

Procedure: Property Management – Inventories

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| Personal Property Manual Section | 3208 |
| Revision | 1 |
| Effective Date | 16 SEP 2024 |
| Regulatory Assurance System | Property and Infrastructure |
| Owner | Property and Infrastructure Requirement Assurance System Owner |
| Review Cycle | Every 3 years |

1 Purpose

The purpose of this procedure is to define the process of government-owned personal property inventories and the value of conducting them.

2 Procedure

2.1 Physical Inventory of Equipment

- 2.1.1 A physical inventory entails a visual verification (hands-on) of each property item identified on a given account.
- 2.1.2 Property Staff coordinate physical inventories of equipment property assets on a biennial basis. Property Staff informs property custodians that they are responsible for completing the physical inventory of their assigned assets. Upon completion, a secondary party will confirm the inventory.
- 2.1.3 The biennial inventory is begun as early in the fiscal year as possible to ensure completion by end of the fiscal year.
- 2.1.4 All results are documented in the computerized asset management system (i.e., Sunflower).

2.2 Audit of Equipment Physical Inventory

On years in which physical inventories of equipment property assets are not completed, Property Staff complete a verification audit of 10% of the previous year's inventory results. The purpose of the audit is to verify the integrity of the inventory process and the data submitted by the custodians. If less than 98% of the equipment assets selected as part of the audit are accounted for, a wall-to-wall inventory is conducted.

2.3 Physical Inventory of Capitalized Property

- 2.3.1 A physical inventory of capitalized property assets is conducted on an annual basis. The Property Staff coordinates the inventories and property custodians conduct the physical inventories. Upon completion, a secondary party will confirm the inventory.
- 2.3.2 The annual inventory starts as early in the fiscal year as possible to ensure completion before fiscal year end.
- 2.3.3 All results are documented in the computerized asset management system (i.e.,

Sunflower).

2.4 Physical Inventory of Sensitive Assets

- 2.4.1 An inventory of sensitive assets is conducted on an annual basis. Property Staff work with the networking group to use software to electronically ping all assets that are on the Laboratory network on a specific date and time.
 - 2.4.1.1 The electronic pinging process creates a resolution in Fermilab's personal property management system.
 - 2.4.1.2 A barcode scanning process by Property Staff is also used to capture and record resolutions. For assets that are remaining to be resolved, Property Staff generate inventory listings.
 - 2.4.1.3 Completing the inventory is the responsibility of each person to whom the sensitive asset is assigned (custodian) with verification by their immediate supervisor.
 - 2.4.1.4 Completed inventory listings are recorded in the computerized asset management system (i.e., Sunflower).
- 2.4.2 The Sensitive Inventory campaign begins as early in the fiscal year as possible to ensure completion by the end of the fiscal year.
- 2.4.3 A verification audit (10% of the sensitive assets inventoried) is conducted by Property Staff. The purpose of the audit is to verify the integrity of the inventory process and the data submitted by the custodians with verification by a second party. If less than 98% of sensitive assets selected as part of the audit are accounted for, a complete inventory is conducted.
- 2.4.4 All results are documented in the computerized asset management system (i.e., Sunflower).

2.5 Physical Inventory of High-Risk Personal Property (HRPP) & Sensitive Property

- 2.5.1 A physical inventory of High-Risk Personal Property/Sensitive assets is conducted on an annual basis.
- 2.5.2 Property Staff coordinate the inventories and both the custodians of High Risk/Sensitive assets, and the Property Office are responsible for completing the physical inventory.
- 2.5.3 The annual inventory begins as early in the fiscal as possible to ensure completion before fiscal year end.
- 2.5.4 All results are documented in the computerized asset management system (i.e., Sunflower).

2.6 Physical Inventory of Precious Metals

- 2.6.1 A physical inventory of Precious Metals Assets is conducted on an annual basis.
- 2.6.2 The PMCO or delegate coordinates the inventories and custodians of precious metals property assets are responsible for completing the physical inventory with the PMCO or delegate.
- 2.6.3 Precious metals are weighed and compared to the previous year's inventory balance. Each custodian provides LPC with information from the logbook which documents usage since previous inventory.

- 2.6.4 The annual inventory begins as early in the fiscal year as possible to ensure completion before fiscal year end.
- 2.6.5 All results are documented in the computerized asset management system (i.e., Sunflower).
- 2.7 Physical Inventory of Other Accountable Property
 - 2.7.1 A physical inventory of Other Accountable Property assets is conducted once every three years.
 - 2.7.2 Property Staff coordinate the inventory, and custodians in Self-Service Property (SSP) with Other Accountable Property assets are responsible for completing the physical inventory with verification by a second party.
 - 2.7.3 The inventory is started as early in the fiscal year as possible to ensure completion before fiscal year end.
 - 2.7.4 All results are documented in the computerized asset management system (i.e., Sunflower).
- 2.8 Physical Inventory of Telecom Property
 - 2.8.1 A physical inventory of Telecom assets is conducted on an annual basis.
 - 2.8.2 The Property Staff coordinate the inventory with the IT/Telecom department, which runs the campaign in Self-Service Property (SSP), and the custodians of Telecom assets, are responsible for completing the physical inventory with verification by a second party. Refer to *CCD – Telecom – Physical Inventory Campaign Procedures*.
 - 2.8.3 The inventory is started as early in the fiscal year as possible to ensure completion before fiscal year end.
 - 2.8.4 All results are documented in the computerized asset management system (i.e., Sunflower).
- 2.9 Physical Inventory of Stores Operation
 - 2.9.1 A daily cycle count is conducted for a statistical sample of items for Stores Operation (ISS Common Use Stockroom Operation and FMP Facilities Management Parts), as approved by the SC OPMO.
 - 2.9.2 Property Staff coordinate the inventories for the Stockroom Operations.
 - 2.9.3 All results are documented in the computerized asset management system (i.e., Sunflower).
- 2.10 Offsite Inventories
 - 2.10.1 For assets not physically located on FNAL property (e.g., at a borrowing institution controlled via a Mission Move Agreement), inventories being completed by staff other than the custodian shall provide written attestation of the inventoried asset.
 - 2.10.2 Attestation of an asset(s) located offsite shall include the name and title of the person who verified the asset(s), the date it was verified, confirmation of the location, and annotate damage, if any, identified on the asset(s).

- 2.10.3 It is the responsibility of the custodian to coordinate any offsite inventories and receive appropriate attestation that the asset(s) have been verified.
- 2.10.4 The custodian would complete the inventory of the asset(s). All results are documented in the computerized asset management system (i.e., Sunflower).
- 2.11 Reporting Inventories
Upon completion of the inventories conducted throughout the year, results are sent to the DOE Site Office and Organizational Property Management Officer (OPMO) within 60 days of completion of the inventory.

3 Responsibilities

- 3.1 **Property and Infrastructure Requirement Assurance System Owner** approves this policy, identifying necessary resources, and overseeing consistent laboratory compliance.
- 3.2 **Logistics and Property Control Department Head** is responsible for implementing and managing changes to this policy by assigning appropriate resources.
- 3.3 **Logistics and Property Control Department (Property Staff)** are responsible for providing estimated values of reported property and retiring the assets in the computerized asset management system (i.e., Sunflower).
- 3.4 **Laboratory Custodians** are responsible for participating in physical inventory processes as described in this procedure and for reporting any loss, theft, damage, or destruction of property to Security Personnel as soon as practicable.

4 Definitions

- 4.1 **Custodian.** The individual who is responsible for the protection, control, and proper use of property under his or her stewardship.
- 4.2 **Government property.** All property owned or leased by the Government. Government property includes both Government-furnished property and contractor-acquired property. Government property includes material, equipment, special tooling, special test equipment, and real property. Government property does not include intellectual property and software.
- 4.3 **Personal Property.** Includes all equipment, material, and supplies not classified as real property (Refer to 41 CFR Chapter 102-71).
- 4.4 Acronyms
 - CFR** Code of Federal Regulations
 - DOE** Department of Energy
 - FNAL** Fermi National Accelerator Laboratory
 - FRA** Fermi Research Alliance, LLC
 - LPC** Logistics & Property Control Department
 - SOC** Security Operations Center

5 Resources / Supporting Documentation

N/A

6 Revision History

| Version Number | Date | Author | Change Summary |
|----------------|------------|--------------------------------------|---|
| 0 | 03/04/19 | Jack Kelly LPC Department Head | First Issuance |
| 1 | 09/01/2024 | Kevin Coppert LPC Department Head | Updates as result of FY22 audit findings. |

7 Approvals

| Title | Name | Electronic Signature |
|--|-----------------|----------------------|
| Property and Infrastructure Requirement Assurance System Owner | Mark T. Jeffers | |