

**Functional Series 500 - Management Services**  
**ADS 534 - Personal Property Management Overseas**

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## ADS 534 - Personal Property Management Overseas

### 534.1 OVERVIEW

Effective Date: 9/2/1997

This chapter provides the Agency's policy directives and required procedures governing the management, accountability, utilization, maintenance, and disposal of personal property overseas under USAID control.

### 534.2 PRIMARY RESPONSIBILITIES

Effective Date: 9/2/1997

**a.** The Director of the Bureau for Management, Office of Administrative Services (M/AS) is the designated Agency Property Management Officer (PMO) for all Agency property unless otherwise indicated in this ADS chapter. For PMO responsibilities, see [6 Foreign Affairs Manual \(6 FAM\) 221.2-1](#), Property Management Officer (PMO).

The Director delegates to the Chief, Bureau for Management, Office of Administrative Services, Overseas Management Support Division (M/AS/OMS) responsibility for management of USAID's overseas personal property management program.

**b.** The Chief, Bureau for Management, Office of Administrative Services, Overseas Management Support Division (M/AS/OMS) is responsible for

- Setting USAID policies for overseas personal property management and creating directives to implement them;
- Monitoring compliance by overseas Missions with the policy directives and procedures in this chapter, including compiling property reports required by these regulations and 6 FAM;
- Providing data on USAID overseas personal property to the Agency's Chief Financial Officer (CFO) for preparation of the annual budget and general ledger for submission to the Office of Management and Budget (OMB) and the General Accounting Office (GAO);
- Responding to requests from overseas posts needing assistance with personal property;
- Advising posts on redistribution of personal property;
- Approving Mission standardization requests; and
- Approving Missions' requests to classify property for disposal as foreign excess.

- c.** USAID Mission Principal Officers are responsible for implementing all policies and procedures relating to USAID personal property at the Mission.
- d.** Executive Officers (EXOs) are responsible for assisting Mission Directors in administering the USAID personal property program at post, to include assuming the duties of Mission Property Management Officer (PMO). For additional responsibilities, see [6 FAM 221.2-1](#), Property Management Officer (PMO).
- e.** The Accountable Property Officer (APO) is designated in accordance with 6 FAM 221.2-2a and is responsible for all personal property duties as explained in 6 FAM 221.2-2b. See [6 FAM 221.2-2](#), Accountable Property Officer (APO), for a description of duties.
- f.** The Property Disposal Officer (PDO) is designated in writing in accordance with 6 FAM 221.2-3a-b and is responsible for overseeing the property disposal functions as explained in 6 FAM 221.2-3c. See [6 FAM 221.2-3](#), Property Disposal Officer (PDO), for a description of duties.
- g.** The USAID Controller is responsible for establishing policy and procedures for the financial accounting of USAID personal property in accordance with all current financial management regulations. (See [6 FAM 221.2-5](#), USAID Controller)
- h.** The USAID Regional Inspector General for Audit (RIG/A) is responsible for approving the acquisition of RIG/A-funded personal property and assisting in the inventory of RIG/A-purchased property. For additional responsibilities, see [6 FAM 221.2-6](#), USAID Regional Inspector General.
- i.** The USAID Office of Security (SEC) is the responsible PMO for security property issued to posts abroad. Each USAID Mission EXO is the Accountable Property Officer (APO) for all security property at post.
- j.** The Regional Housing and Urban Development Office (RHUDO) is responsible for approving all personal property acquisitions for posts under its jurisdiction. The RHUDO also approves disposal actions and ensures that annual inventories are conducted and forwarded to M/AS/OMS. For additional responsibilities, see [6 FAM 221.2-7](#), Regional Housing and Urban Development Offices (RHUDO).
- k.** The Bureau for Democracy, Conflict, and Humanitarian Assistance, Office of Foreign Disaster Assistance (DCHA/OFDA) is responsible for the acquisition and control of items purchased with OFDA funds. For additional responsibilities, see [6 FAM 221.2-8](#), Office of Foreign Disaster Assistance.
- l.** Employees are responsible for personal property in their custody. For additional responsibilities, see [6 FAM 221.2-10](#), Employee.

### **534.3 POLICY DIRECTIVES AND REQUIRED PROCEDURES**

Effective Date: 9/2/1997

#### **534.3.1 Personal Property Management**

Effective Date: 9/2/1997

The Uniform State/USAID Regulations contained in [6 FAM 220-229](#), Personal Property Management, are the governing directives for USAID's overseas personal property program, as specified in this ADS chapter.

If there is a conflict of instructions between the two directives, the following USAID-specific policies supersede 6 FAM 220-229.

##### **a. Personal Property Exceptions**

The Agency Property Management Officer grants exceptions to the property management regulations contained in this chapter and in 6 FAM 220-229 on a case-by-case basis.

##### **b. Requirements for the Planning and Use of Personal Property**

The Agency must adhere to the policies and procedures in [6 FAM 222](#), Requirements Planning and Use.

#### **534.3.2 Standardization of Equipment**

Effective Date: 9/2/1997

Standardization is the selection of a specific brand of technical equipment to the exclusion of other brands when it can be established that such action is necessary or in the public interest. The standardization of equipment must comply with the following principles and requirements:

##### **a. Standardization Program**

Missions are responsible for requesting the establishment or renewal of a standardization program. Missions must comply with the program once it is established and must periodically review it.

##### **b. Standardization Authority**

The authority to approve a Mission standardization plan rests with the Chief of M/AS/OMS for OE-funded equipment or equipment under USAID's control, or the cognizant Contracting Officer for contractor-procured property to be used by the contractor during contract performance.

### **c. Standardization Limitations**

The authority to standardize must not be used for the purpose of selecting the equipment of certain suppliers or for the initial procurement of equipment and spare parts. However, at posts where other agencies have in place a valid and current standardization plan for the same requirement as USAID's, and where USAID will benefit from joint effort with those agencies, the USAID Mission may use that standardization plan as a justification for requesting standardization authority for an initial procurement.

The standardization authority must not be used until the Agency has determined that

- (1) The equipment is considered technical. Technical equipment is defined as mechanical and electrical equipment with parts subject to wear through use. Examples of items that may be considered for standardization are motor vehicles, office and shop machines and equipment, unitized furniture, and household appliances; and
- (2) The standardization of such equipment and interchangeability of its parts are necessary in the public interest.

### **d. Request for Standardization**

When establishing or amending a standardization program for property that is titled to USAID or under USAID's control, Missions must send a Request for Standardization to M/AS/OMS, or to the cognizant Contracting Officer when the property is procured by a contractor for use under the contract.

The request must clearly state that standardizing on a specific brand name, product, or a feature of a product peculiar to one manufacturer is essential and the compelling reasons why such standardization is necessary. The request must include an analysis of the local conditions and the following information as applicable:

- (1) The name of the brand(s) to be standardized;
- (2) A qualitative justification for the desired brands and models;
- (3) A quantitative justification for the desired brands and models;
- (4) A statement of continuing need;
- (5) A historical review of existing equipment, detailing maintenance, repairs, and operation records of various makes and models in use;

(6) The availability of spare parts and maintenance facilities from local commercial sources or other sources:

- When adequate commercial maintenance facilities are not available, the most suitable make of equipment desirable for standardization and why;
- When commercial facilities are available, the capabilities of those facilities for servicing one or more makes of equipment and the impact these commercial capabilities have on the desired extent of standardization;

(7) A description of the terrain, altitude, and climatic conditions, if any, that impact on the selection of a specific make or model; and

(8) The predominant model of any one make now in use.

**e. Joint Standardization Programs**

Missions must make an effort to create a joint standardization program with other U.S. Government agencies. When a standardization program has already been put into effect at the post, Missions must continue using this program if it is current and meets USAID's requirements, thereby benefiting from the research that has already been done and the experience of the using agency.

A Request for Standardization is required for the Mission to participate in a joint program. The request must include

- (1) A statement of joint effort with other U.S. Government agencies; and
- (2) Other government agencies' use of or experience with similar makes and models. This shows the possible availability and exchange of parts, or possible use of the other agencies' skilled servicing employees.

**f. Procurement Under a Standardization Program**

All procurements made pursuant to the approved standardization program must be accomplished in accordance with applicable Federal Acquisition Regulation (FAR) and USAID Acquisition Regulations (AIDAR). Approval of a standardization plan is not in itself authority for Missions to procure standardized equipment brands without full and open competition. The use of an existing exception to full and open competition is necessary for the procurement of approved standardized items, including U.S.-produced vehicles.

The existing exceptions that Missions must use are either the authority in [AIDAR 706.302-70\(b\)\(2\), Impairment of Foreign Aid Programs](#), or the procedures in FAR part 13 for purchases under the simplified acquisition threshold. A class justification has been approved to facilitate use of the authority in AIDAR 706.302-70(b)(2) for local procurements; non-local purchases still require a separate justification and approval in accordance with [FAR 6.202, Establishing or Maintaining Alternative Sources](#). A class justification has also been approved to facilitate use of the authority in AIDAR 706.302-70(b)(2) for procurements by Missions of U.S.-produced vehicles. Procurement personnel must also comply with the requirements of Contract Information Bulletin (CIB) 97-16 and 97-22, or updated revisions, when using these class justifications.

Procurements are rarely awarded under the authority of [FAR 6.302-1, Only One Responsible Source and no Other Supplies or Services Will Satisfy the Agency Requirements](#). This authority is generally not appropriate. The level of justification required to convincingly demonstrate that only one source is available under a standardization program together with other administrative requirements as listed in FAR 6.302-1 make it suitable for use only in extraordinary cases.

#### **g. Standardization Period**

The approved standardization period must be for a stated period of time bearing a reasonable relationship to the item's life expectancy. This period must not exceed six years. The approved program is subject to periodic reviews, and, if conditions warrant, the standardization program must be revised or terminated.

#### **h. Standardization Exceptions**

The Executive Officer at post must send requests for exceptions to established standardization plans to the Chief, M/AS/OMS for property that is to be titled to USAID or under USAID's control, or to the cognizant Contracting Officer when the property is procured by a contractor for use under the contract. Requests must be in writing and fully documented.

#### **534.3.3 Receipt of Personal Property**

Effective Date: 9/2/1997

The Agency must adhere to the policies and procedures in [6 FAM 223](#), Property Receipt.

#### **534.3.4 Control of Personal Property**

Effective Date: 9/2/1997

The Agency must adhere to the policies and procedures in [6 FAM 224](#), Control of Personal Property.

**534.3.5 Accounting for Personal Property**

Effective Date: 11/08/2002

\*The Agency must adhere to the policies and procedures in [6 FAM 225](#), Accounting, and [ADS 629](#), Accounting for USAID-Owned Property and Internal Use Software.

**534.3.6 Physical Inventory and Reconciliation**

Effective Date: 9/2/1997

The Agency must adhere to the policies and procedures in [6 FAM 226](#), Physical Inventory and Reconciliation.

Annual certification requirements and limitations on furnishings authorized for USAID Principal Officers are specified in [6 FAM 779.2-2](#), USAID Principal Officer Residence, and [6 FAM 773 Exhibit 773.2A](#), China, Glassware, Silverware, Kitchen Utensils and Linens authorized for USAID Principal Officers.

**534.3.7 Disposal of Personal Property**

Effective Date: 11/08/2002

**a. Disposal of OE-Funded Property**

\*For disposal of OE-funded property, the Agency must adhere to the policies and procedures in [6 FAM 227](#), Disposal of Personal Property, and [ADS 629.3.7](#), Depositing Proceeds from Real and Replacement Property Sales, on returning the proceeds of sales to the Mission.

**b. Disposal of USAID Program-Funded Property**

If the agreement applicable to the property provides specific disposal instructions, such provisions must be observed. If no specific ownership or disposal instructions are included in such an agreement, the following order of precedence applies when the property is no longer needed for the immediate purpose it was procured to serve:

- (1) Transfer for other uses within the Strategic Objective for which it was originally purchased;
- (2) Transfer for other programmatic uses within the country or region originally served by the relevant activity (Grant-in Aid, Project Contribution, or donation procedures apply);
- (3) Redistribution within USAID for administrative (OE) uses when such uses are expected to last one year or more per [6 FAM 227.3-1](#), Redistribution of Replacement Property;
- (4) Transfer to another U.S. Government Agency. In such cases the receiving agency reimburses the USAID program account from which the



property was purchased, if such account is active. The reimbursement must not exceed the fair market value of the property item;

(5) Sale by sealed bid or public auction, with the proceeds of sale being credited to the relevant programmatic account, if active. In the event the accounts are not active (e.g., a program has been closed), the proceeds must be returned to the U.S. Treasury;

(6) Abandonment or cannibalization. These methods are used only when the Program Manager has determined that the property has reached a condition of negligible value.

### **534.3.8 Use and Control of Official Vehicles**

Effective Date: 9/2/1997

The Agency must adhere to the policy and procedures contained in [ADS 536](#) and [6 FAM 228](#).

### **534.3.9 Report Requirements**

Effective Date: 9/2/1997

The Agency must adhere to the reporting requirements established in the following 6 FAM sections:

- [6 FAM 225.2-3](#), Coordination of Property and Fiscal Accounting Records;
- [6 FAM 226.2](#), Annual Physical Inventory;
- [6 FAM 223](#), Receiving and Inspection Reporting;
- [6 FAM 226.3](#) and [6 FAM 779.2-2](#), Inventory of USAID Mission Director/USAID Representative Residence;
- [6 FAM 226.4](#), Reconciling the Annual Inventory;
- [6 FAM 227.3](#), Methods of Disposal;
- [6 FAM 229.2](#), Sale/Exchange Reporting; and
- [6 FAM 229.3](#), USAID Depreciation of Capitalized Assets.

## **534.4 MANDATORY REFERENCES**

### **534.4.1 External Mandatory References**

- a. [AIDAR 706.302-70\(b\)\(2\), Impairment of Foreign Aid Programs](#)

- b. [41 CFR 101-38, Motor Vehicle Management \(Authority\)](#)
- c. [6 FAM 220 through 229, Personal Property Management](#)
- d. [6 FAM 779.2-2, USAID Principal Officers Residences](#)
- e. [Federal Acquisition Regulation \(FAR\) 6.202, Establishing or Maintaining Alternative Sources](#)
- f. [Federal Acquisition Regulation \(FAR\) 6.302-1, Only One Responsible Source and No Other Supplies or Services Will Satisfy the Agency Requirements.](#)
- g. Federal Property and Administrative Services Act of 1949, as amended (Authority)
- h. Foreign Assistance Act, as amended, Sec. 636 a (5)&(9) and b; and 621(a) (Authority)
- i. General Accounting Office (GAO) Policy and Procedures Manual for Guidance of Federal Agencies, Title 2 (Authority)

#### **534.4.2 Internal Mandatory References**

- a. [ADS 536, Use and Control Of Official Vehicles](#)
- \*b. [ADS 629, Accounting for USAID-Owned Property and Internal Use Software](#)
- c. [Contract Information Bulletin \(CIB\) 97-16, Class Justification for Use of Other Than Full and Open Competition for Personal Services Contracts with U.S. Citizens Contracted with Locally, with CCNs and TCNs Subject to the Local Compensation Plan, and for Overseas Contracts of \\$250,000 or Less](#)
- d. [CIB 97-22, Class Justification for Other than Full and Open Competition for Procurement by Missions of U.S. Manufactured Vehicles](#)

#### **534.5 ADDITIONAL HELP**

#### **534.6 DEFINITIONS**

Effective Date: 9/2/1997

The terms and definitions listed below have been included in the ADS Glossary. See the [ADS Glossary](#) for all ADS terms and definitions.

**accountable property**

Accountable property for USAID is: (a) all non-expendable residential furniture and equipment regardless of cost or location; (b) all other non-expendable personal property items costing \$100 or more exclusive of shipping, packing and storage costs; (c) any expendable stock inventory in stockroom or non-expendable property in warehouse; and (d) any leased or borrowed non-expendable property regardless of cost. (Chapters 534, 547)

**Accountable Property Officer (APO)**

An official appointed by Agency Property Management Officers who is responsible for nonexpendable property or information technology (IT) property. The IT APO is separately designated by IRM. This official is charged with budgeting, accountability, receipt, storage, issuance, record keeping, inventory, reporting, and certification of all property resources records and reports within the accountable area. For IT property this pertains to all Federal Information Processing (FIP) resources. (Chapters 518, 532, 534, 547, 629)

**administrative property**

Administrative property is basic common-use furniture, furnishings, and equipment (including residence property) usually available through normal supply channels (e.g., desks, chairs, office machines, sofas, beds, refrigerators, etc.). (Chapter 534)

**capitalized personal property**

Capitalized personal property is nonexpendable personal property that has an invoice cost of \$25,000 or more and an estimated service life of two years or longer that must be capitalized and reported on in the Agency's financial statements. State vehicles are capitalized property regardless of cost. For USAID, vehicles with a basic acquisition cost of under \$25,000, including shipping costs, are not capitalized. (Chapters 534, 547)

**fair market value**

Fair market value is the monetary value that an agency could reasonable expect to receive for an asset in a current sale between a willing buyer and a willing seller other than in a forced or liquidation sale. (Chapter 534)

**foreign excess personal property**

Foreign excess personal property is property located in a foreign country, and under the control of a Federal agency or designee, no longer needed locally, and determined by the head of the agency that it is no longer required by the agency elsewhere.

Establishments abroad are not to use the word "surplus" on disposal documents because this term is reserved for GSA use. This form is very rarely used by USAID for OE-funded property. (Chapter 534)

**International Cooperative Administrative Support Service (ICASS)**

ICASS is a customer-driven, voluntary interagency system for managing and funding administrative support services abroad; gives posts the authority to determine how

services are delivered at what cost and by whom; has customer service standards established by the post, with the service provider formally accountable to the customer; and incorporates a full cost recovery system through a no-year working capital fund.

(Chapters 520, 534)

### **inventory**

Inventory is a physical count performed to determine the on hand quantity of an item or group of items. (Chapter 534)

### **personal property**

Personal property includes such items as vehicles, furniture, equipment, supplies, appliances, and machinery. It refers to all property not otherwise classified as land, land improvement, buildings, and structures that are normally referred to as real property. (Chapters 534 and 629)

### **program-funded property (USAID)**

Program-funded property is property distinct from OE-funded property, which is procured for the achievement of a Strategic Objective with funds of a USAID activity or project. When title for this property is vested in USAID, and it is in USAID custody, USAID inventory records shall indicate funding source. (Chapter 534)

### **reconciliation**

Action taken to rectify discrepancies between the physical inventory and accountable property records. (Chapter 534)

### **replacement property**

Replacement property is any personal property for which there is a continuing need on a worldwide basis by the parent agency, such as office furniture and equipment; household furniture, furnishings, and equipment; motor vehicles and automotive spare parts; tires and any other property having a continued general use. The proceeds of sale of replacement property are used to purchase similar property. Replacement property is not declared excess by the post except as noted in 6 FAM 227.1-2. (Chapters 534, 536, 629)

### **security property**

Property provided for the protection/security of personnel, facilities, or national security information. (Chapters 518, 534)

### **standardization**

Standardization is the selection of a specific brand of technical equipment to the exclusion of other brands when it can be established that such action is necessary in the public interest. (Chapter 534)

### **strategic objective**

The most ambitious result that a USAID Operating Unit, along with its partners, can materially affect, and for which it is willing to be held accountable. SOs can be designed for an Operating Unit to provide analytical, technical, logistical, or other types

of support to the SOs of other Operating Units (whether bilateral, multi-country, or global in nature). (Chapters 200-203, 204, 534)

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