

For: FFAS Offices

Physical Inventory of Capitalized Personal Property

Approved by: Deputy Administrator, Management



1 Overview

A Background

FFAS is using the Property Management Information System (PMIS), USDA's on-line property system to track all capitalized personal property. PMIS is 1 of the management reporting systems of the Foundation Financial Information System (FFIS). The Personal Property System (PROP) is a subsystem of PMIS that integrates fiscal accounting with property accountability and provides uniform data for management and control of accountable property.

All Division Directors are Accountable Property Officers (APO's) and responsible for all property within their divisions. Each APO should appoint Custodial Officers (CO's) within their division to assist them in completing their divisions' physical inventory.

Inventories are conducted to account for and validate the integrity of the PMIS data, accountable property assigned to accountable areas, and assist in balancing general ledger accounts.

B Purpose

This notice provides that physical inventories of accountable personal property are to begin June 2002. MSD will provide assistance with conducting physical inventories and maintaining accurate inventory records.

C Contact

If there are any questions, contact LaShawn Lucas or Johnny DuBose at 202-720-7005.

<p>Disposal</p> <p>January 1, 2003</p>	<p>Distribution</p> <p>All FFAS Offices; State Offices relay to County Offices</p>
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Notice AS-2043

2 Conducting Personal Inventories

A

Classifying Personal Property

FFAS Offices are reminded that existing or new acquisitions of personal property are to be classified as 1 of the following:

- **capitalized**, if the equipment or software meets either of the following:
 - unit acquisition cost of **\$5,000 or more**
 - durable in nature and becomes an integral part of other equipment
 - **non-capitalized**, if the equipment or software meets the following:
 - unit acquisition cost is **less than \$5,000**
 - durable in nature and does not become an integral part of other equipment
 - **sensitive**, if the item is a laptop computer, camera, TV/VCR, weapon, or ammunition.
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B

IT Equipment

IT equipment (desktop computers, printers, etc.) is not considered capitalized equipment and will not be counted during the physical inventory scheduled for June 2002.

C

Completing Physical Inventories on Capitalized Property

FFAS Offices shall record basic information on FSA-953 (see Exhibit 1) by June 14, 2002. Submit worksheet to the following:

MSD, Property Operations Branch
Attn: Real & Personal Property Section
1250 Maryland Ave.
Suite 1520
Stop 0562
Washington DC 20250.
