

## MATERIEL MANAGEMENT PROCEDURES

**1. REASON FOR ISSUE:** This change modifies inventory requirements and procedures for VA personal property to ensure adequate protection and accountability regarding sensitive assets valued under \$5,000. The change will also assist the VA police in efforts to recover lost or stolen items.

**2. SUMMARY OF CONTENT/MAJOR CHANGES:** This change to Handbook 7127/3 introduces new terms, requirements, and procedures, such as:

- a. Custodial Officer – Federal term for Responsible Official/Service Chief;
- b. Property Specialist – Federal term for nonexpendable (NX) Clerk/Supply Technician;
- c. A list of sensitive items will be inventoried regardless of cost;
- d. All Equipment Inventory Lists (EIL) (along with sensitive items) will be inventoried annually regardless of their previous accuracy rate;
- e. EILs that fall below 95 percent accuracy rate will be inventoried in 6 months, and a 95 percent accuracy rate or above will be required; and
- f. All completed inventories will have a 5 percent verification inventory conducted to include a disinterested party.

**3. RESPONSIBLE OFFICE:** The Office of Acquisition and Materiel Management (049M), Department of Veterans Affairs.

**4. RELATED DIRECTIVE:** VA Directive 7127/3, Materiel Management Procedures.

**CERTIFIED BY:**

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**BY DIRECTION OF THE  
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**MATERIEL MANAGEMENT****Filing Instructions:****Part 4. Physical Inventories****5. 5302.3 Inventory of Equipment in Use – will now read as follows:**

a. Physical inventory is the process of reconciling accountable personal property records with the property actually on hand. Each VA activity will conduct an annual inventory of all EILs including the following sensitive items regardless of cost:

(1) Handheld and portable telecommunication devices, e.g., Palm Pilots, Blackberries, two-way pagers, and personal digital assistants (but not keynote pagers).

(2) Printers.

(3) Data storage equipment, e.g., desktop computers, laptops, and fixed CD drives.

(4) Video imaging equipment, e.g., CRT monitors, LCD monitors, video projectors, cameras, and VCR and DVD players and recorders.

(5) Cell phones.

(6) Radios, e.g., two-way radios and base stations (but not household type).

(7) Motor vehicles including donated, leased, or rental for 90 days or longer.

(8) Firearms and ammunition.

For improved accountability, facilities may include additional items to be inventoried.

b. Facilities may use “inventory by exception” (meaning the item has been sighted during scheduled preventive maintenance) which will negate the requirement to physically count the item during an annual inventory. In addition, EILs that have a 95 percent or above accuracy rate will be required to be inventoried annually. EILs that fall below 95 percent accuracy must be inventoried again in 6 months.

c. and d. No changes.

e. All completed EIL inventories will have a 5 percent verification inventory conducted by the Accountable Officer or designee, a disinterested party, and the Custodial Officer or designee.

f. through h. No changes.

