

RAAUZYUW RUENAAA0874 2501227-UUUU--RUEASUU.

ZNR UUUUU

R 071315Z SEP 01 ZYB ZYW

FM CNO WASHINGTON DC//N41//

TO UNSECNAV WASHINGTON DC//AUSN//

CINCLANTFLT NORFOLK VA//02F/02F22/02F125//

CINCPACFLT PEARL HARBOR HI//N80/N82/N823/N8233//

CINCUSNAVEUR LONDON UK//N82/N822/N412/N66//

COMNAVSEASYSKOM WASHINGTON DC//01/09A/09A3//

COMNAVAIRESYSKOM PATUXENT RIVER MD//7.6//

BUPERS MILLINGTON TN//02/022/0222/0164//

CNET PENSACOLA FL//00C/OS8/05411/05821//

BUMED WASHINGTON DC//01/04//

COMSC WASHINGTON DC//N8/N85//

COMNAVSUPSYSKOM MECHANICSBURG PA//01/122/012E//

COMSPAWARSYSKOM SAN DIEGO CA//01/08-1/80-45/01-422//

COMNAVFACEKOM WASHINGTON DC//FM/FMR-JW//

COMNAVMETOCOM STENNIS SPACE CENTER MS//N4/N4B/N413//

COMNAVRESFOR NEW ORLEANS LA//N8/N4/N4B/N42//

COMNAVTELCOM WASHINGTON DC//N7/N74//

COMNAVSECGRU FT GEORGE G MEADE MD//N8/N82/N8222//

DIRSSP WASHINGTON DC//SP-13//

FLDSUPACT WASHINGTON DC//N09BF/FSA85/FSA85C/FSA82G//

ONI WASHINGTON DC//01/121/143/1431/OOC//

NAVSYSMGTAC WASHINGTON DC//01//

CNR ARLINGTON VA//08/41/822/823//

COMNAVSPECWARCOM CORONADO CA//N7/N42/N421//

INFO ASSTSECNAV FM WASHINGTON DC//FMO//

ASSTSECNAV RDA WASHINGTON DC//ABM//

AIG FOUR FOUR//JJJ//

FISC NORFOLK VA//00/40//

DON CIO WASHINGTON DC//JJJ//

COMNAVREGSW SAN DIEGO CA//N8/N82//

DFAS COLUMBUS OH//CO/CSM//

NAVAL AUDIT SERVICE ARLINGTON VA//AUD-FA4//

BT

UNCLAS

MSGID/GENADMIN/CNO WASHINGTON DC/N41//

SUBJ/DEFENSE PROPERTY ACCOUNTABILITY SYSTEM (DPAS)//

REF/A/INST/SECNAV 7320.10/-/01AUG01//

REF/B/DOC/PRINCIPAL USD MEMO/-/21MAR01//

REF/C/DOC/DOD FMR 7000.14-R/-/26JUN01//

NARR/REF A. SECNAV INST 7320.10 ESTABLISHES POLICIES AND PROCEDURES FOR PERSONAL PROPERTY MANAGEMENT. REF B IS OSD POLICY MEMO INCREASING PROPERTY ACCOUNTABILITY THRESHOLD FOR NON-CLASSIFIED, NON SENSITIVE PROPERTY FROM 2,500 TO 5,000 DOLLARS. REF C, FINANCIAL MANAGEMENT REGULATION (FMR) 7000.14-R, VOL 4, CHAPTER 6, REQUIRES DOD COMPONENTS TO CONDUCT 100 PERCENT PHYSICAL INVENTORIES OF PERSONAL PROPERTY EVERY THREE YEARS.//

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RMKS/1. THIS MESSAGE OUTLINES PROCEDURES TO BE USED FOR ACTIVITIES THAT MAJOR CLAIMANTS HAVE DETERMINED DO NOT MANAGE ANY CATEGORY OF PROPERTY OUTLINED IN REF A OR DO NOT MANAGE PROPERTY ABOVE THE

ACCOUNTABILITY THRESHOLD OF \$5,000 CITED IN REF B.

2. NAVY, IN CONJUNCTION WITH DOD, IS AGGRESSIVELY INCORPORATING MECHANISMS THAT ALLOW FOR THE SUMMATION AND ACCURATE REPORTING OF CONSOLIDATED FINANCIAL MANAGEMENT INFORMATION. TO THIS END, ITEMS USED BY THE NAVY IN THE CONDUCT OF ITS BUSINESS (NAVY PERSONAL PROPERTY) AS DEFINED IN REFERENCE A ARE BEING RECORDED IN A COMMON REPORTING SYSTEM. THE DEFENSE PROPERTY ACCOUNTABILITY SYSTEM (DPAS) HAS BEEN DESIGNATED AS THIS COMMON SYSTEM. ORIG HAS BEEN DESIGNATED TO OVERSEE NAVY DPAS CONVERSION.

3. REF B ESTABLISHES A \$5,000 ACCOUNTABILITY THRESHOLD FOR RECORDING OF PERSONAL PROPERTY ASSETS. THIS THRESHOLD IS SET IN RECOGNITION THAT THE COST ASSOCIATED WITH RECORDING AND TRACKING NUMEROUS LOW DOLLAR VALUE ITEMS WILL OUTWEIGH ANY MARGINAL BENEFIT OF INCREASED FINANCIAL ACCURACY AND, IN FACT, MAY TEND TO DRIVE FINANCIAL REPORTING INACCURACIES.

4. ORIG NOTES THAT MANY ACTIVITIES DO NOT MANAGE PERSONAL PROPERTY CITED IN REF A THAT IS ABOVE THE ACCOUNTABILITY THRESHOLD CITED IN REF B. IMPLEMENTING DPAS AT THESE ACTIVITIES WOULD BE COSTLY AND WOULD NOT CONTRIBUTE TO NAVY FINANCIAL MANAGEMENT OBJECTIVES OUTLINED ABOVE. THEREFORE, ORIG AUTHORIZES MAJOR CLAIMANTS TO WAIVE DPAS IMPLEMENTATION AT THESE ACTIVITIES USING THE FOLLOWING PROCEDURES.

5. AFTER PERFORMING A WALL-TO-WALL INVENTORY (REQUIRED BY REF C) AND DETERMINING THERE IS NO PROPERTY REQUIRING DPAS REPORTING AS STIPULATED BY REFS A AND B, ACTIVITIES SHOULD SUBMIT A LETTER TO MAJOR CLAIMANT, SIGNED BY ACTIVITY'S COMMANDING OFFICER (COPY TO OPNAV N41), REQUESTING A WAIVER FROM DPAS IMPLEMENTATION. THE LETTER SHOULD STATE THAT A 100 PERCENT WALL-TO-WALL INVENTORY WAS CONDUCTED IN ACCORDANCE WITH REF C, AND IT WAS DETERMINED THAT THE ACTIVITY DOES NOT MANAGE ANY REPORTABLE PROPERTY AS DEFINED BY REFS A AND B.

6. UPON RECEIPT OF REQUEST, MAJOR CLAIMANTS MAY WAIVE DPAS IMPLEMENTATION. AUTHORITY TO WAIVE IMPLEMENTATION WILL BE GRANTED OR DENIED VIA RETURN CORRESPONDENCE, COPY TO OPNAV N41.

7. IF IMPLEMENTATION IS WAIVED, MAJOR CLAIMANTS ARE REQUIRED TO QUERY THE ACTIVITY PERSONAL PROPERTY MANAGER (PPM) ON AN ANNUAL BASIS TO DETERMINE WHETHER ACQUISITIONS HAVE BEEN MADE BY THE ACTIVITY THAT WOULD NECESSITATE DPAS IMPLEMENTATION AND REPORT ANY STATUS CHANGES TO OPNAV N41.

8. THIS MSG SHOULD BE READDRESSSED TO SUBORDINATE COMMANDS AND DISTRIBUTED TO ALL PERSONNEL WITHIN MAJOR CLAIMANT STAFFS IN LOGISTICS AND COMPTROLLER FUNCTIONS WHO HAVE COGNIZANCE/DUTIES INVOLVING FINANCIAL REPORTING AND MANAGEMENT OF PERSONAL PROPERTY (CAPITAL AND MINOR PROPERTY).

8. NAVY IS COMMITTED TO SUPPORTING OSD'S GOAL OF GENERATING RELIABLE, ACCURATE AND TIMELY FINANCIAL MANAGEMENT INFORMATION. ORIG IS APPRECIATIVE OF YOUR CONTINUED SUPPORT.//

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