

Kennedy NASA Procedural Requirements

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SUPPLY AND EQUIPMENT SYSTEM MANUAL

National Aeronautics and
Space Administration

John F. Kennedy Space Center

KDP-KSC-T-2120 Rev. Basic

Change Log

Date	Revision	Description
9/5/12	A	<ol style="list-style-type: none">1. The document has been revised to reflect current processes in place at KSC for Supply and Equipment Management.2. Captures the changes applicable to the Agency's (NASA) Property, Plant & Equipment (PP&E) Management System (SAP/N-PROP).3. Provides guidance for the implementation of NASA Headquarters Institutional Supply and Equipment policies.4. The size of the document was reduced from 166 to 47 pages. A 28 page user guide containing detailed instructions has been created as a companion document.5. All illustrations and forms were removed from this document.6. Electronic links have been created within it to referenced regulations and guidance.

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PREFACE

P.1 PURPOSE

This directive details responsibilities for the management and utilization of the Kennedy Space Center (KSC) Property Management System. It specifies the utilization of the KSC Property Management System, which is supported by the Institutional Services Contract (ISC). It incorporates by reference and implements National Aeronautics and Space Administration (NASA) Headquarters and KSC Management Directives in the 4000 series and interfaces, when applicable, with other NASA Centers and KSC Management Directives.

P.2 APPLICABILITY

- a. The provisions of this directive apply to all NASA KSC organizations that govern and utilize the KSC Supply and Equipment System for obtaining supplies, material, equipment, maintenance, and repair to support base operations.
- b. Some KSC contractors are self-supporting in that they obtain their own supply support and do not obtain support from the Government. Those contractors are covered under the Federal Acquisition Regulation (FAR) in their respective contracts and are responsible for their own procedures. Therefore, in those instances, this directive has limited applicability and when applicable it is clearly defined in this document. This directive does not apply to ISC internal support. However, ISC is contracted to provide support to NASA, non-self-supported NASA contractors and other Government agencies at KSC and this procedural requirements document, therefore, applies to those operations.
- c. The provisions of this manual do not apply to controlled substances (e.g., narcotic and sedative drugs), ordnance, propellants, or unmanned vehicle-peculiar spare parts and equipment.

P.3 AUTHORITY

- a. [NASA Procedural Directive \(NPD\) 4100.1, Supply Support and Material Management Policy](#)
- b. [NPD 4200.1, Equipment Management](#)
- c. [NPD 4300.1, NASA Personal Property Disposal Policy](#)
- d. [NASA Procedural Requirement \(NPR\) 4100.1, NASA Materials Inventory Management Manual](#)
- e. [NPR 4200.1, NASA Equipment Management Procedural Requirements](#)
- f. [NPR 4200.2, Equipment Management Manual for Property Custodians](#)
- g. [NPR 4300.1, NASA Personal Property Disposal Procedural Requirements](#)
- h. [NPR 4310.1, Identification and Disposition of NASA Artifacts](#)

P.4 APPLICABLE DOCUMENTS AND FORMS

- a. [Code of Federal Regulations](#) - Federal Property Management Regulations, 41 C.F.R. 101-43
- b. [Federal Acquisition Regulation \(FAR\)](#) – Management of Government Property in the Possession of Contractors, Subpart 45.5
- c. [NASA FAR Supplement](#) - Subchapter G – Contract Management, Part 1845 - Government Property
- d. [NASA FAR Supplement](#) Subchapter H – Clauses and Forms, Part 1852 - Solicitation Provisions and Contract Clauses

P.5 MEASUREMENT/VERIFICATION

None.

P.6 CANCELLATION/SUPERSESSION

This revision supersedes KNPR 4000.1 Basic, Supply and Equipment System Manual.

/original signed by/

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Distribution: TechDoc Library

CHAPTER 1. MATERIAL INVENTORY MANAGEMENT

- 1.1 This chapter specifies requirements and assigns responsibilities for control of materials inventory and management of store stock for items in the KSC Supply and Equipment System.
- 1.2 Responsibilities
 - 1.2.1 The Chief, Logistics and Services Branch shall:
 - a. Provide the focal point for all inventory management policy.
 - b. Provide technical requirements and input to the evaluation of the ISC contractor's procedures, methods, and system of inventory control.
 - 1.2.2 The Supply and Equipment Management Officer (SEMO) shall:
 - a. Provide functional management and leadership in the implementation of an effective supply and equipment management program.
 - b. Approve and evaluating the implementation of policies, procedures, established controls, and record maintenance.
 - 1.2.3 The ISC contractor shall maintain inventory control and accountability of KSC's institutional inventory. The specific procedures necessary to maintain this inventory control are the responsibility of the ISC contractor see ([KSC-UG-4000.1, KSC Property User Guide](#)).

Note: The Spaceflight Processing Operations Contract (SPOC) and the Checkout, Assembly, and Payload Processing Services (CAPPS) contractors are contracted to provide their own internal supply support. The specific procedures necessary to meet that responsibility are the responsibilities of SPOC and CAPPS for their respective contracts.

CHAPTER 2. CATALOGING

- 2.1 This chapter outlines requirements for requesting stockage of new materials and spare parts in the KSC Supply and Equipment System.
- 2.2 General Provisions
 - 2.2.1 New items will be added to the KSC Supply and Equipment System as a result of:
 - a. Provisioning programs for KSC systems and equipment.
 - b. A request for stockage by a requiring or using operational activity.
 - c. Recurring demands for a non-stock item.
 - 2.2.2 Prior to the addition of new stock as a result of a request for stockage from a requiring or using activity, the following conditions shall be met:

- a. The requester shall identify the items requested on a [KSC Form 7-49](#), "Purchase Request," as "recurring."
- b. The requester shall submit a [KSC Form 7-181](#), Request for Store Stock to the appropriate authority for non-configured system spares.

CHAPTER 3. REQUISITIONS

3.1 Requisitioning Special or Controlled Items

- 3.1.1 Special controls designed to limit the availability of specified items of supply may be requested in coordination with the Inventory Management Section of the ISC and the KSC SEMO. These controls, through the use of predetermined codes, may be established or retained for:
 - a. Pilferable items.
 - b. Items hazardous to health or safety.
 - c. Items with highly specialized technical application.
- 3.1.2 Since placing a stock item of supply under tightly restricted issue authority inhibits its ready access to other KSC users, requests for special issue control coding shall be approved by the KSC SEMO.
- 3.1.3 A two character alpha-numeric code representing the controlling individual or the organizational level exercising release authority for controlled items is recorded into the "Special Control Code" field of the Inventory Management System (IMS) Inventory Master File.
- 3.1.4 Sensitive items and items categorized as equipment are subject to additional control designation in the Property, Plant & Equipment (PP&E) system (N-PROP module).
- 3.1.5 Division or Branch Manager shall:
 - a. Identify in writing, through the KSC SEMO, to the Inventory Management Section of the ISC Contractor, the specific items to be controlled, including justification for control.
 - b. Identify the period of time the control is to remain in effect.
 - c. Designate the official as well as designated alternates or the organizational level of authority, authorized to approve issue of the item(s).
 - d. Review annually the items for which the organization requested issue controls and revalidates the need to continue the special control.
- 3.1.6 The Inventory Management Section of the ISC Contractor shall submit annually a listing to the Division or Branch Managers who established the control for review and recommendation to continue or terminate control(s).

3.2 Requisitioning Excess Personal Property

3.2.1 All organizations at KSC shall use N-PROP to the fullest extent practicable.

3.2.2 The first source of supply for requirements not stocked in the KSC Supply and Equipment System shall be the excess system through N-PROP.

3.2.3 A listing of excess personal property can be found by using the Excess Shopping Report in the N-PROP module.

3.3 Requisition Preparation and Processing

3.3.1 Requisitions shall be restricted to items falling within a single Federal Supply Group except those items which are to be procured from a single source on a noncompetitive basis. All items to be procured in this manner may be placed on the same [KSC Form 7-49](#), Purchase Request (Supplies, Equipment or Property Turn-in) or [KSC Form 7-49](#).

3.3.2 Federal specifications shall be identified where applicable.

3.3.3 When a specification is cited, all amendments or revisions shall be identified. A purchase description may be used in lieu of specifications when specifications are not applicable and it would be impractical or uneconomical to prepare such specifications.

Note: If the item is determined to be a continual requirement, specifications and alternate sources should be developed.

3.3.4 Purchase descriptions shall not be submitted to specify a product or a particular feature of a product peculiar to one manufacturer and thereby preclude consideration of a product manufactured by another company, unless it is determined that the particular feature is essential to the Government's requirements, and similar products or other companies lacking the particular feature would not meet the minimum requirements for the item.

Note: Any item which has been determined to fall within these criteria shall be accompanied by a Justification for Other than Full and Open Competition (JFOFOC) for items valued at \$25,000 or greater, or if under \$25,000, a short statement on the Purchase Request justifying sole source.

3.3.5 Purchase Requests which are submitted by brand name shall include make or model number or other appropriate nomenclature by which the product is offered for sale to the public by the particular manufacturer, producer, or distributor.

Note: "Brand name or equal" purchase descriptions should set forth those salient physical, functional, or other characteristics of the referenced products which are essential to the needs of the Government. Where compatibility or interchangeability of parts is required, such a requirement should be specified.

Bids or proposals offering an "equal" cannot be rejected for failure to provide a characteristic of the specified brand that has not been listed as required salient

characteristics. Purchase descriptions should contain the following information to the extent available and include such other information as is necessary to describe the item required:

- a. Complete common generic identification of the item.
- b. Model, make, or catalog number for each brand name product referenced, and identification of one of the commercial catalogs in which it appears.
- c. Name of manufacturer and address if company is not well known. Where feasible, all known acceptable brand name products and model and part numbers should be referenced.

3.3.6 The [KSC Form 7-49](#) shall be used for all purchases of end items of supply or equipment even when the items are to be provided as part of a service.

CHAPTER 4. EQUIPMENT MANAGEMENT

4.1 Controlled Equipment Accountability and Custodial Management

This chapter establishes the requirements for establishing and maintaining physical control and accountable records for NASA-owned equipment.

4.1.1 General Provisions

- a. The NASA PP&E system shall be utilized at KSC to identify, account for, and control NASA equipment.
- b. An Equipment Control Number (ECN) tag or other marking shall be affixed to each unit of controlled equipment.
- c. The three different equipment control tags that shall be used for tagging are:
 - (1) NASA regular ECN tag.
 - (2) NASA mini ECN tag.
 - (3) NASA Loan/Lease tag.
- d. All controlled equipment shall be tagged with one of these tags during the checking-in process. Equipment that is not conducive to the application of tags may have the ECN etched on the equipment or may be card tagged.
- e. Each item of non-controlled equipment (items which have an acquisition cost of less than \$5000) will be affixed with a Property of U.S. Government decal upon receipt at KSC.
- f. NASA or contractor personnel hand carrying tagged equipment from other installations shall ensure that a transfer document accompanies the equipment as follows:

- (1) The documentation shall be sent along with the equipment to the property custodian immediately upon arrival at KSC.
 - (2) The property custodian shall then notify the KSC Equipment Manager who will provide further instructions.
- g. The KSC SEMO or designee shall be the only authority to approve transfers and hand carrying of KSC controlled equipment to other NASA installations.
- h. The Industrial Property Officer shall approve transfers for contractor accountable property.
- i. The following are the minimum qualifications when appointing individuals as property custodians. Property custodians shall be:
- (1) Employed by NASA or contractor organizations in a stable assignment and designated for each property management area by the head of the organization concerned, usually the division chief, with the concurrence of the KSC SEMO or designee.
 - (2) Familiar with NASA KSC property accounting regulations and procedures.
 - (3) Capable of maintaining accurate property records.
 - (4) Physically assigned in close proximity to the property management area (when feasible) and capable of maintaining a continuous surveillance of the property management area to ensure equipment is used for official purposes only.
 - (5) Knowledgeable and capable of recognizing and identifying the property in the property management area and available for this service during physical inventories. This includes recognizing and reporting missing, untagged, and unneeded equipment.

Note: The responsibilities of a property custodian cannot be delegated.

- j. Leased equipment shall be controlled and tracked as follows:
- (1) Leased equipment received and installed at KSC shall be processed through receiving.
 - (2) The KSC Equipment Manager or designee shall process the equipment in the PP&E system to establish controls.
 - (3) At the time of receipt, the equipment shall be tagged with a Lease serialized tag number.
 - (4) When a leased item is converted to purchase, the lease record shall be deleted in the PP&E system with a remark in the long text block stating it was converted from lease to purchase.

- (5) The lease tag shall be replaced with an appropriate NASA ECN tag and the item re-entered in the PP&E system as NASA-owned equipment.
- k. NASA or contractor personnel who bring personal or corporate-owned property onsite for the purpose of accomplishing their assigned duties shall report the property to the applicable property custodian with the information shown below (items 1-7).
 - (1) Item name.
 - (2) Date brought onsite.
 - (3) Model number.
 - (4) Serial number.
 - (5) Manufacturer's name.
 - (6) Owner.
 - (7) Location.
- l. The property custodian shall forward the information to the KSC Equipment Manager, who will issue a Personal Property Tag that must be attached to the property.
- m. Personal or corporate-owned property found untagged during inventories and reviews shall be considered Found on Station (FOS). [NASA Form 1618](#), FOS Equipment Investigation, shall be processed and the property placed on Government property records. The owner must present proof of ownership (sales receipts, invoices, etc.) or the property will be considered Government property.

4.1.2 Responsibilities

- a. The KSC SEMO establishes controls and maintains records of all KSC-controlled equipment in the PP&E system; including equipment located at the Cape Canaveral Air Force Station (CCAFS) and other offsite Resident Offices. The KSC SEMO shall:
 - (1) Appoint a KSC Equipment Manager and periodically evaluate the Equipment Manager's policies and procedures.
 - (2) Direct special inventories.
 - (3) Ensure the KSC Property Survey Officer and KSC Property Survey Board are appointed and fully informed of their duties.
 - (4) Approve transfer documents prepared by the KSC Equipment Manager and contractors transferring KSC-controlled equipment to KSC contractors, NASA Centers, other authorized Government agencies or other authorized

agencies and institutions. The appropriate authority at that location will prepare the transfer documents required for equipment physically located at the other KSC offsite Resident Offices.

- (5) Ensure that controlled equipment is placed under continuing physical controls, and ensure KSC Financial Accounting Office is provided with the Asset Master Records, including Real Property installed equipment meeting the criteria for controlled equipment when dropped from the records of the Real Property Officer.
 - (6) Assist Division and Office Chiefs, or equivalent contractor organization heads in establishing property management areas and selecting qualified property custodians, providing assistance visits, audits, and on-the-spot requirements.
 - (7) Approve requests for the appointment of property custodians and the creation of new custodian accounts.
 - (8) Process Survey Reports submitted by the Division and Office Chiefs or equivalent contractor organization heads for loss, damage, destruction, or theft of Government property.
 - (9) Ensure that equipment acquired by non-self-supporting contractors is appropriately tagged.
 - (a) Ensure that the equipment is tagged before leaving the contractor's shipping and receiving area.
 - (b) Ensure that equipment received at the ISC central warehouse facility is tagged by the ISC contractor for the Supply and Equipment Management Office under the terms of the contract.
 - (c) In the case of direct shipments to the customer, ensure that arrangements are made by the requestor for the ISC inventory team to tag the equipment at that location upon receipt.
 - (10) Review the results of the controlled property inventory conducted by ISC inventory personnel.
 - (a) Review all noted discrepancies and conduct a follow up inquiry for all actions not corrected within 30 days of inventory completion.
 - (b) Ensure copies of the inventory results shall be provided to the Contracting Officer Technical Representative (COTR) and Contracting Officer.
- b. The KSC Equipment Manager shall:
- (1) Establish appropriate controls and maintain adequate records for all NASA-controlled equipment at KSC in accordance with Federal property laws and the [NPR 4200.1](#), NASA Equipment Management Procedural Requirements.

- (2) Control mass updates of records in the Property, Plant, and Equipment (PP&E) system.
 - (3) Control record data changes which result in changes to one or more data elements in a single record.
 - (4) Determine items which will be designated for control as sensitive equipment and develop the triennial and sensitive item inventory schedule.
 - (5) Identify, categorize, classify, and code all existing and newly acquired equipment.
- c. Division and Office Chiefs, or Equivalent Contractor Organization Heads shall:
- (1) Designate property management areas within their respective organization in coordination with the KSC SEMO.
 - (2) Designate, with the concurrence of the KSC SEMO, the property custodian for each designated property management area.

Note: The responsibilities of property custodian cannot be delegated.

- (3) Ensure that transfer, loan, or appropriate accountability and supporting documentation are routed to the Supply and Equipment Management Office when controlled equipment:
 - (a) Is fabricated.
 - (b) Has not been received through ISC Receiving, but is received directly from other NASA Centers or activities, as in the case of direct shipments or hand carried equipment, or when experimental or prototype equipment configurations meet the criteria for control. Documentation includes copies of Support Requests, Work Orders, Loan Agreements, and a signed [DD Form 1149](#) Requisition Invoice/Shipping document acknowledging receipt of the fabricated or transferred equipment. Information recorded into the NASA PP&E System is to include, but not be limited to the following:
 - i. Custodian, end user organizational code, and custodian account number.
 - ii. Description of equipment including item name, manufacturer's name or code, model number, and serial number, if assigned.
 - iii. Acquisition cost.
 - iv. Federal Supply Class (FSC).
 - v. Purchase Order, Work Order, Support Request, or Document Control Number.

- vi. Location of equipment (building and room numbers).
- (4) Maintain close surveillance of the property management areas(s) under supervision.
- (a) Perform an annual walk-through inspection of all offices, laboratories, and shops, both onsite and offsite in conjunction with the property custodian.
 - (b) Prepare a Memorandum for Record covering the results of the walk-through inspection and forward a copy to the KSC SEMO, the KSC Equipment Manager, and retain a file copy.

Note: Surveillance is done to ensure that equipment is being used for official purposes only, that turn-in of items no longer required is accomplished, that scheduled maintenance is being performed on time, and that calibration is current.

- (5) Ensure that each individual in the organization is aware of their responsibility for Government property as follows:
- (a) Proper use, care, and protection of all Government property under their control.
 - (b) Verifying that property is used only for official business.
 - (c) Identifying equipment not actively used in pursuit of approved NASA programs and projects to the property custodian.

d. The Directorate Custodian Coordinator shall:

- (1) Serve as the point of contact between the Supply and Equipment Management Office and individual directorates.
- (2) Provide assistance to custodians when preparing paperwork for equipment documentation, such as FOS, cannibalizations, Survey Reports, and shipping requirements.
- (3) Coordinate and assist newly appointed property custodians in obtaining the classroom training for new custodians and the Basic N-PROP Navigation Course in SATERN.
- (4) Review for completeness and accuracy, and sign [NASA Form 598](#), Property Survey Reports. Review shall include:
 - (a) Obtaining the Director's signature prior to forwarding to the KSC Equipment Manager.
 - (b) Ensuring recommendations or required actions are completed, relative to Property Survey Reports.

- (5) Serve as the point of contact for scheduling and completing the Annual Walk-Through Inspections.
 - (6) Keep Directorate Management informed of property management issues affecting their organization.
- e. The Property Custodian shall:
- (1) Maintain equipment records in the N-PROP Module of the NASA PP&E System.
 - (2) Control equipment located in their assigned property management area as outlined in [NPR 4200.2, Equipment Management Manual for Property Custodians](#).
 - (3) Continue surveillance over assigned property management area to ensure that equipment is used for official purposes only.
 - (4) Assign property in their custodian account to end users through N-PROP.
 - (5) Report untagged, controlled equipment including fabricated equipment found in their assigned property management area to the KSC SEMO.
 - (6) Assist in the research required to identify and document on a [NASA Form 1618](#), FOS Equipment Investigation and the circumstances relating to the untagged items.
 - (7) Assist the inventory team in performing the annual and triennial inventories and make records available for these inventories of controlled equipment and property record audits.
 - (8) Identify and report any controlled equipment no longer needed in their property management area.
 - (9) Accompany Division or Office Chief or equivalent contractor organization head during the Annual Equipment Walk-through Inspections.
 - (10) Immediately report any leased or rental equipment received directly from a supplier to the KSC SEMO.
 - (11) Report any changes affecting the status of leased or rental equipment on their accounts to the KSC Equipment Manager.
 - (12) Establish the following special controls for sensitive items as individually identified by the KSC SEMO (Appendix C) in the property custodian records:
 - (a) Assign sensitive items to an individual user whose name will be entered on the control record.

- (b) Ensure that sensitive items are locked up, if feasible, when not in use.
 - (c) Ensure that sensitive items are not loaned out of possession or control of the person to whom they are assigned, unless the property custodian is notified.
 - (d) Revalidate all loans of sensitive items every 30 calendar days.
 - (e) If a sensitive item in the custodian's management area is missing during an unannounced inventory and is not on a documented loan, the property custodian must produce the item within 24 hours or a Survey Report shall be turned in.
- (13) Ensure transfers of equipment to other custodians who control Government held equipment are processed through N-PROP.
 - (14) Initiate and submit, in conjunction with the individual who last had possession of the property, [NASA Form 598](#), Property Survey Report, for the loss, damage, destruction, or theft of Government property.
 - (15) Excess controlled and non-controlled equipment no longer required, using N-PROP.
 - (16) Obtain written approval from the KSC Equipment Manager and the KSC SEMO prior to any action that would transfer accountability or change the configuration of any controlled equipment by a letter signed by the Division or Office Chief, equivalent contractor organization head, or a [NASA Form 1617](#) in cases of cannibalization.
 - (17) Attend the initial property custodian training course and refresher course.
 - (18) Conduct an inventory with the gaining and losing custodian when the account custodian changes, and notify the KSC SEMO by letter.
 - (19) Sign the Equipment Receipt Record, [KSC Form 7-582](#), acknowledging receipt of newly acquired equipment, and return the form to the ISC Property Administrator.
- f. The Financial Accounting Office shall:
- (1) Record receiving reports for capitalized equipment in Systems, Applications and Products (SAP).
 - (2) Accomplish monthly capital equipment reconciliation between the receiving reports recorded in financial property records and the PP&E transaction register listing. Notify the KSC SEMO immediately of any discrepancies encountered during reconciliation.

4.1.3 Equipment Reutilization Prior to Acquisition

The Property Disposal Officer (PDO) is responsible for assuring the operation of the Equipment Reutilization Program at KSC, including the appropriate interfaces with other installation offices in matters relating to the use and reuse of equipment in accordance with [NPR 4300.1](#). Requests for equipment shall be screened through the PDO prior to purchase.

4.1.4 Control of Property on Loan to KSC

- a. NASA KSC organizations requesting loans or borrows from other NASA, Government, or non-Government organizations shall forward their request ([KSC Form 7-49](#)) through their appropriate approval authorities, and their appropriate property custodian to the KSC SEMO.
- b. The KSC SEMO shall coordinate with the loaning installation SEMO in the negotiation of Loan Agreements.
- c. The KSC SEMO shall ensure all incoming equipment items loaned or borrowed from outside KSC, regardless of sources, have adequate KSC controls established on them when received at KSC.
- d. If loaned or borrowed property arrives at KSC and has not been previously negotiated by the KSC SEMO (e.g., loaned property hand carried to KSC), identification of the property and circumstances surrounding its arrival shall be reported immediately to the KSC SEMO.
- e. Loans shall be documented by a Loan Agreement.
- f. Equipment shall be tagged with an ECN Loan/Lease Tag and recorded in the PP&E system regardless of the length of the loan and assigned to requesting organization's custodian account.
- g. Request for extension of a loan period shall be forwarded to the KSC SEMO.
- h. All loans or leases of equipment, regardless of source, shall be processed at the time of receipt by the KSC Equipment Manager through the PP&E System.

4.1.5 Control of Equipment Loans and Borrows from KSC

- a. It is NASA policy that KSC-held equipment may be made available to organizations, private individuals, corporations, or other entities, provided the loan of such equipment is in the public interest and meets the conditions outlined in [NPR 4200.1](#).
- b. Loans or borrows shall not normally exceed one year without approval of an extension.
- c. All agreements for loans made outside of NASA shall be coordinated with the KSC Chief Counsel.

- d. KSC equipment may be made available to profit-making organizations only for the purposes authorized by the National Aeronautics and Space Act of 1958 as amended and specified in the Loan Agreement. Equipment loans in this category shall be authorized and approved by the KSC SEMO. No delegation of authority is authorized. Requirements for loans to profit-making organizations are outlined in [NPR 4200.1](#).
 - e. Equipment loans to other than KSC contractors or contractors authorized to maintain their own property records (not covered by FAR 45-5), shall be made only if they are necessary or beneficial to the conduct of NASA missions, or serve some other useful or beneficial purpose to the Government.
 - f. All requests for loans or borrows of KSC accountable equipment shall be submitted in writing to the KSC SEMO with the following minimum information:
 - (1) Complete description of the item requested.
 - (2) Name, organization, location, mailing address, and telephone number of the individual requesting the loan.
 - (3) Purpose and duration of the loan.
 - g. The ECN tag shall not be removed or destroyed for loans or borrows.
 - h. The KSC SEMO or Designee is responsible for approving the completed Loan Agreement when the loan agreement is to be incorporated into a Memorandum of Understanding. No delegation of this authority is authorized for loans of equipment to profit-making organizations.
 - i. The KSC SEMO is responsible for approving loan documentation (e.g., correspondence, subordinate loan agreements, shipping documents).
 - j. The Office of External Relations, NASA Headquarters, is responsible for approving loans to any foreign government or organization.
 - k. All loans made to other NASA installations shall be referred to as a "Center Borrow" within the NASA PP&E System.
 - l. All requests for a "Center Borrow" of equipment shall be referred to the KSC SEMO.
- 4.1.6 Removal of NASA-owned property from NASA installations
- a. Government-owned equipment shall not be removed from the NASA installation or CCAFS except for temporary use and only when such use is required or beneficial to the conduct of NASA's missions or other Government purposes.
 - b. The removal of property shall be accomplished by the use of a [NASA Form 892](#), Employee Property Pass Request/Loan Agreement and Removal Permit, available in N-PROP.

- c. The [NASA Form 892](#) shall not be used as a shipping document. When shipment of property, including scrap and salvage, is required, removal is authorized only by a properly prepared shipping document, [DD Form 1149](#), Requisition and Invoice/Shipping document.
- d. A [DD Form 1149](#) shall be used in all cases when a change of accountability is involved even though the property is hand carried to and from a NASA installation or CCAFS.
- e. Government vehicles on official business are exempt from the provisions of this section, but this exemption does not include the contents of the vehicle. Property within the vehicle must be authorized for removal.
- f. Any person and any property in that person's possession or control leaving a NASA installation or CCAFS in a Government vehicle is subject to search or detention. Unauthorized or unlawful use or possession of the property may result in disciplinary action by the employer and prosecution under state or Federal law.
- g. Authorization for removal of Government-owned property from either a NASA installation or CCAFS shall be issued to cover the actual period of required use. The property must be returned to the NASA installation or CCAFS at the end of the period designated on the [NASA Form 892](#), or when directed differently by the applicable division or equivalent contractor management representative.
- h. Property loaned to KSC by other Government agencies shall not be shipped for use elsewhere without prior approval of the cognizant contracting officer for contractor-accountable loaned property, or by the KSC SEMO for installation-accountable loaned property.
- i. The [NASA Form 892](#), Employee Property Pass Request/Loan Agreement and Removal Permit shall be approved at KSC as follows:
 - (1) For NASA personnel - the Division or Office Chief.
 - (2) For personnel of other Government agencies - Responsible officials designated by the agency.
 - (3) For personnel of contractor organizations - Manager equivalent of a NASA Division Chief.
- j. The approving authority shall assure the return of all property on the signed [NASA Form 892](#).
- k. In cases where the requester or user is also the approval authority, (Division Director or Chief or contractor equivalent), the removal shall be approved by the next higher level of management or supervision. A requester or user cannot approve their own request.
- l. The issuance of a Property Pass Request and Removal Permit shall not exceed 30 days.

- m. Requests for an extension beyond the originally approved period shall be submitted, in writing, by the requester to the original approving authority and be submitted prior to the expiration date of the Property Pass Request and Removal Permit.

4.2. Equipment Cannibalization

This section applies to all NASA KSC and NASA KSC contractor elements (within the terms of their contracts) engaged in the design, fabrication, construction, reconfiguration, use, or maintenance of all equipment and ground support facilities systems.

4.2.1 General

- a. All NASA KSC elements shall encourage, as an efficient management practice, the cannibalization for reutilization of existing equipment items to effect economies as much as possible.
- b. The NASA KSC SEMO, or KSC Equipment Manager shall:
 - (1) Approve or disapprove requests for cannibalization ([NASA Form 1617](#)) and requests for transfer for the purpose of cannibalization between KSC property custodians and other NASA Centers, Government agencies, or contractors.
 - (2) Emphasize the use of cannibalization of items for reutilization to the fullest extent possible.
 - (3) Advise the applicable property custodian, in writing, that items no longer required be excessed or direct that any residual hardware that remains after cannibalization be sent to disposal.
- c. NASA KSC organizations and NASA KSC contractor elements (within the terms of their contracts) shall:
 - (1) Utilize existing items of equipment, where practicable, in the design, construction, reconfiguration, or support of facilities, systems, or end items of equipment and submit recommendation for equipment designated as candidates for cannibalization to the appropriate manager for approval or disapproval.
 - (2) Initiate excess actions for residual items upon completion of cannibalization.
- d. The applicable property custodian shall:
 - (1) Review and approve [NASA Form 1617](#) when submitted for cannibalization.
 - (2) Submit the approved [NASA Form 1617](#) and the N-PROP equipment information to the NASA KSC Equipment Manager for adjustments of the accountable property record.

- e. The NASA KSC Equipment Manager shall process the [NASA Form 1617](#) and appropriately adjust equipment value in the PP&E System.

4.3 Processing Survey Reports

This section provides the requirements for the survey of the loss, damage, destruction, or theft of Government property in the possession of or under the control of Federal and contractor employees.

4.3.1 General Provisions

- a. Since every KSC employee is responsible for the proper use, care, and protection of Government property or leased property in their custody or control, an employee may be subject to disciplinary action for any loss, damage, destruction, or theft of Government property resulting from the employee's negligence, misuse, dishonesty, or wanton and willful destruction. Taking disciplinary action does not prevent the Government, in appropriate situations, from enforcing other remedies which may be available to it, such as asserting a claim against the employee.
 - (1) If disciplinary action is recommended, the matter shall be referred to the employee's supervisor.
 - (2) An employee shall not be held liable for the loss, damage, destruction, or theft of Government property resulting from the employee's performing or failing to perform an action because of a reasonable error in judgment or because of a physical limitation.
- b. [NASA Form 598](#), Property Survey Report, shall be prepared and processed promptly in all cases of the loss, damage, destruction, or theft of Government property for which accountable records are maintained by the KSC SEMO in the PP&E System.

Note: The Property Survey Report is the administrative document used for the investigation and review of the loss, damage, destruction, or theft of property, and records the extent or absence of personal responsibility. Additionally, the Survey Report prescribes specific corrective or preventive action to be taken to prevent recurrence of the incident.

- c. Part I of the Property Survey Report shall be prepared jointly by the individual (user) who last had possession of the property at the time of the incident and the managing property custodian.
- d. The Property Survey Report shall be used to support the removal of property from the accountable records, as in the case of damage, and to adjust the financial value of the property unless fully repaired.
- e. The KSC Chief of Security shall be notified immediately by the property custodian of theft or suspected theft.

- f. A copy of any investigative report and findings shall become a part of the Property Survey Report.
- g. On the basis of investigations and findings, one or more of the following recommendations shall be made:
 - (1) All concerned may be relieved from accountability and responsibility for the loss, damage, destruction, or theft of Government property
 - (2) The individual(s) involved may be disciplined (see [NPR 4200.1](#)).
 - (3) The individual(s) involved may be required to reimburse the Government for the loss, damage, destruction, or theft of the property.
- h. Each Property Survey Report, with any one item \$5,000 or greater, shall be processed by the KSC Property Survey Board.
- i. Property Survey Reports with items less than \$5,000 shall be processed by the Property Survey Officer.
- j. When loss, damage, destruction, or theft of two or more items is the result of a single event or discovery, one Property Survey Report shall be prepared.
- k. KSC Property Survey Board meetings shall be held as required, preferably on a monthly basis. All actions of the Property Survey Board will be recorded and the minutes distributed to each Board member, the KSC SEMO, the KSC Equipment Manager, and the Protective Services Office.
- l. At the discretion of the KSC SEMO or other appropriate official, a survey may be made in the case of the loss, damage, destruction, and theft of Government property for which accountability is not maintained.

4.3.2 Responsibilities

- a. The KSC Property Survey Officer is responsible for:
 - (1) Investigation, review, and approval of all Property Survey Reports with an acquisition value less than \$5,000. If deemed necessary, reports can be referred to the KSC Property Survey Board.
 - (2) Ensuring that feedback is provided through a written report to the Center Director at least annually. The report should, at a minimum, include the following:
 - (a) The total number of Property Survey Reports that were generated and processed at KSC during the time period of the current KSC Property Survey Board.
 - (b) A breakout of the total number of Property Survey Reports showing the total number of reports submitted per each NASA KSC Directorate or Division Office, and equivalent contractor organization.

- (c) The dollar value associated with the loss, damage, destruction, or theft of property to include a total cost and a breakout per organization, to include any dollar value reimbursed to the Government.
- (d) General information regarding all significant actions, problems, or other matters of substance related to Property Survey Reports.

b. The KSC Property Survey Board is responsible for:

- (1) Investigating and making recommendations on all Property Survey Reports with an acquisition value equal to or greater than \$5,000.
- (2) Investigating and making recommendations on all other Property Survey Reports referred to them by the Property Survey Officer.

Note: The Property Survey Officer, the KSC SEMO, or any other individuals involved in the maintenance of KSC property records may not be designated to serve on the KSC Property Survey Board.

c. The KSC SEMO is responsible for:

- (1) Ensuring the Property Survey Officer and KSC Property Survey Board, chartered for a duration of 2 years, are appointed by the Center Director and are fully informed of their duties. Members are identified through nominations from their organizations as part of a Kennedy Action Item Tracking System (KAITS) request. The SEMO shall review nominees and select personnel to ensure an adequate participation from all directorates.
- (2) Ensuring implementation of specific corrective or preventive action as recommended by the Property Survey Officer or Board.
- (3) When survey action is complete, make final distribution of the Property Survey Report as indicated in Part V.
- (4) Maintaining a Property Survey Report Log.

d. Division and Office Chiefs or equivalent contractor organization heads are responsible for:

- (1) Ensuring the Property Survey Reports are properly prepared and forwarded to the KSC SEMO within 30 working days of the discovery of loss, damage, destruction, or theft of Government property.
- (2) Ensuring the organization considers possible disciplinary or other appropriate action when recommended by the Property Survey Officer or Board. In the case of contractor personnel, the Contracting Officer shall take appropriate action.

- e. Directors or equivalent Government and contractor heads shall appoint an organizational point of contact to assure all recommended actions of each completed survey are implemented.
- f. The KSC Chief of Security is responsible for reviewing all reports of theft or suspected theft, and recommending appropriate action to resolve these matters. The Chief of Security will also advise the directors or equivalent Government and contractor heads of minimum steps to be taken to prevent recurrence of theft of Government property.
- g. The Directorate Custodian Coordinator is responsible for:
 - (1) Providing assistance to custodians when preparing Property Survey Reports.
 - (2) Reviewing, signing, and obtaining the Director's signature on the Property Survey Report.
 - (3) Ensuring recommendations or required actions are completed relative to Property Survey Reports.
- h. Property custodians are responsible for:
 - (1) Preparing, in conjunction with the responsible individual who was last in possession of the item, Part I and Part III of the [NASA Form 598](#).
 - (2) Submitting Survey Reports to the appropriate Division or Office Chief within 30 days of the discovery of the incident.
- i. Responsible individuals (the last individual having possession of the reported item(s)) are responsible for:
 - (1) Preparing, in conjunction with the responsible property custodian, Part I of the Survey Report.
 - (2) Submitting the Survey Report to the Division or Office Chief for completion of Part II, within 30 days of the discovery of the incident.

CHAPTER 5. BENCH STOCK SUPPORT

- 5.1 Bench stocks shall be established and controlled in the Inventory Management System (IMS). A bench stock identifying number is to be affixed to each bench stock in the IMS Look-up Table.
- 5.2 Items may be added to or deleted from the established bench stocks upon customer request. Stock inventories cannot exceed a total value of \$75,000 at any one bench stock location.
- 5.3 Only stock and expendable items shall be included in bench stock.

- 5.4 All ISC contractor supported bench stocks shall be replenished from material stocked in the KSC ISC Supply and Equipment System. The following types of items are not stocked in bench stocks except under special request of the KSC SEMO after coordination with ISC Contractor Inventory Management:
 - 5.4.1 Repairable Items.
 - 5.4.2 Items requiring special storage and handling.
 - 5.4.3 Items requiring special packaging such as with cleanliness specifications.
 - 5.4.4 Petroleum, oils, and lubricants and other hazardous items, unless stored in specifically designated storage areas and as approved by the KSC fire inspectors (KSC Protective Services Contract).
 - 5.4.5 Controlled equipment.
 - 5.4.6 Special Inventory Control Point items (e.g., butt-weld fittings).
- 5.5 Bench stocks are maintained by National Stock Number (NSN) or Local Stock Number, but manufacturer's part number and other descriptive data are included on bin labels and the bench stock working list, when provided by the custodian or requester.
- 5.6 Special projects that require excessive quantities of a bench stock item on a one-time draw shall requisition from the ISC contractor's warehouse stock when the withdrawal would deplete the bench stock 30-day quantity and project an erroneous replenishment quantity.

CHAPTER 6. TURN-IN PROCEDURES

- 6.1 Exchange Sale of Controlled Property for Replacement Purposes
 - 6.1.1 This section provides general information for the exchange sale of controlled property for replacement purposes in order to maximize the financial benefit to the Government. The sales portion of the exchange sale process generally occurs when a NASA organization desires to replace or upgrade a non-excess item of property and no vendor offers an exchange allowance (trade-in), or the offered allowance is significantly less than anticipated sales proceeds.
 - 6.1.2 Controlled property shall be replaced in a manner most economical and efficient to the Government.
 - 6.1.3 Controlled property shall be processed under the Exchange Sale Program so that proceeds may be applied to the acquisition of the replacement item.
 - 6.1.4 Appendix D lists items that are not eligible for exchange sale.
 - 6.1.5 Exchange Sale authority may be used only if the following conditions are met:
 - a. The property submitted for exchange sale is similar to the property acquired.

- b. The exchange sale property is not excess or surplus, and there is a continuing need for that type of property.
- c. The number of items acquired must equal the number of items submitted for exchange sale unless:
 - (1) The item(s) acquired perform all or substantially all of the tasks for which the item(s) would otherwise be used; or
 - (2) The item(s) acquired and the item(s) submitted for exchange sale meet the test for similarity specified in the [Code of Federal Regulations \(CFR\), Title 41, Chapter 102, Part 29, Section 20](#).
- d. The property was not acquired for the principal purpose of exchange sale.

6.1.6 Documentation shall be made at the time of exchange sale (or at the time acquiring the replacement property if it precedes the sale) that the exchange allowance or sale proceeds will be applied to the acquisition of replacement property.

6.1.7 Property that is dangerous to public health or safety is not eligible for exchange sale unless it has been rendered harmless or adequate safeguards have been provided.

6.2 Salvage and Scrap Material

6.2.1 This section provides general information for the collection of manufacturing residue, scrap items Found-On-Station (FOS), and turn-in of salvage and scrap material.

6.2.2 Salvage and scrap material shall be disposed of in a manner that assures maximum benefits to the Government.

6.2.3 Hazardous scrap material shall not be accepted at the Reutilization, Recycling, and Marketing Facility (RRMF) unless it has been rendered innocuous.

- a. The disposal facility shall not accept physical responsibility for hazardous scrap material.
- b. A Material Safety Data Sheet (MSDS) shall accompany all hazardous scrap material. Appropriate analytical testing data must accompany turn-in document.

6.2.4 Scrap material shall not be mingled with trash or placed in refuse containers. Trash or refuse is not to be placed in scrap containers. Trash placed in refuse containers is exempt from the provisions of this section.

6.3 Turn-In of Materials and Equipment

6.3.1 Equipment generally becomes excess as a result of its condition or its inactive use. Using organizations shall ensure that excess property is assigned a complete and accurate description and condition code to enhance further use of the property by

KSC, other NASA Centers, or other Federal agencies. Disposal condition codes are shown in Appendix D.

- 6.3.2 The user or using organization shall visually inspect all items that are being turned-in or excessed. The purpose of this review is to verify containers' contents in order to ensure that the correct items are being reported and to ensure that no ancillary components or accessories are inadvertently disposed.
- 6.3.3 Property that is dangerous to public health or safety shall not be turned in as excess unless it has been rendered innocuous or has adequate safeguards. A MSDS must accompany all innocuous hazardous materials.
- 6.3.4 Turn-in of tagged equipment shall be accomplished in N-PROP with:
- a. An accurate disposal condition code.
 - b. A complete physical description.
 - c. All available documentation (i.e., operator's manuals, maintenance records, logs, etc.).
 - d. All dielectric fluid drained and accompanied by analytical testing data when delivered to RRMF.
- 6.3.5 Non-tagged items and materials are to be submitted on a [KSC Form 7-652](#), Excess Issue/Turn-in Document, or through N-PROP under Initiate Non-Controlled Excess Request. The following information is required when turning in non-tagged material:
- a. National Stock Number or Federal Supply Classification.
 - b. Complete physical description of item.
 - c. Manufacturer.
 - d. Manufacturer's part number or model number, and serial number.
 - e. Unit of issue (e.g., ea, lot, box, etc).
 - f. Quantity.
 - g. Unit cost and extended line item value.
 - h. Disposal Condition Code.
 - i. Location of material.
 - j. Testing data when required.
 - k. Precious metal content. Any property containing precious metals shall be identified as such on the appropriate turn-in document.

Interested organizations must contact the PDO prior to turn-in of non-volatile chemicals.

- b. Non-volatile chemicals shall physically remain “in place” at the generator’s facility.
- c. The RRMF shall not accept accountability or responsibility for the property.
- d. Requester shall prepare [KSC Form 7-652](#), Excess Issue/Turn-in Document, identifying the non-volatile chemicals to include:
 - (1) Quantity.
 - (2) Container size (e.g., gallon, pail, aerosol, bottle, pint kit, etc).
 - (3) Item name (no trade names).
 - (4) Model or part number.
 - (5) Federal stock classification.
 - (6) Price per unit.
 - (7) Total cost.
 - (8) MSDS for each item.
- e. Non-volatile chemicals must be unused and unopened.
- f. The PDO shall send information to the General Services Administration for reutilization and donation screening.
- g. Non-volatile chemicals will be advertised for sale if there are no reutilization requirements.
- h. Non-volatile chemicals not sold shall be waste-streamed by the generator.

6.5 Equipment Trade-In

6.5.1 A letter requesting the trade-in of Government property shall be submitted, either electronically or by hard copy, to the KSC SEMO or Equipment Manager.

- a. The request shall provide all pertinent facts relative to the details of the transaction (e.g., ECN number, item description, model, serial number) for each item to be traded.
- b. The request shall be accompanied by an offer from the prospective vendor, reflecting the acquisition cost of the new item, the dollar amount to be allowed as a credit for the item taken in trade, and the length of time the offer is appropriate.

6.5.2 The KSC SEMO shall provide an approval letter to the requester.

CHAPTER 7. PHYSICAL INVENTORY

- 7.1 Physical inventories are conducted to determine accurate record balances of equipment, verify custodian responsibility and physical locations, locate and identify missing or unrecorded items, and determine what equipment is excess, unused, underutilized, worn out or in need of repair.
- 7.2 The following three types of equipment inventories shall be mandatory:
 - 7.2.1 Triennial Inventory: A complete physical inventory shall be conducted at least once every three years by KSC contractors. This requires a “wall-to-wall, floor-to-ceiling” sighting and recording of all controlled equipment items including those that meet control criteria but are unrecorded.
 - 7.2.2 Sensitive Inventory: A twenty percent random physical inventory of sensitive items shall be conducted annually by the KSC SEMO. The NASA PP&E System can generate a twenty percent random sample of the Center’s sensitive items and sort the sample by property custodian.
 - 7.2.3 New Property Custodian Inventory: A complete physical inventory of all controlled equipment items charged to a property custodian shall be conducted at the time that custodial responsibility for a property management area passes to a new property custodian.
- 7.3 Special inventories may be taken at any time at the discretion of the KSC SEMO.
- 7.4 Items on loan to other property management areas shall be included in the inventory by verifying the “Out Status” in the property custodian’s account.
- 7.5 The KSC SEMO shall:
 - 7.5.1 Ensure that prescribed physical inventories of controlled equipment are performed and coordinated, including the physical inventory of each property management area when a new property custodian is assigned.
 - 7.5.2 Report to the Center Director, in writing, any conditions revealed as a result of any inventory that indicates more than minor non-compliance with NASA and KSC policies and procedures for equipment management.
- 7.6 The Chief, Logistics and Services Branch, reporting under the Center Operations Directorate, is designated as the official to approve inventory adjustment records and implement the provisions of [NPR 4200.1](#).

APPENDIX A

DEFINITION OF TERMS

ACQUISITION:

Acquiring material and capital equipment by purchase, lease, or by transfer from contractor plants, other NASA installations or other Government agencies.

ARTIFACT:

Artifacts, as applied to NASA, are unique objects that document the history of the science and technology of aeronautics and astronautics including, but not limited to, spacecraft (both manned and unmanned), subsystems of the above, such as rocket engines, pressure suits, personal equipment, instruments, significant recorded data, operating directives, photographs, motion picture and still camera film, sound tapes, training devices, simulators and memorabilia. Their significance and interest stem mainly from their relation to the following: historic flights, programs, activities, or incidents; achievements or improvements in technology; our understanding of the universe; and important or well known personalities.

ASSEMBLY:

Two or more items or any combination thereof, replaceable as a whole and joined together to perform a specific function.

ASSET MASTER RECORD (AMR):

A financial record in Systems, Applications, and Products (SAP) that identifies capital equipment.

AUTOMATIC DATA PROCESSING:

The processing (classifying, sorting, calculating, summarizing, recording, printing) of data through the use of electronic digital computers, communications channels and devices used with such computers and associated peripheral equipment. Includes preparation of source data in a form appropriate for such processing.

AUTOMATIC DATA PROCESSING EQUIPMENT (ADPE):

Electronic digital computers, communications equipment and devices used with such computers and associated peripheral equipment, or any piece of equipment larger than a microcomputer, that does not meet the definition of office equipment as stated in this glossary. This also includes transcription and transmission devices which are designated especially for producing media for mass data processing such as punch cards, paper, or magnetic tapes. This term does not include the office equipment as defined in this glossary.

AUXILIARY ITEM:

An item without which the basic unit of equipment cannot operate, such as motors for pumps and machine tools.

BENCH STOCK:

A 30-day supply of low-cost, high-usage stock or expendable items maintained in a work or maintenance area and for which accountability is dropped upon issue to the bench stock custodian or operator.

BORROWS:

Temporary loan of equipment which is strictly internal to NASA. In the NASA PP&E System there are two types of borrows: "Center Borrow" for loans between NASA Centers and "KSC Home Use" for loans to employees or to onsite contractors.

BUSINESS WAREHOUSE (BW):

Part of the NASA Property, Plant & Equipment (PP&E) System where the user can perform equipment searches and generate reports upon request.

CALIBRATION:

The process of determining the deviation from a standard so as to ascertain the proper correction factors for measuring instruments.

CANNIBALIZATION:

The removal of serviceable parts, components, or assemblies from one piece of equipment to be used as a replacement in other equipment or to fabricate another end item.

CAPITAL EQUIPMENT:

Equipment with a value of at least \$100,000 and an estimated service life of one year or more which will not be consumed in an experiment, and which can be identified as independently operable items, i.e., one item need not be integrated into another item in order to be operable, and subject to the financial control, accounting, and reporting capitalization requirements of the [NASA Financial Management Requirement \(FMR\) Volume 6, Chapter 4](#).

CARD TAGGED:

Equipment that cannot be physically tagged due to form, fit, and function are tagged using a virtual tagging process. This process shall be applied by exception only and could include putting the tag on a printed hardcopy of the item's ECN, picture, or other traceable document.

CENTER:

One of the functional installations of NASA (e.g., KSC, Lyndon B. Johnson Space Center, George C. Marshall Space Flight Center, Langley Research Center, etc.).

COLLATERAL EQUIPMENT:

Encompasses building-type equipment, built-in equipment, and large substantially affixed equipment, and is normally acquired and installed as a part of a facility project.

(1) Building-Type Equipment:

A term used in connection with facility projects meaning that equipment which is normally required to make a facility useful and operable. It is built-in or affixed to the facility in such a manner that removal would impair the usefulness, safety, or environment of the facility. Such equipment includes elevators, heating, ventilating, and air conditioning systems, transformers, compressors, and other like items generally accepted as being an inherent part of a building or structure and essential to its utility. It also includes general building systems and subsystems such as electrical, plumbing, pneumatic, fire protection, and control and monitoring systems.

(2) Built-in or Large Substantially Affixed Equipment:

A term used in connection with facility projects and is that unit of equipment of any type other than building-type equipment which is to be built-in, affixed to, or installed in Real Property in such a manner that the installation cost, including special foundations or unique utility services, or the facility restoration work required after its removal, is substantial.

Note: For capitalization purposes, the costs and installation of the above equipment are generally included in the Real Property accounts. However, the cost of affixed equipment classified as controlled equipment upon completion of a project will be recorded as such if it otherwise meets the capitalization criteria in [FMM 9250-32](#).

COMMODITY:

A group of items or material that possesses similar characteristics, have similar applications, or are managed by similar supply management techniques.

COMPONENT:

An assembly or any combination of parts, subassemblies and assemblies, and assemblies mounted together and normally capable of independent operation in a variety of situations.

COMPONENT EQUIPMENT ITEM:

An item of equipment that is used as a subassembly to a larger assembly. Parts are not considered component equipment items.

CONDITION CODE:

A code assigned to indicate the physical condition and usability of equipment.

CONTAINER:

Portable devices such as tanks, drums, cylinders, cans, ampules, vials, boxes, etc., in which materials are contained, stored, transported, or dispensed.

CONTRACT:

A legally binding agreement between the U.S. Government and a second party which, in addition to the terms and conditions thereof, includes by reference or attachment, specifications, drawings, exhibits, and other data necessary to accomplish proper performance of the terms and conditions of the agreement.

CONTRACTING OFFICER (CO):

Any employee of NASA who is currently designated with the authority to enter into and administer contracts and make determinations and findings with respect thereto.

CONTRACTING OFFICER TECHNICAL REPRESENTATIVE (COTR):

An authorized representative of a contracting officer acting within the limits of their authority to manage technical aspects of a specific contract.

CONTRACTOR:

The supplier of the end item and associated support items to the Government under the terms of a specific contract.

CONTRACTOR ACQUIRED PROPERTY:

Property acquired, fabricated, or otherwise provided by the contractor for performing a contract, and to which the Government has title.

CONTRACTOR SUPPORTED:

That labor, service, or material provided by a contractor to fabricate or modify an end item or accomplish an approved mission task.

CONTROLLED EQUIPMENT:

All equipment which has been identified by the Agency and Center as sensitive (flagged high risk in the NASA PP&E System), and all non-sensitive equipment with an acquisition cost of \$5,000 or more with an estimated service life of two years or more and will not be consumed or expended in an experiment, and selected items of equipment designated and identified as sensitive by the KSC SEMO.

CONTROLLED EQUIPMENT MANAGEMENT AREA:

An area of property management responsibility selected by the KSC SEMO in conjunction with the head of the organizational unit for the assignment of a property custodian for property control.

DISPOSAL:

The processes involved in the removal of personal property from use and from the property accounting system because of trade-in, utilization by another Federal agency, donation, sale, or abandonment or destruction.

DIRECTORS/DIVISIONS/CHIEFS:

The principal equipment-using officials in the KSC Equipment Management Program with direct responsibility for the equipment assigned to their organization including all aspects of its use and condition.

END ITEM:

A final combination of end products, components, parts, or materials which is ready for its intended use. (e.g., orbiter, receiver, amplifier, recorder, ground support equipment, etc).

EQUIPMENT:

A tangible asset (real or personal property) that is functionally complete for its intended purpose, durable, and nonexpendable. Equipment is not intended for sale and does not ordinarily lose its identity or become a component part of another article when put into use. Equipment includes all items of NASA personal property that are configured as mechanical, electrical, or electronic machines, tools, devices, and apparatuses that have a useful life of two years or more and will not be consumed or expended in an experiment.

EQUIPMENT CONTROL:

The management of processes, records, and documents used to achieve the objective of equipment management.

EQUIPMENT CONTROL NUMBER (ECN):

The identification or barcode number assigned and affixed to each item of equipment for control purposes by a tag or decal number.

EQUIPMENT MANAGER:

The individual or office at KSC designated as having responsibility for the review and approval or disapproval certification of all KSC requests for equipment or sensitive items with a unit acquisition cost of \$5000 or more. Additionally, the Equipment Manager determines disposition of existing equipment in terms of availability and suitability to meet the operational requirements of equipment users.

EXCESS:

Personal property determined unnecessary to the need and discharge of the holding organization and which is returned to the Center Property Disposal Officer for reutilization within NASA or among other Federal agencies or disposal.

EXPENDABLE ITEMS:

Spares and materials which are consumed when used or which lose their identity through incorporation in, or attachment to, an end item and which normally are not repaired when they become unserviceable.

FEDERAL ACQUISITION REGULATION (FAR):

The primary regulation for use by all federal executive agencies in the acquisition of supplies and services with appropriated funds (<https://www.acquisition.gov/far/>).

FEDERAL SUPPLY CLASS (FSC):

The first four digits of a stock number. Each class covers a relatively homogeneous area of commodities with respect to their physical performance characteristics or the items included are usually requisitioned or issued simultaneously.

FEDERAL SUPPLY GROUP (FSG):

A four digit property identification code describing commodity classification.

FOUND ON STATION (FOS):

Any equipment meeting the criteria for control for which records accountability has not been established.

HAZARDOUS MATERIAL:

Any chemical substance which is a physical or a health hazard.

(1) Health Hazard:

A chemical substance for which there is statistically significant evidence, based on at least one study conducted in accordance with established scientific principles, that acute or chronic health effects may occur in exposed employees. The term "Health Hazard" includes chemicals which are carcinogens, toxic agents, reproductive toxins, irritants, corrosives, sensitizers, hepatotoxins, nephrotoxins, neurotoxins, agents which act on the hematopoietic system, and agents which damage the lungs, skin, eyes, or mucous membranes.

(2) Physical Hazard:

A chemical substance for which scientifically valid evidence exists that it is a combustible liquid or gas, a compressed gas, an organic peroxide, an oxidizer, all flammables, pyrophoric, unstable (reactive) or water reactive.

INSPECTION:

The examination including testing of contractor fabricated work end items, and services to determine conformance to contract requirements.

INSTALLATION-ACCOUNTABLE PROVIDED PROPERTY:

Installation-Accountable Government Property: That property which has been made available to the contractor on a no-charge basis for use in performance of a contract. This property shall be utilized only within the physical confines of KSC unless authorized by the contracting officer. The Government retains accountability for, and title to, the property. The contractor establishes and maintains property records in N-PROP and must adhere to a system of written procedures to assure continued, effective management control and compliance with these user responsibilities. Property is typically valued at greater than \$5000 or is on the sensitive items list.

INSTALLATION:

Terminology used in the NASA PP&E System for "Centers."

INSTITUTIONAL SERVICES CONTRACT (ISC):

The KSC contractor responsible to provide installation and base services for KSC, such as facilities, systems, equipment, utilities, engineering support, logistics, laboratories, propellants, and life support.

INVENTORY:

The sighting, tagging or marking, describing, recording, and reporting the property concerned and reconciling the property recorded with the property records.

INVENTORY ADJUSTMENTS:

Changes made to the official property record when physical inventories and official records do not agree. All changes require approval and some type of documentation trail for audit purposes.

INVENTORY CONTROL:

An element of Logistics that consists of all management actions, procedures, and techniques necessary to determine requirements to acquire, catalog, receive, store, transfer, issue, and dispose of spares, repair parts, and supplies. The process includes provisioning for initial support, as well as acquiring, distributing, and replenishing inventories.

INVENTORY MANAGEMENT SYSTEM:

Systems and processes that identify material requirements, set targets, provide replenishment techniques, and report actual and projected inventory status.

ISSUE:

The process of providing material from inventory for use or consumption.

ITEM NAME:

A name approved by the Directorate of Logistics Data Management, Defense Logistics Agency, which is published in the DoD 4140.26M, dated May 16, 1997, Appendix E. [DoD Issuances](#)

JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION (JOFOC):

The document prepared in accordance with [FAR 6.303-2](#) which describes the acquisition (\$25,000 and above) and justifies the use of other than full and open competition, pursuant to 10 U.S.C. 2304(c), The Competition in Contracting Act.

JOFOC (SMALL PURCHASES):

A statement prepared and signed by the requisitioner and approved by the contracting officer when sole source procurement is recommended for items estimated in value at \$1,000 up to \$25,000. (If \$25,000 and above, a JOFOC is required.) A JOFOC for small purchases may be written on the purchase request itself, or attached to it.

LEASED EQUIPMENT:

Equipment that has been conveyed by or to NASA by contract for a certain time period in consideration of payment of a rental fee.

MAINTENANCE:

The function of retaining material in or restoring it to operating condition. It includes repair cycle activities at any level of maintenance, as well as the servicing cycle.

MAINTENANCE AND REPAIR OF EQUIPMENT:

Recurring day-to-day, periodic, or scheduled activity required to keep equipment in working condition, or to restore it or its components to a condition substantially equivalent to its original designed capacity and efficiency.

MANUFACTURER'S PART NUMBER:

A number used to identify an item by the vendor who controls the design, characteristics and production of the item by means of engineering drawings, specifications, and inspection requirements.

MATERIAL:

Supplies, parts, components, assemblies, and items which do not meet the criteria for capitalization.

N-PROP:

The web based front end of the NASA PP&E System. Users can access N-PROP by direct internet access. N-PROP provides users the ability to: accept or reject receipt for equipment and to cancel a pending property action; view assigned property as well as history; update property location; transfer property from one custodian account to another property custodian account; generate a property pass; request property control tags; request excess of controlled equipment and non-controlled equipment; or report any changes of status, location, or user to the responsible property custodian.

NASA FEDERAL ACQUISITION REGULATION (FAR) SUPPLEMENT:

A document that, with the FAR, establishes uniform policies and procedures relating to the procurement of property and services. NFS applies to all purchases and contracts made by NASA for property and services that obligate appropriated funds.

NASA PROPERTY, PLANT, AND EQUIPMENT (PP&E) SYSTEM:

The Integrated Asset Management (IAM), Property, Plant, and Equipment (PP&E) System, herein referred to as the NASA PP&E System is used throughout the Agency to identify, control, and account for Government-owned equipment acquired or used by NASA and its onsite NASA contractors under the [NASA FAR Supplement \(NFS\) clause 1852.245-71](#) (Installation-Accountable Government Property). The PP&E System is an Agency-wide tool hosted at the Integrated Enterprise Management Program Competency Center at NASA's Marshall Space Flight Center and consists of the following components: SAP, N-PROP (the web-based front end), DSPL (the disposal module), and Business Warehouse (BW). The SAP component contains the following modules: Asset Accounting and Plant Maintenance (containing the Equipment Master Records).

NATIONAL STOCK NUMBER (NSN):

A discreet identifying number assigned to each item of supply within the Federal Catalog System. A data chain consisting of the four-digit Federal Supply Classification, a two-digit country code and a seven-digit Federal Item Identification Number in that order. May also have a two-character Dual Cognizance Code, a one character Material Control Code prefix, and a two-character Special Material Identification Code suffix.

NEGLIGENCE, (GROSS):

An act or omission of the employee(s) which constitutes misconduct, willful negligence, or a wanton and reckless disregard for the Government property.

NEGLIGENCE, (SIMPLE):

The failure or omission to observe, for the protection of Government interests, that degree of care, precaution and vigilance which the circumstances justly demand, whereby the Government suffers through loss, damage, destruction, or theft of Government property.

NOMENCLATURE:

A name approved by the Directorate of Logistics Data Management, Defense Logistics Agency, and published in their Cataloging Directive H6-1 and its supplements. Abbreviations must conform to MIL-STD-12B. If not contained within the Directive, the basic noun word which establishes the basic concept of an item.

NON-CAPITAL EQUIPMENT:

Equipment with a value of at least \$5,000 and less than \$100,000 not subject to the capitalization requirements of FMR Volume 6, Chapter 4.

NON-CONTROLLED EQUIPMENT:

Equipment having an acquisition cost of less than \$5,000 (excluding items which have been designated as sensitive items) including equipment acquired and used under outsourcing initiatives, managed under procedures established by the holding Center, in accordance with the [NPR 4200.1](#)

NON-STOCK ITEM:

An item not carried in the KSC Supply and Equipment System but which may be procured to satisfy a requirement.

PART:

One piece (or two or more pieces joined together) which is not normally subject to disassembly without destruction of designed use.

PERSONAL PROPERTY:

Property of any kind, including equipment, materials, and supplies, but excluding real property.

PHYSICAL INVENTORY:

The verification of existence, by actual count or other means, of the quantity of property or material on hand. A list will indicate each item of property or material inventoried, the quantity, and sometimes the cost or other appropriate data.

PROPERTY ACCOUNTABILITY:

A record of transactions, systematically maintained, which at any given time discloses item identification, quantity, cost, location, and custodial responsibility of personal property controlled by a Center or contractor.

PROPERTY ADMINISTRATOR:

An individual duly designated by the contracting officer to administer contract requirements and obligations relative to Government property. The property administrator is an authorized representative of the contracting officer (See [NASA FAR Supplement Subpart 1845.72](#)).

PROPERTY CUSTODIAN:

An individual who is assigned responsibility for all controlled equipment assigned to a designated KSC property management area for which the KSC SEMO is accountable.

PROPERTY CUSTODIAN ACCOUNT:

A numbered account, with an assigned custodian, in which controlled equipment and sensitive items are held for use in a specific controlled property management area or program or project.

PROPERTY DISPOSAL OFFICER (PDO):

The official appointed by center management who is responsible for managing the center's screening, redistribution, and disposal functions.

PROPERTY, PLANT & EQUIPMENT (PP&E):

Tangible assets, including land, that meet the following criteria: (1) have estimated useful lives of 2 years or more, (2) are not intended for sale in the ordinary course of operations, and (3) have been acquired or constructed with the intention of being used or being available for use by the acquiring entity.

PROPERTY SURVEY BOARD (KSC):

Composed of two or more members (with alternates as appropriate) and a chairperson, appointed by the Center Director, to investigate and make recommendations to division directors and other appropriate Center officials concerning the loss, damage, destruction, or theft of Government property.

PROPERTY SURVEY OFFICER:

An individual appointed by the Center Director with authority to approve Survey Reports to investigate the circumstances, and make findings and recommendations relating to lost, damaged, destroyed, or stolen Government property listed on a Property Survey Report.

PROVISIONING:

The process of determining and procuring the range and quantity of spare parts deemed necessary or advantageous for the support of a system, subsystem or end item of equipment for an initial period of time.

REAL PROPERTY:

Land, buildings, structures, utilities systems and improvements, and appurtenances thereto, permanently annexed to land. The term also includes installed collateral equipment (i.e., building-type equipment, built-in equipment, and large substantially affixed equipment).

RECEIVING:

The process of equipment being accepted into an organization or facility and the point at which an organization's obligation, liability, and accountability begin.

RECONCILIATION:

Comparison of the property located during the physical inventory against the official property records. To include actions to reconcile overages and shortages with the official property records, using the appropriate adjustment instrument or documentation to make the records whole and accurate.

RECURRING DEMAND:

Any valid requirement for material placed on the supply system which is measured in terms of quantity and frequency. Frequent demands for an item in the past presumes the necessity of such an item for future consumption and a candidate for stockage in the supply system. Annotating "recurring" does not automatically establish stockage.

REPAIR TURNAROUND TIME:

The interval between the time a recoverable item is removed from use and the time it is available for reissue in a serviceable condition. This is the total accumulated time required to package and ship an item to the repair facility, accomplish the repair and return the repaired item back to the Center and enter it into the Agency's IAM PP&E System, thus ensuring availability for issue.

REPLENISHMENT:

The process of determining requirements for, and procuring material or supplies based on usage, consumption data, checkout, launch experience, etc., for support of end items as a result of provisioning.

RESPONSIBLE OFFICIAL:

A NASA Division or Office Chief or a comparable contractor official.

REUTILIZATION:

A process that identifies excess or idle items or items no longer needed by one discipline within an organization and manages the transfer of the assets to another location that has a requirement.

SALVAGE:

Property that has a value greater than its basic material content but for which repair or rehabilitation is clearly impractical and uneconomical (repair or rehabilitation costs would exceed 65 percent of the acquisition cost).

SCREENING:

Review or comparison of property on hand against a known or anticipated requirement.

SCRAP:

Material that has no value except for its basic material content.

SELF-SUPPORTING:

This terminology is used to describe the philosophy of contracting under a completion form contract which usually contains the characteristics of a diminished Government role for day-to-day operations where the Government determines what to do (mission) and guidelines for how to do it (policy) but not the details of implementation. The performance responsibility rests with the contractor and the contractor is responsible for the results.

SENSITIVE EQUIPMENT:

Equipment, capital or noncapital, which due to its pilferable nature or the possibility of it being a hazard requires strict control. Sensitive equipment items are listed in [NPR 4200.1](#), [Appendix M: Agency \(NASA\) Recommended Minimum Standard Sensitive Items List](#).

SPARE:

An item peculiar to a system or an end item and held in reserve.

STOCK ITEM:

A spare part for which a level of usage has been predicted and for which an appropriate inventory level is maintained in the Agency's IAM PP&E System.

STOCK NUMBER:

A NSN or a local stock number assigned to an item at KSC for inventory management purposes.

SUPPLIER:

A contractor or subcontractor actually performing the services or producing the contract articles.

SUPPLY AND EQUIPMENT MANAGEMENT OFFICER (SEMO):

The NASA official who is charged with direct responsibility for the supply property management activities of KSC including accountability, control, and disposal functions.

SURVEY REPORT:

A report of administrative action taken to investigate and review the loss, damage, destruction, or theft of Government property, to assemble pertinent facts, to determine the extent of such loss, damage or destruction, theft, and remove the item(s) from accountable records.

SYSTEMS, APPLICATIONS AND PRODUCTS (SAP):

Software product capable of integrating multiple business applications with each application representing a specific business area. SAP is categorized into three core functional areas: Logistics, Finance, and Human Resources.

TRANSACTION:

Refers to document identifiers IE01 and IE02 type actions to the Equipment Management Records in the NASA PP&E System.

UNIT OF ISSUE:

A standard or basic quantity in which an item of supply is divided, issued or used. Examples are piece, pair, bottle, can, each, dozen, gross, pound, gallon, foot, yard, and set.

UTILIZATION:

The identification, reporting, and transfer of excess personal property among Federal agencies to fill current or future authorized requirements in lieu of new procurements.

APPENDIX B
ACRONYM LIST

ADPE	Automatic Data Processing Equipment
AMR	Asset Master Record
BW	Business Warehouse
CAPPS	Checkout, Assembly, and Payload Processing Services Contract
CCAFS	Cape Canaveral Air Force Station
CFR	Code of Federal Regulations
CO	Contracting Officer
COTR	Contracting Officer Technical Representative
ECN	Equipment Control Number
FAR	Federal Acquisition Regulation
FSC	Federal Supply Class
FSG	Federal Supply Group
FOS	Found on Station
IMS	Inventory Management System
ISC	Institutional Services Contract
JOFOC	Justification for Other than Full and Open Competition
KAITS	Kennedy Action Item Tracking System
KSC	Kennedy Space Center
MSDS	Material Safety and Data Sheet
NASA	National Aeronautics and Space Administration
N-PROP	NASA Property Management System Module
NFS	NASA FAR Supplement
NPD	NASA Procedural Directive
NPR	NASA Procedural Requirement

NSN	National Stock Number
PDO	Property Disposal Officer
PPE	Property, Plant & Equipment
RRMF	Reutilization, Recycling and Marketing Facility
SAP	Systems, Applications and Products
SEMO	Supply and Equipment Management Officer
SPOC	Space Processing Operations Contract

APPENDIX C

KSC MINIMUM STANDARD SENSITIVE ITEMS LIST

1. Items, regardless of acquisition value:

- a. Weapons, all types including, but not limited to, air, spring, powder, or other propulsion system.
- b. Hazardous devices*, including environmentally hazardous devices.
- c. Computers, all types, including desktop systems, laptops, notebooks, and iPads.
- d. Servers
- e. Printers
- f. Scanners
- g. Rolling stock (anything requiring a license plate)

2. Items with an acquisition value of \$100 or more:

- a. Cameras and lenses, all types.
- b. Global positioning systems (GPS), all types.
- c. Satellite phones.

3. Items with an acquisition value of \$500 or more:

- a. Disk drives (external and removable)
- b. Monitors
- c. Terminals
- d. Recorders and players, including, but not limited to, digital, laser, cassette, and reel-to-reel
- e. Radios
- f. Receivers
- g. Refrigerators
- h. Televisions
- i. Transceivers

* Self-contained breathing apparatus (with compressed gas cylinders), portable x-ray sources, radio frequency (RF) transmitters, high frequency (HF) radio transmitters, pneumatic nail devices, certain categories of powder actuated tools, defibrillators (AED), hand-held laser devices (laboratory), and weld inspection devices.

APPENDIX D
CONDITION CODES AND DEFINITIONS

Disposition Condition Code	Brief Definition	Expanded Definition
1	Unused – Good	Property which is in new condition or unused condition can be used immediately without modifications or repairs.
4	Used – Good	Property which shows some wear, but can be used without significant repair.
7	Repairs Required - Good	Property which is unusable in its current condition, but can be used without significant repair.
X	Salvage	Property which has value in excess of its basic material content, but repair or rehabilitation is impractical and uneconomical.
S	Scrap	Property which has no value, except for its basic material content.

APPENDIX E

PROPERTY INELIGIBLE FOR EXCHANGE SALE PROGRAM

Items in the following Federal Supply Classification Groups are not eligible for exchange sale.

FEDERAL SUPPLY CLASSIFICATION GROUP NUMBER AND GROUP IDENTIFICATION

- 10 Weapons
- 11 Nuclear Ordnance
- 12 Fire Control Equipment
- 14 Guided Missiles
- 15 Aircraft and Airframe Structural Components (except FSC Class 1560 Airframe Structural Components)
- 42 Firefighting, Rescue, and safety equipment
- 44 Nuclear Reactors. (FSC Class 4472, only)
- 51 Hand Tools
- 54 Prefabricated Structure and Scaffolding
- 68 Chemicals and Chemical Products, except Medical Chemicals
- 84 Clothing, Individual Equipment, and Insignia