

## CHAPTER 1. GENERAL

- 1-1 PURPOSE. This Handbook covers the personal property management policies and procedures of HUD. The objectives of personal property management are to:
- A. Provide necessary equipment, supplies, and related services.
  - B. Maximize use of personal and suitable excess Government property to minimize purchase of new items, ensuring that property acquired is essential to HUD operations.
  - C. Maintain inventory at a level which does not exceed 2% of current staffing.
  - D. Apply Federal Property Management Regulations (FPMR) and other appropriate standards.
  - E. Maintain the automated Furniture and Equipment Management Information System (FEMIS) for inventory control and accountability.
  - F. Establish procedures for the reconciliation of capitalized personal property and accounting records.
  - G. Ensure that items and services are procured from General Services Administration (GSA)-approved sources for:
    - 1. New acquisitions.
    - 2. Rehabilitation of property.
  - H. Ensure the security of property against theft, fraud, waste, abuse, and damage.
- 1-2 COVERAGE. The provisions of this Handbook apply to all HUD personal property.
- 1-3 BASIC LAWS AND REGULATIONS.
- A. The Federal Property and Administrative Services Act of 1949, Section 202 (b), requires each Executive Agency to maintain adequate inventory controls and accountability systems for property under its control (40 USC 483).
  - B. Public Law 84-863, Section 2, approved August 1, 1956, imposes the requirement that the accounting systems of each Executive Agency include adequate monetary property accounting records (31 U.S.C. 3511).

- C. The Federal Managers' Financial Integrity Act of 1982, 31 USC 3512 (b) and (c), requires that internal accounting and administrative controls be established in accordance with standards prescribed by the Comptroller General and that they provide reasonable assurance that funds, property, and other assets are safeguarded against fraud, loss, unauthorized use, or misappropriation.
- D. General Accounting Office Policy and Procedures Manual for Guidance of Federal Agencies, Title 2 - Accounting, delineates the accounting principles, standards, related requirements, and internal control standards prescribed by the Comptroller General.
- E. Comptroller General's Statement of Accounting Principles and Standards for Federal Agencies, B-115398, issued April 18, 1983, specifies the accounting principles and standards that must be used to meet the conformity requirement of the Federal Managers' Financial Integrity Act of 1982. Section 10 outlines the processes for property accountability, including acquisition, disposal, and depreciation principles and standards.
- F. The Federal Property Management Regulations (FPMRs), promulgated by the General Services Administration (GSA) under authority of paragraph 1-3A, above, includes policies and guidelines related to property management, utilization, and disposal that are mandatory in all Executive Agencies.
- G. HUD 24 CFR
  - 1. Part 0, Standards of Conduct, subsection 735-205, includes the following provision concerning use of Government property:
 

"An employee has a positive duty to protect and conserve Government property, including equipment, supplies, and other property entrusted to him or her."
  - 2. Part 17, Administrative Claims, covers:
    - a. Claims against the Government under the Federal Tort and Military Personnel and Civilian Employees Claims Acts.
    - b. Procedures for collection of claims by the Government.

1-4 RELATED HUD PUBLICATIONS.

- A. HUD Handbook 1905.1, Accounting Principles and Standards, for the Department of Housing and Urban Development, provides that:
  - 1. General Ledger Accounts for capitalized personal property must be supported by subsidiary accounting records which identify, classify, and segregate the various types of property,

including the amounts recorded, quantities of each item, and geographic location.

2. OAMS inventory records and OFA's accounting records shall both be used for property management reconciliation and OFA's Accounting requirements.
- B. HUD Handbook 2216.1, Space Management, prescribes property work station allowances for HUD positions.
- C. FEMIS User Manual, provides terminal operating procedures for the Furniture and Equipment Management Information System (FEMIS).
- D. HUD Handbook 2400.13, Word Processing and Microcomputer Technology Policies and Procedures, prescribes microcomputer and software accountability and security requirements.

1-5 SCHEDULE OF REQUIRED PROPERTY MANAGEMENT ACTIVITIES.

Major activities required by this Handbook are summarized in Appendix 23. The Appendix identifies who is responsible for the activity, what the activity is, the frequency of the activity, the established due date, if any, and the appropriate cross-reference to the Handbook.