

The State Scanner



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Getting It Right—Agency Spotlight

Each quarter, this space spotlights an agency that consistently receives the coveted “Perfect Audit.” We are highlighting the Alabama Medicaid Agency this quarter. Their policies and procedures have ranked them as one of our top performers. Last year was their third consecutive perfect audit. We asked Property Manager Lane Pasley to share their best practices with everyone.

AUD: How many locations are involved in the Alabama Medicaid Agency property audit?

MEDICAID: We have 15 locations.

AUD: How many items does Medicaid have in the system, and what is the value of the items?

MEDICAID: There are 1,405 items with a value of \$3,702,383.65.

AUD: What are the biggest challenges you and your department face in accurately tracking all the property owned by Medicaid?

MEDICAID: Our biggest challenge comes when individuals move items on their own and don’t follow procedures making it difficult to find things.

AUD: How have you overcome these challenges?

MEDICAID: I continually try to educate our employees concerning proper inventory procedures.

AUD: What procedures does Medicaid have in place to track items, including new items, and items transferred to other agencies as well as Surplus —What are your Best Practices?

MEDICAID: When an item is moved, we have a Property Receipt/Change Form that must be completed listing the name, division, unit, and room number of the person issuing the item and

the person receiving the item. The person issuing the item must sign the form, and the person receiving the item must sign acknowledging receipt and responsibility for the item. If an item is missing and cannot be found, we can track the item back to the person or division that last signed for the item. I try to check items in daily and add to the inventory as they arrive. I then deliver to the requestor and obtain a signature from the responsible party. This policy keeps me from getting too far behind. I conduct an annual in-house inventory and track all items regardless of cost.

AUD: What improvements were made to your agency’s procedures to decrease the time and cost involved in completing the property audit?

MEDICAID: Our Property Receipt/Change Form is the foundation of our property inventory system, and we update it as the need arises. We are an agency that makes changes to divisions and staff frequently, and this form gives me the ability to track items without actually taking part in every move. I also issue hand receipts (Person Responsible Reports) to every division annually and obtain signatures from division directors and managers. I feel that Hand Receipts give an extra nudge to directors and managers to help keep up with property since they will be held responsible and will have to provide an explanation if an item becomes lost or stolen.

AUD: What is Medicaid Commissioner Carol H. Steckel’s philosophy regarding the personal property of Alabama Medicaid Agency?

MEDICAID: Ms. Steckel states, “Alabama Medicaid has been incredibly successful with our property inventory because of the leadership Lane Pasley provides to us. He is

Best Practices of Medicaid

- EXTENSIVE RECORD KEEPING
- USE OF PROPERTY RECEIPT/CHANGE FORM TO TRACK ITEMS
- CHECK NEW ITEMS IN AS THEY ARRIVE AND OBTAIN SIGNATURE OF PERSON RESPONSIBLE
- CONDUCT ANNUAL IN-HOUSE INVENTORY AUDIT
- COMMITMENT FROM MEDICAID COMMISSIONER CAROL H. STECKEL

thorough and works with the staff in such a way that we are able to produce perfect audits. The Agency is blessed to have him coordinating such an important part of our efforts.”

Thank you Alabama Medicaid Agency for a job well done! Best wishes to Lane Pasley on his recent retirement.



Alabama Medicaid Agency Property Manager Lane Pasley with Perfect Audit Certificate.

From the Desk of Sam Shaw, State Auditor

The New Year is off to a good start for the State Auditor’s Office in spite of the current challenges we face in state government. The main issue facing all departments is revenue shortfalls resulting in additional budget cuts, hiring freezes, and a bleak bottom line for most agencies. Instead of focusing on the negative economic situation we are currently in, I want to focus on what we can do with property management to help our departments. How can we in property management make a positive difference?

In state government, we typically look at expenses to see what we can reduce or eliminate to improve our bottom line. However, another way to improve the bottom line is to look at improved property management. Several studies reveal there is a direct correlation between asset management and the bottom line. According to the National Property Management Association (NPMA), property management is first and foremost a fiduciary responsibility to manage property in a prudent and compliant way. Raising awareness of the importance of property management is a major focus of the NPMA.

To learn how to obtain optimal results in accountability of property, I want to encourage everyone involved with property management to join the Capitol City Chapter of NPMA. Membership provides access to training and a network of property professionals from across the nation. Even if you are not a member, I want to encourage you to attend our meetings. The executive board met recently and set the schedule of meetings for 2009. With the exception of July, all meetings will be the first Thursday of the month and will meet every other month. The next meeting will be Thursday, March 5 at 2:00 in the auditorium of the Richard Beard Building located at 1445 Federal Drive in Montgomery. Other future dates are May 7, July 9, September 3, and a possible one-day seminar scheduled for November 5. For information on membership, please visit www.npma.org, or contact my office. I hope to see everyone at the next meeting.

Sam Shaw, State Auditor



Above — Inside view of the Blount Conservatory
Below— Blount Chapel



Entrance audits of donated estates are challenging and time consuming.



The Dowe mansion on Washington Avenue in Montgomery.

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Where in Alabama...?

...has the State Auditor's Office been lately? During 2008, two estates were donated to the State of Alabama—the Winton M. Blount estate located on Vaughn Road and the Dowe mansion located on Washington Avenue in Montgomery. Our four State Audit Inventory Officers, along with our IT Systems Specialist, conducted the entrance audit for these two estates.

Entrance audits of donated estates are extremely challenging and time consuming. All items have to be valued by an appraiser. Each piece of furniture, silverware, glassware, and china has to be counted and valued. Both houses were filled with antiques. Valuable pieces of art, oriental rugs, and artifacts from around the world were in abundance at the Blount estate. *Everything* has to be looked at and tagged so it is properly identified and numbered. Notes are compared to pictures that are taken of the items. Information about each item has to then be input into Protégé, and bar code labels have to be carefully affixed to the items in inconspicuous places so as not to devalue the pieces.

While these audits are time consuming and have unique challenges associated with them, seeing all the valuable items and imagining the history behind some of them is very intriguing. As the saying goes, "If walls could talk...", I'm sure there would be some interesting stories and bits of history revealed from both locations. Think of the many dignitaries the Blount family hosted at their estate. Mr. Blount was a successful businessman as well as Postmaster General during the Nixon administration. The Dowe mansion dates back to the 1850's. A cookbook with a copyright of 1845 and hand-written letters from the 1800's found inside one of the antique desks gave auditors a brief glimpse of history. From the Civil War, to the Great Depression, to Civil Rights, this house has "seen" many historical events take place in Montgomery. Yes, these audits were a challenge just from the sheer number of items that had to be identified and tagged, but "capturing" pieces of history makes the job interesting.

Until next quarter, we'll be "on the road again".

Employee Corner

Recently, State Auditor Sam Shaw and I (Chief Clerk Kathie Lynch) attended the Eastern Region NPMA Seminar in Gatlinburg, Tennessee. Spending time in Gatlinburg in the fall yields crisp evenings, picturesque scenery, and good food from local restaurants which helped offset sitting in training sessions all day. Also in attendance at the seminar from Alabama were Steve Tomberlin, Allen Williams, and Jared Nelson from AOC as well as Jamie Hollingsworth and Shane Bailey from ADECA.

The Eastern Region Board Meeting kicked off the seminar on Tuesday afternoon. Wednesday and Thursday were jam packed with break-out training sessions on various aspects of property management led by property professionals from across the nation. Shane Bailey presented a session on "What NASASP Can Do For You: Simple Solutions for Your Property Disposal Problems." Different vendors had exhibits set up for attendees to visit before and between sessions.

While the week was fast paced, there were several ah-ha moments for Mrs. Shaw and me. Property management is

multi-dimensional, and typical property managers not only account for property but also deal with personnel, accounting, budgets, and wear many other hats on a daily basis. Raising awareness of the importance of property management is one of the key issues among various agencies not only at the state level but also at the federal level and with private companies.

Accountability is a favorite 'buzz' word here in the State of Alabama. Property management is one method by which to attain accountability within state government, but it is a team effort within each department led by a property manager and agency director committed to perfection.



From left to right, Jared Nelson, Allen Williams, Sam Shaw, Kathie Lynch, and Steve Tomberlin.

Did You Know? FAQs



Can weapons be given as a retirement gift?

Yes. In accordance with the Code of Alabama, Section 36-21-8, "Any person who, at the time of retirement, is in good standing and employed by the Department of Conservation and Natural Resources, the Alcoholic Beverage Control Board, the State Forestry Commission, the Alabama Criminal Justice Information Center, the Public Service Commission, campus police at a state institution, or any other state agency which requires its officers to be Peace Officers' Standards and Training Commission certified as a law enforcement officer or investigator, or by the Department of Public Safety as a State Capitol Police Officer shall receive, as part of his or her retirement benefits, without cost, his or her badge and pistol."

What are the procedures for receiving property from another state agency?

Sign the SD-1 and write your new property numbers beside each asset. **DO NOT ADD THE ASSETS IN PROTÉGÉ AS A NEW ASSET.** Log on to Protégé and go to Transfers, Search, type the Transfer Number in the transfer number field, then click Search. When the transfer appears on screen, click on it to open a detail screen. Click on Receive, enter your new property number in the field beside each asset, repeat until all entries have been made, then click Save. Open each "new" transferred asset and enter the required information such as barcode number, person responsible, county, building, and room number.

How do I get items to State Surplus — do I carry the items to them, or will they pick them up at my location?

Each agency is responsible for getting items to Surplus. According to Jamey Hollingsworth at Surplus, they receive items Monday through Friday from 8:30 a.m. to 3:00 p.m. depending on the size of the load. However, with the upcoming sale, deliveries are limited to Tuesday, Wednesday, and Thursday currently. Anyone can call between the hours of 7:00 a.m. to 4:00 p.m. to schedule a delivery or pick up. Phone number is (334)277-5866. *Appointments must be scheduled in advance for all deliveries or pick ups.* Surplus will schedule to pick up items at your location for a small fee. The charge for a local pick up is \$50; outside Montgomery, the rate is \$2.50 per mile. Make sure the SD-1 is completely filled out listing all items being sent to Surplus and signed by the Property Manager. Please refer to procedures listed in the Property Manual, Section VI, (pages 24-26) Surplus Property Procedures. The Property Manual is available on-line at The State Auditor's website, www.auditor.alabama.gov.