

APPENDIX A: REPORT OF SURVEY POLICY

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PURPOSE OF THE REPORT OF SURVEY

A report of survey is used to record those actions that caused an item of government property to become lost, damaged, destroyed or stolen. It is a property accounting instrument, and may be used to find persons financially liable to the government. It also documents a charge of financial liability assessed against an individual or entity, or provides relief from financial liability. At all times the goal of the Report of Survey process is to protect the interest of the government from loss for other than fair wear and tear. A Report of survey is not punitive in nature. Administrative and legal actions will be pursued as deemed necessary by the chain of command.

MANDATORY INITIATION

Loss results from Annual Inventory
Negligence or willful misconduct
Will not admit liability
Sensitive items
Loss from fire, theft or natural disasters

TIME CONSTRAINTS

5th Day - Initiator has 5 days to initiate the process on Form HHS 342 and Forward to Property Management Officer (PMO).

10th Day – Appointing Authority has 5 days to appoint a Survey Officer or Board for special circumstances.

40th Day - Survey Officer has 30 days to complete his/her Investigation with a recommendation to the Determining Authority.

45th Day – Appointing Authority has 5 days to review before forwarding to Determining Authority

50th Day Determining Authority has 5 days to make a decision

60th Day – Office of General Counsel has 10 days for Legal Review (ROS closed and completed unless appealed)

65th Day – Employee has 5 days for appeal or request for reconsideration

70th day – Determining Authority has 5 days to make decision

75th day - Office of General Counsel has 5 days for second Legal Review

80th day - Determining Authority has 5 more days to makes final decision

90th day – Office of Finance have 10 days to process

The Report of Survey must be completed with 90 days.

The Office of Finance must provide a copy of support document to validate employee reimbursed the government for the loss so the Property and Supply Management Branch can have a completed and closed report of survey. A completed report of survey with all contents and support documents will have a complete audit trail and can withstand any scrutiny of an audit.

REPORT OF SURVEY PROCESS

Initiator

Property Management Officer

Survey Officer

Determining Authority

Legal Review

Determining Authority

Initiator completes Description Block (of Form 342 – Report of Survey) and submit to PMO for further processing (OPDIV AND STAFFDIVs are directed to establish and comply with appropriate internal control and reporting procedures, ex. IHS use of Voucher Number)

PMO notifies the Appointing Authority to assign a survey officer

Appointing Authority notifies and assigns a survey officer in writing

Survey officer report to Appointing Authority for a briefing on how to conduct the investigation

PMO give original Form 342 to assigned survey officer to begin the investigative process

Survey officer shall complete investigation within 30 days and makes a recommendation

Survey officer shall submit report of survey to appointing authority for review

Appointing Authority submits to Determining Authority

Determining Authority makes a decision

INITATING PHASE

Who initiates....the person with the MOST knowledge

Time Constraints for Initiating a Report of Survey..... 5 DAYS

Complete the Report of Survey (Form HHS 342) Block 4 which should include:

Who, What, Where, How, When and see attached exhibits/evidence

Initiator should sign; date and put title in block 4.

EXHIBITS/EVIDENCE

Exhibits are included with a Report of Survey as supporting evidence. Exhibits should add to the understanding of the conclusions and recommendations. The Survey Investigating Officer should add statements from persons having knowledge of the

incident which will help someone who has no previous knowledge of the incident, understand the events that led up to the loss, damage, or destruction of government property. Examples are exhibits such as:

Sworn Statements

Hand Receipts

Property Custodial Officer/ACR signed Appointment Letter

Photographs of damage

Repair cost estimates

Police / Incident Reports

NEED TO KNOW TERMS

Abuse – Willful misconduct or deliberate unauthorized use.

Probable Cause – Reasonable grounds for belief.

Proximate Cause – The cause which, in a natural and continuous sequence of events unbroken by a new cause, produced the loss or damage. Without this cause, the loss, stolen, gain, or damage would not have occurred.

Negligence – The failure to act as a reasonable prudent person would have acted under similar circumstances. Failure to comply with existing laws, regulations, or procedures may be considered as evidence of negligence.

Gross Negligence – An extreme departure from the course of action to be expected of a reasonable prudent person, all circumstances being considered. The act is characterized by a reckless, deliberate, or wanton disregard of foreseeable consequences.

Collective Liability – Where more than one individual may be liable for the loss, stolen, damaged or destroyed government property.

Responsibility – An obligation for the proper custody, care, and safekeeping of property or funds entrusted to the possession or supervision of an individual.

Culpability – Determination of fault.

Financial liability – The statutory obligation of an individual to reimburse the government for lost, damaged, stolen, or destroyed

Willful Misconduct – Intentional damage, destruction, misappropriation, or loss of government property.

SURVEY OFFICER QUALIFICATIONS

GS-13 and above

Commission Corp Officers (any grade level)

Disinterested Person

Property and Supply Staff totally exempt from this duty (Conflict of Interest)

SURVEY OFFICER INVESTIGATION RESPONSIBILITIES

Immediate Investigation after notification is received in writing

Conduct thorough investigation

Interview and obtain signed statements, Extract information

Compile and review all evidence/exhibits and scrutinize all available information

Confirm facts with supporting evidence don't include unsubstantiated opinion

If property is recovered - take action by notifying Property Management Officer immediately

Consult Property Management Officer and Appointing Authority when in doubt

Develop logical findings and recommendations for (Block 7.) attach additional sheet if necessary

Use own words how losses occurred and refer to evidence to support findings

Findings should be free of bias or prejudice statements, just the facts

Recommend financial liability or relief of responsibility of all persons concerned

Survey Officer has 30 days to complete investigation and make recommendation

DETERMINING AUTHORITY RESPONSIBILITY

Determining Authority review recommendation by survey officer

If relief from responsibility is decided forward the report of survey to Office of General counsel for legal review

OGC renders legal opinion and return Form 342 to Determining Authority.

If legal opinion supports the Determining Authority's decision report of survey is closed and returned to Property Management Officer.

If approved for financial liability is decided forward the Form 342 to Office of General Counsel for legal review.

OGC renders legal opinion and return Form 342 to Determining Authority.

If legal opinion supports the Determining Authority's decision report of survey should be forwarded to the Appointing Authority to notify employee and forward to Office of Finance and Accounting Office for processing.

Suspend processing if employee appeals but continue processing if appeal is denied.

APPOINTING AUTHORITY RESPONSIBILITY

Appointing Authority inform individual charged in writing.

Explain charge and rights to appeal process

Explain to individual the appeal process allows request for reconsideration

Explain to individual the appeal process allows submission of more statements and new evidence

Explain to individual the appeal process allows only 10 days upon notification of being charged to submit appeal

If appeal is denied the report of survey is closed.

Forward Form 342 to finance for processing and provide Property Management Officer a completed copy for supporting document file.

GENERAL COUNSEL ACTION

Review all Reports of Survey submitted for legal sufficiency to support recommendations.

Provide a written opinion to the Determining Authority within 10 days for first review.

Provide a written opinion to the Determining Authority within 5 days for second review if necessary.

(EXHIBIT A)

Report of Survey Turn –In Processing Checklist (ACR/PCO)

This is a document to standardize the [Form 342](#) Turn –In process when receiving [Form 342](#) from Asset Center Representatives/PCOs.

Step	Checklist	Yes/No/NA	Comments/Remarks
1	Was the Form 342 initiated within 5 days of when the item was discovered lost, stolen, damaged or destroyed? (If yes, skip step #2)		
2	Was a letter of lateness prepared if the ROS was initiated after the required 5 days of when the item was discovered lost, damaged, or destroyed?		
3	Is the correct information entered into the appropriate blocks/spaces on the Form 342 to include blocks, Report number, Date of report, Pages in report and blocks 1 thru 10?		
4	Is there a grand total?		
5	Do the justification provided in Block 4 give a clear understanding of who, what, when, where, why and how, to include name, and grade of individual (s)? (If no return to initiator for more details)		
6	Did the Staff conduct any research to assist the ACR/PCO in finding property reported lost?		
7	Are all supporting documents /exhibits properly marked and attached with the Form 342 ? Was a thorough search conducted in PMIS and warehouse databases for a possible turn-in?		

8	Is the correct document number on the Form 342 in Block Number 16?		
9	Did the person completing the Form 342 sign his/her signature in Block 12?		
10	Did the ASC make a complete copy of the Form 342 before turning it into the Property Accountability office?		

**Date Turned in to Property Management
Officer _____
ROS # _____**

**PMO Signature and
Date _____

Acct# ACR/PCO –
Signature and Date**

property whose expected useful life is two years or longer and whose acquisition value, as determined by the agency, warrants tracking in the agency's property records, including capitalized and sensitive personal property.

Accountability means the ability to account for personal property by providing a complete audit trail for property transactions from receipt to final disposition.

Acquisition cost means the original purchase price of an item.

Capitalized Personal Property includes property that is entered on the agency's general ledger records as a major investment or asset. An agency must determine its capitalization thresholds as discussed in Financial Accounting Standard Advisory Board (FASAB) Statement of Federal Financial Accounting Standards No. 6 Accounting for Property, Plant and Equipment, Chapter 1, paragraph 13.

Control means the ongoing function of maintaining physical oversight and surveillance of personal property throughout its complete life cycle using various property management tools and techniques taking into account the environment in which the property is located and its vulnerability to theft, waste, fraud, or abuse.

Excess personal property (see § 102-36.40 of this subchapter B).

Exchange/sale (see § 102-39.20 of this subchapter B).

Executive agency (see § 102-36.40 of this subchapter B).

Federal agency (see § 102-36.40 of this subchapter B).

Foreign gifts and decorations (for the definition of relevant terms, see § 102-42.10 of this subchapter B).

Forfeited property (see § 102-41.20 of this subchapter B).

Inventory includes a formal listing of all accountable property items assigned to an agency, along with a formal process to verify the condition, location, and quantity of such items. This term may also be used as a verb to indicate the actions leading to the development of a listing. In this sense, an inventory must be conducted using an actual physical count, electronic means, and/or statistical methods.

National property management officer means an official, designated in accordance with § 102-36.45(b) of this subchapter B, who is responsible for ensuring effective acquisition, use, and disposal of excess property within your agency.

Personal property (see § 102-36.40 of this subchapter B).

Property management means the system of acquiring, maintaining, using

and disposing of the personal property of an organization or entity.

Seized property means personal property that has been confiscated by a Federal agency, and whose care and handling will be the responsibility of that agency until final ownership is determined by the judicial process.

★ *Sensitive Personal Property* includes all items, regardless of value, that require special control and accountability due to unusual rates of loss, theft or misuse, or due to national security or export control considerations. Such property includes weapons, ammunition, explosives, information technology equipment with memory capability, cameras, and communications equipment. These classifications do not preclude agencies from specifying additional personal property classifications to effectively manage their programs.

Surplus personal property (see § 102-37.25 of this subchapter B).

Utilization means the identification, reporting, and transfer of excess personal property among Federal agencies.

§ 102-35.25 What management reports must we provide?

(a) There are three reports that must be provided. The report summarizing the property provided to non-Federal recipients and the report summarizing exchange/sale transactions (see §§ 102-36.295 and 102-39.75 respectively of this subchapter B) must be provided every year (negative reports are required). In addition, if you conduct negotiated sales of surplus personal property valued over \$5,000 in any year, you must report this transaction in accordance with § 102-38.115 (negative reports are not required for this report).

(b) The General Services Administration (GSA) may request other reports as authorized by 40 U.S.C. 506(a)(1)(A).

§ 102-35.30 What actions must I take or am I authorized to take regardless of the property disposition method?

Regardless of the disposition method used:

(a) You must maintain property in a safe, secure, and cost-effective manner until final disposition.

(b) You have authority to use the abandonment/ destruction provisions at any stage of the disposal process (see §§ 102-36.305 through 102-36.330 and § 102-38.70 of this subchapter B).

(c) You must implement policies and procedures to remove sensitive or classified information from property prior to disposal. Agency-affixed markings should be removed, if at all

possible, prior to personal property permanently leaving your agency's control.

(d) Government-owned personal property may only be used as authorized by your agency. Title to Government-owned personal property cannot be transferred to a non-Federal entity unless through official procedures specifically authorized by law.

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DEPARTMENT OF TRANSPORTATION

Federal Railroad Administration

49 CFR Part 211

[Docket No. 2006-24141, Notice No. 2]

RIN 2130-AB77

Rules of Practice: Direct Final Rulemaking Procedures

AGENCY: Federal Railroad Administration (FRA), DOT.

ACTION: Final rule.

SUMMARY: In October 2006, FRA proposed to amend its rules of practice by adopting direct final rulemaking procedures intended to expedite the publication of routine or noncontroversial changes. FRA received no comments to this proposal, and in this rule adopts its proposed direct final rulemaking procedures without change. **DATES:** This rule is effective on April 6, 2007.

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SUPPLEMENTARY INFORMATION:

Background

On October 11, 2006, FRA proposed to amend its Rules of Practice (49 CFR Part 211) to adopt direct final rulemaking procedures which would expedite its rulemaking process for noncontroversial regulatory changes to which no adverse comment was anticipated (71 FR 59698). The proposed direct final rulemaking procedures, closely modeled upon those of the Office of the Secretary of Transportation (OST) (January 30, 2004, 69 FR 4455), would allow FRA to reduce the time necessary to develop, review, clear and publish routine rules to which no adverse public comment was anticipated by eliminating the requirement to publish separate