

DEPARTMENT OF THE ARMY
 RAYMOND W. BLISS ARMY HEALTH CENTER
 2240 E. WINROW AVE.
 FT. HAUCHUCA, ARIZONA 85613-7079

MEDDAC MEMORANDUM
 No. 710-4

21 March 2008

Inventory Management
 Accountability Requirements for Durable Property

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1. HISTORY. This is the first printing of this publication.

2. PURPOSE. To establish responsibilities and procedures for establishing and maintaining accountability for property classified as durable equipment with a value less than \$5,000 purchased for Raymond W. Bliss Army Health Center.

3. REFERENCES.

3.1 AR 735-5, Policies and Procedures for Property Accountability

3.2 AR 710-2, Inventory Management – Supply Policy Below the National Level

3.3 DA Pamphlet 710-2-1, Using Unit Supply System (Manual Procedures)

4. GENERAL.

4.1 Durable property is personal property that is not consumed in use, does not require formal property book accountability, but because of its unique characteristics requires control when issued to the user. These items do not lose their identity upon use for one year or more (See Appendix A).

4.2 Accounting procedures for durable items before issue to the user level are the same as for non-expendable items. Durable items that are components of sets, kits, or outfits will be controlled using hand receipt annexes or component hand receipts, DA Form 2062 Hand Receipt/Annex Number. Durable items, that are not components of sets, kits or outfits, will be controlled using hand receipts and sub-hand receipts. Durable items should be sub-hand receipted to the end user to assign personal responsibility.

4.3 Materiel, with an acquisition cost of less than \$5,000, is classified as durable equipment and will be accounted for on a durable hand receipt inventory (See Appendix B).

4.4 Exceptions are:

4.4.1 Property that is classified, sensitive or highly pilferable.

4.4.2 Property that is medical maintenance significant.

4.4.3 Leased, rented, historical, heraldry or negotiable media.

4.4.4 Automated Data Processing Equipment (ADPE), defined as laptop computers, notebook computers, central processing units, printers, external hard drives, zip drives.

4.4.5 Items listed on the Table of Distribution and Allowances (TDA).

4.4.6 Test, Measurement, and Diagnostic Equipment (TMDE) requiring calibration.

4.4.7 Portable Electronic Devices (PEDs), which include, but are not limited to cell phones, pagers, personal digital assistants (PDAs) (for example, Palm Pilots, Pocket PCs), wireless laptops, and two-way radios. Fax machines and all other communication equipment are included.

5. RESPONSIBILITIES.

5.1 All persons entrusted with Government property are responsible for its proper use, care, custody and safekeeping. Supervisory responsibility for the care, use and safekeeping of Government property, issued to or used by subordinates, is inherent in supervisory and command positions.

5.2 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.

5.3 The Commander will conduct an annual management review of all on hand durable items identified within AR 735-5. The commander will determine whether there are any indications of any missing items and whether there are any indications of fraud, waste, or abuse. Additionally, the commander will document that a management review of durable property was conducted, stating what the results were and what corrective actions, if any, were taken.

5.4 The Chief of Logistics will oversee the management review for the commander; ensure that all the Department/Division/Service Chiefs throughout the facility conduct

durable inventories at their respective areas. Command Supply Discipline Program (CSDP), Logistics Division will inspect activities to ensure compliance of the property accountability requirements for durable equipment. If the Primary Hand Receipt Holder (PHRH) is not in compliance, the CSDP representative will inform the Chief of Logistics and Property Management Branch to ensure compliance is completed in the PHRHs area of responsibility. A written notice of non-compliance from the Chief of Logistics will be sent to the Department/Division/Service Chief of the areas where non-compliance occurs.

5.6 Property Management Branch, Logistics Division, will conduct a management review of the durable hand receipt inventory to determine whether there are indications of missing items, fraud, waste, or abuse as part of the Command Supply Discipline Program visits to the PHRHs areas. Any time there are indications of lost, damaged, or destroyed property, the Primary Hand Receipt Holder (PHRH) will initiate a Financial Liability Investigation.

5.7 The Department/Division/Service Chiefs will ensure compliance of this MEMO. The chief will provide adequate time to ensure the PHRH is managing durable property and report any inaccuracies in the inventories taken. The PHRH is defined as the user for this memorandum. Formal accountability for durable property by the PHRH is not required. However, because of the nature of these items, they must be controlled and responsibility specifically assigned by informal hand receipt control. The PHRH is responsible to maintain a separate inventory of all durable items in their designated area.

6. PROCEDURES. The following procedures will be used in the assignment of durable property responsibility:

6.1 The Primary Hand Receipt Holder (PHRH) will prepare the attached statement (See Appendix D), and an inventory listing (DA Form 2062) of all durable items issued to them under their area of responsibility (See Appendix C). The essential data for the inventory listing are as follows:

6.1.1 Name of Department Activity

6.1.2 Name, Rank of the PHRH

6.1.3 Hand Receipt code

6.1.4 Page Number, i.e., 1 of 1

6.1.5 Item Description, Manufacturer, Date in Service

6.1.6 Model Number and Serial Number if applicable

6.1.7 Location of Equipment (Room Number or End User's Name)

6.1.8 Quantity on Hand

6.1.9 Signature, Grade, Rank of PHRH

6.1.10 Date of Inventory

6.2 The durable hand receipt inventory will be performed by the PHRH in conjunction with the semiannual inventory update and the annual joint inventory of the formal property book hand receipt assigned to the PHRH. Post changes to the durable hand receipt inventory listing as they occur. Adjust the inventory list to reflect current balances before performing an inventory. If a loss of property occurs, the PHRH will initiate a Financial Liability Investigation in accordance with AR 735-5. The durable hand receipt inventory must be supported by the Logistics Division Memorandum, Subject: Accounting for Durable Property (See Appendix D). The original signed document for durable property and the durable hand receipt inventory will be given to the Command Supply Discipline Program's representative during their assistance visit to the Primary Hand Receipt Holder (PHRH) areas. The representative will forward the documents to Property Management Branch for filing and review.

6.3 The Property Management Branch will file the original Memorandum for Record (Accounting for Durable Property) and the durable hand receipt inventory (DA Form 2062) in the PHRHs folder for two years before the Memo/inventory is destroyed. Recommended changes and/or comments, to this publication, may be directed to Property Management Branch. Please contact the Property Book Officer at 533-2417, if more information is needed.

The proponent of this publication is Logistics Division. Users are invited to send comments and suggested improvements on DA Form 2028, (Recommended Changes to Publications and Blank Forms) to Commander Raymond W. Bliss Army Health Center, ATTN: MCXJ-LO, 2240 E. Winrow Ave, Ft. Huachuca, AZ 85613-7079

FOR THE COMMANDER:

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APPENDIX A
FEDERAL SUPPLY CLASSES (FSC)

DURABLE PROPERTY: 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. The following classes or types of property will be coded durable:

1. PROPERTY IN THE FOLLOWING FEDERAL SUPPLY CLASSES (FSC) HAVING A UNIT COST OF OVER \$300, BUT LESS THAN \$5,000 AND ASSIGNED A CIIC OF "U" OR "7".

FSC:

4110 - Refrigeration Equipment

4140 - Fans, Air Circulators & Blower Equipment

6240 - Electric Lamps

7105 - Household Furniture

7110 - Office Furniture

7125 - Cabinets, Lockers, Bins and Shelving

7195 - Miscellaneous Furniture and Fixtures

7210- Household Furnishings

7220 - Floor Coverings

7230 - Draperies, Awnings and Shades

7290 - Miscellaneous Household Furnishings and Appliances

7820 - Games, Toys and Wheeled Goods

7910 - Floor Polishers and Vacuum Cleaning Equipment

2. ALL HAND TOOLS, IN THE BELOW-LISTED FEDERAL SUPPLY CLASS, WITH A UNIT PRICE GREATER THAN \$50.00 OR MORE, BUT LESS THAN \$300.00, WILL BE CONSIDERED AS DURABLE PROPERTY. WHEN THE UNIT OF ISSUE CONTAINS MORE THAN ONE ITEM, (E.G. PACKAGE, BOX, DOZEN, ETC) AND THE COST OF A SINGLE ITEM (UNIT OF MEASUREMENT) IS LESS THAN \$50.00, THE HAND TOOL WILL BE TREATED AS AN EXPENDABLE ITEM AT THE USER LEVEL, EVEN THOUGH IT IS CODED AS DURABLE IN THE AMDF.

FSC:

5110 - Hand Tools, Edged, Non-powered

5120 - Hand Tools, Non-edged, Non-powered

5130 - Hand Tools, Power Driven

5133 - Drill Bits, Counter-bores, and Countersinks: Hand and Machine

5136 - Taps, Dies, and Collets: Hand and Machine (excludes punching, stamping, and marking dies)

5140 - Tool and Hardware Boxes

5180 - Sets, Kits, and Outfits of Hand Tools

5210 - Measuring Tools, Craftsmen's

5220 - Inspection Gauges and Precision Layout Tools

5280 – Sets, kits and Outfits of Measuring Tools

APPENDIX B
LISTING OF DURABLE ITEMS WITH A UNIT COST OF MORE THAN \$300, BUT
LESS THAN \$5,000.00

TO INCLUDE, BUT NOT INCLUSIVE OF:

Answering Machine
Buffer, Floor
Cabinet, Storage
Calculator
Cart, Mobile
Cart, Utility
Chair, Executive
Chair, Folding
Chair, Swivel
Coffee Maker
Date/Time Stamper
Desk
Fans
Filing Cabinet
Floor Polisher
Freezer, Household
Furnishings
Furniture
Hand Truck
Lamps
Label Making Machines
Magnetic Scheduling Board
Manikin (Non-Maintenance Significant)
Microwave
Refrigerator, Food
Shelving
Shredder, Paper
Sofas
Telephone, Land-Line
Transcribing/Dictating
Typewriter
Vacuum Cleaners
Water Fountain, Portable

APPENDIX D

(Office Symbol)

(date)

MEMORANDUM FOR Chief, Logistics Division

SUBJECT: Accounting for Durable Property

1. The following statement and the attached updated Durable Hand Receipt Inventory, DA Form 2062, are submitted to the Command Supply Discipline Program's representative for management review by the Commander.

2. All durable Government property that has been issued to, receipted for, used by the subordinates, or is in storage awaiting issue or turn-in and is being properly used, cared for, and is in proper custody/safekeeping and has been accounted for by the Primary Custodian Customer (PCC) for Hand Receipt_____:

3. Additionally, I understand that, if at any time the property is lost, damaged or destroyed, I will initiate a Financial Liability Investigation within 15 days.

PRINT: Name/Rank/Telephone of Primary Custodian Customer (PCC)

Signature/Date

PRINT: Name/Grade of Activity Commander/Department/ Chief/Supervisor

Signature/Date

*NOTE: The following activities must obtain the signature of the activity's Commander: Veterinary Activity and DENTAC