



Approved for Release
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9/13/2012
Date

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OFFICE OF CHIEF ADMINISTRATION OFFICER
REAL PROPERTY, FACILITIES AND LOGISTICS OFFICE
LOGISTICS OPERATIONS DIVISION
PERSONAL PROPERTY MANAGEMENT BRANCH

PROPERTY BULLETIN #004, FY 2012

SUBJECT: Guidance on Establishing Parent-Child Relationship in Sunflower

EFFECTIVE DATE: September 13, 2012

EXPIRATION DATE: Effective until canceled or superseded

SUPERSEDES: Supersedes Property Bulletin #006, FY 2011, effective March 24, 2011

BACKGROUND: The parent-child asset relationship in Sunflower is a mechanism within Sunflower that links a main asset (parent) with its component asset(s) (child/ren). This relationship can be applied to both constructed and non-constructed assets and capitalized and non-capitalized, accountable assets. The NOAA Property Management Officer (PMO) has determined that additional guidance is needed to establish procedures for recording parent and child assets in the personal property management system, Sunflower.

PURPOSE: The purpose of this bulletin is to provide clear guidance to the Line and Staff Offices (L/SO) on identifying, recording, and tracking components of personal property assets using the parent-child relationship within Sunflower.

PROCEDURES: The main asset (parent) and each component (child) should be bar-coded and recorded in Sunflower. The L/SO are responsible for recording the main asset (parent) and its component(s) (child/ren) in Sunflower in accordance with the Personal Property Management Branch's (PPMB) requirements. It should be noted that component(s) (child/ren) can be entered into Sunflower prior to the main asset (parent) being ready for entry into Sunflower.

Once the main asset (parent) is recorded in Sunflower, the L/SO determines the parent-child relationship with the component(s) (child/ren) based on CWIP policies for integral and non-integral assets. The CWIP criteria for integral and non-integral assets will be applied to determine if a component (child) of a main asset (parent) is integral or non-integral. It should be applied regardless if the asset is constructed or not.

Once the L/SO has determined the parent-child relationship, this information is provided to the respective Line Office representative within PPMB. Upon receipt of supporting documentation for the assets, as well as the parent-child relationship determination, the Line Office representative within PPMB verifies that the parent and child assets are accurately recorded in Sunflower and establishes the parent-child relationship in Sunflower accordingly.

The table below provides guidance for determining and recording the parent-child relationships within Sunflower:

If the L/S/CO determines that:	Then PPMB verifies that:
A component of the main asset is integral to the main asset.	<p>The component is recorded as an inventory asset in Sunflower by the L/SO. It is denoted as a child to the main (parent) asset by the Line Office representative within PPMB.</p> <p>The acquisition cost of the component or child asset is included in the acquisition cost of the main or parent asset.</p>
A component of the main asset is non-integral to the main asset and meets the capitalization criteria.	<p>The component is recorded as an inventory and financial asset in Sunflower by the L/SO and PPMB, respectively. It is denoted as a child to the main (parent) asset by the Line Office representative within PPMB.</p> <p>The child asset is capitalized and depreciated based on its own acquisition cost, acceptance date, useful life, and accounting codes.</p> <p>The acquisition cost of the component or child asset <u>is not</u> included in the main (parent) asset.</p>
A component of the main asset is non-integral to the main asset and does not meet the capitalization criteria.	<p>The component is recorded as an inventory asset in Sunflower by the L/SO. It is denoted as a child to the main (parent) asset by the Line Office representative within PPMB.</p> <p>The acquisition cost of the component (child) <u>is not</u> included in the acquisition cost of the main (parent) asset.</p>

Once a parent-child relationship has been established in Sunflower, only the respective Line Office representative within PPMB can approve changes after thoroughly analyzing the financial impact.

When the main asset (parent) is ready to be disposed of, the L/SO should inform PPMB whether the component(s) (child/ren) are to be disposed of as well.

REFERENCES: Construction Work-in-Progress Policies and Procedures – Section 6.2 Integral vs. Non-Integral Property and Equipment, and Figure 2, Decision Tree - Integral vs. Non-Integral.

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