



DEPARTMENT OF VETERANS AFFAIRS
DEPUTY ASSISTANT SECRETARY FOR ACQUISITION AND MATERIEL MANAGEMENT
WASHINGTON DC 20420

IL 049-06-2
February 8, 2006

OFFICE OF ACQUISITION AND MATERIEL MANAGEMENT INFORMATION LETTER

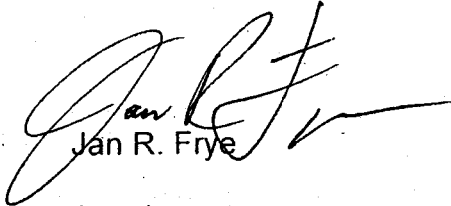
TO: Under Secretaries for Health, Benefits, and Memorial Affairs; Assistant Secretary for Management; Chief Facilities Management Officer, Office of Facilities Management; Veterans Integrated Service Network Directors; Directors, VA Medical Center Activities, Domiciliaries, Outpatient Clinics, Medical and Regional Office Centers, and Regional Offices; Directors, Denver Distribution Center, Austin Automation Center, Records Management Center, VBA Benefits Delivery Centers, and VA Health Administration Center; and the Executive Director and Chief Operating Officer, VA National Acquisition Center

SUBJ: New Inventory Requirements and Sensitive Items Listing

1. Although VA directives and handbooks are normally updated electronically, this current change is of such significance that we believe it is prudent to distribute in hardcopy form for your immediate attention.
2. This Information Letter announces new inventory requirements for items such as desktop computers (including peripherals – i.e., printers, monitors, etc.), laptops, PDAs, audio/video equipment, and firearms and ammunition that must be inventoried regardless of the item's cost.
3. This change to Handbook 7127, Materiel Management Procedures is change 4, which has been approved and signed by the Office of Information Management and the Office of Management. This change is required to be implemented by all VA Administrations and staff offices.
4. This policy change is now on the Office of Acquisition and Materiel Management website at <http://www1.va.gov/oamm/index.htm> and can also be found on the VA directives website at <http://www.va.gov/pubs/asp/edsdirec.asp>.

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5. Please ensure that your office conveys this information to all appropriate inventory management activities within your organization.

A handwritten signature in black ink, appearing to read 'Jan R. Frye', is written over the printed name. The signature is stylized and cursive.

Attachment

Distribution: RPC 7029

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.

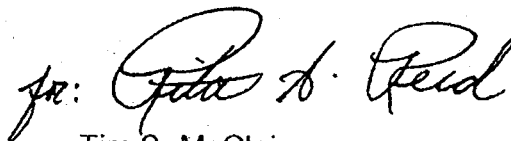
4. RELATED DIRECTIVE: VA Directive 7127/3, Materiel Management Procedures.

CERTIFIED BY:



Robert N. McFarland
Assistant Secretary for
Information and Technology

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



Tim S. McClain
Chief Management Officer
Office of Management

Distribution: Electronic Only

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.