

**CHAPTER 110 - AGRICULTURE PROPERTY MANAGEMENT REGULATIONS**  
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**PART 110-51 - PROPERTY ACCOUNTABILITY AND CONTROL**

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## **PART 110-51 - PROPERTY ACCOUNTABILITY AND CONTROL**

### **Subpart 110--51.1 - Accountability and Control**

#### **110-51.100 Scope of Subpart.**

This subpart deals with the accountability and control of property from the time it is acquired to the time of its final disposal.

#### **110-51.102 PMIS Documentation.**

Agencies under PMIS are required to use electronic transmissions to reflect agency property receipts and transactions. The APO should have documentation for each transaction.

For documentation of real property inventory, all agencies must use the Corporate Property Automated Information System – Real Property (CPAIS-RP) database as the system of record. An electronic file from CPAIS will be submitted to the Federal Real Property Profile – Internet Application (FRPP-IA) once a year for annual reporting purposes (See AGPMR [110-84.50](#), USDA Electronic Submission of Real Property Inventory).

#### **110-51.103 Receipt of Property.**

All accountable personal property acquired by purchase, transfer, construction, manufacture, or donation will be receipted for and recorded on the property records at the time it is accepted by the receiving agency. Entry into PMIS/PROP or any other departmental property system satisfies this requirement. Real Property will be recorded in CPAIS-PP establishing both a real property and financial record as prescribed in A-123.

#### **110-51.104 Property Records.**

Property records for accountable personal property will, at a minimum, contain source documentation to provide the following data:

- (a) Description of the property, including a unique asset identification number.
- (b) Location of the property.
- (c) Name of the accountable person responsible for the property.
- (d) Dates of acquisition and/or disposal.
- (e) Posted references (purchase orders, SF-122, etc.). Note: Found property will be added to the inventories at the time of discovery.
- (f) Manufacturer's serial number, stock number, and year of manufacture when available.
- (g) Annual depreciation rate or amount, when applicable.
- (h) Acquisition cost of item.
- (i) Additions or improvements.
- (j) Repair and maintenance costs and timetable.
- (k) Non-appropriated property information.
- (l) Federal Supply Class and Budget Object Code.
- (m) Components.

#### **110-51.105 Recording Items on Official Real Property Records.**

- (a) Official real property records will be maintained by each agency. These official records will satisfy the need for physical inventory information and financial management of such property as prescribed in Executive Order 13327, the Department's Asset Management Plan document and A-123. The system for recording real and personal property assets will be the Department's corporate database CPAIS.

All agencies with owned, leased and otherwise managed properties must utilize the GSA Federal Real Property Profile (FRPP) automated reporting process for real property inventory, and will do so in accordance with the instructions provided in the GSA, Federal Real Property Council's "Guidance for Real Property Inventory Reporting."

Additional copies of records will not be maintained except as required for sound management practices. Records will be maintained on approved forms preferably at the location where management control of the property is located.

(b) Separate records of real property will be maintained to adequately identify and segregate:

- (1) Land owned by the Department of Agriculture.
- (2) Buildings.
- (3) Structures and facilities.
- (4) Leasehold improvements.
- (5) Trust properties.
- (6) Resource improvements.

(c) Real property records will, at a minimum, contain the following information:

The Federal Real Property Council Inventory Data Elements and Descriptions (the 24 prescribed in the GSA, Guidance for Real Property Inventory Reporting) on preparing the Real Property Inventory for reporting, whether using the Federal Real Property Profile – Internet Application or the Department’s corporate database CPAIS-RP. Items (1) through (7), listed below, should be provided as well to ensure proper recording and management of the asset.

- (1) Description and location of the property, including state, county and city, congressional district and zip code (Latitude and Longitude are substituted when the zip code and address are not possible).
- (2) Name of the person accountable for the property.
- (3) Dates of acquisition and/or disposition.
- (4) Posting references (purchase orders, transfer documents, contracts, location of title papers, etc.)
- (5) Land, how acquired (public domain, purchase, donation, etc.)
- (6) Annual depreciation rate or amount, when applicable.

- (7) Unit cost or value:
- (i) Legislative limitations. Where appropriate acts or other applicable laws provide limitations on expenditures such as additions or betterment to real property, such expenditures will be recorded in the property records. Appropriate controls will be established to ensure that expenditures do not exceed legal limitations.
  - (ii) Combined items or property. When two or more items of real property are combined, only one record, describing the combined unit and its total cost, should be maintained. For the purpose of complying with appropriation limitations, a separate cost of the individual real property improvements may be maintained.
  - (iii) Acquisition involving exchange. When nonexpendable property is applied as part payment of the purchase price on new property the gross acquisition cost of the new property will be recorded. Real property acquired by exchange outside of the Federal Government will be recorded at the cost of the property exchanged. If lands acquired by purchase or donation are exchanged for public domain lands, no cost will be recorded for the public domain lands.
  - (iv) Purchases or construction. Nonexpendable real property purchased or constructed will be recorded at its acquisition cost to the agency.
  - (v) Additions and betterment. The cost of additions or betterment should be recorded when they: (a) constitute an enlargement of a structure, (b) provide additional or enlarged facilities, or (c) constitute a major renovation or other substantial improvement which materially increases the usefulness, productivity, or other value of real property or substantially extends its useful life.
  - (vi) Reassignment. Real Property acquired by official reassignment from another agency of the Department will be recorded at the cost shown on the records of the transferring agency.
  - (vii) Discounts. All discounts will be deducted from the purchase price in determining the cost to be recorded on the property record.
  - (viii) Donated property. Real property donated by non-Federal sources will be recorded on the property records at the estimated cost that the acquiring agency would be willing to pay on the date of donation, assuming funds are available.

- (ix) Foreclosures. Real property acquired by foreclosure will be recorded at the foreclosure sale price plus foreclosure costs, but the total recorded cost will not exceed the amount of indebtedness outstanding against such property.
- (x) Costs incidental to construction. Cost of design, supervision, surveys, site preparation, and other costs incident to construction of property will be recorded.
- (xi) Land. Land will be recorded at cost to the agency except as provided in AGPMR [110-51.105c \(7\)\(xv\)](#). In addition to the purchase price, costs incidental to the acquisition will be included. Examples of such costs are: search and guaranty of title, notarial and recording fees, land surveys, accrued tax liability assumed at date of acquisition, all existing liens assumed, cost of obtaining consents and payment of damages, and demolition cost of existing improvements when such demolition is anticipated at the time of acquisition.
- (xii) Transfer at no cost. Record estimated depreciated value at date of transfer based on original cost (estimate if not known).
- (xiii) Transfer with reimbursement. Real property acquired by transfer with reimbursement will be recorded in the property records at the amount paid by the agency for the property. If, however, such amount is substantially less than the estimated depreciation value, the estimated depreciation value on the date of transfer will be recorded.
- (xiv) Leasehold improvements. Leasehold improvements will be recorded at cost. Cost of buildings, structures, and facilities placed on leased land are not to be recorded as leasehold improvements, but such items will be recorded as if on owned land. In the event items consist of an interest in land, such as an easement, incidental costs applicable to land acquisitions as indicated in AGPMR [110-51.105c \(7\)\(x\)](#) will also be included.
- (xv) Public domain lands. No cost will be included for public domain or lands withdrawn or reserved from public domain for national forests and other conservation purposes unless specifically required by law or regulation. Program expenditures which increase the value of such lands should be recorded when the data will significantly contribute to the control of the property or will be meaningful when disclosed in agency financial statements (See AGPMR [110-51.105c \(7\)\(xix\)](#)).
- (xvi) Property controlled by another Agency of the United States.

Unless otherwise authorized by the Director, Office of Procurement and Property Management, the agency making expenditures for the acquisition of real property will maintain the records relating thereto. Where additions, improvements and betterment resulting in accountable real property are constructed or placed on or in real property controlled by another Agency of the United States Government, the following will apply:

- (a) Costs will be recorded by the agency making the expenditure until completion of construction or installation.
  - (b) Additions or betterment to improvements controlled by another agency will be transferred to the controlling agency upon completion and payment of all costs.
  - (c) Records of improvements will be maintained by the agency making the expenditure unless the improvements are transferred to the controlling agency by mutual agreement. Agreement as to the agency to have control of the completed improvements will generally be reached prior to the purchase or construction.
  - (d) Unless authorized by law, expenditures for betterment or permanent additions and improvements to private property are not permitted. If authorized, records will be maintained by the agency making the expenditure.
- (xvii) Acquisitions of real property at no cost. When property of large value, such as buildings, is acquired at no cost to the agency, significant cost of initial repairs prior to placing in service will be added to the recorded value of such property; provided that such costs and the capitalized value, when combined, do not exceed the original cost or estimated original cost of the property to the Government.
- (xviii) Real property acquired by purchase or construction. Costs of a preliminary nature necessary to put the new property in a serviceable condition will be added to the cost of the basic property and capitalized. After the property has been placed in service, costs of restoring property to its fullest service capacity after damage, accident, or prolonged use, such as repairs, structural maintenance, or ordinary replacement in kind of items included therein, will be charged as operating expenses.

- (xix) Resource improvements. Cost of resource improvements will not be included as part of land value but will be identified separately.
- (xx) Transportation expenses. Transportation expenses incidental to acquisition will be included in the record costs of nonexpendable property, except that transportation costs to the first agency destination only will be included in the recorded costs of completed or prefabricated buildings. Transportation charges on property acquired by transfer or donation will not be included in its recorded value, except that transportation or moving costs of buildings acquired under excess property procedures will be included. Costs of moving buildings under agency control or repairs to buildings resulting from moving operations will not be recorded.
- (xxi) Disposition. Property identified as not being needed will be carried on the property records and removed only after final authorized disposal actions are complete. Disposal actions mean transfer, sale, donation, abandonment, etc.

#### **110-51.106 Physical Inventories.**

- (a) Frequency of physical inventories.
  - (1) [Personal Property](#). Physical inventories of all accountable personal property will be taken by each agency every two years.
  - (2) [Real Property](#). Physical inventories of all real property, except land, will be taken by each agency every five years.

The use of an agency approved means of electronically touching IT equipment that is connected to a network that permits use of this method, fulfills the requirement for a physical inventory. Software is considered physically inventoried when the software program is accessed and verified as to being in working order.

Land records will be checked annually to determine that all dispositions or acquisitions have been accurately entered on the property record.

More frequent inventories may be taken of particular types or kinds of property or of property in a particular activity when deemed essential for its control and protection.

- (b) Conduct of physical inventories. Upon the death, resignation, retirement, transfer, reassignment, or extended absence of an employee charged for property on the accountable records, an inventory will be conducted. Insofar as possible, such inventories should be conducted by the incumbents and their successors. Where such action is not feasible, the employee assuming responsibility for the property will perform and certify the inventory. The former accountable employee or their estate may be held financially liable for property not located during the physical inventory.
- (c) Personal Property Inventory record forms. All agencies on PMIS will refer to the NFC Procedures Manual for inventory documentation.
- (d) Real Property Inventory records. Agencies will use the FRPP prescribed method of reporting Real Property Owned or leased by the United States. This process will be used for recording physical inventories and to certify persons accountable for the property. See Executive Order 13327 and the FRPC, Guidance for Real Property Inventory Reporting.

#### **110-51.107 Reconciliation of Detailed Property Records and Physical Inventories.**

Official property records will be reconciled with physical inventories immediately following each periodic and special inventory of property. Shortages of items revealed by physical inventories, which cannot be accounted for by rechecking inventories, posting to property records, etc., will be referred to the PMO for appropriate determination in accordance with AGPMR [110-50.108](#).

#### **110-51.108 Documentation for Real Property Transactions.**

- (a) Form AD-107 will be used to document the transfer, other disposition, or construction of real property as follows:
  - (1) Transfer between accountable property officers within an agency.
  - (2) Transfer between agencies within the Department, except land. (See AGPMR [110-75.80\(2\)](#)).
  - (3) Disposal by sale, abandonment or destruction.
  - (4) Transfer of property to other Federal agencies and to donees, except land.
  - (5) Construction of single items of real property from other items of real property.

- (b) Land Transfers. Land transfers will be by written document describing the land and providing for acceptance of custody by the receiving agency. If improvements are also involved, they will be documented on an attached Form AD-107 or in the land transfer document. Where available, abstracts of title, conveyance documents, and other related papers will be made a part of the transfer. Otherwise, the location of such instruments will be included in the transfer document. (See AGPMR [110-75.80\(1\)](#)).

#### **110-51.109 Accountability for Precious Stones and Metals.**

Articles of a precious nature, such as diamonds, gold, platinum, other precious stones and metals, and articles partially made thereof, when the value is significant, will be specially safeguarded and will be accounted for by weight, size, or identification mark. Transfer of such stones and metals from one employee to another will be evidenced by receipts. Any loss, damage, consumption in use, or other disposal of such stones and metals will be properly recorded on Form AD-112 and submitted to the PMO. Such articles should not be recorded in the accountable property records if normally consumed in use.

#### **110-51.110 Control of Non-accountable Property.**

Agencies will be responsible for maintaining reasonable controls over their non-accountable property to safeguard it against improper use, theft and undue deterioration. Records and other documentation relative to non-accountable property will be kept to the minimum required to provide essential management information.