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CNICINST 11010.5B CH-1 N4 30 Jul 2021

CNIC INSTRUCTION 11010.5B CHANGE TRANSMITTAL 1

From: Commander, Navy Installations Command

Subj: REAL PROPERTY INVENTORY MANAGEMENT AND ACCOUNTING

Encl: (1) Revised enclosure (1) to the basic instruction

1. <u>Purpose</u>. To issue change transmittal 1 to the basic instruction, which revises the procedures for reporting amenities and necessities.

2. <u>Action</u>. Remove enclosure (1) of the basic instruction and replace with enclosure (1) of this change transmittal.

B. LINDS

Releasability and distribution:

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CNIC INSTRUCTION 11010.5B

From: Commander, Navy Installations Command

Subj: REAL PROPERTY INVENTORY MANAGEMENT AND ACCOUNTING

- Ref: (a) FMR Part 102-84 Annual Real Property Inventory
 - (b) DoD Directive 4165.06 Real Property of 13 October 2004
 - (c) DoD Instruction 4165.14 Real Property Inventory and Forecasting of 17 January 2014
 - (d) DoD Instruction 4001.01 Installation Support of 10 January 2008
 - (e) OSD Financial Improvement and Audit Readiness Guidance (2017)
 - (f) ASN (EI&E) Memo on Real Property Accounting Interim Guidance: Accountability Threshold and Prefabricated Structures of 16 November 2018
 - (g) Statement of Federal Financial Accounting Standards 6, Accounting for Property, Plant and Equipment, as amended
 - (h) SECNAVINST 11011.47D
 - (i) CNICINST 11000.3
- Encl: (1) Procedures for Reporting Amenities and Necessities
 - (2) Procedures for Marking and Tagging Real Property Assets
 - (3) Procedures for Reporting Non-Functional Real Property

1. Purpose

a. This instruction sets forth the requirements, authority, policy and responsibility for the accountability and management of all real property inventory and valuation information located on Navy installations and all real property interests aligned to Navy installations. The real property inventory is a basic source of information on status, cost, area, capacity, condition and property use. This directive will be the basis for supplying real property information to offices of Congressional committees, the Office of the Secretary of Defense (OSD), Deputy Assistant Secretary of Defense, Infrastructure (DASD INF), Assistant Secretary of the Navy, Energy, Installations and Environment (ASN EI&E) and the Office of the Chief of Naval Operations (OPNAV).

b. To provide policy and guidance for the accountability and management of real property under the control of the U.S. Navy located in the United States, U.S. possessions and territories, the Commonwealth of Puerto Rico and foreign countries. This includes privately owned buildings, structures and utility systems (such as privatized housing interests within ground leases) located on Navy installations and privately owned facilities leased by the Navy or otherwise under Navy control at locations other than Navy installations. The Navy's real property inventory (RPI) will be maintained per references (a) through (d).

c. An inventory of such property will be continuously updated and reported annually, or as otherwise directed by ASN EI&E. The Navy RPI will not include:

(1) Property at Contingency Locations as defined in the Contingency Location Master List (CLML) published annually by OSD.

(2) Property acquired in support of peacekeeping missions until such property becomes part of an enduring location or associated site of an enduring location. At the time the location is included on the Enduring Location Master List (ELML) published annually by OSD, the real property must be recorded in the RPI.

(3) River, harbor and flood control property under jurisdiction of the Assistant Secretary of the Army for Civil Works.

(4) Property in the National Industrial Reserve, property disposed of subject to right of recapture or National Security Clause, unless such property is under Navy military control.

(5) Property of a classified nature where public knowledge of location could pose a threat to military operations or cause endangerment to life or safety of military or Department of Defense (DoD) personnel.

d. The Navy's RPI is an important part of the Department of Navy's (DON) audit readiness. The DoD began a concerted effort to improve the department's audit readiness in 2004 with a program titled Financial Improvement and Audit Readiness Program (FIAR). The Navy's real property records management and accounting processes and controls directly contribute to the OSD's FIAR Guidance, per reference (e).

2. <u>Cancellation</u>.

a. This revision cancels and supersedes CNICINST 11010.5A. This revision also includes updates to procedures for reporting of amenities and necessities, to include accountability definitions for mission critical assets; Procedures for Marking and Tagging Real Property Assets; and Procedures for Reporting Non-Functional Real Property as outlined in enclosures (1) through (3).

b. This instruction includes reference to SECNAVINST 11011.47D, reference (h). A decision has been made by Commander, Navy Installations Command (CNIC) leadership to change the citizenship requirement to allow federally employed foreign nationals to serve as Real Property Accountability Officers (RPAOs) at overseas installations.

3. Scope and Applicability

a. This instruction is applicable to all Navy installations at Enduring Locations as defined in the ELML published annually by OSD.

b. <u>Statutory Authority</u>. The authority to maintain real property records, inventory and accountability is detailed in section 410, title IV, of the National Security Act of 1947 (50 U.S.C. §401), as amended by Section 2721, Title 10, United States Code (10 U.S.C. §2721).

4. Policy

a. The Navy will maintain real property accountability records and an inventory on both a quantitative and monetary basis, and report thereon as directed by reference (c), to the President and to the U.S. Congress. Real Property Officers (RPOs) and RPAOs are accountable for the completeness and accuracy of all real property records. All facilities located on Navy installations, real property interests aligned to Navy installations, or Contractor Owned/Contractor Operated (COCO) sites will be reported in RPIs with the appropriate ownership codes. This includes privately-owned buildings, structures and utility systems.

b. Per 10 U.S.C. §2682, each host installation will be responsible for all physical RPI accountability on the installation. This establishes the accountability basis for an inventory of all DoD real property that rests with the military departments. It does not mean that other agencies will not have references and relationships in their business information to real property. This limits only the official record of inventory to installation real property records. Although DoD agencies may have sole beneficial occupancy and use of a facility for their business purposes, the facility will be carried on the respective host installation inventory for real property accountability purposes. Activities that are located within the confines of another installation and occupying portions of the land, buildings and structures of the parent for ecomonic or other reasons are considered as tenants.

c. Installation commanding officers (CO) are responsible for maintaining accountability of resources under their command authority, including the real property within their designated main installation, for assigned special areas and privately-owned real property where the Navy maintains a lease interest. CNIC and Commander, Naval Facilities Engineering Command (NAVFAC) operate in partnership to budget, resource, train, and deliver a complete RPI. NAVFAC's installation-based Public Works Departments and region-based Facility Engineering Commands provide facilities management expertise in support of the installation CO. The RPO and RPAO are billets located within the NAVFAC organizations at the Facility Engineering Commands and Public Works Departments. The RPAO billet is resourced from the Facility Management account of Base Operations Services; NAVFAC mission funds resource the RPO billet. Region commanders will formally designate the current RPOs to maintain direct accountability of the region's RPI. Installation COs will formally designate the current RPAOs to maintain direct accountability of the installation's RPI.

d. Installations, via the Public Works Department, will use ASN EI&E-approved automated systems to maintain official records databases. NAVFAC Manual P-78 and the automated systems user documentation prescribe entry and maintenance of the data. Accurate and timely

real property asset data is fundamental to effective management of assets. More detailed guidance on defining and recording real property is included in reference (f) and enclosures (1) through (3).

e. All real property purchased with non-appropriated funds (NAF) remain NAF property even if converted to non-NAF category codes. Conversely, if property purchased with appropriated funds (APF) is converted to NAF property, it is still APF property. The type of funding determines how, but not whether, real property is reported.

f. Real property subject to the Defense Base Realignment and Closure (BRAC) Act of 1990 will be maintained per reference (g). The BRAC Program Management Office will work with region RPOs to maintain BRAC RPIs within the real property database.

5. Roles and Responsibilities

a. CNIC will:

(1) Provide unified policies, budgetary direction, standards and oversight of real property accounting to Navy regions per higher-level regulations and this instruction.

(2) Direct execution of Navy real property programs and management concepts to ensure installation readiness.

(3) Develop programming information to and in support of OPNAV in order to develop Program Objective Memorandum (POM) requirements. Develop budget information to support program execution.

(4) Receive annually (September) reports from all regions regarding existence and completeness and audit readiness of their assigned RPI.

(5) Review the annual Navy RPI report received from NAVFAC prior to submission to OSD.

b. NAVFAC will:

(1) Oversee the procedural and technical aspects of the accountability of military real property and interests therein, including assignment of every Navy site and installation to CNIC, base closure activity or non-CNIC activity. Program management assistance will be provided at the headquarters, region and installation levels.

(2) Approve, operate and maintain automated systems for the Navy's official real property database/records, to include the internet Navy Facilities Asset Data Store (iNFADS), Navy Geospatial Information System (GIS), field technology devices and other systems.

(3) Execute all real estate actions, to include acquisition, management, leasing actions and disposals, per reference (h).

(4) Provide training, community management and technical direction to real property and GIS professionals to support implementation of real property accounting requirements for Navy installations. In support of the real property professional community, maintain the business management system operating procedures database related to management of real property information and records.

(5) Serve as program management office representative to ASN EI&E and DASD INF regarding RPI technical guidance.

(6) Submit the annual RPI and forecasted RPI reports to CNIC for review prior to submission to ASN EI&E, as directed by reference (c).

(7) Ensure alignment of Facility Engineering Commands and Public Works Departments to support region commander and installation CO direction and prioritization regarding audit readiness and accuracy.

c. Region commanders will:

(1) Provide oversight of real property accounting per this instruction.

(2) Ensure real property accountability quality control at and provide technical assistance to assigned installations.

(3) Direct installation COs to account and be responsible for the proper custody, safekeeping, and efficient and effective use of all Navy buildings, structures, linear structures, utilities, and land under their control.

(4) Appoint, in writing, a region RPO who is responsible for technical direction to all installation RPAOs as well as ensuring accountability for all real property in their Navy region.

d. Region RPOs will:

(1) Ensure timely, accurate and complete data related to real property data is maintained across their region.

(2) Be appointed, in writing, by region commanders or their designee. Individuals assigned to this position must be federal government employees. RPO responsibilities are not contractible. However, contractors may perform certain functions in support of RPOs.

(3) Serve as higher-level reviewer for RPAOs for installations within the Navy region. Ensure RPAOs are executing real property data management functions per provided guidance.

(4) Serve as region point of contact for Navy real property assertion.

(5) Prepare region level input for the Navy RPI annual report, unless otherwise specified by higher authority.

(6) Compile installation-level Real Property Inventory Summary (RPIS) reports into a region summary report to be submitted annually no later than 30 September to CNIC Base Operating Support Programs (N44), unless otherwise specified by higher authority. RPOs will note any region-specific trends or policy determinations that are required or associated with the RPIS reports.

(7) Ensure compliance with current reporting requirements as well as response to DON audit requests such as real property related "Provided by Client" actions.

e. Installation COs will:

(1) Account and be responsible for the proper custody, safekeeping, and efficient and effective use of all Navy buildings, structures, linear structures, utilities and land under their control/management. This includes real property acquired by other Navy entities, other Services, DoD agencies or the private sector entities located on their installation.

(2) Document and maintain real property accountability records for all real property on a continuous basis, ensuring the accuracy, completeness and timeliness of real property information.

(3) Report information on all real property items for the installation and any subordinate installations/sites assigned.

(4) Retain custody and accountability for excess and surplus real property and ensure the protection and maintenance of such property pending its transfer to another installation or federal agency, disposal, or reassignment by ASN EI&E.

(5) Appoint, in writing, a RPAO who is accountable for all real property assigned to the installation.

(6) Conduct a physical inventory for all heritage assets at least once every three years and verify that all real property information is recorded accurately in iNFADS. Report the physical inventory status of all heritage assets annually as of 30 September at the end of each fiscal year to CNIC N44.

(7) Conduct a periodic asset review and physical inventory of all property, plant and equipment real property at least once every five years. Report the physical inventory status of these assets annually as of 30 September at the end of each fiscal year to CNIC N44.

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(8) Verify that an installation RPIS report has been completed within the past 12 months and include that verification as part of the installation CO's turnover letter submitted to the region following a change of command.

(9) Provide communication to all installation tenant commands regarding RPI efforts to include facilitating building access, request for tenant command subject matter expert assistance, etc.

f. Installation RPAOs will:

(1) Be appointed, in writing, by installation CO or their designee. Individuals assigned to this position must be employed by the federal government. RPAO responsibilities are not contractible. However, contractors may perform certain functions in support of RPAOs.

(2) Ensure installation property records, systems and financial information in connection with Navy real property, irrespective of the organization using or funding the property, are established and maintained per policy.

(3) Ensure the accuracy, completeness and timeliness of real property acquisitions, disposals and required reports.

(4) Ensure all real property transactions are auditable to be adequately supported, recorded timely and approved by an authorized individual.

(5) Manage real property transactions per NAVFAC established standard operating procedures.

(6) Ensure all occupied facilities are assigned to the occupants/users. Vacant facilities at all installations, regardless of installation operational status code, will be assigned to the accountable offices and reported as vacant. Vacant facilities at contractor-operated installations may be unassigned.

(7) Prepare the installation RPIS report annually at the end of each fiscal year, unless otherwise specified by higher authority. RPAOs will assemble the report for certification by the Public Works Officer and signature by the installation CO.

(8) When the installation or activity real property account is assigned to a new accountability officer, a current inventory of real property assets will be filed with the appointment directive.

(9) Serve as installation point of contact for DON real property audits and audit readiness.

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(10) Support the Installation Zone Inspection Program as directed by reference (i). RPAOs will provide the real property spot check form to the zone inspection team for use by the installation CO or their designee to spot check various aspects of the RPI data.

g. Non-Navy tenant command Defense agencies. Defense agencies using Navy property acquired by permit or other support agreement will provide RPI input to their supporting installation RPAO as required in order to maintain current real property data for the facilities assigned within their support agreement.

h. Contracting officers and contractors of government-owned/contractor-operated and contractor-owned/contractor-operated facilities will:

(1) Ensure that contractors are made responsible for government owned property under Federal Acquisition Regulation (FAR), Part 45. Contracting officers also will ensure that property accountability and record keeping requirements are adequate to meet Navy requirements and are included in formal contracts. Unless these requirements are specified in contracts, the government staff remains responsible.

(2) Contractors will manage facilities under their control, provide accountable property officers with real property information necessary for accountability and management and ensure facilities under their control are protected and maintained per their contracts.

i. Reporting requirements:

(1) The installation RPIS report will be submitted to the Navy region annually at the end of each fiscal year unless otherwise specified by higher authority. Installation RPAOs will assemble the report for certification by the public works officer and signature by the installation CO. These installation reports will be reviewed and compiled by the region RPO for endorsement by the region commander prior to submission to CNIC.

(2) The Navy RPI report will be submitted to CNIC for review prior to submission to ASN EI&E annually following the end of each fiscal year, unless otherwise specified by higher authority. NAVFAC headquarters signs this report for both Navy and Marine Corps real property per the Office of Secretary of Defense for Energy, Installations, and Environment instructions provided to the Service secretaries. Annual reporting meets the requirements of reference (a).

6. <u>Record Management</u>

a. Records created as a result of this instruction, regardless of format or media, must be maintained and dispositioned for the standard subject identification codes (SSIC) 1000, 2000 and 4000 through 13000 series per the records disposition schedules located on the Department of the Navy/Assistant for Administration (DON/AA), Directives and Records Management Division (DRMD) portal page at <u>https://portal.secnav.navy.mil/orgs/DUSNM/DONAA/DRM/Records-and-Information-Management/Approved%20Record%20Schedules/Forms/AllItems.aspx.</u> For

SSIC 3000 series dispositions, please refer to part III, chapter 3, of Secretary of the Navy Manual 5210.1 of January 2012.

b. For questions concerning the management of records related to this instruction or the records disposition schedules, please contact your local records manager or the DON/AA DRMD program office.

7. <u>Review and Effective Date.</u> Per OPNAVINST 5215.17A, CNIC (N4) will review this instruction annually around the anniversary of its issuance date to ensure applicability, currency, and consistency with Federal, Department of Defense, Secretary of the Navy and Navy policy and statutory authority using OPNAV 5215/40 Review of Instruction. This instruction will be in effect for 5 years, unless revised or cancelled in the interim, and will be reissued by the 5-year anniversary date if it is still required, unless it meets one of the exceptions in OPNAVINST 5215.17A, paragraph 9. Otherwise, if the instruction is no longer required, it will be processed for cancellation as soon as the need for cancellation is known following the guidance in OPNAV Manual 5215.1 of May 2016.

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Releasability and distribution:

This instruction is cleared for public release and is available electronically only via CNIC G2 https://g2.cnic.navy.mil/CC/Documents/Forms/Directives%20Only.asp.

PROCEDURES FOR REPORTING OF AMENITIES AND NECESSITIES

1. <u>Purpose</u>. This policy provides instructions for consistently accounting and reporting that portion of real property considered as amenities and necessities, including procedures to update associated asset records within the Navy's accountable property system of record for real property. The scope of this policy provides clarification for amenities and necessities outside of the "five-foot line" that provide a direct support function to a real property asset. This policy also works in conjunction with Secretary of Navy guidance regarding the threshold for reporting (assets valued at more than \$15,000) and classification of prefabricated and relocatable structures (as defined in DoD Instruction 4165.56, Part II, Definitions).

2. <u>Background</u>. Existing policy on reporting real property in the internet Navy Facilities Asset Data Store (iNFADS) does not differentiate between amenities and necessities assets that support a real property asset and the real property assets themselves (land, buildings, structures and linear structures). Additionally, OSD reporting guidance known as the "five-foot line," as defined in reference (c) states: "A building, structure, or linear structure out to an imaginary line surrounding a facility at five feet from the foundation that, barring specific direction to the contract such as a utility privatization agreement, denotes what is included in the basic record for the facility (e.g., landscaping, sidewalks, utility connections)." This DoD guidance does not account for a building, structure, or linear structure which exceeds the five-foot line that may have been given a separate asset property record in iNFADS. Adherence to the five-foot line policy often ignores the totality of the assets and the mission requirements in providing a complete and usable facility.

3. Policy

a. The following amenities and necessities that meet the requirements for accountability shall not be recorded in iNFADS as separate property records:

(1) Unused concrete pads, pits, and/or enclosure (not linked to a mission requirement).

- (2) Enclosures without roofs (e.g. cooling tower enclosure, chiller enclosure).
- (3) Fences around equipment and utilities.
- (4) Flag poles.
- (5) Horseshoe pits.
- (6) Signs.
- (7) Gazebos.

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(8) Trash stands (with or without enclosures).

(9) Bus Shelters.

(10) Unsurfaced playing courts.

(11) Utility structures and utility linear structures supporting a single facility (i.e., service lateral, sewage pump station, oil water separator, heating and cooling plants) are considered Real Property Installed Equipment.

b. Interim Guidance. Accountable Real Property is defined as:

(1) All federally owned real property purchased or otherwise obtained having a plant replacement value (PRV) of \$15,000 or more at the time of assessment and an area cost factor of one.

(2) Federally owned real property purchased or otherwise obtained having a PRV of less than \$15,000 when:

(a) Interests in real property are recorded in local land registries.

(b) Accountability is required by law, policy, regulation or agency direction.

(c) Deemed heritage per the Statement of Federal Financial Accounting Standards 29: "Heritage Assets and Stewardship Land," of July 7, 2005.

(d) The asset is a component of a larger facility or system with an overall acquisition cost that is greater than \$15,000 (i.e., if an oil water separator supports the function of a larger facility or asset, the cost of the oil water separator should be included in the cost of the larger asset and a separate record for the oil water separator should not be created per reference (f)).

4. Procedure

a. New Records. Upon issuance of this instruction, all new real property assets that meet the accountability guidance above should be recorded in iNFADS per this guidance.

b. Existing Records. Existing real property asset records in iNFADS categorized as amenities and necessities and do not meet the accountability guidance above shall not be maintained in iNFADS and shall be disposed.

PROCEDURES FOR MARKING AND TAGGING REAL PROPERTY ASSETS

1. <u>Purpose</u>. This procedure provides instructions for marking and tagging all accountable real property assets across all Navy installations. Consistent and complete marking and tagging of accountable real property assets enhance the control environment for sustaining real property accountability and accuracy enables effective and efficient periodic inventory processes.

2. <u>Background</u>. During preliminary RPI efforts, field teams identified inconsistent application of facility numbering for buildings and structures, as well as marking and tagging of other real property assets (such as Navy-owned Out-grant facilities). Buildings and structures have historically been tagged with facility number to aid in identifying the asset to its iNFADS record. However, certain structures, linear structures, utilities, and other real property assets have been inconsistently marked and tagged or not marked and tagged at all. Additionally, some asset tags are not legible or no longer in place due to exposure to weather and other natural elements.

3. <u>Policy</u>. The scope of this policy applies to buildings and all types of structures above the \$15,000 reportable threshold (to include excess, surplus and Non-functional assets). This guidance is not intended to address requirements relating to the Navy Emergency Management Addressing Project (NEMAP). Additionally, this guidance does not apply to the following assets:

- a. Land and less than fee assets.
- b. Non-accountable real property.
- c. Personal or other non-real property to include Real Property Installed Equipment (RPIE).

4. <u>Procedure.</u> Physical Marking and Tagging:

a. Federally owned (DoD or other federal civilian agencies) buildings. All buildings must be physically tagged. The tag must include a facility number as the primary identifier.

b. Federally Owned (DoD or other federal civilian agencies) non-linear structures. All nonlinear structures including prefabricated non-linear structures determined to be real property must be physically tagged. Additional guidance for physically tagging various non-linear structure types:

(1) Non-linear Structures.

(a) If a physical tag cannot be readily attached, the Military Grid Reference System (MGRS) coordinate will be used as the secondary identifier.

(b) (One to one) For non-linear (utilities) structures contained within walls, surface areas or signs where tags can be readily attached, the tag must include the iNFADS facility number as the primary identifier and unit of measure and quantity if greater than one.

(c) (One to Many) All above ground (utilities) structures, such as transformers, sectionalizing switches and generators, must be tagged. Tags for pole mounted transformers will be mounted on the pole at eye level facing the road or direction of approach. The tag for these child assets will include the iNFADS facility number, maximo feature ID if available (common asset name), unit of measure and quantity if greater than one.

(d) (One to Many Plants) All plants such as wastewater, water plants, substations, switching stations, etc. will be virtually tagged using MGRS coordinates. The component equipment used to determine the property record card unit of measure quantity will be physically tagged. The tag for these child assets will include the iNFADS facility number, Maximo Feature ID if available (common asset name), unit of measure and quantity if greater than one.

(e) Below Ground Non-linear Structures. If below ground Non-linear Structures and other assets cannot be physically tagged, the MGRS coordinate will be the primary identifier and must be included in the iNFADS property record. Below ground non-linear utility Structures that provide an adequate above grade substrate will have the tag physically mounted to the above grade substrate or fixture. The tag will include information as mentioned in paragraph 1a or 1b for parent or child asset as applicable.

c. Physical Tag Placement. Physical tags will be placed in clear sight, facing the direction the asset is usually approached, such as an access road, parking lot or sidewalk. If the asset is located in a confined or hazardous space, the tag will be located as close as possible to the safety warning sign.

d. MGRS Marking and Tagging. Federally Owned (DoD or other federal civilian agencies) Non-Linear Structures, Linear Structures and Non-Functional Real Property. Federally owned non-linear structures not easily physically tagged, linear structures and non-functional real property must be virtually tagged with a MGRS coordinate. The MGRS coordinate must be included in the iNFADS property record along with a GIS produced map with MGRS coordinates. Additional guidance for virtually tagging real property with MGRS:

(1) Non-linear structures.

(a) Concrete pads that support Ready Service Lockers must be virtually tagged with a MGRS coordinate as the primary identifier.

(b) Open area structures must be virtually tagged with a MGRS coordinate as the primary identifier.

(c) Below ground non-linear structures will be virtually tagged with a MGRS coordinate as the primary identifier with the exception of below ground non-linear utility structures as noted above.

(2) Linear structures. Above and below ground linear structures must be virtually tagged with a MGRS coordinate as the primary identifier.

(3) Non-functional real property. All buildings and structures deemed non-functional must be virtually tagged with a MGRS coordinate until a management decision to permanently dispose has been made.

e. Non-federally owned (PPV, private, owned by state and local government) buildings. All non-federally owned buildings must be virtually tagged with a MGRS coordinate; they do not require a physical asset tag.

f. Non-federally owned non-linear and linear structures. All non-federally owned nonlinear and linear structures including prefabricated structures determined to be real property must be virtually tagged with a MGRS coordinate; they do not require a physical asset tag.

g. MGRS Coordinate Placement. MGRS coordinates should be derived, within the physical boundary of the facility where possible, by the following means:

(1) Non-Linear Structures. At a point to be considered the approximate center midpoint (if accessible) primarily, and secondarily at a cardinal direction-oriented corner of the asset (i.e., always the southwest corner for example).

(2) Open Area Structures. At a point considered to be the entrance primarily and secondarily at a point to be considered the approximate center mid-point of the area structure where an entrance cannot be readily identified.

(3) Structures. At a point to be considered the approximate center mid-point of the linear structure where possible, primarily and secondarily at a point to be considered the easiest accessible point of primary location from an accessibility, safety and visible marker perspective.

(4) Below ground non-linear and linear structures. At a point to be considered the easiest accessible point of primary location from an accessibility, safety and/or visible marker perspective.

PROCEDURES FOR REPORTING NON-FUNCTIONAL REAL PROPERTY

1. <u>Purpose</u>. This procedure provides additional clarity regarding real property residual components and proper recording in the iNFADS. This procedure should not be used for the purposes of legal determinations.

2. <u>Background.</u> Non-functional assets are assets that cannot be used or occupied for any reason until functional capability is restored to a usable or habitable condition. Additional clarity is needed on the handling of real property and above and below-ground residual systems such as a system that remains following demolition (via project or by a natural disaster). As a result, real property assets and associated residual systems remain on the site and are maintained but are no longer utilized or functional for their original mission support requirement.

3. Scope

a. This procedure applies primarily to structures and linear structures; however, buildings are not included. The following assets can be included for consideration for a non-functional determination:

(1) The property is a residual foundational component from a previous facility disposed of via demolition (e.g., an unused concrete pad, utility supply lines) and may or may not have been separately recorded in iNFADS.

(2) The property is a residual below ground component from a previous facility disposed of via demolition (e.g., a fuel tank, utility lines) and may or may not have been separately recorded in iNFADS.

(3) The property is vacated in a remote location on an installation and due to neglect, is impacted by natural elements and/or disaster; however, a management decision to permanently demolish the asset has not been made.

(4) Existing real property records that have already been recorded in iNFADS as non-functional (NONF).

(5) Non-functional assets found by inventory that are not currently in the inventory.

4. <u>Policy</u>. This guidance is to be applied to real property assets that are associated residual systems that have been deemed "non-functional." This guidance for recording non-functional real property in iNFADS provides procedures per reference (b), section 4, item 4.5. "*DOD real property no longer required for current or projected defense requirements shall be disposed*" and direction provided for the update of iNFADS to report the asset accordingly.

5. Procedure

a. The following actions apply for the identification of the assets as non-functional and steps required to update the asset's iNFADS property record:

(1) Review the current records in iNFADS to identify real property records for associated residual systems (above or below ground) for assets that have been disposed via demolition.

(2) If it is a component of an existing record, these component pieces should be labeled in GIS per reference (f) and marked as "not accountable" for tracking purposes. This also includes residual systems linked to a demolition project which may leave behind systems such as a foundation or obsolete water mains that were replaced by a new project and the pre-existing systems are non-functional. The residual systems must remain as non-functional in iNFADS until a management decision to permanently demolish has been made.

(3) Assets that have been deemed non-functional, however, identified for return to service would require an approved project to return it to functional use. The cost of the project would be the acquisition cost of the asset.