



Logistics Management Newsletter

FROM THE LOGISTICS MANAGEMENT DIVISION

FY17 | ISSUE 2

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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.

Disposal Management Program

Michael Eaton, Program Manager

Excess Personal Property

NASA Centers have successfully completed the disposition process of 19,122 disposal cases since the beginning of fiscal year 2017 (FY17); this figure represents a total acquisition cost of \$224,492,359. There are 44,368 disposal cases 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 have transferred 41 pieces of computer technology to eligible schools through the Computers for Learning (CFL)

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program since the start of FY17; this figure represents a total acquisition cost of \$76,013.

Centers are strongly encouraged to continue supporting the CFL program because this program 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.

General Services Administration (GSA) Online Auction Sales

So far in FY17, NASA Centers have netted a total of \$525,165.60 sales proceeds from GSA online auctions of personal property: (a) \$266,366.40 net sales proceeds under the exchange/sale authority and (b) \$258,799.20 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)

So far in FY17, NASA Centers provided to UNICOR a total of 257,966 pounds of nonfunctional Federal Electronics Assets (FEA). As a result, NASA has received \$15,477 proceeds from the recycling of e-waste.

The Federal Government has determined that the improper disposal of excess electronics may potentially harm human health and the environment; therefore, electronic products 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.

Update to Renewal of UNICOR Memorandum of Agreement (MOA)

As stated in the FY17 first quarter newsletter, 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 is being 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. 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. Consequently, Centers have made significant changes in not over-classifying items as ITAR or for destruction shipped to UNICOR, which was evident in the scheduled telecom between LMD and UNICOR in January 2017. The next planned meeting with UNICOR will be in April 2017, when we will again review the data to determine if any modifications to the existing MOA are warranted.

Kudos

Exchange/Sale – A Success Story

During the second quarter of FY17, the Property Disposal Office at Stennis Space Center (SSC) worked closely with the GSA Southeast-Great Lakes Zone – Atlanta Sales Office to sell two cargo barges (see photos). The proceeds from the sale will be spent by NASA, in whole or in part, towards the acquisition of a new barge. The barges sold for \$62,200; 80 percent of the sales proceeds were returned to SSC 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, Exchange/Sale Property.



Cargo Barge #1

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.



Cargo Barge #2

Surplus Sale – A Success Story

During the second quarter of FY17, Kennedy Space Center (KSC) management faced a challenging decision related to the proper disposition of an affixed overhead crane located at a local offsite contractor facility. Management officials had to decide either to enforce an existing loan agreement, which required the crane to be disassembled and delivered to the disposal yard—essentially making the crane unserviceable and rendering it as 53.57 tons of scrap metal—or to dispose of the crane in place, in “as is” condition, fully installed and operational. KSC officials opted for the latter after learning of the interest from local businesses in buying the crane; this decision was in the best interest of the Government, so the

overhead crane was sold in place at its Cape Canaveral location.

The Property Disposal Officer (PDO) worked closely with the NASA Human Exploration and Operations Directorate, the tenant organization with custodial responsibility for the crane, and General Services Administration (GSA) Southeast-Great Lakes Zone – Atlanta Sales Office to dispose of the overhead crane (see photo).

The crane was offered as a GSA competitive sale (auction) to the general public. The GSA auction closed with a high bid of \$8,055. KSC received 80 percent of the surplus sales proceeds, which may be used by KSC to defray expenses directly or indirectly associated with the cost of the sale. The remaining proceeds were returned to the U.S.



Affixed Overhead Crane

Treasury in accordance with the FMR 102-38.295 through 300.

The decision to dispose of the crane in place at the offsite location resulted in significant cost and resource avoidance benefits. Additionally, the decision exhibited appropriate stewardship of property held by the Government in public trust, and because the crane is still serviceable, it may contribute to the local economy. This disposition action was a win for both the Government and the taxpayers.

Equipment Management Program

Miguel A. Rodriguez,
Program Manager

Release of NPR 4200.1H (NASA Equipment Management Procedural Requirements)

NPR 4200.1H was approved by NASA Acting Administrator Robert Lightfoot on March 8, 2017, and will expire on March 8, 2022. This NPR was thoroughly reviewed by diverse NASA organizations and key Center stakeholders. NPR 4200.1H replaces NPR 4200.1G and NPR

4200.2B, which are obsolete. The Logistics Management Division appreciates the support received during the rewrite of this NPR, which reflects a new structure and presents clearer individual responsibilities for the safeguard and management of equipment. The significant policy changes are found in the following chapters:

Chapter 1: Equipment Management Responsibilities

- Clarifies individual responsibilities for:
 - ✓ Director, Logistics Management Division
 - ✓ Agency Equipment Program Manager
 - ✓ Center Director
 - ✓ Center Lead Logistician/Chief
 - ✓ Supply and Equipment Management Officer (SEMO)

- ✓ Equipment Manager
- ✓ Division Director/Chief
- ✓ Property Custodian
- ✓ End User
- ✓ Exhibit Managers
- ✓ Survey Officers
- ✓ Survey Review Board Members

Chapter 2: Equipment Acquisition

- Clarifies the methods of acquisition

Chapter 3: Equipment Administrative Procedures

- Introduces NASA Form (NF) 894 – Transfer of Property Accountability Form to document:
 - ✓ Acquired equipment items from the excess/disposal process/warehouse
 - ✓ Transfer (not shipment) of equipment items among NASA organizations
 - ✓ Presently does not support transactions to organizations outside NASA
- Revalidates the requirement to use NF 893 (Loan of NASA Equipment) to document the loan of NASA equipment, foreign and domestic.
 - ✓ The approving official is the Division Director/Chief (or equivalent NASA official) owner of the equipment
 - ✓ Supports/documents loans between NASA organizations

- Introduces the Installation Accountable Government Property (IAGP) flag in the Equipment Master Record (EMR)
- Introduces the use of the “Parts Aircraft” flag in the EMR
- Establishes the requirement for SEMOs to identify a central facility for the receipt of equipment
- Introduces the requirement for SEMOs and Property Accountants to review and achieve 100 percent reconciliation of capital equipment (EMR and AMR reconciliation)
- Introduces the requirement for the EMR to remain active upon excess reporting
- Revalidates the requirements for the use of NF-892 (Employee Property Pass Agreement and Removal Permit)

Chapter 4: The Equipment Physical Inventory Process

- Revalidates the requirement to execute 100 percent inventory in a fiscal year of all controlled equipment at the Center (metric)
- Revalidates the requirement for a change of property custodial inventory

Chapter 5: Property Survey Process

- Establishes the Survey Review Board (SRB)
- Restructures the property survey process

- Expands the process to supplies and materials, disposal, and transportation management programs
- Introduces the interface with collateral investigations, i.e., Mishap, Security/Office of Protective Services, Motor Vehicle Accident Report, etc.
- Establishes time constraints and responsibilities for each office/individual involved in the process
- Introduces the Center Ops Director as the final decision authority when SRB findings and recommendations are appealed by the Division Director/Chief

Appendix C: Agency Minimum Sensitive Items List

- Updates the Sensitive Items Listing
 - ✓ Adds: night vision devices, binoculars, camera lenses, unmanned aircraft vehicles/systems, projectors, satellite radios, and camera lenses
 - ✓ Deletes: printers, terminals

Appendix D: The Sensitive Items Review Board (SIRB)

- Introduces the Sensitive Items Review Board (SIRB)
 - ✓ Chaired the Agency Equipment Program Manager
 - ✓ Board consists of all Center SEMOs—meet once per year
 - ✓ Adds or deletes items from the list—affects all Centers

Kennedy Assigns New Equipment Manager



Sandee Ames

Sandee Ames was recently named as Kennedy's Equipment Manager. She first joined the KSC Logistics Branch as a Pathways Intern

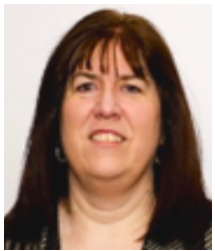
in June 2015, assigned to directly support the SEMO. After completing her master's in business

administration from Webster University in March 2016, she was permanently appointed to the KSC Property Management Office. Ames, a Florida native, started working at Kennedy in 2009 as an administrative assistant supporting the Engineering Directorate on the Kennedy Institutional Support Services contract. She later worked in the Human Resources Directorate as a training specialist, and then served as the KSC speakers bureau coordinator within

the Communication and Public Engagement Directorate. Ames also holds a B.A. in business administration from the University of Central Florida and a M. A. in training and development from Webster University. Her business management experience and comprehensive background have proven to be a beneficial asset to the KSC Logistics Branch. Ames currently resides in Cocoa, FL, with her husband and daughter.

Supply And Materials Management Program

Peral R. Hill,
Program Manager



Maurcilla Bowes

Goddard Space Flight Center (GSFC) Assigns New Pathways Intern to Supply Management

Maurcilla Bowes, the daughter of two NASA

employees, grew up hearing stories about reaching for the stars. She is a Pathways Intern Student working on the supply team of the Supply and Equipment Management Branch. Before joining NASA, Bowes held a position as a financial analyst for a global travel organization, where she specialized in expense reduction. She is a cum laude honor student and holds a B.A. in communications. Bowes

is currently earning her MBA in business management from Frostburg State University, with an anticipated graduation in 2017.

The Online Supply Catalog and Reservations (OSCAR) System

Accessibility

OSCAR is a Web-based tool that allows all NASA users to search available (on hand) materials of store stock, program stock, and standby stock in the logistics inventory. OSCAR can be used by all NASA badged civil service or contractor employees to search for these types of materials at a specific NASA Center or across the Agency, except for GSFC and KSC.

For that purpose, supply customers can request a Reservationist access role in OSCAR from the OSCAR

Administrator at each NASA Center. The Reservationist role allows the customer to reserve materials of store stock in inventory for their specific Center only. Materials of program and standby stocks can be searched for but cannot be reserved; to reserve the materials, the supply POC identified in OSCAR under the Contacts tab must be contacted to coordinate availability of the materials with the owning organization.

Training

There are two training courses available in SATERN for supply customers and reservation administrators: a) the OSCAR Reservationist Overview course—an introduction to the OSCAR application—offers a review of the supply management processes and user responsibilities and b)

the OSCAR Administrator course provides an introduction to the role of the OSCAR Administrator and to the main features and functions of SAP. This course also provides a review of the supply management processes and emphasizes the responsibilities of the OSCAR Administrator.

NPR 4100.1F, NASA Supply Support and Material Management Procedural Requirements Released March 7, 2017; Expiration Date: March 7, 2022

NPR 4100.1F, NASA Supply Support and Material Management Procedural Requirements revision was signed and released on March 7, 2017. The following major revisions are in the new document in NODIS.

1. Clarifies the roles and responsibilities at each level of management and key stakeholders within the supply management program.
2. Incorporates criteria for submitting property survey report in accordance with NPR 4300. Includes the requirement to submit property survey reports for the following:
 - a. Hand tools or other pilferable items over \$100 unit cost or \$500 total cost if lost or stolen.
 - b. Supply system stock records adjusted in excess of \$2,500 for pilferable items.
 - c. Supply system stock records adjusted in excess of \$16,000 for uncontrolled or non-pilferable items.
 - d. Supply system stock record adjustments that exceed \$50,000.
3. Below are significant substantive changes that are not in the 1999 NPR directive:
 - a. Adds option to allow Center organizations to use the Government-wide credit card to purchase office supplies through GSA Advantage.
 - b. Adds new supply metric standards for inventory accuracy and issue effectiveness. Includes calculation requirements and frequency of reporting.
 - c. Provides various processes and detailed procedures for the management of NASA supplies and materiel throughout their life cycle, from acquisition through disposal.
 - d. Introduces new procedures for receiving operations that identify the requirements for processing incoming materiel through receiving. Includes counterfeit avoidance plan requirements.
 - e. Clarifies procedures for cataloging materiel, supplies, and equipment.
 - f. Adds detailed requirements for warehousing management and storage of supplies, materiel, and equipment. Clarifies what types of materiel can be stored.
 - g. Deletes obsolete processes and procedures to include the need to submit requirements on obsolete forms (SF1303) to GSA for cataloging.
 - h. Identifies SAP Supply Management System (SMS) as the system of record that must be used to identify and account for inventory-classified items as store, program, or standby stock.
 - i. Adds justification for retention of inactive supplies and materiel in storage for 24 months with no demands.
 - j. Adds a feature to inform manager when required inventories should be scheduled for supplies, materiel, and equipment in storage. Changes inventory frequency to fiscal year from calendar year. Clarifies approvals for inventory adjustments, plus has an element to add inventory analysis requirements.

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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