

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
NATIONAL BUSINESS CENTER
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In Reply Refer To:
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EMS TRANSMISSION

Instruction Memorandum No. BC-2002-059

Expires: 09/30/2003

To: All Field Officials and Washington Office Officials
Attn: Budget Officers and Personal and Real Property Management Personnel

From: Director, National Business Center

Subject: Acquiring Personal and Real Property Assets Using Program Code "0777"

Program Areas: Budget, and Personal and Real Property Management

Purpose: This Instruction Memorandum (IM) reiterates the existing policy that program code "0777" is prohibited when acquiring personal or real property assets or their improvements.

Policy/Action: The intended use of program code "0777" is specifically for covering costs for non-program specific, general-purpose program support work. For this reason, and because of operational impacts to the reconciliation process for capitalized property, no capitalized personal and real property assets (BOC 311X, 323X) may be acquired using this program. Capitalized personal property is defined as property assets that have a useful life of two years or more and an acquisition cost of \$10,000 or greater. Real property assets include buildings, structures, land, or improvements.

Your compliance with this directive is essential to maintaining a clean (unqualified) financial audit opinion for the Bureau by ensuring our property assets can be fully reconciled.

Background: This policy was initially established in FY 2000. Prior to this, program code "0777" was occasionally used for personal or real property assets, making it more difficult to reconcile property assets.

Budget Impact: There are no budget impacts anticipated.

Manual/Handbook Sections Affected: None.

Coordination: This IM was coordinated with the National Business Center's Finance staff and Property Policy, Analysis, and Oversight staff.

Contact: Questions regarding the cost allocation program should be directed to Julie O'Neill, BC-640, Program Manager, at (303) 236-6346; please direct all property-related inquiries to Jim Crews, BC-651, Policy, Analysis, and Oversight Office, at (303) 236-4676.

Signed by: Dennis Sykes
Director, National Business Center

Authenticated by:
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