraph 12-8. Only use the following procedures if no system-generated CHR is available from the APSR. The user accepts responsibility for the end item and its components by signing the CHR.

b. When hard copy CHR must be used, use preprinted DA Form 2062s for CHRs if available for the specific SKO or end item. These documents are identified by the letters HR after the TM number.



c. If no APSR-generated CHR or preprinted DA Form 2062 CHR is available, the person issuing the property must prepare hard copy form DA 2062s as CHRs.

(1) Table E–25 gives instructions for preparing DA Form 2062 as a CHR or shortage listing for SKOs.

(2) Table E–26 gives instructions for preparing DA Form 2062 as a CHR or shortage listing for end items with components.

d. Prepare DA Form 2062 CHRs in two copies. The preparer will keep the original. The using individual will keep the copy. The user's copy will be filed or kept with the issued equipment. File CHRs per AR 25–400–2, as applicable.

e. Keep CHRs current by posting changes as they occur or by using change documents. When hard copy change documents are used, follow the procedures in paragraphs 12–9 and E–37.

*Note.* The preprinted HR is designed to be an issue document only. Do not use the HR as a basis for ordering items. Consider remark codes from SCs when an SKO is documented. Items which are not authorized based on the remark codes will be lined through on the HR. Preprinted DA Form 2062s are published in conjunction with selected TMs for end items with components. Available preprinted DA Form 2062s are available at <https://armypubs.army.mil> by the letters HR after the TM number. Current SCs or TMs containing older editions of DA Form 2062 may be used until the TM or SC is updated with a current form. Use blank DA Form 2062s when templated forms are not available. In the ARNG, regarding the use of ARNG component lists for items not listed in SCs or TMs, HRs are mandatory.

f. When required, prepare DA Form 2062 shortage listings in two copies, and validate per paragraph 12–9. The preparer keeps the original; the HRH keeps the copy. File shortage listings with the related HR.

g. Keep shortage listings current by posting changes as they occur or by using change documents. When hard copy change documents are used, follow the procedures in paragraphs 12–9 and E–37. When all shortages listed on the shortage listing are filled, remove it from the file and destroy it.

*Note.* It is recommended that the person issuing the shortage listing also enter the document number of the request on which shortage items have been ordered in block b of DA Form 2062 to assure the customer that items have been placed on order and to simplify the reconciliation process between both parties.

**Table E–25**  
**Completion instructions (by block) for DA Form 2062 for component hand receipt**

Block	Instruction
From	Enter the name of the organization, organization, section, or squad which issues the property.
To	Enter the name and rank of the person receiving the property in pencil. The table of organization and equipment, MTOE, or TDA, paragraph, line number, and job title may be added as optional information.
HR number	Enter a locally designed number.
End item stock number	Enter the NSN or material number of the end item. Enter LIN if the item has one.
End item description	Enter a description of the end item.
Publication number	Enter the description of the publication that contains the BII list, COEI list, additional authorization list (AAL), mandatory discretionary components or other components list for the item.
Publication date	Enter the date of the publication listed in the "Publication Date" block.
Quantity	Enter the number of the listing when the HR is used as a CHR or HR. When used as a shortage listing, enter the number of end items to which the listing applies.
Stock number (or NSN) a	Enter the NSN or material number of all components of the end item.
Item description b	Enter a description of each component of the end item.
*c	Enter the ARC of the missing item.
SEC d	Enter the CIIC.
UI e	Enter the UI of the component.

**Table E–25**  
**Completion instructions (by block) for DA Form 2062 for component hand receipt—Continued**

Block	Instruction
QTY auth. f	Enter the quantity authorized to be on hand.
Quantity (A–F) g	1. Enter the quantity on hand for each component listed. When used as a shortage listing, enter the quantity short for applicable components. Line out all unused blocks in columns with recorded quantities. 2. Advance all quantities to the next column when quantities change. Quantities must be advanced when changing HRHs. The person receiving the property will sign, enter their rank, and date the proper quantity column on the last page (ink or digital signature entry). The last page is the last numbered page. It may be an odd or even number. The last page may be reserved for signatures only. (The original page will have an original signature; the copy may have a carbon signature.) When using the CHR as an HR-shortage listing, the person filling the position identified in the from block signs and dates (in ink or digitally) the last page under the last recorded item. The current responsible person must validate shortages.
Page of pages	Enter page number(s).

Note:

Make all entries in ink or electronically unless otherwise stated.

**Table E–26**  
**Completion instructions (by block) for DA Form 2062 for hand receipt with end item components**

Block	Instruction
From	Enter the name of the organization, organization, section, or squad which issues the property.
To	Enter the name and the rank of the person receiving the property.
HR number	Enter a locally designed number.
End item stock number	Enter the NSN or material number of the end item. Enter the LIN if the item has one.
End item description	Enter a description of the end item.
Publication number	Enter the description of the publication that contains the BII list, COEI list, AAL, mandatory discretionary components or other components list for the item.
Publication date	Enter the date of the publication listed in the Publication Date block.
Quantity	Enter the number of the listing when the HR is used as a CHR or an HR. When used as a shortage listing, enter the number of end items to which the shortage listing applies.
Stock number (or NSN) a	Enter the NSN or material number of the end item, followed by NSN or material numbers of COEI, BII, and AAL items.
Item description b	Enter a description of the end item, to include the make or model, and the serial number or U.S. Army number, followed by item description of COEI, BII, and AAL items.
*c	Enter the ARC of the missing item.
SEC d	Enter the CIIC.
UI e	Enter the UI of the component.
QTY auth. f	Enter the quantity authorized to be on hand.
Quantity (A–F) g	1. Enter the number of the listing for the end item and enter the quantity on hand for each COEI, BII, and AAL item listed. When used as an HR shortage listing, enter the quantity short for each COEI, BII, and AAL item listed. 2. Advance all quantities to the next column when quantities change. 3. Quantities must be advanced when changing HRs or SHRs. 4. The person receiving the property will sign, enter their rank, and date the proper quantity column on the last page in ink. The last page is the last numbered page. It may be an odd or even number. The last page may be reserved for signatures only. (The original page will have an original signature; the copy may have a carbon signature.) When using the CHR as an HR-shortage listing, the person filling the position identified in the From block signs and dates, in ink, the last page under the last recorded entry. The current responsible person must validate shortages.

Table E-26

## Completion instructions (by block) for DA Form 2062 for hand receipt with end item components—Continued

Block	Instruction
Page of pages	Enter page number(s).

Note: Make all entries in ink or electronically unless otherwise stated.

**E-43. Hard copy basic load procedures**

a. Manage basic loads of class II (durable and expendable), III, IV, and VIII (except medical repair parts) supplies per paragraph 8-3. Records required to manage the loads in hard copy are DA Form 2063 (Prescribed Load List) and DA Form 3318 (Record of Demands—Title Insert). Reproduce DA Form 2063 locally on 8 ½ by 11-inch paper. See tables E-27 and E-28 for instructions on how to fill out DA Form 2063. Keep one set of records for the class II and IV loads. Keep another set of records for the class VIII load. Do not consolidate the records. See table E-29 for instructions.

b. Use HRs if durable items in the load are issued. Chapter 12 gives HR procedures.

c. Inventory the loads when DA Form 3318s are reviewed (see chap 13).

d. The commander keeping the load is the approving authority for the load.

e. DA Form 2063 is prepared as the basic shop stock. Prepare the form in enough copies to meet local needs. List class II and IV items authorized for stockage on the same list; list class VIII items on a separate list.

(1) *Processing the shop stock list.* After the shop stock list is prepared, process it as follows:

(a) Take the shop stock list to the organization commander for approval. The commander approves it by signing the last page.

(b) File a copy of the approved shop stock list in the organization file.

(c) Send a copy of the approved shop stock list to the SSA for review. Do this within 5 calendar days after approval. If the SSA finds obvious errors in a NSN or material number or UI, tell the organization.

(d) Correct any errors found by the SSA.

(2) *Changes to the shop stock list.* After giving the SSA an initial shop stock list, keep the list current. Update the list as follows:

(a) Give any changes to the SSA as they occur. List changes on DA Form 2063. Prepare the change list in the same format as the initial list. Prepare a consolidated list for items (see table E-28): Added to the load, Deleted from the load, Increased in stockage quantity, Decreased in stockage quantity, Enter the new stockage quantity in the Basic column of DA Form 2063, Enter “added,” “changed,” or “deleted” in the Remarks column of DA Form 2063 for each item to show the type of change.

(b) Give the SSA a new shop stock list which includes previous changes at the second and alternating review periods.

f. DA Form 3318 is a two-part form. The demands and requests sections are designed to record quantities of an item demanded or requested, regardless of the supply source. When the demands or the requests sections are filled, it may be separated from the Title Insert section and turned over for more postings. Prepare DA Form 3318 for each authorized line item. File the forms in NIIN sequence in a visible file cabinet or visible file folder. Signals made of colored tabs may be used in the visible file with DA Form 3318 to show status of an item. Make all entries on DA Form 3318 in pencil. Table E-29 gives instructions for preparing DA Form 3318.

g. DA Form 3318 must be reviewed semiannually (every 180 days). The review includes an inventory of the load. Make the review and inventory as follows—

(1) Compare storage location of each item with the location listed on the title insert section. Correct any differences.

(2) Count all items and change the balance on hand section if necessary.

(3) Visually check the items' conditions. Damaged items must be repaired or replaced.

(4) See if the balance on hand, plus due-ins, minus due-outs equals the authorized stockage level. List any items that need to be requested or have excess.

h. Post the review results on the next available line in the Demands section of DA Form 3318s and complete the form as follows:

(1) *Date column.* Enter the Julian date of the review.

(2) *User column.* Enter the letters “REV” (to indicate a review).

(3) *Quantity demanded column.* Enter the total quantity demanded during the review period. Demands which have been canceled are not included.

(4) *Review entry.* Draw a dark line just below the review entry.

*i.* On completion of the review and inventory, take these actions—

(1) Report any inventory shortages of durable items to the PHRH.

(2) Submit requests for issue to replace shortages.

(3) Submit requests for cancellation for excess due-ins.

(4) Turn in excess items. Turn-in procedures are in chapter 14.

**Table E–27**  
**Completion instructions (by block) for DA Form 2063**

Block	Instruction
1. Date	Enter the date the list is prepared.
2. Unit/Organization	Enter the name of the unit or organization.
3. UIC	Enter the UIC of the unit or organization.
4. Item of equipment	Enter a description and model number of the end item for which parts are stocked. Enter the EIC for the end item. EICs can be found in the AEMM to the left of the LIN number for most end items in the Army inventory. The EIC is a three-position code replacing the W/ESDC (weapon/equipment system designator code) on requests for issue. If no EIC is listed, leave blank. Transpose the EIC to DA Form 3318 for each item on the shop stock. Enter it in the Remarks block of the form.
5. Publication data	Enter the number of the TM, DA Pam, or both listing the repair parts and the date of the current edition.
Stock number	List all repair parts with a NSN or material number that are authorized for stockage, in NIIN sequence. Enter PN items after the NSN or material number items in FSC sequence.
Item description	Enter a description of each item.
UI	Enter the UI of each item.
Basic	Enter the quantity prescribed by the initial mandatory parts list (IMPL) for each item.
Operational	Enter the demand supported quantity for each item. For those items prescribed by an IMPL and the IMPL quantity is greater than the demand-support quantity, leave blank. If the demand supported quantity is greater than quantity prescribed by an IMPL, enter the difference.
Remarks	Leave blank.

**Table E–28**  
**Completion instructions (by block) for DA Form 2063, consolidated**

Block	Instruction
1. Date	Enter the date the list is approved by the commander.
2. Unit/Organization	Enter the name of the unit or organization.
3. UIC	Enter the UIC of the unit or organization.
4. Item of equipment	Leave blank.
5. Publication data	Leave blank.
Stock number	List all repair parts with a NSN or material number that is authorized for stockage, in NIIN sequence. Enter PN items after the NSN or material number items in FSC sequence.
Item description	Enter a description of each item.
UI	Enter the UI of each item.
Authorized quantity	Enter quantity.
Basic	Basic.
Operational	Operational.
Remarks	Remarks.

**Table E–29**  
**Completion instructions (by block) for DA Form 3318 for a class II, IV, or VIII basic load items**

Block	Instruction
Stock number	Enter the NSN or material number of the item.
Date a	Enter the Julian date of the review.
User b	Enter the letters “REV” (to indicate a review).
Quantity	
Demanded c	Enter the total quantity demanded during the review period. Do not include demands which have been canceled. Then draw a dark line just below the review quantity and put the total demands below the line.
Due out d	If applicable.
Balance on hand	If applicable.
Remarks	If applicable.
UI	Enter the UI of the item.
SEC	Enter the CIIC of the item from AEMM.
Stockage code	Enter “basic load.”
Date	Enter the Julian date the item was placed on the shop stock.
Quantity	Leave blank.
ARC	Enter ARC of the item from the AEMM.
RC	Enter RC of the item from the AEMM.
Authorized stockage level	Enter the authorized stockage quantity.
Stock number	Enter the NSN or material number of the item.
Item description	Enter the nomenclature or item description.
Location	Enter the storage location of the item. If the item is issued on an HR, enter the HR number.

#### **E–44. DA Form 444 for annual central issue facility property book inventory**

Complete inventory adjustment actions. Complete DA Form 444 per the instructions in table E–30.

**Table E–30**  
**Completion instructions (by block) for DA Form 444**

Block	Instruction
SSA	Enter CIF.
MATCAT (material category)	Leave blank.
Voucher number	
DoDAAC	Enter a DoDAAC from the nonexpendable document register.
Date	Enter the date of the document number.
Serial	Enter the serial form the document number.
Total number of items	Enter the total number of items on the DA Form 444.
IAR reason (DA Form 444 reason)	Enter “Semiannual Inventory” or “Cyclic Inventory.”
Station	Enter the CIF physical location.
Count card location	Leave blank.
Item	Enter the item number, in sequence, for each item on DA Form 444.

**Table E-30**  
**Completion instructions (by block) for DA Form 444—Continued**

<b>Block</b>	<b>Instruction</b>
Stock number	Enter the NSN or material number of each item on DA Form 444.
Item noun	Enter a description of each item on DA Form 444.
COND	Leave blank.
SEC	Enter the CIIC code for each item on DA Form 444.
RICC	Enter the RICC for each item on DA Form 444.
Recorded balance	Enter the quantity recorded in the balance column of the property record for each item on DA Form 444.
Quantity inventoried	Enter the quantity counted for each item on DA Form 444.
Post	Enter the quantity to be posted to the property record for each item on DA Form 444. Use either the gain or loss column, but not both.
Gain	Gain quantity.
Loss	Loss quantity.
UI	Enter the UI for each item on DA Form 444.
Unit price	Enter the price found in AEMM for each item on DA Form 444.
Extended price	Enter the total dollar value of each line. Use either the gain or loss column corresponding to the post column, but not both. Multiply the unit price by the posted gain or loss; enter the result in the extended price gain or loss column.
Gain	Gain quantity.
Loss	Loss quantity.
Cut line	Leave blank.
Stock record officer	Name of SRO.
Date	The APO for the CIF dates this block.
Signature	The APO for the CIF signs this block.
SSA commander	Leave blank.
Date	Enter date.
Signature	Sign document.
Asset report copy sent	Verify report is sent.
Date	Leave blank.
Initials	Leave blank.
Total Dollars	Enter the total dollar value of the DA Form 444. Use both columns.
Net Dollars	Enter the difference between the total dollars gain and loss in either the gain or loss block. Do not use both blocks. This is the net adjustment shown in dollars.
Gain	Add all entries in the extended price gain column; enter the result.
Loss	Add all entries in the extended price loss column; enter the result.
IAR reviewed	If applicable.
Date Initials	Initial.
Gain	Gain quantity.
Loss	Loss quantity.

**Notes:**

<sup>1</sup> On the reverse side, enter causative research required by this regulation. Attach supporting documentation to causative research if deemed appropriate.

<sup>2</sup> After the last item, enter the total value of gains FY to date, total value of losses FY to date, the sum of these two totals, the dollar value of the stockage allowances, and the dollar value equal to the stockage allowances value X 0.025. Use this data to determine approval authority. Enter the subtotal at the bottom of the extended price column on each page when DA Form 444 consists of two or more pages.

## **Appendix F**

### **Internal Control Evaluation**

#### **F–1. Function**

The function covered by this evaluation is the accountability, tracking, management, and safeguarding of Government equipment according to this regulation.

#### **F–2. Purpose**

The purpose of this evaluation is to assist unit supply personnel and APOs at all levels in evaluating the key internal controls listed below; it is not intended to cover all controls.

#### **F–3. Instructions**

Evaluation test questions are outlined below and are intended as the starting point for each applicable level of internal control evaluation. Answers must be based on the actual testing of key internal controls (for example, document analysis, direct observation, sampling, simulation, or other). Answers that indicate deficiencies must be explained and corrective action indicated in supporting documentation. These internal controls must be evaluated at least once every 5 years. Certification that the evaluation has been conducted must be accomplished on DA Form 11–2 (Internal Control Evaluation Certification).

#### **F–4. Test questions**

- a. Are inventory requirements in AR 710–4 being met?
  - (1) Are commanders conducting inventories as prescribed in the unit inventory plan?
  - (2) Are APOs maintaining copies of all completed inventories?
- b. Are PHRHs reviewing their HRs monthly to ensure all turn-ins and issues are being posted accurately?
- c. Is supporting documentation maintained for each transaction conducted in the APSR?
- d. Are corrective actions being taken when documentation is missing?

#### **F–5. Supersession**

Not applicable.

#### **F–6. Comments**

Help to make this a better tool for evaluating internal controls. Submit comments to DCS, G–4 (DALO–SPE), via email to [usarmy.pentagon.hqda-dcs-g-4.mbx.publications@army.mil](mailto:usarmy.pentagon.hqda-dcs-g-4.mbx.publications@army.mil).

## **Glossary of Terms**

### **Accountability**

Obligation imposed by law, lawful order, or regulation, accepted by an organization or person for keeping accurate records and to ensure control of property, documents or funds (such as identification data, gains, losses, due-ins, due-outs, and balances on hand or in use), with or without physical possession (see DoDI 5000.64).

### **Accountable property officer**

An individual who, based on their training, knowledge, and experience in property management, accountability, and control procedures, is appointed in writing through the DoD Component procedures to establish and maintain an organization's accountable property records, systems, or financial records, in connection with government property, irrespective of whether the property is in the individual's possession (see DoDI 5000.64).

### **Army property**

All property under DA control, except property accounted for as owned by an NAF activity. "Government property" and "Army property" are used synonymously with "property."

### **Back order**

That portion of requested stock not immediately available for issue and not passed to another SOS for action. Record of obligation to file the back order is known synonymously as a due-out.

### **Basic load**

Supplies kept by using units for use in combat (for other than ammunition). The quantity of each item of supply in a basic load is related to the number of days in combat the unit may be sustained without resupply.

### **Book to Floor**

Inventory to ensure the Army's data from the APSR matches the data on the asset's data plate

### **Capital asset**

An asset that meets or exceeds the capitalization threshold found in DoD 7000.14–R for the DoD Component.

### **Capital nature**

Property that has all or most of the following characteristics: a. Does not lose its identity when used for its intended purpose. b. Has an acquisition cost of \$15,000 or more. c. Has a useful life of more than two years when used for intended purpose. d. Normally is an investment-type item capitalized in the accounting records.

### **Causative research**

An investigation of variances in transactions.

### **Combat load**

The amount of munitions authorized by DA Pam 350–38 per AR 5–13, Total Army Munitions Requirements, for a unit to have on hand.

### **Completeness testing**

A random selection of GE assets to inventory and trace them back to the APSR.

### **Components**

A part or combination of parts having a specific function, which can be installed or replaced only as an entity (see FAR, part 2).

### **Condition code**

(A)—usable for all services or agencies. (C)—usable only by those services or agencies listed in the Issue to column. (H)—material is not usable (condemned) and must be disposed of per the existing regulations.

### **Consumable supplies**

Supplies consumed in use, such as ammunition, fuel, cleaning and preserving materials, surgical dressings, and drugs, or supplies that lose their separate identity in use, such as repair parts and building materials.



**Controlled cryptographic items**

Secure telecommunications, or information system, or associated cryptographic component that is unclassified and handled through CMCS, an equivalent material control system, or a combination of the two that provides accountability and visibility and are marked “controlled cryptographic item” or “CCI” (see AR 380–40).

**Controlled inventory items**

Property with characteristics that may require them to be identified, accounted for, secured, segregated, or handled in a special manner to ensure their safekeeping and integrity. Controlled inventory items include classified items, sensitive items, and pilferable items. Items with characteristics requiring special identification accounting, security, or handling to ensure their safeguard (see DoDI 5000.64).

**Credit**

Recording of an asset issued or shipped by a stock record account. The asset may be reflected in terms of a quantity or a dollar value, depending on the type accounting.

**Damage**

A condition that impairs either value or use of an article; may occur in varying degrees. Property may be damaged in appearance or in expected useful life without rendering it unserviceable or less useful. Damage also shows partial unserviceability. Usually implies that damage is the result of some act or omission.

**Deployable property**

Property authorized to an organization or organization under an MTOE or deployable TDA authorization document and all CTA property which deploys with the organization.

**Deployable property book**

Record of property issued under an MTOE or a deployable TDA authorization document. CTA items of equipment that are mission-related to all table of organization and equipment organizations Armywide are considered deployable property.

**Direct responsibility**

Obligation of a person to ensure that all Government property for which they has receipted for, is properly used and cared for, and that proper custody and safekeeping are provided. Direct responsibility results from assignment as an APO, receipt of formal written delegation, or acceptance of the property on HR from an APO. Commanders and/or supervisors will determine and assign in writing the individuals who will have direct responsibility for property.

**Discrepancy**

Disagreement between quantities or condition of property on hand and that required to be on hand, as shown by an accountability record of the property. It is usually a disagreement between quantities or condition of property actually received in a shipment and that recorded on the shipping document. This type of discrepancy generally is referred to as a “discrepancy incident to shipment.” Another form of discrepancy occurs when a disagreement exists between a stock record balance and the result of a physical count or inventory.

**Durable item**

Property that is not consumed in use, does not require property book accountability, but because of its unique characteristics requires control when issued to the user. It is an item of Army property coded with an ARC of "D" in the Army Master Data File contained in the AEMM. See Appendix C for a description of various property items coded durable and the accounting requirements for durable property.

**Emergency requirement**

Major disaster or emergency area means the area included in the official Presidential declaration(s) and any additional areas identified by the Department of Homeland Security. Major disaster declarations and emergency declarations are published in the Federal Register and are available at <https://www.fema.gov/disasters/disaster/declarations> (see FAR 26–201).

**Equipment**

Personal property that is functionally complete for its intended purpose, durable, and nonexpendable. Equipment generally has an expected service life of 2 years or more; is not intended for sale; does not ordinarily lose its identity or become a component part of another article when put into use; has been acquired or constructed with the intention of being used (see DoDI 5000.64).

**Equipment in place**

Nonexpendable equipment of a moveable nature affixed to real property, but able to be removed without destroying or reducing the usefulness of the facility. It does not include installed building equipment.

**Excess**

Any property under the control of the DoD that the agency head determines is not required for its needs or for the discharge of responsibilities of any DoD activity (see FAR).

**Existence testing**

Inventory to ensure the Army's data from the APSR matches the data on the asset's data plate.

**Expendable items**

Property that is consumed in use or loses its identity in use. It includes items not consumed in use, with a unit cost of less than \$300 and having a controlled item inventory code of "U" or "7" assigned. It is an item of Army property coded with an ARC of "X" in the Army Master Data File contained on the AEMM. See Appendix C for a description of various property items code expendable and the accounting requirements for expendable property.

**Fair wear and tear**

Loss, consumption, or impairment of appearance, effectiveness, worth, or utility of an item, rendering it unserviceable or uneconomically repairable salvage that has occurred solely because of normal and customary use of the item for its intended purpose by authorized persons (see AR 380–40).

**Financial liability**

Personal, joint, or corporate statutory obligation to reimburse the U.S. Government for Government property lost, damaged, or destroyed because of negligence or misconduct.

**Fixed base property**

All property not meeting criteria of deployable property, regardless of how authorized, is nondeployable fixed base property and will be accounted for by either formal property book accountability or HR control, as applicable. Nondeployable property is further classified into two subtypes of nondeployable: *a.* Mission property, which is required by a nondeployable activity to perform its mission and is authorized by the activity's TDA and other valid authorization documents. *b.* Installation property, which is inherent to the operation of the installation and is authorized by the activities TDA and other valid authorization documents.

**Floor-to-book**

Commanders select random assets to inventory and trace them back to the APSR.

**General equipment**

General equipment, such as Military Equipment (weapon systems), consists of tangible assets having an estimated useful life of two years or more, are not intended for sale in the ordinary course of operations, and are acquired or constructed to be used or is available for use by the entity.

**Government–furnished equipment**

See DFARS, subpart 252.211–7003.

**Government–furnished material**

Material owned by the Government and furnished to a contractor to use for specific contract purposes. Title to all material furnished by the Government remains with the Government. This property may be incorporated into or attached to a deliverable end item or that may be consumed or expended in performing a contract. It does not include material sold by the Government to a contractor, equipment, special tooling, special test equipment or real property.

**Government-furnished property**

Property in the possession of, or directly acquired by, the government and subsequently furnished to the contractor, including sub-contractors and alternate locations, for performance of a contract. GFP includes, but is not limited to, equipment, special tools, and special test equipment. It does not include consumable or material items or items held as inventory (see DoDI 5000.64).

**Hand receipt**

A signed document acknowledging acceptance of and responsibility for items of property listed thereon that are issued for use and are to be returned.

**Hand tools**

Any hand-held devices either manually operated or power driven that are portable, light weight, and small enough to be used by a craftsman in accomplishing their trade. They include such items as wrenches, screwdrivers, hammers, chisels, pliers, saws, impact wrenches and such other small devices that are normally held in a toolbox.

**Hazardous material**

Material as defined by Federal Standard, Material Safety Data Sheets, Transportation Data and Disposal Data for Hazardous Materials Furnished to Government Activities (FED–STD–313). The GSA has authorized the use of the Federal standard by all Federal agencies.

**Individual equipment**

Personal clothing and equipment issued for exclusive personal use of an individual.

**Ink entry**

A legible entry made in indelible ink using a ballpoint, felt tip, or fountain pen.

**Inspection type code**

A one-position, standardized code used within the Shelf Life Extension System to specify whether a visual examination (code V), certified laboratory testing (code L), restorative action (code R), machine testing (code M), or any combination of these, is necessary for accurate assessment of materiel serviceability at the end of its shelf-life period.

**Installation property book**

Record of property issued under an authorization document other than an MTOE, deployable TDA, and deployable CTA items.

**Inventory**

An inventory is a physical count of property on hand. Components are inventoried when the end item is inventoried.

**Inventory accounting**

Establishment and maintenance of accounts for materiel in storage, in manufacturing process, on hand, in transit, or on consignment in terms of cost or quantity. The accounting process includes maintenance of supporting records and rendition of reports when required. Specific types of inventory accounting are detail, summary, financial, and item accounting.

**Issue to**

Identifies who may use the condition code C material.

**Item accounting**

Method of accounting that expresses credit and debit (loss or gain) entries in terms of quantity of items transacted without regard for dollar value of the materiel. May be performed in either detailed or summary manner.

**Key supporting documents (KSDs)**

The forms and other documentation are required to support transactions entered into APSRs. Examples include but are not limited to DD 1149, DD 1348a, transportation documents, hand receipts, and so forth. These documents are retained, stored, and available for access as needed.

**Local purchase**

Authorized purchase of supplies requested by an SSA for its own use or for issue to a supported activity in lieu of requisitioning through the supply distribution system.

**Logistics readiness center property book**

LRC has replaced the installation property book. The LRC property book is considered a service provided by the LRC to ACOMs/ASCCs/DRUs and the ARNG who do not have organic property book support authorized by their MTOE or TDA. All customers of this service must have an approved MOA on file to use this support. LRCs do not deploy; ACOMs/ASCCs/DRUs and ARNG must provide property book support upon notification of deployment.

**Lot or batch**

A definitive quantity of an item accumulated under conditions that are considered uniform for sampling purposes.

**Material**

Property that may be consumed or expended during the performance of a contract, component parts of a higher assembly, or items that lose their individual identity through incorporation into an end-item. Material does not include equipment, special tooling, special test equipment or real property.

**National stock number**

The 13-digit stock number consisting of the 4-digit FSC and the 9-digit NIIN. 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 (see DoDI 5000.64).

**Negotiable media**

Paper or token that has a value that may be used to gain a specific service, such as a postage stamp used to mail a letter, toll scrip used to pay for the use of a toll road or a token that is used to pay for a ride on public transportation.

**Non-consumable supplies**

Supplies not consumed in use and retaining their original identity during the period of use, such as weapons, machines, tools, furniture, and fixtures.

**Nonexpendable items**

Property coded with an ARC of "N" in the Army Master Data File contained on the AEMM. Nonexpendable items require property book accountability after issue from the stock record account. Commercial and fabricated items, similar to items coded N in the AEMM are considered nonexpendable items.

**Nonstandard item**

The item has no NSN assigned based on research of catalog data.

**Noun**

A 32-character name. It may be a basic noun, or noun-phrase, followed by those modifiers necessary to differentiate between item concepts for items having the same basic noun. (Source: Based on DLAR 4155.37 definition for item name, available at <https://www.dla.mil>.)

**Operational load**

A quantity of supplies (in a given supply class) kept by using units for use in peacetime operations, based on various authorizations.

**Organizational property book**

Record of property issued under an MTOE or deployable TDA authorization document. CTA items of equipment that are mission-related to all table of organization and equipment (TOE) units Armywide are considered organizational property. Examples of this type of equipment can be found in AR 71–32.

**Parent organization**

May be either a TOE or TDA organization. For TOE, a numbered organization of battalion or equivalent level; or company, battery, troop, platoon, detachment, or team not an organic element of a battalion or other parent organization. For TDA, any TDA organization assigned a unique TDA number. May be either a table of organization or equipment or TDA organization. For a TOE organizations, it's a numbered organization of battalion or equivalent level; or it may be a company, battery, troop, platoon, detachment, or team that's not an organic element of a battalion or other parent organization. For TDA organizations, it's any TDA organization assigned a unique TDA number.

**Parent unit identification code**

The UIC specifically associated with a parent organization and from which other UICs may be derived. Designator of a parent UIC is AA; in the case of TDA augmentations to TOE organizations, 90 through 99.

**Personal property**

All property (systems and equipment, materials, and supplies) except real property (land and improvements to facilities), and records of the Federal Government (see DoDI 5000.64).

**Primary hand receipt**

A HR between an APO and the person receiving the property and assuming direct responsibility for it.

**Primary hand receipt holder**

A person who is hand-receipted property directly from the APO.

**Property**

Equipment, weapon systems, and other accountable property (for example, administrative property, special tools, special test equipment). Other types of personal property, such as supplies, material, and records, are not included in this definition unless expressly stated as being included (see DoDI 5000.64).

**Property administrator**

An authorized representative of the KO appointed in accordance with agency procedures, responsible for administering the contract requirements and obligations relating to Government property in the possession of a contractor.

**Property book**

A documentary record of every item on a TOE list or other type of allowance list, showing that a unit is prepared to accomplish its assigned mission. The property book lists both capitalized and expensed assets, shows quantities on hand, items due in, open requisitions, unit prices, HRs (see DoD 7000.14–R).

**Property records and property account**

Considered general terms referring to any record of property. This includes not only formal accounts maintained in item or monetary terms by APOs, but also property books, individual clothing and equipment records, or any other organized files of property records. For GFP means records created and maintained by the contractor in support of its stewardship responsibilities for the management of Government property.

**Real property**

Fixed assets that are comprised of land and the rights to land; buildings to include capitalized additions, alterations, improvements, and rehabilitations; and other structures and facilities. Real property does not include personal property (weapons systems and other military equipment) (see DoD 7000.14–R).

**Receiving officer**

An officer charged with custody or storage of property received by means of shipment. The office is distinguished from the consignee on the bill of lading because that consignee usually is the transportation officer. Usually, the receiving officer is an APO at the station of destination.

**Reconciliation**

The process of aligning the physical count with the quantity posted to the accountable property records, researching discrepancies, and determining inventory accuracy, for example, calculation of loss or overage rates (see DoDI 5000.64).

**Recurring demand**

A request made periodically or anticipated to be repetitive for materiel to be used immediately or for stock replenishment. Most demands are recurring. A demand is, therefore, considered recurring when doubt exists as to its nature.

**Relocatable facility**

A facility that is specially designed and constructed to be readily erected, disassembled, transported, stored, and reused. Example of relocatable facilities include, but are not limited to, trailers, CONEX boxes, sheds on skids, tension fabric structures, and air supported domes. A relocatable facility is not constructed as a part of any other military vehicle, DoD tactical equipment (vehicle mounted or wheeled and towable) or equipment which is already accounted for in a designated APSR.

**Remarks**

Additional remarks on storage procedure not contained within the storage standard.

**Requisition**

A supply request initiated by the SSA in a MILSTRIP format, or an organization supply request converted to a MILSTRIP format by the SSA for submission to the next higher SOS.

**Responsibility**

The obligation of an individual to ensure that Government property and funds entrusted to their possession, command, or supervision are properly used and cared for and that proper custody and safekeeping are provided. There are five types of responsibility as defined in this glossary: a. Command responsibility. b. Direct responsibility. c. Supervisory responsibility. d. Personal responsibility. e. Custodial responsibility.

**Responsible official**

An individual with direct responsibility for property assumed by appointment order or by signing a Primary Hand Receipt.

**Retail level**

Level of supply below the national level. Retail level stockage generally is oriented toward attaining maximum operational readiness of support units and, therefore, it is based on demand or item essentiality. Installation supply and maintenance activities, direct support organizations, and general support units usually are engaged in retail level supply support.

**Sales account**

Formal records of accountability maintained in monetary terms by troop issue subsistence activities, commissaries, and other sales activities. Line item stock record balances are not normally maintained by sales accounts.

**Scrap**

Property that has no value except for its basic metallic, mineral, or organic content (see DoDI 5000.64).

**Shop stock**

Repair parts and consumable supplies stocked within a support-level maintenance activity for internal use during accomplishment of maintenance requests. It is similar in purpose to repair parts kept by a unit in support of organizational maintenance, in that it is for internal use only and has been issued from an authorized stockage list at an SSA.

**Shop stock list**

A list of organization maintenance repair parts that are demand supported, nondemand supported, and specified initial stockage repair parts for newly introduced end items.

**Site visit**

An inspection conducted by the Army's Independent Public Auditor that includes representatives from the DoD Inspector General (DoDIG), HQDA G44–SPE, ASA(FM&C), FORSCOM, AMC, ASA(ALT) and others, as applicable. These may be conducted "virtually" or "on-site."

**Small arms**

See AR 710–3.

**Specification**

A document prepared to support acquisition that describes essential technical requirements for materiel and the criteria for determining whether those requirements are met.

**Statistical sampling**

Methodology for randomly selecting samples to test to determine if the testing of the sample is a reasonable representation of the entire population. If a statistical sample is below an established number of defects (errors), the population can be judged to be at an acceptable level of accuracy.

**Stock number**

A number used to identify an item of supply. Types of numbers used are: a. NSN or North Atlantic Treaty Organization stock number. b. Commercial and Government Entity Code. c. Management control number. d. DoDAAC. e. Army commercial vehicle code. f. Any other identifying number when one of the types in (a) through (e) above has not been assigned.

**Stock record account**

Formal basic record showing, by item, receipt, and disposal of property being held for issue, balance on hand, and other identifying or stock control data. The account is prepared on prescribed forms.

**Storage location**

Designated location in Global Combat Support System–Army where you manage your property and materials such as receive and request.

**Sub–hand receipt**

A HR for property from a PHRH or an SHR holder to a person subsequently given the property for care, use, safekeeping, or further issue. It does not transfer direct responsibility for the property to the SHR holder, but it does transfer personal responsibility.

**Supplies**

Items needed to equip, maintain, operate, and support military activities. Supplies may be used for administrative, combat, or general plant purposes. Supplies include food, clothing, equipment, arms, ammunition, fuel materials, and machinery of all kinds. For planning and administrative purposes, supplies are divided into 10 classes. Supplies are synonymous with “equipment” and “material.” All property except land or interest in land. It includes (but is not limited to) public works, buildings, and facilities; ships, floating equipment, and vessels of every character, type, and description, together with parts and accessories; aircraft and aircraft parts, accessories, and equipment; machine tools; and the alteration or installation of any of the foregoing.

**System furniture**

An arrangement of modular components using vertical space, which meets, prescribed functional workstation requirements. The components consist of work surfaces, storage organizations, power and communications outlets, and privacy panels that interconnect and are assembled into workstations of various sizes, configurations, and complexity. This does not include conventional office furniture, that is, free-standing organizations and partitions available from the Federal supply system. Systems furniture, as defined, is authorized by CTA 50–909.

**U.S. property and fiscal officer**

A commissioned officer of the Army or NG of the United States on extended Federal active duty and who is accountable and responsible for proper obligation and expenditure of all Federal funds and for receipt and account all Federal property in possession of the NG of the State; maintains a stock record account comparable to the level of a CONUS installation; and must ensure that accountability for Federal property is maintained after property is issued to property book level.

**Voucher**

Document attesting to, or serving as, evidence of a specific property transaction. Credit vouchers, such as signed receipts, support a reduction of on hand balance shown on the property record. Debit vouchers, such as receiving reports, support an increase in recorded on hand balance.

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