



PMA/PORTS/16-0772

**Property Management Plan
at the
Portsmouth Gaseous Diffusion Plant
Piketon, Ohio**

Date Issued – April 2016

Prepared for the
U.S. Department of Energy
Portsmouth/Paducah Project Office

Portsmouth Mission Alliance, LLC
managing the
Infrastructure Support Activities at the
Portsmouth Gaseous Diffusion Plant
under contract DE-EM0004062
for the
U.S. Department of Energy

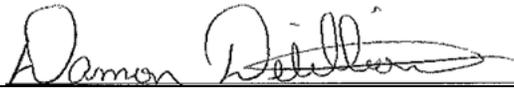
APPROVALS

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Property Management Plan
for the
Portsmouth Gaseous Diffusion Plant
Piketon, Ohio**

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April 2016

Approved by:



Damon A. Detillion, Project Manager
Portsmouth Mission Alliance, LLC

4/22/16

Date

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DEFINITIONS

Accountable Equipment	Property that has an acquisition value equal to or greater than \$10,000, but less than \$500,000.
Capital Equipment	Property that generally has an acquisition value equal to or greater than \$500,000 AND an expected useful life of more than two years AND that will not be consumed or expended in fabrication, experimentation, or other process.
Disposal	The process of reutilizing, transferring, donating, selling, abandoning, destroying, or other disposition of Government-owned personal property.
Dual-Use List	Nuclear-related material, equipment, and related technology as described in the International Atomic Energy Agency Information Circular (INFCIRC) 254, Part 2.
Export controlled information (ECI)	Property the export of which is subject to licensing by the U.S. Department of Commerce, U.S. Department of State, U.S. Nuclear Regulatory Commission, or authorized by the U.S. Department of Energy.
Export Controlled Property	Property the export of which is subject to licensing by the U.S. Department of Commerce, U.S. Department of State, U.S. Nuclear Regulatory Commission, or authorized by the U.S. Department of Energy.
Government Property (GP)	Property owned by or leased to the Government or acquired by the Government.
Hazardous Property	Any personal property, including scrap or waste but excluding property involving a radiological hazard, that is ignitable, corrosive, reactive, or toxic because of its quantity, concentration, or physical, chemical, or infectious characteristics, or that is deemed a hazardous material, chemical substance or mixture, or hazardous waste under the Hazardous Material Transportation Act, the Resource Conservation and Recovery Act, or the Toxic Substances Control Act. Such property may be in solid, liquid, semi-liquid, or contained gas form and may cause or significantly contribute to an increase in mortality or illness, or pose present or potential hazard to human health or the environment when improperly used, treated, stored, transported, disposed of, or mismanaged.
High-risk Personal Property	Property that, because of its potential impact on public health and safety, the environment, national security interests, or proliferation concerns, must be controlled, and disposed of in other than the routine manner. The categories of high-risk

property are classified automatic data processing equipment, especially designed or prepared property, export controlled information, export controlled property, hazardous property, nuclear weapon components or weapon-like components, proliferation sensitive property, radioactive property, special nuclear material, and unclassified controlled nuclear information.

Munitions List	Articles, services, and related technical data designated as defense articles and defense services by the Arms Export Control Act of 1968, as amended.
Nuclear Weapon Component or Weapon-like Component	Parts of whole war reserve nuclear weapon systems, joint test assemblies, trainers, or test devices, including associated testing, maintenance, and handling equipment; or items that simulate such parts.
Personal Property	Property of any kind, except for real estate and interests therein (such as easements and rights-of-way), and permanent fixtures which are Government owned, chartered, rented, or leased from commercial sources by and in the custody of DOE or its designated contractors; source, byproduct, special nuclear materials, and atomic weapons as defined in Title 1, Chapter 2, Section 11 of the Atomic Energy Act of 1954 (Title 42 of the United States Code [U.S.C.], Chapter 23, Division A, Subchapter I, Section 2014 [42 U.S.C. 2014]), as amended; and petroleum in the Strategic Petroleum Reserve and the Naval Petroleum Reserves.
Proliferation-sensitive Property	Nuclear-related or dual-use equipment, material, or technology as described in the Nuclear Suppliers Group Trigger List and Dual-Use List, or equipment, material, or technology used in the research, design, development, testing, or production of nuclear or other weapons.
Property Custodian	Individual that receives, issues, stores, controls and/or uses real or personal property.
Real Property	Land and anything permanently affixed to the land such as buildings, fences, and those items attached to buildings, such as light fixtures, plumbing, and heating fixtures, or other items considered to be personal property if not attached. Individual that signs a receiving document and/or bill of lading for property accepted, or acquired from a vendor, lesser, Supplier, or subcontractor, or delivery personnel.
Receiver or Receiving Person	Individual that signs a receiving document and/or bill of lading for property accepted, or acquired, from a vendor, lesser, Supplier, or subcontractor or delivery personnel.

Sensitive Property	Personal property that requires special control and accountability because of susceptibility to unusual rates of loss, theft, or misuse, or which can be readily converted to cash.
Trigger List	Nuclear material, equipment, and related technology as described in the INFCIRC 254, Part 1.
Unclassified Controlled Nuclear Information	U.S. Government information pertaining to atomic energy defense activities as defined in Section 148 of the Atomic Energy Act. Such information can relate to aspects of nuclear weapons design, development, and testing, physical security, production, or utilization facilities.

ACRONYMS

DCO	DOE Contracting Officer
DOE	U.S. Department of Energy
GP	Government Property
INFCIRC	Information Circular
PMA	Portsmouth Mission Alliance, LLC
PM	Project Manager
PORTS	Portsmouth Gaseous Diffusion Plant
U.S.	United States
U.S.C.	United States Code

1. INTRODUCTION

The Portsmouth Mission Alliance, LLC (PMA) Property Management Program establishes effective, economic and uniform guidelines for control, management and protection of Government Property (GP) acquired by or assigned to PMA or its subcontractors. This procedure establishes practices regulating the control, protection, and efficient use of property entrusted to PMA by the United States (U.S.) Department of Energy (DOE) under the Infrastructure Support Services Contract, DE-EM0004062.

2. SCOPE

This Property Management Program applies to PMA, teaming partners, and subcontractors for implementation of GP management requirements and controls of GP in their possession. This procedure identifies the interfaces between PMA and DOE.

3. USE OF GOVERNMENT PROPERTY

The U.S. Government owns all property transferred to PMA by the government. Accordingly, the PMA is accountable for all such property whether the property is or is not tracked through the PMA property management system (Sunflower). The term “tracked” means that a property item has been tagged, marked, or otherwise identified so that it can be readily tracked through Sunflower. All GP shall be utilized for purposes authorized by the contract. GP shall be used only in the performance of official work of the U.S. Government, unless specifically authorized in writing by the DOE Contracting Officer (DCO). Personnel using GP are responsible for proper use and protection of GP. Non-Government-owned personal property shall not be installed in, affixed to, or otherwise made a part of any Government-owned personal property when such action will adversely affect the operation or condition of the GP.

3.1 Segregation of Personal Property

Ordinarily, contractor-owned personal property shall be segregated from Government personal property. Commingling of Government and contractor-owned personal property may be allowed only when:

1. The segregation of the property would materially hinder the progress of the work (i.e., segregation is not feasible for reasons such as small quantities, lack of space, or increased costs).
2. Control procedures are adequate (i.e., the GP is specifically marked or otherwise identified as GP).

3.2 Identification and Control of Property

PMA identifies tracked property through the application of tags or other markings that clearly indicate the property is owned by the U.S. Government or DOE. The range of marking methods that may be used include: barcode labels, etching, dye marking, property tags, permanent marker, or other suitable means of establishing ownership. Marking deters theft, misappropriation, or diversion by placing the receiving person or subsequent purchaser on notice of the true owner of the property and by establishing an element of proof of governmental ownership. Property must be appropriately secured through administrative or physical controls to ensure protection. Property custodians and end users of property must promptly report missing property to the security organization and their Property Representative. The Property Manager shall inform the DOE property administrator if the property is determined to be lost or stolen.

3.2.1 Tracked Property

Tracked property is defined as an item of personal property having a unit acquisition cost of \$10,000 or more and having the potential for maintaining its integrity (i.e., not expendable due to use) as an item.

3.2.2 Sensitive Property

Items of property that management considers to be susceptible to misappropriation for personal use or readily convertible to cash because of their portability, ease of concealment, and usefulness off the job. All sensitive property is subject to inventory, and assigned, tagged/bar-coded with a unique property identification number, and recorded in the property database. Tagging allows property to be assigned to an individual department and/or person, and enables tracking and inventory of the property throughout its life cycle.

3.2.3 High Risk Property

High Risk Property, because of its potential impact on public health and safety, the environment, national security interests, or proliferation concerns, must be controlled, and disposed of in other than the routine manner. The categories of high risk property are classified as:

- automatic data processing equipment especially designed or prepared property, export controlled information,
- export controlled property,
- hazardous property,
- nuclear weapon components or weapon-like components,

- proliferation sensitive property,
- radioactive property,
- special nuclear material, and
- Unclassified Controlled Nuclear Information.

Dual-Use List, Munitions List, and Trigger List items are to be managed the same as high risk property items. The Property Manager is to ensure that high-risk properties are managed throughout their life cycle. This includes preparation for disposal or for scrap.

3.2.4 Administrative Control of Property

Administrative controls are placed on all PMA property, regardless of useful life, cost, or sensitivity. The various checks and tracking include the following:

- Calibration and maintenance schedules;
- Loss and theft reports, and
- Property pass systems.

Administratively controlled property that is no longer usable cannot be thrown away; rather, contact the Property Manager for instruction on the item's proper disposal. The property will be tagged as described and removed from service to avoid damage to personnel and/or other property and stored in a designated location per the Property Manager's instructions.

3.2.5 Real Property

Land, buildings, trailers, and other fixed assets are considered "Real Property" assets. The PMA Property Manager shall maintain current facility information and provide timely updates to the Decontamination & Decommissioning Contractor to update in the Facilities Information Management System database.

3.3 Custodian of Government Property

The Property Custodian is to update the Property Manager if the location of GP changes. Notify the Property Manager, in a timely manner, when GP no longer meets the needs of the PMA Project.

3.4 Government Property Inventories

Each department will inventory and reconcile tracked property annually or less frequently if directed by the Property Representative, applicable regulations, or directives.

Independent assessments may be conducted to verify the results of the physical inventory of PMA property. Property found during inventory with improper tags or untagged should be brought to the attention of the Property Manager for corrective action. If the untagged property cannot be reconciled, the Property Manager will prepare a report explaining the causes for loss of control of the property and outline the corrective actions planned to safeguard against further waste, loss, theft, and misuse of property. The report will be signed by the appropriate functional manager and sent to the DOE along with the list of property that cannot be located in the property database.

3.4.1 Inventory Process

The inventory process consists of the following steps performed by the Property Representative:

1. Establish starting and ending dates for the inventory;
2. Define the criteria for the inventory base;
3. Designate an inventory coordinator and inventory teams for each discrete location at which the inventory shall be conducted;
4. Establish the criteria for determining that an item in the inventory base has been accounted for;
5. Establish the reconciliation schedule;
6. Establish the inventory status reporting schedule, and
7. Report the post-reconciliation results of the inventory to the PMA Project Manager (PM) and the DOE Property Administrator.

3.4.2 DOE Property Review

A DOE property review examines the quality and accountability of property management systems by conducting a review of the PMA Property Management Program. The review is conducted by the DOE to ensure that PMA has adequate control over government-furnished property. The PM facilitates the review process and responds to DOE recommendations or corrective actions. The Property Manager maintains a file of conclusions and recommendations resulting from the review.

3.5 Safeguarding Government Property

Users of GP will take appropriate measures to protect and preserve GP to prevent loss, damage, theft, and deterioration. GP will be clearly identified and is not to be commingled with contractor-owned, vendor/subcontractor, or personal property. The Property Custodian will ensure that methods are in place for safeguarding GP, including

proper storage, and investigate all instances of loss, damaged, or destruction of Government Property. Any missing, lost, damaged, or theft of GP will require a Government Property Lost, Stolen, Damaged, or Destroyed Report to be completed.

3.6 Government Property Disposition

When GP no longer meets the needs of the PMA Project, it may be declared excess. The formal excess process will be carried out by the Property Manager. Certifications such as radiological or Health and Safety evaluations may be required depending on the nature of the property.

3.6.1 Excess Property

The formal excess process will make the property available to other DOE facilities, DOE-sponsored programs (Southern Ohio Diversification Initiative), or other federal or state agencies, or for sales, salvage, or declaration as waste. If the DOE approves the transfer of property to another government agency, the property item is retired from the property database once it leaves PMA custody.

3.6.2 Disposition of Property

The Property Manager is authorized to retire property and may retire it as salvaged, donated, or sold in bid-lot sales. Some of the criteria for retirement of property are:

- Traded in/replaced;
- Lost, destroyed, or damaged;
- Stolen;
- Abandoned;
- Unaccounted-for as a result of inventory;
- Transferred outside the PMA Project;
- Donated to a nonprofit organization;
- Declared as scrap and sold; or
- Declared as waste and disposed of.

3.7 Lost, Destroyed, or Damaged Property

The Property Manager may retire an asset whether it is lost, stolen, destroyed, or damaged with DOE approval. The Property Manager will attempt to determine whether

or not loss or destruction of the property occurred because of negligence or willful misconduct of a PMA employee. The functional manager is responsible for both formally reviewing the circumstances surrounding the loss, destruction, or damage of property and taking remedial action, as appropriate. The person who finds that property has been lost, destroyed, or damaged will make written notification to the Property Manager. The Property Manager will then update the PMA property inventory to reflect the current property status.

3.7.1 Stolen Property

The Property Manager list will investigate missing property reports to establish whether a theft has taken place. When it is established that property has been stolen, it is officially classified as stolen and reported to the DOE Property Administrator. The Property Manager then retires the item in the property database.

3.7.2 Abandonment or Retirement of Property

Property can be retired when it is determined to have no commercial value, or if the value of the property is so low that the cost of its care and handling would exceed the estimated proceeds from its sale. In some cases, reduced or non-existent availability of spare parts or the absence of vendor support services may cause the early retirement of property even if it is still functional. The DOE Property Administrator must approve all abandonments or retirement of property. The Property Manager coordinates the abandonment or retirement of property. If salvaged, the recipient of salvaged property must accept the title to it. Upon completion of the required documentation, the Property Manager will retire the item in the database.

4. RECORDS

Records generated by this procedure are managed in accordance with PMA Plan PMA/PORTS-0290, *Records Management Plan*.