

The State Scanner



STATE OF ALABAMA, OFFICE OF THE STATE AUDITOR
P. O. BOX 300200
MONTGOMERY, AL 36130-0200
(334) 242-7010

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Getting It Right—Agency Spotlight

Each quarter, this space spotlights an agency that consistently receives the coveted “Perfect Audit.” This quarter we spotlight the U.S. Space & Rocket Center. Their policies and procedures have ranked them as one of our top performers. This year was their fifth consecutive perfect audit. We asked Property Manager Terry Poole to share their best practices with us.

AUD: How many locations are involved in the Space & Rocket Center property audit?

S&R: We have 40 buildings, 3 of which are located on Redstone Arsenal 12 miles away.

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

S&R: There are 2,243 items with a value of \$10,896,180 in the system.

AUD: What are some of the biggest challenges you face in properly tracking all the property, or in physically conducting the audit, and how have you overcome these challenges?

S&R: Our biggest challenge is the fact that things constantly change: the museum gets modifications, exhibits change, and the Space Camp Mission Control Complex is restructured to facilitate the various missions. Maintaining database accuracy is most difficult during these times. All changes must be communicated and documented to ensure the database is correct. Each person assigned property accepts their responsibility for reporting changes. The biggest physical challenge is backtracking due to the layout of the Space and Rocket Center. I usually query a print-out and map out a schedule prior to the audit to maximize items scanned at each location. Team effort is vital, especially when two or three have property in overlapping areas.

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

S&R: We have a Property Procedures Manual

that is concise and based on State guidelines. It has basic inventory control practices along with a copy of our ‘Property Accountability Form’ which is highly utilized to maintain an accurate property database. The form has five sections to cover all aspects of inventory control: Property Bill of Origin, Property Interdepartmental Transfer, Property Hand Receipt, Property Surplus Request, and Property Storage Request.

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

S&R: The most significant change was implemented about 10 years ago requiring every employee to verify their property twice prior to the start of the audit. The annual internal “hands on” audit is done in September to report to the State. We also perform an internal audit a couple of months before the arrival of the SAI Officers. This lets us confirm the location of everything ahead of time, clear any discrepancies, and allows for a smooth, time efficient audit once they arrive.

AUD: What is the philosophy of Director Larry Capps regarding the state-owned personal property of the Space & Rocket Center?

S&R: CEO Capps supports property management and states, “Property accountability starts at the top. It is the responsibility of every manager to ensure accountability is stressed to all employees whether they are a hand receipt holder or not. It is a complete team effort that makes the accountability process work and using a single point of contact for all property issues is the key to our success. We are very fortunate to have Terry Poole, who is an outstanding property manager and employee.”

AUD: Any advice for other agencies having problems?

S&R: The most important aspect of successful

Best Practices of U. S. Space & Rocket Center

- CONDUCT INTERNAL AUDIT PRIOR TO SCHEDULED AUDIT
- FOLLOW ESTABLISHED PROCEDURES
- COMMUNICATION
- COMMITMENT TO ACCOUNTABILITY
- TEAMWORK
- COMMITMENT FROM CEO LARRY CAPPS AND COO CLIF BRODERICK

property management is commitment to inventory accuracy by every employee beginning at the top. CEO Larry Capps and COO Clif Broderick take accountability very serious all throughout the year. Each employee knows the importance of following procedures and internal guidelines.

Thanks U.S. Space & Rocket Center for ‘reaching for the stars’!



Space & Rocket Property Manager Terry Poole. Background image is the tip of the Saturn V rocket and promo display of Star Wars exhibit opening June 25.



From the Desk of Sam Shaw, State Auditor

Property – you either love it, or you hate to see my guys headed in your direction. When this newsletter began, our purpose was three-fold: raise property awareness; highlight those agencies that are doing things right on a consistent basis; and, draw attention to the odd and unusual audits our State Audit Inventory (SAI) Officers conduct. While we have made great strides this past year in reaching those goals, we have only scratched the surface.

Property management mainly operates behind the scenes. Therefore, it isn’t a big deal, until it is a BIG deal. Inventories don’t seem directly related or relevant to the agencies success, but property management plays a critical role to the bottom line. Now imagine how you would feel if misplaced items affected you individually. Consider your annual raises, promotions and the effectiveness of your job performance tied directly to your equipment. Ultimately this is property management. When assets come up missing or damaged, it takes time to locate or fix the equipment, and often requires repairs or replacement affecting your agency’s budget. This is the same budget that supports your raises and promotions. Lost assets also create a loss of public confidence in the agency’s ability to safeguard their property.

So remember, when it is all said and done, property managers are an extremely important part of their agency and accountability in State government. That said, I would like to personally thank each and every property manager and department head for being diligent stewards of the taxpayers’ assets. Keep up the good work and remember, we are all part of “good government in Alabama!”

Sam Shaw, State Auditor

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Where in Alabama...?

...has the State Auditor's Office been lately? Recently, our State Audit Inventory Officers were literally "behind bars" auditing the various location within the Department of Corrections. Fortunately, they get to go home at the end of the day. SAI Officer, Mark Lashley, comments that "it is a little unnerving to hear those big doors shut behind you knowing you are working alongside convicted murderers and other felons. You just hope there isn't a lock-down while we are conducting the audit."

Property manager Bill Lock explains, "We cannot put bar-code labels on our equipment because the inmates would destroy or remove the label." Because of this, the Auditor's Office SAI Officers have to manually key each item into their scanner.

Department of Corrections holds its own unique set of challenges since most audits are completed 'behind bars'.

"Whenever possible, the property number is engraved on the piece of equipment, while other items are tagged with a DOC property number tag that we have printed by the Alabama Correctional Industries Print Plant located at the Kilby Correctional Facility in Mt. Meigs." DOC has 8,252 items \$500 and greater valued over \$36.8 million. They also have 1,758 items that are sensitive in nature, mainly weapons, valued at \$539,636. In addition, they track over 2,500 items deemed sensitive by the Department of Corrections valued at more than \$1 million. The Property Inventory Office has a staff of

two. These two Inventory Control Officers conduct internal audits twice a year at 139 locations. There are a total of 12,587 items with a value of over \$38 million accounted for twice a year. That is a lot of manual tracking. Lock says they have a wide variety of items to inventory: everything from basic office furniture, IT equipment, vehicles and weapons to kitchen and laundry equipment, healthcare equipment, farm equipment, auto repair equipment, building maintenance and manufacturing equipment.

One has to wonder how you manually keep track of so many items. Bill Lock is diligent about following procedures for receiving, accounting for, and disposing of property in accordance with procedures and State laws. Lock has been in the Property Office of DOC for over 21 years serving as Property Manager the last 10 years. He obtains a print-out from the data processing section with items at each location so he knows what to inventory. If the item is not available at the time of the audit, an Affidavit is obtained from the person responsible for the item. All items are tracked through the DOC mainframe computer by location with identical records loaded into the Protégé database.

Commissioner Richard L. Allen is concerned about all State owned property assigned to the Alabama Department of Corrections. Property manager Bill Lock, along with Commissioner Allen, has worked to put strict controls in place over property assets assigned to DOC. These controls play a necessary role in maintaining their property inventory records statewide. Leadership and support from all areas involved aid in the goal of obtaining a perfect audit. The Property Inventory Office has the full support of Commissioner Allen.

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



Bullock Correctional Facility in Union Springs, Alabama.

Employee Corner

On Tuesday, November 17, 2009, property managers from across the State gathered at AUM for the NPMA Capitol City Chapter seminar on State Government Property Management. The day was filled with inspiring speakers, lunch, and some great door prizes. I want to thank our sponsors once again who also had displays set up at the seminar: Auburn Montgomery Alabama Training Institute, Alabama Department of Tourism, and Alabama Department of Public Health. The seminar would not have been possible without their participation and sponsorship. We also want to thank AUM for allowing us to use their facilities. The location and parking availability were a nice change from the normal everyday work environment.

I think everyone who attended came away with a renewed

sense of pride and passion about the field of property management. Property Managers play a vital role in protecting their agency's assets which affects their bottom line. Not only are property records within the Protégé database important for property managers and the Auditor's Office, did you know the Comptroller's Office uses the database to calculate depreciation on each item to complete the Comprehensive Annual Financial Report (CAFR)? Maintaining accurate records is imperative for many reasons. Our database is also used by the Examiners of Public Accounts, and in locating equipment needed by Emergency Management or Public Safety in an emergency/disaster situation. It is a pretty valuable little tool. Property Managers have every right to be proud of the job they perform each and every day. Keep up the good work!

Did You Know? FAQs



Important Dates to Remember:

March 18, 2010 — NPMA Capitol City Chapter Meeting, 2:00 p.m. Old Archives Room, 2nd floor State Capitol.

June 14-17, 2010 – NPMA 2010 National Education Seminar in Myrtle Beach, SC. Visit www.npma.org for more information.

Q: *When will the new location of Surplus be open? What is the new address and phone number?*

A: Surplus is currently open for business Monday through Friday, 8:00 a.m. to 4:30 p.m. However, all the renovations are not complete yet. The new location, phone and fax numbers are: 4590 Mobile Highway, Montgomery; phone number is (334)284-0577; fax number is (334)286-4051. Please keep this information in an easily assessable location for quick reference.

Q: *Why will Surplus no longer accept computers without an Affidavit signed by the agency director or department head?*

A: Refer to Policy Statement 402-A issued by State Auditor, Samantha Shaw, on September 1, 2009. This policy statement was issued in accordance with the State of Alabama Information Technology Standard 680-01S4. This policy protects all state entities from breaching computerized data by ensuring all electronic media is cleared to effectively deny access to previously stored information. State Surplus will not accept any electronic media device without the signed Affidavit from the agency Director/Commissioner certifying that the device has been sanitized of all data in accordance with Standard 680-01S4 and Surplus Property regulations.