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.

EQUIPMENT MANAGEMENT PROGRAM

Miguel A. Rodriguez, Program Manager

NASA Equipment Loss Rate in FY17

The Logistics Management Division is thrilled to announce the Agency and Center loss rates in FY17. The logistics management analysis report—generated by the Agency Applications Office at the end of each fiscal year—revealed

Table 1: Loss Rate FY17

NASA Benchmark: 0.50%

Figure 1: NASA Equipment Loss Rate, FY17
that none of the NASA Centers exceeded the Agency benchmark in FY17 (see figure 1). The Agency benchmark (depicted by the red line in the chart) is not to exceed 0.5 percent of the equipment density. Loss rates at the majority of the Centers were below one-fifth of the established benchmark; this is a major improvement from prior years. The Agency’s FY17 loss rate of 0.12 percent was the lowest ever recorded by NASA (depicted by the green bar).

The aforementioned is a great achievement for the entire equipment management community. This Agency success is rooted in stakeholders’ effective implementation of innovative practices and tireless dedication to following NASA policy. The Logistics Management Division recognizes their efforts and thanks stakeholders for their hard work and for the contributions they make to the success of NASA’s equipment management program.

**An Assessment of Control and Accountability of Unmanned Aircraft Systems at NASA**

Property accountability remains at the forefront of importance within the Office of Strategic Infrastructure (OSI) and the Logistics Management Division. The property portfolio requires extensive management oversight due to the high visibility, reporting requirements, loss mitigation, compliance with Federal laws and regulations, and magnitude and value of NASA personal property. The various functional areas within LMD’s Personal Property Program continue to receive intense scrutiny due to the magnitude of sensitivity, export control regulations, and inventory management requirements of Government property.

LMD acknowledges its responsibility to establish and maintain appropriate policies and procedures that enable manageable control and accountability of NASA property. LMD continues to revise its policies, processes, and support of automated systems in pursuit of enhancements that improve the accountability of Agency personal property and resolve the challenges that Centers face in their efforts to exercise proper inventory management of Government property.

Unmanned Aircraft Systems (UAS), from the very small to the very large (see figures 2, 3, and 4) have been an increasingly useful tool in research and operations at all Centers. In the past several years, the Logistics Management Division program managers have been responding to an increasing number of questions and concerns specific to the accountability, parts management, and disposition of UASs. LMD program managers were aware of Center activities related to the acquisition of UASs (i.e., transfer from other Government agencies, purchase from commercial entities, or construction by NASA) that were not in full compliance with current control and accountability processes following their receipt at the Centers. As a result, the LMD Director commissioned a tiger team of Logistics program managers to assess NASA’s policies and management of UASs.

**Figure 2: NASA Unmanned Aerial Vehicle (UAV)**

The purpose of the assessment is an effort to identify any potential systemic issues, or gaps, in existing policies and procedures for the control and accountability, upon receipt, of UASs/UAVs and related spare parts throughout their useful
The LMD assessment was in progress when the Office of Inspector General (OIG) released a report on the same topic: OIG Report A-16-018-00, “NASA’s Research Efforts and Management of Unmanned Aircraft Systems.” The OIG report questions NASA’s oversight and internal controls for accountability of UASs. The OIG findings outlined numerous issues regarding the lack of personal due diligence for UAS inventory, safeguarding, and the reutilization of UASs. The OIG audit concluded:

NASA’s oversight of its own UAS assets needs improvement. Many aerial drone users are unaware of Agency policy requiring prior approval when acquiring UAS, which increases the Agency’s risk and at times has resulted in unnecessary expenditure of funds. In addition, information on UAS assets is not being entered in NASA’s property system—including acquisition cost—and therefore is not tracked as inventory. Furthermore, failure to include all aerial drones in the Agency’s property system renders them invisible and unavailable for use by other projects or Centers. Consequently, policy and procedural improvements are needed to control and mitigate associated safety and inventory control risks.

LMD has finalized its assessment and the draft report undergoes final revision. The tiger team provides comprehensive corrective action recommendations in the areas of UAS/UAV accountability, supply and materials/spare parts management, and disposal. LMD will release a final report in early January 2018.

**How To Attach Documents to NF598**

Jerry Phillips, Engility Logistics Support

During the roll-out demonstration of the updated NF598 (Property Survey Report) completion instructions, attendees were informed of a weakness in the process: documents could only be attached to the form by the form originator using the “Add Attachment” radio button at the bottom of the screen (see figure 5).
Thanks to the feedback provided by the Centers, NASA Headquarters (HQ) form developers responded by implementing a change to the form that allows users other than the originator to attach a document. When the user opens the Web link embedded in the tasking e-mail message, various folders are shown across the top of the Web page, one of which allows attaching document(s) to the form (see figure 6).

The refreshed screen will then allow form users to find their files and upload them to NF598. There are no limits to the number of files that can be attached (see figure 7).

All attached files may be viewed in the History folder (see figure 8).

Upon completion of all the reviews, a document with all of the completion instructions will be posted on the LMD Equipment Management Web page. An e-mail message with the link will be sent out when it is available.
Protect Your NASA Devices from Loss or Theft

**What’s Happening:** On average, more than one NASA-issued device is reported lost or stolen per day. To avoid losses, account for and secure all NASA-issued devices at work, in public, and on official travel. Each incident has financial consequences and poses a risk to information security. Losses must be reported to NASA’s Security Operations Center (SOC) ([soc@nasa.gov](mailto:soc@nasa.gov) or 1-877-627-2732) within 1 hour of discovery.

**Background:** Authorized and approved NASA devices include laptops, smartphones, desktops, tablets, servers, storage devices, RSA tokens, and cell phones. Each time an end user’s device is lost or stolen, NASA’s SOC investigates the incident. Security teams work to protect NASA, as well as personnel, from security risks and data breaches. There are also costs to investigate, mitigate, and replace each lost or stolen device. **We need your help to limit loss and reduce risk.**

**Action Required:** Protect your authorized and approved NASA device and NASA data from loss or theft at work, in public, and on official travel—in the United States or internationally.
- Secure devices when away from workstations.
- Lock all mobile items overnight.
- Don’t leave devices unattended in public places.
- Avoid leaving devices in vehicles; short-term, they may be locked in trunks. Never leave them exposed in a parked car!
- Account for all devices in vehicles, trains, and airports.

**Required:** You must get approval from your Center’s CIO office to travel internationally with NASA devices or NASA data. You may be given a loaner device.

**Support:** For questions, or to report any lost or stolen devices, please contact NASA’s OCIO Security Operations Center, available 24/7 via:
- Phone: 1-877-627-2732
- E-mail: [soc@nasa.gov](mailto:soc@nasa.gov)
- Online: [https://intranet.share.nasa.gov/agency/it/security/ops/default.aspx](https://intranet.share.nasa.gov/agency/it/security/ops/default.aspx)
HQ LMD Welcomes Sharrief Wilson—NASA’s New Property Disposal Program Manager

The Logistics Management Division is delighted to welcome Sharrief Wilson to the Office of Strategic Infrastructure/LMD as NASA program manager for property disposal. Wilson, a veteran of the Marine Corps, was hired as a civil servant on October 30, 2017. He brings a vast knowledge of and experience in logistics to his new role. He excelled in his previous roles as an item manager supporting the Federal Aviation Administration (FAA) in the Washington, DC, area; as a supply manager for the U.S. Marine Corps’s Chemical Biological Response Force; and as an IT Manager for the Office of Naval Research.

Wilson is well known by NASA’s disposal community for his professionalism, expertise, and can-do attitude. For the last 7 years, he has provided technical guidance to property disposal officers and has shared his knowledge of disposal during day-to-day operations, site visits, and scheduled Compensating Control Reviews across the Agency. He is a subject matter expert for whom we wish the best in this new and challenging position. Wilson holds a bachelor’s degree in finance management from the University of Maryland University College. Congrats!

DISPOSAL MANAGEMENT PROGRAM

Sharrief Wilson, Program Manager

Excess Personal Property

In the first quarter of the new fiscal year (FY), NASA Centers have successfully completed the disposition process for 13,123 disposal cases, representing a total acquisition cost of $122,921,293. There are 39,802 disposal cases still pending disposition. This volume has remained relatively consistent over the past several years. Improvements in “through-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 warehouse inventory first.

<table>
<thead>
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<th>TABLE 2: SAMPLE DATA, NASA CASES OPEN IN DISPOSAL</th>
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Figure 10: Sample Report with Corresponding BPR Ratings
the inventory. Headquarters (HQ) LMD uses the aging cases report in Business Objects database (BOBJ) to compile data for input into the Baseline Performance Review (BPR). Figure 10 is a sample report including how BPR rating elements are assessed. Centers should disposition older cases first and attempt to keep their disposal inventory within 1 year.

Computers for Learning

In FY18, NASA Centers have transferred seven pieces of computer technology to eligible schools through the Computers for Learning (CFL) program, representing a total acquisition cost of $3,445.

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 the General Services Administration (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 Online Auction Sales

In the first quarter of the new fiscal year, NASA Centers have netted a total of $169,746.80 sales proceeds from GSA online auctions of personal property: (a) $14,688.00 net sales proceeds under the exchange/sale authority and (b) $155,058.80 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 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 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**

During FY17, NASA Centers provided to UNICOR a total of 1,140,210 pounds of nonfunctional Federal Electronics Assets (FEA) as a form of disposition. As a result, NASA has received $68,413 in 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 lives 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.

FY18 is the last year of the current Memorandum of Agreement (MOA), as we have exercised all five options. LMD will be reviewing our agreement with UNICOR as well as looking at additional options for an Agency R2 Recycler. NASA is committed to the proper disposal of electronic waste and will stay compliant with GSA regulations.

**Reoccurring Disposal Findings on Compensating Control Reviews**

**Approval of Abandonment and/or Destruction (A&D)**

The LMD staff performs Compensating Control Reviews (CCRs) to review the processes and procedures being conducted at the Centers. During some of the most recent reviews, we have noticed a couple of reoccurring findings at multiple Centers.

One is that the approval of the abandonment and destruction documents has not been completed by the correct authorized official; the other is that the unannounced quarterly inventories were either not completed or not documented. Below are descriptions of both areas and the references from NPR 4300.1C.

The 40 U.S. Code, Section 527, states, “The Administrator of General Services may authorize the ‘abandonment or destruction’ of property if (1) the property has no commercial value; or (2) the estimated cost of continued care and handling exceeds the estimated proceeds from sale.” 41 CFR 102-36.310 states that an "authorized official of your agency makes a written finding that must be approved by a reviewing official who is not directly accountable for the property. NPR 4300.1C, Chapter 10, “Property Abandonment and Destruction,” states, “this finding shall be approved by a reviewing official not directly accountable for the property. If the Center PDO is directly accountable for the property and/or their logistics contractor manage[s] the property, the Center PDO cannot be the approving official. In this event, the Center SEMO or other NASA Agency official not directly accountable for the property shall approve the A&D finding. If the Center PDO and SEMO are the same person, the next supervisor in the logistics chain of authority will approve the A&D finding.”

GSA gave an exception to the CFR to NASA for a 5-year period effective November 4, 2013, or until there is a published revised policy for FMR part 102-36.310, whichever comes first. The GSA exception to the FMR allows the PDO to serve as the approving official when nonfunctional FEA are being recycled to UNICOR, provided the property is in condition codes Scrap, Salvage, or Repairable; or if the property has undergone screening and sales without being transferred, donated,
or sold and there is no sales value. In addition, NPR 4300.1C, section 10.2.2, requires that “once the proper authorization and reviews have been completed, all property Abandonment and/or Destruction (A&D) documentation (NASA Form 812) shall be signed by the person actually disposing of the property and independently witnessed by another Center property disposal employee, preferably a civil service employee whenever possible.”

**Disposal Quarterly Inventories**

NPR 4300.1C, section 3.5.2, requires that an unannounced random physical inventory, as determined by the Center PDO, be conducted at least once quarterly. The PDO or designee should ensure that these unannounced physical inventories are complete and documented to stay in compliance with the NPR.

**UPCOMING EVENTS**

2018 National Property Management Association/ National Education Seminar

Marjorie Jackson, Program Manager

The 2018 National Property Management Association/ National Education Seminar (NPMA/NES) will be held August 6–9 in Chicago, IL. The NPMA education committee provides a week packed with top-quality educational workshops, training, and professional development opportunities. The target audience includes (but is not limited to) contractors; colleges, universities and nonprofit organizations; fleet management professionals; medical and hospital professionals; Federal, state, and local government professionals; and property management professionals.

The educational tracks for the 2018 NES include

- best practices,
- Federal property,
- fleet management,
- Government/contractor property,
- nonprofits and hospitals,
- standards,
- state and local governments,
- professional development, and
- universities and colleges.

The primary areas of focus within asset management include

- asset management systems and technology,
- Government capital assets being used offsite by contractors,
- Government/contractor property,
- Federal Government property,
- fleet management,
- industry leading/best practices,
- IT asset management,
- item unique identification (IUID),
- management concepts,
- material management and material management and accounting system (MMAS),
- personal development,
- Property 101,
- property accounting,
- regulations and compliance,
- American Society for Testing and Materials (ASTM) standards, and
- ISO 55000 standards.

During previous NPMA/NES seminars, NASA Centers (Johnson Space Center, Kennedy Space Center, and Marshall Space Flight Center) have presented training
on various property topics. For the 2018 NPMA/NES, NASA Headquarters LMD will be an active participant. Program managers will be making the following presentations: Miguel Rodriguez (Equipment Management: RFID—A NASA Best Practice); Peral Hill (NASA Supply and Material Management: Cataloging Standardization); Marjorie Jackson (Contractor Government Property: Contractor Accountability); and Tim Currie (Transportation Management: MAXIMO Best Practices).

LMD encourages logistics operations at each Center to participate to the greatest extent possible in this valuable training opportunity. LMD’s objective is to host separate Q&A sessions for NASA personnel and NASA contractors, and we also envision having an outing for all NASA attendees. More information will follow.

KUDOS

The Logistics Management Division is pleased to announce that two LMD program managers were recognized by NASA leadership for their accomplishments toward the NASA mission. These awards are NASA’s most prestigious awards. The Agency Honor Awards are approved by the NASA Administrator and presented to carefully selected individuals—both Government and non-Government—who have distinguished themselves by making outstanding contributions to the Agency’s mission.

Exceptional Service Medal: Kevin Watson, program manager for Lifecycle Logistics, received the Agency’s Exceptional Service Medal at the NASA Honor Awards ceremony. Over the last 24 months, he consistently demonstrated high-quality performance and found opportunities to improve the quality of NASA’s LCL and Supply Chain management (SCM) programs. Watson is the LMD subject matter expert for these two programs and has influenced product design through plans, concept development, implementation, and sustainment of a system within the confines of lifecycle logistics. He worked on multiple space flight efforts across NASA to ensure appropriate integration of its systems that comply with lifecycle logistics considerations.

Team Excellence Award: Kevin Watson and Tim Currie were recognized as members of the Headquarters Sustainability Working Group and for the group’s outstanding efforts toward integrating sustainability principles across the mission at NASA.

In 2013, the NASA Administrator formally adopted sustainability principles, which state: “NASA will execute its mission without compromising our planet’s resources so that future generations can meet their needs.” The NASA Headquarters Sustainability Working Group (SWG) was started in order to effectively implement this goal. Since then, the SWG has grown and evolved, encompassing members from environmental, facilities, logistics, procurement, information technology, finance, and other functional specialties. The goal of the SWG is to ensure an integrated strategy toward sustainability across the Agency, leveraging existing programs and teams. Together, they have tackled...
policies and projects to mainstream sustainability principles into “the way NASA business is done,” including those as diverse and far-reaching as energy/fuel/greenhouse gas (GHG) reductions, the construction of high-performance buildings, efficiencies in NASA’s data center management, and climate change resilience. In order to institutionalize these new, effective, and efficient ideas for the future of the Agency, lessons learned from these projects and activities have been captured in policy, procedure, and guidance. As a result of Watson’s and Currie’s leadership, the Agency has reaped tangible benefits through improvements in the support of the mission.

For example, NASA has reduced its fleet petroleum usage by 62 percent since 2005, saving substantial costs and reducing GHG emissions. NASA has been a leader in sustainability over the past decade—not because of external mandates and requirements, but because it makes the mission more effective, efficient, and resilient. In doing so, the NASA Headquarters SWG makes substantive and lasting improvements to the Agency and the mission for years to come. Congrats, Kevin and Tim!

Glenn Research Center SEMO Publishes in NPMA Magazine

Headquarters LMD is pleased to announce that an article written by Dr. John Betterson, Glenn Research Center (GRC) SEMO, has been published in the National Property Management Association’s (NPMA) December issue of the Property Professional Magazine. Dr. Betterson currently serves as the supply and equipment management officer for the NASA Glenn Research Center in Cleveland, OH. He is an active member of the NPMA currently serving as vice chair for the NASA and contractors special interest group. A retired Air Force veteran with over 19 years of leadership in logistics management, Dr. Betterson serves as an adjunct professor at several universities in the areas of property, asset and operations management, and leadership.

The article, titled “Laugh Like a Leader, Smile Like An Encourager: A Soft-skill for Today’s Property Manager,” focuses on helpful tips that property managers within the industry can use to innovate and lead teams, build rapport with customers, negotiate difficult terrain, and collaborate and develop an interpersonal mastery of soft skills. The featured article can be found on page 13 of the Property Professional Magazine, volume 20, issue 6. Well done, John!

Happy New Year from LMD

The year 2017 has brought many challenges as well as progress toward the improvement of LMD functional areas. NASA Headquarters and Center logisticians have worked together and shared ideas to resolve challenges that affect organizational mission operations—and we thank them for that. We, LMD program managers, wish to express our deep appreciation for all the support we received from the logistics community and from Center stakeholders in general. We wish you and your lovely families a prosperous New Year 2018!
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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