MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
UNDER SECRETARIES OF DEFENSE
COMMANDER-IN-CHIEF, UNITED STATES TRANSPORTATION COMMAND
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DIRECTOR, JOINT STAFF
DIRECTOR, JOINT LOGISTICS SYSTEMS CENTER

SUBJECT: Property Accountability Threshold

Attached for immediate implementation is revised guidance that (1) raises the property accountability dollar threshold from the current level of $300 to a revised level equal to at least the dollar value of the micropurchase threshold (currently $2,500), and (2) modifies other provisions of the “DoD Financial Management Regulation” related to property. Material that is “classified” or “sensitive,” regardless of cost, shall continue to be monitored through property control records in property management systems. Additionally, DoD Components may maintain property control records in property management systems for “pilferable” material costing less than the micropurchase threshold.

The heads of DoD Components shall ensure that this guidance is adhered to in day-to-day operations and in the design, modification, and maintenance of their Component’s financial management and reporting systems or systems.

This office expects to include the attached changes in the next update of Volumes 1 and 4 of the “DoD Financial Management Regulation.” My point of contact for this subject is Mr. Tom Waddell. He may reached at (703) 697-7296 or DSN 227-7296.

John J. Hamre

Attachment
The following pen and ink changes should be annotated in the “DoD Financial Management Regulation,” DoD 7000.14-R.

Volume 1, Chapter 3, page 29, Key Accounting Requirement Number 2 (Property and Inventory Accounting), paragraph 2, line 1--delete the word “initial” and “of $15,000” and after the word “cost” add “or when applicable an estimate of acquisition cost, is equal to, or exceeds, the expense/investment funding threshold used by the Congress for appropriating DoD operating (expense) and procurement (investment) appropriations.”

Volume 4, Chapter 1, page 9, paragraph 010508--delete first sentence and replace with “‘Furniture, fixtures, office equipment and ‘pilferable’ material costing not less than the micropurchase threshold specified in Part 13 of the Federal Acquisition Regulation but less than the capitalization criteria (see 010504) shall be monitored through property control records in property management systems. However, the DoD Components may maintain property control records in property management systems for ‘pilferable’ material costing less than the micropurchase threshold. All material that is ‘classified’ or ‘sensitive’ regardless of cost shall be monitored through property control records in property management systems.”

Volume 4, Chapter 1, page 9, paragraph 010508, line 15--after “...see 010504)” add “or micropurchase threshold...”