APHIS Directive 205-1 2/15/84

I. PURPOSE

This Directive establishes procedures for clearing employees of fiscal liability, official records, and property items prior to separation from APHIS.

II. AUTHORITIES

Title 7, Administrative Regulations, states that each agency is responsible for determining that a separating employee has accounted fully for all funds, official records, and property entrusted to him/her. Further authorization is contained in the Federal and Agriculture Property Management Regulations; the Federal Personnel Manual Supplement 831-1, Subchapter 19; and the Federal Property Management Regulation Bulletin B-106.

III. POLICY

It is APHIS policy to assure that a separating employee has accounted fully for all funds, official records, and personal property entrusted to him/her, and to reconcile or arrange financial settlement of items for which the employee cannot account. Financial settlement is considered to be a payment in the form of a personal check and, if necessary, a deduction from an employee's salary, lump-sum payment, or retirement fund. Official records are materials either made or received in pursuance of Federal law in connection with the transaction of public business (e.g., correspondence, briefs, articles, books, reports). See the APHIS Records Management Handbook for more detailed information.

IV. RESPONSIBILITIES

A. The employee shall:

1. Use government funds and property, whether leased or owned, and official records for officially approved activities only.

2. Conserve and safeguard APHIS accountable items which are charged to his/her custody.

3. Report lost, stolen, or damaged property to Accountable Property Officer (APO).

4. Report actual or threatened removal or destruction of official records to responsible officials.

5. Notify supervisor of separation date at least 2 weeks prior to actual departure, if possible.

6. Return to APHIS all property and official records charged in custody prior to separation from APHIS.

7. Settle any fiscal and property liability with APHIS prior to his/her separation from APHIS.

B. The supervisor shall:

1. Provide new employees with property management orientation according to APHIS New Employee Orientation Program Manual.

2. Cooperate with APO's on all property management matters as outlined in the APHIS Personal Property Manual, the working reference which explains to APO's their responsibilities in property management.
3. Conduct Employee Exit Inventory (APHIS Form 40) on or before an employee's separation; request return of property, official records and other applicable items charged to the employee's custody; and request financial settlement of items for which the employee cannot account.

4. Request the Field Servicing Office (FSO) take action to make deductions from a departing employee's final salary, lump sum or retirement payments, when the employee does not satisfactorily account for items charged to his/her custody or annual/sick leave indebtedness.

5. Acquaint employees with difference between official records and personal papers.

C. APO shall:

1. Coordinate sound property management practices with supervisors and employees as outlined in the APHIS Personal Property Manual.

2. Conduct and reconcile inventory of any capitalized/nonexpendable property charged to the record of a departing employee. Also, conduct expendable and sensitive property inventory if these records are maintained by APO.

D. FSO shall:


2. Serve as liaison between APHIS offices and the National Finance Center (NFC) for settling fiscal and property liability affecting an employee's salary or retirement.

E. The Technical Support Section, ADSS, shall serve as liaison between APHIS and the National Archives and Records Service (NARS) if questions arise regarding official records.

V. APPLICABILITY

A. Employees.

1. The provisions of this Directive apply to all APHIS employees (except employees hired under Letters of Authorization) who transfer, retire, resign, or otherwise separate from APHIS or who are separated by APHIS.

B. Items for Which an Employee is Accountable.

These provisions apply to:

1. Expendable personal property valued at less than $200 as defined in the APHIS Personal Property Manual (e.g., reference books, backtags, uniforms).

2. Sensitive property regardless of value that is highly susceptible to loss or theft having resale potential or significant usefulness to the public (e.g., typewriter elements, pocket calculators, medical or lab instruments and supplies).

3. Capitalized, nonexpendable personal property as defined in the APHIS Personal Property Manual and controlled by an APO.

5. Identification documents such as ID card and passport.

6. Credit cards such as telephone cards and GSA shopping plates.

7. Financial items such as travel advances.

8. Service agreements which an employee previously agreed to fulfill such as on SF-182, Request, Authorization, Agreement, and Certification of Training, or APHIS 6, Service Agreements.

VI. PROCEDURES WHEN AN EMPLOYEE SEPARATES FROM APHIS

The flow chart in Attachment 1 shows the complete process. Specific details are as follows:

A. Supervisor.

1. Upon notification of an employee's separation from or by APHIS, the supervisor shall clear property and other accountable items charged to that employee's custody by completing APHIS Form 40, employee exit inventory. The supervisor shall complete the entire form and code all blocks. Completion of the APHIS Form 40 should coincide with preparation of the SF-52, Request for Personnel action. In the event completion of the APHIS Form 40 cannot coincide with the SF-52, submit it directly to FSO Employment Services as soon as possible, but in no case later than the employee's last workday. In order to assure prompt salary and lump sum payments to separating employees, it is important that supervisors complete the APHIS Form 40 insufficient time to provide for sending the required documents along with the Time and Attendance Report and personnel actions on the normal submission date.

2. FSO will not process the final personnel action until it receives an APHIS Form 40. It is the supervisor's responsibility to accurately complete the form and submit it to FSO. Attachment 2 is an example of a completed APHIS Form 40.

3. An employee abandoning his/her position without proper notification, a death, or other circumstance requiring the abrupt separation of the employee, does not relieve the supervisor of his/her responsibility to complete the APHIS Form 40.

4. Requests APO to conduct an inventory of nonexpendable/capitalize personal property assigned to the employee. It is not necessary to obtain signature of the APO; however, provide APO with sufficient time to conduct inventory and report back results.

5. Requests employee to return all other property charged to his/her record and to make financial settlement for any outstanding financial indebtedness. The employee shall make a check payable to USDA.
NOTE: Accountability for some items may be transferred with the employee if he/she joins another USDA or Federal agency (such as transportation requests, annual and sick leave indebtedness). The supervisor, APO, ant/or appropriate administrative officer shall determine whether the employee will retain custody or accountability of such items. The supervisor shall document this in the remarks block on the APHIS Form 40. Supervisors and APO's do not have authority to transfer APHIS personal property to other USDA or Federal agencies.

B. APO.

1. Conducts capitalized/nonexpendable inventory (as prescribed in the APHIS Personal Property Manual) and reconciles problems with employees. Also checks sensitive and expendable property if these records are maintained by the APO. APO must complete the inventory and report results in sufficient time for the supervisor to finish APHIS Form 40 prior to the employee's departure.

2. Reports findings back to supervisor.

NOTE: When the APO is the departing employee, responsibility for (a) the Employee Exit Inventory shall rest with his/her supervisor; (b) the nonexpendable/capitalized personal property inventory shall rest with his/her supervisor or the new APO if one has been designated.

Follow procedures in the APHIS Personal Property Manual to request that a successor be named to take custody of a departing APO's inventory. Do this prior to the APO's departure.

C. Supervisor.

1. Documents results of capitalized inventory by entering applicable code on APHIS Form 40.

2. If the employee satisfactorily accounts for all items or submits financial settlement, transmits the completed APHIS Form 40 with the SF-52 through customary channels to FSO. Files the copy.

3. Returns all accountable items or documents which are the property of other offices, such as transportation requests, to the appropriate office.

4. An employee abandoning his/her position without proper notification, a death, or other circumstance requiring the abrupt separation of the employee, does not relieve the supervisor of his/her responsibility to complete the APHIS Form 40.

5. Requests APO to conduct an inventory of nonexpendable/capitalized personal property assigned to the Employee. It is not necessary to obtain signature of the APO; however, provide APO with sufficient time to conduct inventory and report back results.

6. Requests employee to return all other property charged to his/her record and to make financial settlement for any outstanding financial indebtedness. The employee shall make a check payable to USDA.
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C. Supervisor.

1. Documents results of capitalized inventory by entering applicable code on APHIS Form 40.

2. If the employee satisfactorily accounts for all items or submits financial settlement, transmits the completed APHIS Form 40 with the SF-52 through customary channels to FSO. Files the copy.

3. Returns all accountable items or documents which are the property of other offices, such as transportation requests, to the appropriate office.

FSO. Reviews APHIS Form 40 and processes the personnel action. FSO will not process the final personnel action until it receives an APHIS Form 40.

VII. PROCEDURES WHEN AN EMPLOYEE DOES NOT SATISFACTORILY ACCOUNT FOR PROPERTY OR FUNDS

A. Reconcile Problems

1. Lost, Stolen, or Damaged Property. When any kind of property charged to an employee has been lost, stolen, or damaged, supervisors and/or APO's shall assure that Form AD-112 is prepared (see APHIS Personal Property Manual). The APO shall submit it to FSO for evaluation by the Property Management Officer or the Board of Survey or both. Inform FSO of the employee's departure date and request prompt evaluation. If it is ruled that the employee shall be held financially liable, inform the employee of his/her indebtedness and request payment in the form of a check made payable to USDA.
2. Unfulfilled Agreements. Violation of service agreements requires recovery of payments unless separation from Federal service is for reasons beyond the employee's control and acceptable to the Agency. Supervisors shall report possible violations by departing employees through channels to FSO to evaluate the employee's indebtedness. If FSO determines the employee shall be held financially liable, the supervisor shall inform the employee of the indebtedness and request payment in the form of a check made payable to USDA.

Foreign program managers shall report possible violations of travel and transportation agreements of employees assigned abroad through channels to the International Programs Management and Liaison Staff (IPMLS), Human Resources Division (HRD), to evaluate the employee's indebtedness, if any.

3. Financial Items.
Supervisors shall continue to use customary channels for resolving problems involving fiscal liability. As appropriate, contact your administrative or executive office, Regional Administrative Officer, or FSO for assistance. Contact IPMLS when the employee is serving on a long term Assignment abroad.

B. Request Deductions from Employee's Salary, Lump-Sum or Retirement payments.

1. Supervisors.

   a. If the employee does not make settlement of any property, service agreements, or funds owed to APHIS, code the item NS on the Employee Exit Inventory and immediately telephone FSO, Employment Services, to request the amount be deducted from final salary, lump-sum or retirement, whichever is appropriate. In order for FSO to make these arrangements, they must notify NFC by Tuesday following the close of the employee's last pay period. Document your telephone request in the Remarks block on the APHIS Form 40.

   If there is not sufficient time for reconciliation and settlement prior to the employee's departure, the supervisor shall request FSO, Employment Services, (by telephone) to instruct NFC to withhold the final salary check until settlement has been reached. Telephone FSO no later than Tuesday following the employee's last pay period.

   For example: If, it is an employee's last workday and the Board of Survey has not yet determined liability for missing property charged to that employee's custody, then, the supervisor should telephone FSO immediately and request the employee's final salary check be withheld until the Board of Survey has ruled on the case.

   b. Complete APHIS Form 40 and indicate in the Remarks block the nature of the problem and actions you have taken to resolve it.

   c. Submit the completed APHIS Form 40 with the SF-52, through customary channels to FSO. File the copy.
2. **FSO.** Contact NFC and request the debt be deducted from the employee's final salary, lump-sum, or retirement payments, whichever is appropriate. Do this by Tuesday following the close of the employee's last pay period. Process personnel action upon receipt of the paperwork from the supervisor.

**VIII. WHERE TO OBTAIN APHIS FORM 40**

Obtain copies of the APHIS Form 40 (through customary channels) from:

- Property, Analysis, and Operations Branch, ASD (For Washington DC Metro Employees)
  Hyattsville, MD
- Field Servicing Office (For Field Employees)
  Minneapolis B, MN

Do not over-order. Request only what you estimate to be a 1-year's supply of the form.

**IX. TRANSFER OF DELEGATIONS OF AUTHORITY**

A. **General.** This section serves as a reminder of certain delegations of authority which employees, supervisors, and other officials must reassign when a departing employee relinquishes such authority upon separation from the Agency. Here is a partial list of the delegations of authority which APHIS assigns:

- Accountable Property Officer
- Motor Vehicle Accountable Officer Imprest Cashier
- Approving Officer (for imprest and travel funds)
- Field Party Advance Representative
- Certifying Officer (position classification)
- Oath of Office (new employment)
- Contracting Officer Representative (including construction inspectors)
- Designated Agents
- Contracting Officer
- Cooperative Agreement Representative
- Security Officer
- Fire Wardens/Monitors
- Emergency preparedness officials who serve on State emergency boards or regional emergency staffs.

B. **Responsibilities:**

1. **Departing Employee.** If you possess a delegation of authority for transacting any of the activities listed above or any other delegation, notify your supervisor and/or appropriate administrative staff to arrange for the authority to be redelegated. Make these arrangements as far in advance of your departure as possible.

2. **Supervisor.** Assure requests for redelegation have been requested, arranged, or relayed to appropriate administrative staffs. Assume the responsibility for making a redelegation request in the event of an employee's death, abandonment of position, or abrupt separation.
NOTE: Resolution (or lack thereof) of these delegations of authority is unrelated to conduct of the Employee Exit Inventory and shall not affect an employee's final salary, lump-sum leave payment or retirement.

Acting Administrator

Attachments
1. Flow Chart of Employee Exit Inventory Process
2. Sample APHIS Form 40

PLEASE SEE HARD COPY OR CONTACT MSD, POLICY AND PROGRAM MANAGEMENT BRANCH, THROUGH FTS2000 ON 301-734-5524 FOR THE PAPER COPY OF ATTACHMENT 1, FLOW CHART OF EMPLOYEE EXIT INVENTORY PROCESS, AND ATTACHMENT 2, SAMPLE APHIS FORM 40.