

MATERIEL MANAGEMENT PROCEDURES

1. **REASON FOR ISSUE:** To modify the accountability requirements for grant-purchased equipment (for foundation and research) as currently contained in VA Handbook 7127.
2. **SUMMARY OF CONTENT/MAJOR CHANGES:** For purposes of accountability only, all grant-purchased equipment will be entered into and accounted for in the appropriate property management system.
3. **RESPONSIBLE OFFICE:** The Office of Acquisition and Materiel Management (0492A), Department of Veterans Affairs.
4. **RELATED DIRECTIVE:** Office of Management and Budget Circular A-110 and VA Directive 7127, Materiel Management Procedures.
5. **RESCISSION:** None

CERTIFIED BY:

**BY DIRECTION OF THE
SECRETARY OF VETERANS AFFAIRS:**

/s/
Robert T. Howard
Senior Advisor to the Deputy Secretary
Supervisor, Office of Information and Technology

/s/
Robert J. Henke
Assistant Secretary for Management

Distribution: Electronic Only

Materiel Management Procedures

Filing Instructions:

Part 3. Loan of Property

3. 5203, Affiliated Institution-owned or Institution-administered Grant Fund Purchased Equipment Utilized by a VA Investigator – will now read as follows:

a. Equipment owned by an affiliated institution, or purchased by such institution from grant funds, used by a VA investigator in a research project at a VA installation will be accounted for in the appropriate VA property accountability system (the current system being AEMS/MERS), regardless of cost of the equipment. The investigator or designee responsible for all such equipment will maintain a jacket file containing an Equipment Inventory Listing, as appropriate, or a list providing the nomenclature, location, and ultimate disposition of all such equipment under their jurisdiction.

b. As indicated in OMB Circular A-110, all grant-purchased equipment will be entered into the appropriate property accountability system (currently AMES/MERS). No dollar value should be entered; however, the following must also be entered in the property system:

- (1) A description of the equipment.
- (2) Manufacturer's serial number, model number, Federal stock number, national stock number, or other identification number.
- (3) Source of the equipment, including the award number.
- (4) Whether title vests in the recipient or the Federal Government.
- (5) Acquisition date (or date received, if the equipment was furnished by the Federal Government) and cost.
- (6) Information from which one can calculate the percentage of Federal participation in the cost of the equipment (not applicable to equipment furnished by the Federal Government).
- (7) Location and condition of the equipment and the date the information was reported.
- (8) Unit acquisition cost.

(9) Ultimate disposition data, including the date of disposal and sales price or the method used to determine current fair market value where a recipient compensates the Federal awarding agency for its share.

c. Such equipment, while in the possession of the investigator and used at the VA installation, may be maintained in operating condition by VA. In addition, if the equipment is being used on a veteran or VA employee, it will have preventive maintenance performed in the same manner as any other VA-owned property.