National Aeronautics and Space Administration

Logistics Management Newsletter

FROM THE LOGISTICS MANAGEMENT DIVISION

FY17 | ISSUE 1 **JANUARY 2017**

Welcome. This newsletter is brought to you by the Logistics Management Division (LMD). Its purpose is to keep you abreast of the latest business practices and to share information about ongoing logistics management initiatives and events. It also introduces interim policy letters, which shall be incorporated in forthcoming updates of NASA Procedural Directives and Procedural Requirements.

The Logistics Management Division (LMD) New Vision and Mission Statements

Dr. Olivette Hooks, Director, Logistics Management Division (LMD)

Vision: The Logistics Management Division (LMD) provides leadership and oversight to ensure the readiness of material assets for NASA's scientific, aeronautics, and space exploration mission requirements.

Mission: The Logistics Management Division (LMD)

provides leadership and oversight for Agency-wide logistics material asset management to meet NASA's scientific, aeronautics, and space exploration mission requirements. LMD is NASA's "corporate office" that develops innovative logistics policies and processes, and implements systems to facilitate transparency of innovative best practices in Government for all NASA Centers, and facilities logistics

operations to support successful NASA missions. LMD's functional oversight includes the following:

- Personal Property Management
- Contract Property Management
- Mail and Freight Management
- Transportation and Fleet Management
- Life Cycle Logistics Support and Supply Chain Management

IN THIS ISSUE

Personal Property Management focuses upon the day-to-day procedures and practices by which personal property assets are acquired, allocated, and managed by the NASA Centers. This includes the following functional management focus areas:

- Equipment Management
- Supply and Materials Management
- Disposition Management

Contract Property Management focuses upon the day-to-day procedures and practices by which personal property assets are acquired, allocated, and managed by NASA Center contractors.

Mail and Freight Management focuses upon the efficient, effective, and economical management of internal, incoming, and outgoing mail and material that supports NASA's official requirements.

Transportation and Fleet Management focuses upon the management of both Agency-owned and General Services Administration (GSA–leased vehicles, shipments, household goods moves, fuel usage, fleet card use, and the transit subsidy program.

Life Cycle Logistics Support and Supply Chain Management focuses upon the procedures and practices to implement life cycle support that ensures NASA's flight hardware systems and associated ground systems will provide required operational availability at minimum life cycle cost.

Supply and Materials Management Program

Peral R. Hill, Program Manager

NPR 4100.1F, NASA Supply Support and Material Management Procedural Requirements Upcoming Release

NPR 4100.1F, NASA Supply Support and Material Management Procedural Requirements revision was finalized and is on track for release in January/February 2017. The major revisions that Centers should be aware of are changes to the physical inventory process and the requirement to utilize the Agency Supply Management System.

The 5-year complete physical inventory cycle was retained; however, Centers are required to conduct a 100 percent wall-to-wall cyclical inventory of store, program, and standby stocks. A requirement for a mandatory cyclical inventory of 5 percent of total line items per quarter with a standard inventory accuracy rate of 95 percent was added. The sample inventory requirements were completely eliminated.

The inventory accuracy rate was added to the quarterly Headquarters (HQ) Baseline Performance Review (BPR) in order to ensure NASA's internal management control requirements are met. The quarterly reporting of the inventory accuracy achieved by each Center will be reported in the BPR beginning in June 2017. A BPR rating of "red" is given if a Center fails to conduct a 5 percent quarterly cyclical inventory or achieve an inventory accuracy rate of less than 95 percent. The BPR rating of "yellow" is assigned if the Center provides and implements an effective corrective action plan to bring their inventory accuracy rate up to 95 percent. However, if a Center's inventory accuracy rate is not improved by the next quarter the rating returns to "red" and a new corrective action plan is required. A rating of "green" is given to Centers that achieve a quarterly inventory accuracy rate of 95 percent or above.

The NPR revision makes it mandatory for Centers to utilize the Agency Supply Management System to manage materials and supplies. No other system is authorized. The change

was made to ensure that the Agency has total asset visibility, transparency, internal control, and accountability of Agency resources.

Equipment Management Program

Miguel A. Rodriguez, Program Manager

Clarification Concerning the Use of NF 892, Employee Property Pass Agreement and Removal Permit

The article "The Importance of Securing NASA Laptops," published in the Logistics Management Newsletter FY16/QTR4, may have caused confusion to the Equipment Management community concerning policy applicability to laptop computers owned by NASA versus laptop computers owned by the Agency Consolidated End-User Services contractor (ACES) and leased to NASA. The article provided guidance on the policy requirement to use NF 892 to document the inventory management transaction for NASA-owned computers issued on pass to General Schedule and Contractor employees. The policy outlined in NPD and NPR 4200.1 does not apply to computers and other devices that NASA leases from ACES, for which management and control is the responsibility of the ACES contractor. The ACES contractor has its own procedures for issuing corporate-owned assets on pass to NASA employees.

TABLE 1: LOSS RATE FY16
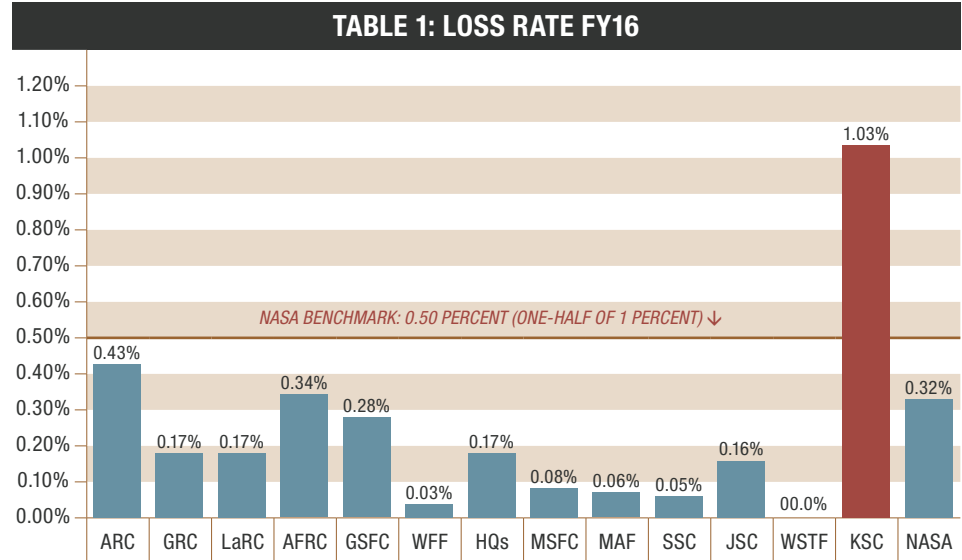
Agency and Center Equipment Loss Rates, FY16 (Source: AAO/Equipment Management Analysis Report)

The same article instructed all users, whether of NASA-owned or ACES-owned devices, to report lost or stolen laptops to the Security Operations Office. This guidance derives from a NASA-wide message published by the Office of the Chief Information Officer (OCIO), dated July 6, 2016. In essence, the OCIO message outlined the procedures and best practices to safeguard and secure laptops and the data contained on them, instructing users to immediately report lost or stolen devices to the NASA Security Operations Center Hotline at 1-877-627-2732 or via e-mail: *soc@nasa.gov*.

NASA Equipment Loss Rate (FY16)

NASA has completed its FY16 equipment inventory campaign with an Agency-wide total of 833 equipment items reported lost or missing; of that number, 40 items were later recovered, resulting in a net loss of 793 items (this net loss represents $4.3 million in acquisition costs). The net loss of 793 items is equivalent to 0.32 percent of NASA's equipment density. Both this Agency-wide loss rate and Center-specific loss rates are represented in the chart below.

The Agency and Center loss rates are systematically calculated on October 1, the beginning of the

fiscal year. These calculations are made by dividing the total of net lost items from the fiscal year by the Center's total equipment density at the end of the fiscal year after accounting for equipment additions and deletions in NASA's Property, Plant, and Equipment (PP&E) System.

NASA's Physical Inventory Process

Per NASA Policy Directive (NPD) 4200.1, NASA Centers must execute a 100 percent wall-to-wall physical inventory by the end of each fiscal year. NASA Centers that had been executing triennial inventories completed their transition to execute annual (fiscal year) inventories in FY16. The execution of annual inventory campaigns is critical to process enhancement, standardization, and accurate assessment of how well NASA Centers manage and maintain accountability of Government equipment, including the accuracy of equipment records in the NASA PP&E System.

NASA's policy requirement to inventory 100 percent of the Agency's equipment density is an internal inventory management control implemented in response to the Duties of Executive Agencies outlined in 40 U.S.C. § 524(a) (1).

The physical inventory measures how well NASA organizations account for and manage equipment under their responsibility and control. The Agency's benchmark for equipment losses is not to exceed 0.5 percent of the equipment density. The Center loss rate and related data aid in the identification of root causes, trends, and potential operational issues which may lead to management decisions to review internal equipment control and accountability processes to mitigate equipment losses at the Center.

The Agency is subject to annual financial audits to validate the 100 percent completion of capital equipment inventory. In response, logisticians at NASA Centers have improved their equipment management practices to identify relevant transactions that affect the capital equipment database and heightened the process to reach reconciliation of the inventory and financial management databases with Center Property Accountants. The Agency is also subject to frequent press coverage and congressional inquiries regarding equipment losses. The Agency enhanced its policy governing stakeholder responsibilities to safeguard and manage equipment entrusted to their use and care. Additionally, NASA has improved and extended the Property Survey Process to Supply and Materials, Disposal, and Transportation management programs, which will take effect with the release of NPR 4200.1H in January 2017.

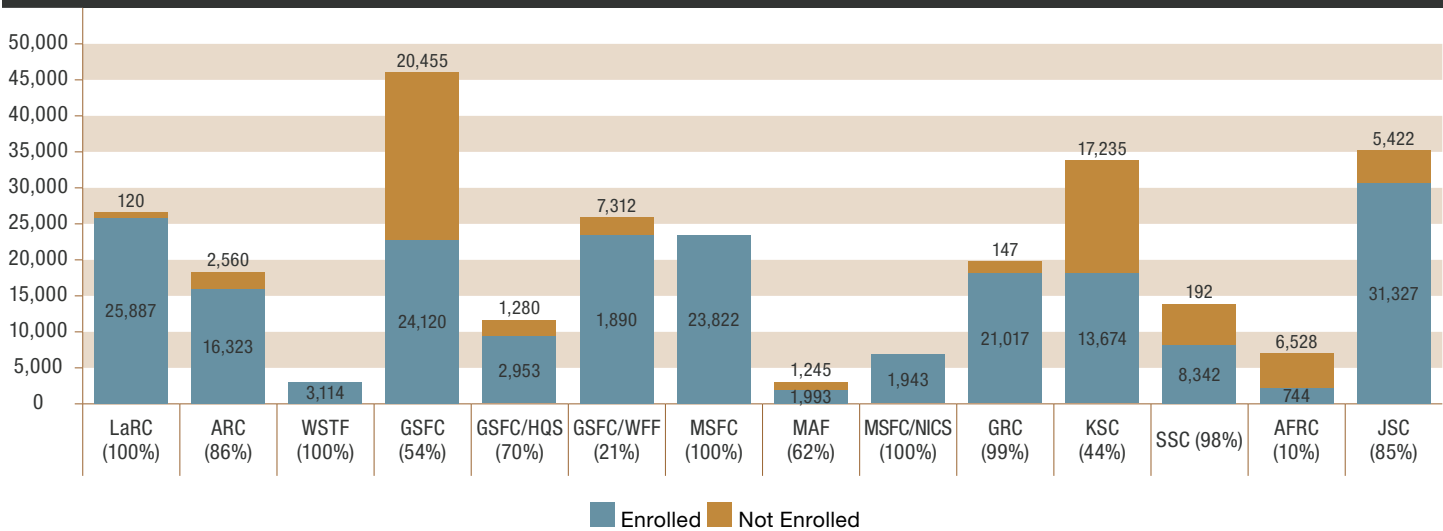## Radio Frequency Identification (RFID) Project Update

NASA project managers continue to monitor the implementation of Radio Frequency Identification (RFID) at each Center and actively participate in the monthly project update telecoms hosted by NASA Headquarters. Recent Center updates depict the continued efforts of stakeholders to meet NASA's goal to achieve full implementation by the end of FY17. As of December 13, 2016, the Agency has enrolled 179,532 of its 239,645 item equipment density—an enrollment rate of 74 percent in RFID technology.

The chart below illustrates the number of items enrolled in RFID and enrollment rates at each Center and/or sub-installation, whereas the section of the columns in blue represents the number of items already enrolled in RFID and the section of the column in orange represents the number of equipment items pending RFID enrollment. Completion rates are determined based on the equipment density at each Center as of October 1, 2016—the beginning of FY17. The chart shows three Centers (Langley, White Sands, and Marshall), and one sub-installation (Marshall/NICS) that have reached 100 percent implementation, and four Centers (Ames, Glenn, Stennis, and Johnson) with implementation rates above 80 percent.

The enrollment rate and the estimate 60,000 items pending enrollment indicate that the Agency is on track to reach the established goal.

TABLE 2: NASA RFID PROJECT

Chart data (Enrolled / Not Enrolled):

Center	Enrolled	Not Enrolled
LaRC (100%)	25,887	120
ARC (86%)	16,323	2,560
WSTF (100%)	3,114	
GSFC (54%)	24,120	20,455
GSFC/HQS (70%)	2,953	1,280
GSFC/WFF (21%)	1,890	7,312
MSFC (100%)	23,822	
MAF (62%)	1,993	1,245
MSFC/NICS (100%)	1,943	
GRC (99%)	21,017	147
KSC (44%)	13,674	17,235
SSC (98%)	8,342	192
AFRC (10%)	744	6,528
JSC (85%)	31,327	5,422

■ Enrolled ■ Not Enrolled

Contract Property Management Program

Marjorie C. Jackson, Program Manager

Property Accountability and Reconciliation – FY16

Partnerships have always been a vital component of NASA's mission, as evidenced by the Agency's collaborations with academia and industry aid programs and projects, as well as supporting technology development, research testing, and ground and flight operations.

In support of some partnerships, NASA provides Government property or allows the acquisition of property by the contract partner. The Federal Acquisition Regulation (FAR) Part 45 stresses the importance of an institution to ensure contractors provide control, protection, preservation, and maintenance of all Government property and to ensure these institutions use voluntary consensus standards and/or industry-leading practices and standards to manage Government property in their possession. The NASA Industrial Property Officer (IPO) is responsible for ensuring our contract partners are acting in accordance with the FAR and the terms and conditions of their contract with regards to property.

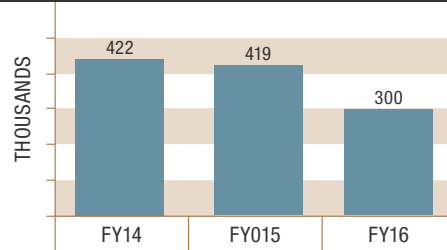One important aspect of property management is property accountability. The FAR requires contractors to periodically perform, record, and disclose physical inventory results (52.245-1). NASA requires that this report be provided to the Contract Property Section annually in the form of summary reports. The annual summary report is recorded on the NASA Form (NF) 1018 (NASA Property in the Custody of Contractors). This form discloses the number of items and acquisition value of Government property associated with the NASA contract, grant, or cooperative agreement. The report provides a standard approach for contractors to report on assets under their control and asset visibility estimates of the

NASA property in the possession and control of contractors.

At the close of the fiscal year the Contract Property Section began the reconciliation period with our contractors by requesting the annual report of NASA property in their custody. NASA requests the submission of the NF1018 data on September 30 of each year with the report due to the contract property office not later than October 31. Contractors who have a Contractor Held Asset Tracking System (CHATS) reporting requirement are allowed an additional 45 days (November 30) to submit their completed NF 1018.

For FY16, NASA received 669 NF 1018s. This number represents approximately 90

TABLE 3: NUMBER OF ITEMS

THOUSANDS

FY14	FY015	FY16
422	419	300

TABLE 4: AQUISITION VALUE

BILLIONS

FY14	FY015	FY16
32	36	33

percent of the total reports requested. The IPO community is working very hard to obtain the remainder of the FY16 reports. After receipt, the NF 1018 is uploaded into the NASA Electronic Submission System (NESS) and verified by the NASA IPO, Government Property Administrator (PA) and the NASA property accountant. The charts below represent the summary reports for the last three fiscal years, number
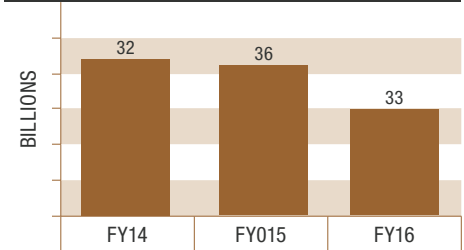
of items, and corresponding acquisition value. At the time of this publication, the FY16 consolidated summary indicates an estimated 300,000 items of NASA property, valued over $33 billion, in the possession of contractors.

Asset accountability and visibility is vital to the NASA mission, not only for property located within our Centers, but also with Government property in the possession of our contract partners.

Mail Management Program

Miguel A. Rodriguez, Program Manager
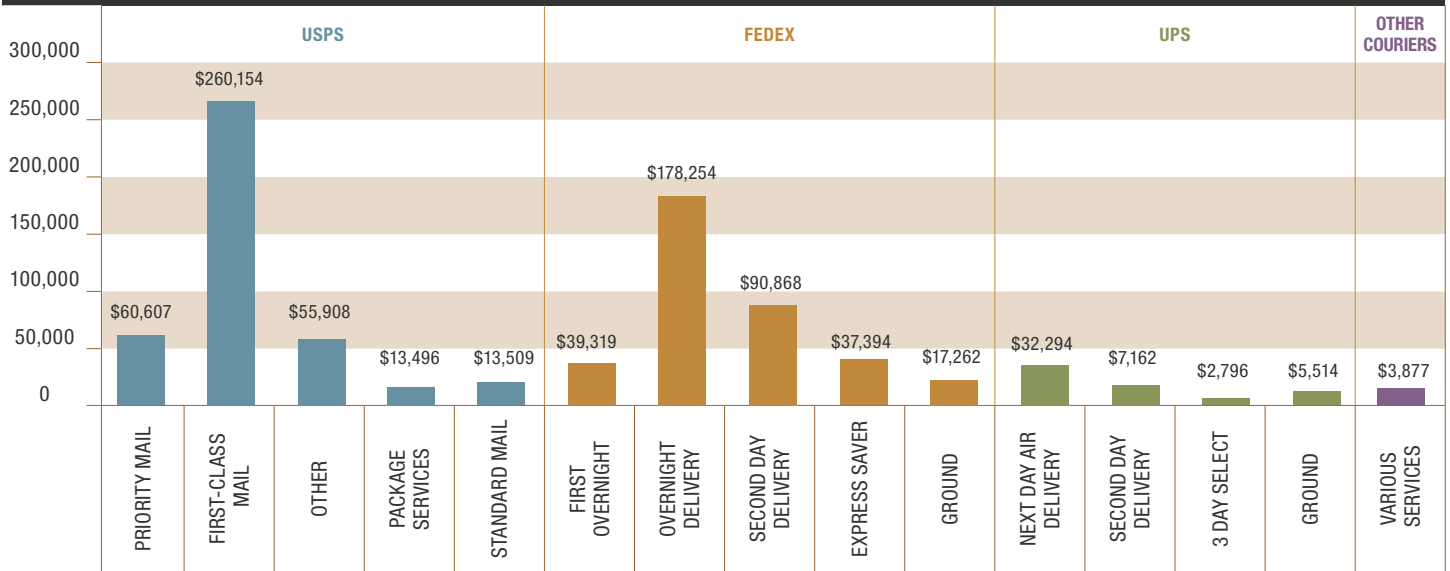
NASA Mail Domestic Expenditures, FY16

The GSA, following a provision in Federal Management Regulation (FMR), Part 102-92, Subpart A, requires all Federal agencies to report, via the Simplified Mail Accountability Reporting Tool (SMART), all mail expenditures (both domestic and international) for shipments weighing up to and including 70 pounds.

The above chart represents FY16 data for the most common mail domestic expenditures incurred by NASA Centers and reported to GSA. The chart also shows a breakdown by courier and type of service. The expense for FedEx Overnight delivery was second to USPS First Class Mail. The selection of costly overnight delivery services instead of other, lower-cost services that can be used without jeopardizing deadlines represents a continuous challenge to the Agency. Mail managers need to be

cautious when selecting carriers and forms of delivery and should properly advise customers to select the most efficient and cost-effective delivery service for their needs. Significant cost savings may be obtained by selecting FedEx's Second Day delivery instead of First Overnight or Overnight delivery services. Cost savings may also be obtained by selecting UPS's Second Day delivery instead of Next Day Air delivery services.
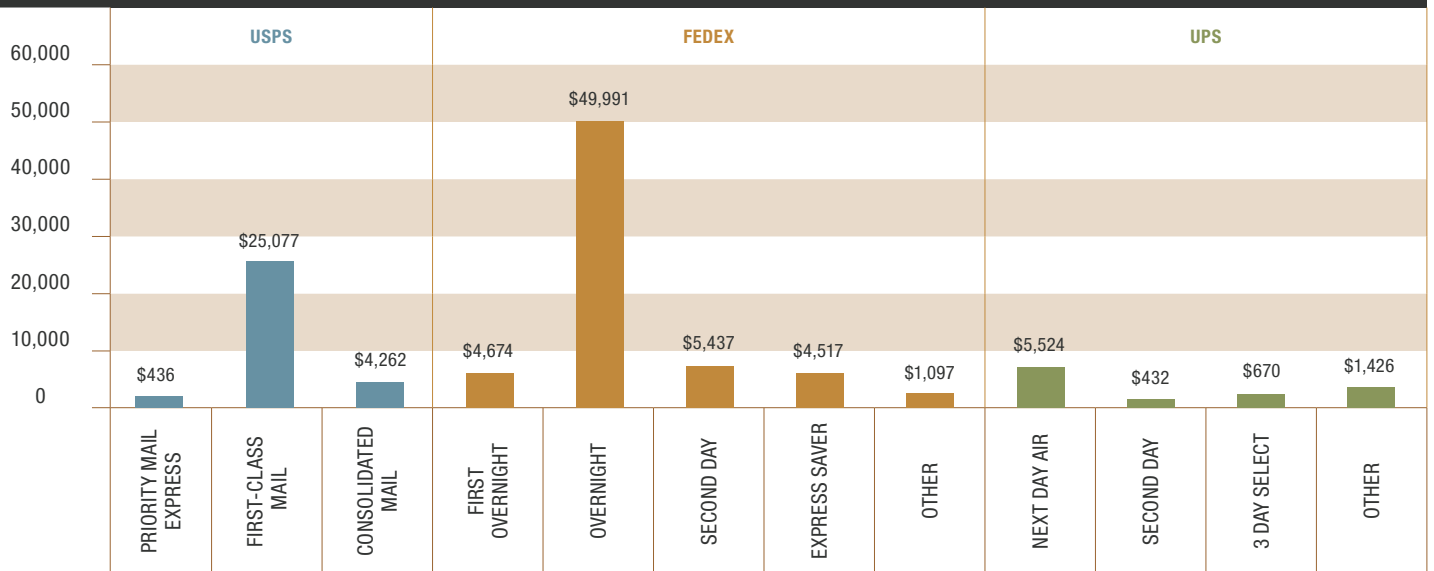
Equally important, curbing expenditures for international

TABLE 5: MAIL DOMESTIC EXPENDITURES

Domestic Mail Expenditures by Courier and Type of Service. Source: SMART Report FY16

USPS					FEDEX					UPS				OTHER COURIERS
PRIORITY MAIL	FIRST-CLASS MAIL	OTHER	PACKAGE SERVICES	STANDARD MAIL	FIRST OVERNIGHT	OVERNIGHT DELIVERY	SECOND DAY DELIVERY	EXPRESS SAVER	GROUND	NEXT DAY AIR DELIVERY	SECOND DAY DELIVERY	3 DAY SELECT	GROUND	VARIOUS SERVICES
$60,607	$260,154	$55,908	$13,496	$13,509	$39,319	$178,254	$90,868	$37,394	$17,262	$32,294	$7,162	$2,796	$5,514	$3,877

TABLE 6: MAIL INTERNATIONAL EXPENDITURES

International Mail Expenditures by Courier and Type of Service. Source: SMART Report FY16

USPS			FEDEX					UPS			
PRIORITY MAIL EXPRESS	FIRST-CLASS MAIL	CONSOLIDATED MAIL	FIRST OVERNIGHT	OVERNIGHT	SECOND DAY	EXPRESS SAVER	OTHER	NEXT DAY AIR	SECOND DAY	3 DAY SELECT	OTHER
$436	$25,077	$4,262	$4,674	$49,991	$5,437	$4,517	$1,097	$5,524	$432	$670	$1,426

deliveries using FedEx First Overnight or Overnight and UPS Next Day Air continue to be a challenge for the Agency. Mail managers and Center organizations need to evaluate the urgency or priority for international deliveries, many of which could be fulfilled by other, lower-cost services.

NPD 1460.1 (Agency Mail Management Program) holds Center mail managers responsible for conducting periodic reviews of their Center's mail operations to identify potential improvements regarding cost and mail-processing efficiencies. NASA's objective is to reduce expenditures by selecting the carrier that provides the most efficient service and the best rate without jeopardizing the priority or quality of service.

General Services Administration (GSA) Online Training for Mail Managers

Miguel A. Rodriguez, Program Manager

I invite Center mail managers and other key leaders that mail managers identify as strategic to implementing their mail management operations to participate in GSA-developed eLearning courses that can be taken by General Schedule and Contractor employees at no cost to their organization(s). This is an exciting training opportunity that NASA sponsors in an effort to supplement the training of a network of managers for an effective mail operation.

Access to GSA's eLearning Portal can be found at *https://transportationofficer.golearnportal.org/*

Once you access the link, you will be required to enter your Government e-mail and password. You may use "Freight" as your password the first time you access the training.

The link will lead you to GSA's Federal Transportation and Logistics Management Training Program, where you will find the following eLearning courses:

Federal Transportation Officer Training Program

- Training Program Overview
- Basic (Level 1)
- Intermediate (Level 2)

Federal Mail Management Training Program

- Basic (Level 1)
- Intermediate (Level 2)

Federal Mail Management Basic (Level 1) — provides a comprehensive overview of Federal mail management for any Federal employees (including contractors) performing mail-related functions at a Federal facility; it contains specific subject matter appropriate to the duties and responsibilities at the mail clerk level. The Basic (Level 1) course is composed of 9 sessions and a final exam. Upon successful completion of a session, a certificate of session completion is created. When you successfully complete all 9 sessions and the final exam, the Basic (Level 1) course certificate of completion is created and the trainee is credited with Continuous Learning Points (CLPs) as indicated below.

The Intermediate (Level 2) consists of the following sessions:

Session 2: Federal Mail Management Safety and Security (3.0 CLPs)

Session 3: Mail Center Operations (3.0 CLPs)

Session 4: Managing Mail Center Employees (2.0 CLPs)

GSA recently added Session 4 to the Intermediate (Level 2) course. This session introduces you to the role that a supervisor/manager has in managing mail center employees.

Electronic Vehicles Support Ames Research Center's Mail Operations

Vivian Torres, Transportation and Mail Manager, Ames Research Center (ARC)

The NASA Ames Research Center (ARC) Logistics and Documentation Services Division has acquired four low-speed electric vehicles (EVs) to replace the four aging gasoline-

Low-speed electric vehicle

powered vehicles used to deliver mail throughout the Center. The new EVs will reduce greenhouse gas emissions and comply with the California Air Resources Board (CARB). These acquisitions are an effective and innovative way to go "green." This initiative will reduce pollution in California and help ARC save money on fuel and reduce fuel consumption, both of which were goals stated in the Executive Order (EO) 13514. In addition, the vehicles meet the United States Postal Service (USPS) Security Guide for protecting mail.

Mailroom Security Checklist

Extract from Safemaildc. com, October 13, 2016

No organization is completely immune from mail attacks. Both international terrorists and homegrown extremists use the mail to disrupt business as usual and gain attention for their causes.

Facts:

- The FBI and U.S. Postal Service receive thousands of reports of dangerous mail every year. These threats have not decreased.

- Mail threats are cheap for terrorists; terror for the price of postage.

- Mail threats are expensive for your organization. Real and hoax threats shut down operations and cause health concerns.

The following checklist is provided for mail managers to make a quick assessment of how well their organization has implemented applicable measures to detect mail threats and to make corrections as necessary:

> Does your mailroom staff know how to **identify** potential mail threats?

> Do your mailroom employees wear Personal Protective Equipment (PPE)?

> Does your mailroom scan for explosives, biological, chemical, radioactive and nuclear agents?

> What would your organization do if a **powdery substance** showed up in the mailroom?

> **THREAT** If a mail threat were suspected, who would communicate with employees and emergency response teams?

> How often are your emergency procedures reviewed, tested, and updated?

> Is your mailroom staff **continuously trained** in mailroom safety?

> How long would it take for your organization to assess a potential mail threat? **1 hour? 1 day?**

> How long would it take for your employees to return to work after a mail threat shut down your operations?

HOW MUCH WOULD A MAIL ATTACK TRULY COST YOU?
CONSIDER THE COST OF:

$	A hospitalized employee(s) or in the worst case, the death of your employee(s)
$	Having to close a facility and the time to decontaminate the facility
$	Recruiting and training new employees
$	Having your brand associated with an incident

Artifact Identification And Disposition

Robert S. Sherouse,
Program Manager

Update – Endeavour Display at the California Science Center

Collaborative work continues as NASA supports the California Science Center (CSC) in Los Angeles CA. This past year, five years after transferring the Space Shuttle Endeavour to the CSC, NASA Centers continue to provide active support as well as the transfer of Space Shuttle property to the CSC. The CSC will display the Space Shuttle Endeavour as a full stack—as though prepared for launch. The display will be fully enclosed in a building. Plans indicate a groundbreaking for the building in 2018 and a grand opening in 2019. Earlier this year, CSC accepted the External Tank, ET-94 from Michoud and loaded it on a barge. From Michoud, the barge transited the Gulf of Mexico, the Panama Canal, then traveled up the Pacific Coast to Los Angeles. In December, KSC transferred two aft skirts that are now en route to Armstrong Flight Research Center, where they will be stored until CSC begins assembling the Space Shuttle Endeavour full stack at the museum in Los Angeles.

NASA property on transport truck

Ablative reentry nose

Space Shuttle fuel tank on barge

Gemini fuel cell

Barge and tank in Panama Canal

Charles "Pete" Conrad flight jacket

NASA Reclaiming Dispositioned Artifacts

Jerome Phillips, LMD Contractor Support, Engility Corporation

The Smithsonian recently offered NASA the opportunity to screen and reclaim artifacts originally transferred to the museum from NASA. Included in this deaccession opportunity were Mercury, Apollo, and other artifacts originally transferred by NASA to the Smithsonian's National Air and Space Museum (NASM). NASA is formally exercising its right of first refusal to reacquire 149 of the 299 artifacts. This unique opportunity is providing NASA exhibit managers a way to screen and acquire artifacts for their exhibits and public outreach.

This highlights an example of how NASA may reacquire property from recipient organizations that no longer desire to retain property that they originally acquired from NASA. Sometimes these offers are formalized as a NASA conditional transfer restriction, and sometimes these offers are simply a matter of professional courtesy.

As a reminder, any property that is reacquired by NASA must be recorded in the Property, Plant, and Equipment system and must be assigned to a custodial account in accordance with NPR 4200.1 (NASA Equipment Management Procedural Requirements).

Disposal Management Program

Michael Eaton, Program Manager

Excess Personal Property

In FY16 quarter 4, NASA Centers have successfully completed the disposition process for 6,654 disposal cases, representing a total acquisition cost of $55,076,147. There are 43,104 disposal cases that are still pending disposition. This volume has remained relatively consistent over the past several years. Improvements in "thru-flow" will require Centers to consider multiple methods to dispose of their excess property, including first-in, first-out (FIFO).

According to the FIFO method, goods that are entered into the warehouse inventory first are disposed of (processed) first; as additional goods are entered into the warehouse inventory, they are placed at the end of the line for disposition. This means that at the end of a fiscal year, the items that remain on the active inventory list should be those that were the most recently introduced into the inventory.

Computers for Learning (CFL)

NASA Centers transferred 24 pieces of computer technology to eligible schools through the Computers for Learning (CFL) program, representing a total acquisition cost of $45,833.

Centers are strongly encouraged to continue supporting the CFL program because it offers a valued return to taxpayers and fosters educational benefits through science, technology, engineering, and mathematics (STEM). The CFL program evolved from the implementation of Executive Order 12999, Educational Technology: Ensuring Opportunity for All Children in the Next Century.

How does CFL work? The CFL Web site enables schools and educational nonprofit organizations to obtain excess computer equipment from Federal agencies. Federal agencies can report their excess computers and related peripheral equipment to GSA through the GSAXcess Web site at *https://gsaxcess.gov/*.

For organizations to become eligible for the CFL program, potential recipients must first register on the GSAXcess Web site. In order to fulfill registration requirements, recipients must serve some portion of the prekindergarten

through grade 12 population and operate primarily for the purpose of education. Schools must provide a valid National Center for Educational Statistics (NCES) number. Educational nonprofits must provide a 501(c) (3) tax identification number.

Once organizations are registered and determined to be eligible, representatives from recipient organizations can view and request available excess computers and related peripheral equipment. The Federal agency that reported the property can then allocate the property to the school or educational nonprofit organization of its choice. After allocation, the receiving school or nonprofit organization must pick up the property within a certain time period. The school or educational nonprofit organization is responsible for the shipping and handling costs.

GSA Online Auctions Sales

NASA Centers netted a total of $105,648.80 sales proceeds from GSA online auctions of personal property: (a) $44,893.60 net sales proceeds under the exchange/sale authority; and (b) $60,755.20 net surplus sales proceeds. It is important to understand that sales proceeds under the exchange/sales authority shall be used, in whole or in part, for the acquisition or replacement of property (as required by Federal Management Regulation (FMR) 102-39—Replacement of

Personal Property Pursuant to the Exchange/Sale Authority).

The net sales proceeds from the sale of surplus personal property through GSA online auctions can be used to defray NASA expenses related to the sale of the surplus property in accordance with the FMR 102-38.295-300, Disposition of Proceeds, and NASA Procedural Requirement 4300.1C, section 5.5.2, and can include:

a. Expenses associated with warehouses and storage;

b. Sales preparation;

c. Environmental services;

d. Demilitarization services;

e. Advertising and appraisals;

f. Security and transportation of property;

g. Labor or contract costs related to the sale of the property; and

h. NASA Centers' established overhead rates for these functions.

UNICOR Recycling of NASA Excess Federal Electronic Assets (FEA)

NASA Centers provided to UNICOR a total of 1,648,799 pounds of nonfunctional Federal Electronics Assets (FEA). As a result, NASA received $98,927 of recycling proceeds from the electronics in FY16.

The Federal Government has determined that the improper disposal of excess electronics may potentially harm human health and the environment; therefore, electronic product(s) must be disposed of at the end of their useful life in accordance with Federal, state, and local laws. In complying with these laws, NASA and UNICOR entered into an agreement to appropriately dispose of NASA's nonfunctional electronic assets.

Renewal of UNICOR Memorandum of Agreement (MOA)

The director of the LMD met with UNICOR's management on September 14, 2016, for initial talks on extending the current Memorandum of Agreement (MOA) with UNICOR through FY17. During the meeting, UNICOR proposed a reduction of recycling revenues being returned to NASA for items NASA Centers identify as "restricted" under International Traffic Arms Regulations (ITAR). Terms of the existing MOA require that all ITAR-identified items be destroyed. UNICOR reports that too much of NASA's property may be incorrectly identified as ITAR. For example, flat screen monitors, printers, televisions, computer accessories, fax machines, staplers, etc., incorrectly identified as ITAR result in costlier destruction/shredding activities rather than a more beneficial resale as usable items.

Additionally, incorrect ITAR coding negatively impacts UNICOR's business-case, increasing the company's costs and reducing its anticipated recycling revenues. Because UNICOR operations are unfunded and they do not receive any Federal appropriations, its Recycling Business Group survives based primarily on the revenue it generates through the recycling of electronic waste. Without a better balance between ITAR and non-ITAR thru put, UNICOR is concerned that its revenue stream won't be able to support both NASA's current rate of return and UNICOR's operating costs.

With the threat of a significant reduction in revenue to NASA, UNICOR signed an extension of the current MOA on October 14, 2016, without any immediate changes in revenue rates. The MOA extension comes with the caveat that NASA and UNICOR will meet again in January and in April 2017. Meanwhile, in preparation for the next meeting, the Centers must join efforts and work closely with their corresponding Center Export Control and Center Information Offices to ensure that items shipped to UNICOR are properly classified.

LMD issued a Memorandum of Instruction (MOI) to Center senior logistics managers and property disposal officers (PDO), providing guidance on how Centers are to report shipment information to

The Gulfstream GII aircraft NASA sold

NASA KC-135 aircraft donated to the city of Houston

Headquarters LMD. In preparation for the January meeting, UNICOR will also collect data to better address its concerns about the volume of ITAR items and how this is negatively impacting their business. NASA LMD remains confident that more accurate ITAR coding of items turned in to UNICOR will result in a favorable business-case revenue returns for UNICOR and a sustained current rate of return to NASA.

Exchange/Sale – A Success Story

During the first quarter of FY17, the Property Disposal Office at NASA Armstrong Flight Research Center (AFRC) worked with AFRC's Flight Operations, NASA Headquarters Logistics Management and Aircraft Divisions, and the GSA Pacific Rim Zone–San Francisco Sales Office to coordinate the sale of a Gulfstream GII aircraft. The aircraft was sold for $50,000—$45,000 (or 90 percent) of the sales proceeds were returned to AFRC. The proceeds of sale are to be used in whole or in part for the acquisition of similar property; this is in accordance with Federal Management Regulation (FMR) 102-39, Replacement of Personal Property Pursuant to the Exchange/Sale Authority, and NPR 4300.1C, Chapter 6.

Generally, NASA organizations may use the exchange/sale authority only if the organizations meet all of the following conditions:

a. The property exchanged or sold is similar to the property acquired;

b. The property exchanged or sold is not excess or surplus and you have a continuing need for similar property;

c. The property exchanged or sold was not acquired for the principal purpose of exchange or sale; and

d. When replacing personal property, the exchange sales proceeds from the disposition of that property may only be used to acquire similar property, not services or labor cost.

Donation of NASA Aircraft – A Success Story

The Logistics Management Division (LMD) commends the Johnson Space Center's property disposal officer (PDO) for the successful donation of a KC-135 aircraft to the city of Houston, TX. The donation was accomplished despite the existence of many challenges and obstacles to the transfer of the property.

The PDO worked with JSC's flight operations officer, the NASA Logistics and Aircraft Management Divisions, Defense Demilitarization Program Office (DDPO), Trade Security Control (TSC) Office, and GSA's Pacific Rim Zone – San Francisco Personal Property Office to coordinate the donation of the aircraft to the city of Houston through the Texas State Agency for Surplus Property (SASP). The NASA donation of the aircraft was accomplished in accordance with FMR 102-33, Subpart D, Disposing or Replacing of Government Aircraft and Parts, and FMR 102- 36, Subpart E, Personal Property Whose Disposal Requires Special Handling.

Kudos

Miguel A. Rodriguez, Program Manager

The Logistics Management Division encourages all Center logisticians to provide feedback regarding the newsletter and to share their achievements and awards. In this issue, Langley shares with the community the awards and recognition of its Center logisticians and welcomes a new employee to the Center.

Langley 2016 Awards and Recognition

Frank Johnson, Chief, Logistics Management Branch, Langley Research Center (LaRC)

Langley Logistics Management Branch (LMB) employees were recognized during the recent Langley Agency Honor awards ceremony. The following LMB employees received awards:

Agency Honor Awards:

Frank Johnson, NASA Outstanding Leadership Medal (OLM)

Horace "Alan" Asby, Alutiiq 3G LLC, NASA Silver Achievement Medal (SAM)

Bonny Hampton, Knights Solutions, LLC, NASA Silver Achievement Medal (SAM)

Selina Lynch, Alutiiq Commercial Services LLC, NASA Silver Achievement Medal (SAM)

Special Awards:

Connie Buffin, Langley Office of Director Group Award

Connie Buffin, Center Operations Directorate Cornerstone Award

Candice Evans, Center Operations Directorate Cornerstone Award

Langley LMB Welcomes Logistics Pathways Intern:

Kristin Staats, Pathways Intern

Kristin Staats is a Pathways Intern Student working in the Logistics Management Branch (LMB) at NASA Langley Research Center in Hampton, VA. She is originally from Albany, NY, and served 14 years in the United States Navy as a culinary specialist. Her first duty station was Navy Mobile Cargo Handling Battalion (NMCB) 5, followed by USS Emory S. Land AS-39, Naval Support Facility-Camp David, USS

Theodore Roosevelt CVN-71, and Naval Station Norfolk. Her logistics experience will be a multiplier to the LMB as she serves as a Logistics Pathways Intern. She currently holds a B.A. in health care management and is currently working on a B.S. in logistics management from Saint Leo University, with an anticipated graduation in 2017. Staats will be rotating through all the positions in the LMB for the next year.

Contact Us

Your involvement, understanding, and feedback are essential to making the Logistics Management Program a success. Please send us your questions or stories to share by calling or e-mailing:

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