

SUPPLY ACTIVITIES' CHECKLIST FOR MANAGEMENT CONTROL EVALUATION

Function. This checklist serves to provide guidelines for assessing key management controls of supply activities within USACE.

Purpose. The purpose of this checklist is to assist USACE management with evaluating and helping districts/activities/projects to comply with and adhere to key management controls. The checklist is not intended to cover all controls, but merely serve as a guide that points toward proper supply management procedures.

Instructions. The specific action officer responsible for using this checklist will be designated by the chief, FOA logistics office. The designation and mandatory schedule for using the checklist will be reviewed and approved by the FOA commander. Answers must be based on the actual testing of key management controls (i.e., document analysis, direct observation, sampling, simulation, and [or] others). Answers that indicate deficiencies must be explained and the corrective action indicated in the supporting documentation. These management controls must be evaluated at least once every five years and then certified on DA Form 11-2-R (Management Control Evaluation Certification Statement [see AR 11-2]). Note: All negative answers to test questions indicate a weakness.

FUNCTION: Administrative

ORGANIZATION:

ACTION OFFICER:

REVIEWER:

DATE COMPLETED:

Control Objective: Specify local conditions/requirements in writing.

Control Technique: Determine if standard operating procedures and appointment letters have been written establishing responsibilities.

Test Questions:

1. Have local procedures been developed for control of property within your division, district, or FOA?

Response: YES_____ NO_____ NA_____

Remarks:

2. Do local procedures define responsibilities of individuals who may incur responsibility for property even if he or she has not signed a hand receipt?

Response: YES_____ NO_____ NA_____

Remarks:

3. Has the current division, district, lab, or FOA commander designated, by memorandum, persons to serve as accountable officers/property book officers?

Response: YES_____ NO_____ NA_____

Remarks:

I have reviewed this function within my organization and have supplemented the prescribed management control review checklist as listed below. The controls prescribed in this checklist, as amended, are in place and operational for my organization (except for the weaknesses described in the attached plan, which includes schedules for correcting the weaknesses).

Reviewer (Signature)

FUNCTION: Authorization of Property

ORGANIZATION:

ACTION OFFICER:

REVIEWER:

DATE COMPLETED:

Control Objective: Only those items authorized and approved will be placed on order.

Control Technique: Review documentation for authorization and approval authority.

Test Questions:

1. Have local procedures been established to require all requests for lease/rental equipment to be processed through the PBO?

Response: YES_____ NO_____ NA_____
Remarks:

2. Is documentation on file to support requests that exceed the maximum level of items ordered from Federal or commercial sources?

Response: YES_____ NO_____ NA_____
Remarks:

3. Does the commander or his/her delegated representative review and approve/disapprove all equipment requests?

Response: YES_____ NO_____ NA_____
Remarks:

4. Are procedures implemented to assure proper approval is obtained for equipment prior to acquisition?

Response: YES_____ NO_____ NA_____
Remarks:

5. Are requisitions being submitted with the proper Urgency of Need Designator (UND)?

Response: YES_____ NO_____ NA_____
Remarks:

6. Do requisitions/requests for property cite an authorization document (TDA, CTA, CPAD, etc.)?

Response: YES_____ NO_____ NA_____

Remarks:

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Reviewer (Signature)

FUNCTION: Receipt of Property

ORGANIZATION:

ACTION OFFICER:

REVIEWER:

DATE COMPLETED:

Step 1: Property Accountability

Control Objective: Record all nonexpendable property on property book and have hand receipt holder (HRH) accountability.

Control Technique: Receiving personnel will record all data on ENG Form 4844-R, Property Data Entry Form, and produce an ENG Form 4866, Interim Hand Receipt, for delivery.

Test Questions:

1. Do receiving personnel ensure all nonexpendable property released from receiving area is entered in the data base, and ENG Form 4866, Interim Hand Receipt, is produced?

Response: YES_____ NO_____ NA_____

Remarks:

2. When material is received directly from a contractor or vendor without documentation, does the receiving agent prepare a DD Form 250, Material Inspection and Receiving Report, and record the receiving report in CEFMS?

Response: YES_____ NO_____ NA_____

Remarks:

Step 2: Receiving

Control Objective: Ensure all property received is inspected.

Control Technique: Check logistics management office files to determine if receiving inspectors have been designated.

Test Question:

Has the Chief, Logistics Management Office, approved in writing all receiving agents, as listed in CEFMS, for receiving and inspecting all supplies, equipment, and other property?

Response: YES_____ NO_____ NA_____

Remarks:

Step 3: Technical Inspectors

Control Objective: Use qualified technical inspectors to inspect all property received.

Control Technique: Check to determine if the logistics office has appointed individuals to perform technical acceptance tests.

Test Question:

Has the Chief, Logistics Management Office, appointed individuals to perform technical acceptance tests on complex equipment?

Response: YES_____ NO_____ NA_____

Remarks:

Step 4: Documentation

Control Objective: Ensure all receiving documentation is processed through the PBO.

Control Technique: Review documentation and determine if it was processed by the PBO correctly.

Test Questions:

1. When an item is issued to the ultimate user, has a hand receipt (ENG Form 4866) been signed and sent to the PBO?

Response: YES_____ NO_____ NA_____

Remarks:

2. Are all items received electronically in CEFMS?

Response: YES_____ NO_____ NA_____

Remarks:

3. Does the HRH prepare a DD Form 250, Material Inspection and Receiving Report, for nonexpendable and pilferable property purchased through the blanket purchase agreement (BPA)?

Response: YES_____ NO_____ NA_____

Remarks:

4. Is a DD Form 250, Material Inspection and Receiving Report, being used as a source document to add items to the property book when establishing accountability for nonexpendable property found on-site or on the installation?

Response: YES_____ NO_____ NA_____

Remarks:

5. When property is received at remote locations, does the HRH

ensure that items are tagged, and blocks 1, 4, 6, 9, 10, 11, and 12 are completed on the ENG Form 4844-R, Property Data Entry Form?

Response: YES_____ NO_____ NA_____
Remarks:

6. Are all receiving reports being activated by the PBO within five work days?

Response: YES_____ NO_____ NA_____
Remarks:

7. Do on-the-road purchases of fuel, oil, parts, and service for boats and mobile equipment clearly show the government vehicle license number or boat registration number; type and quantity of product or service received; unit price; total cost; and vehicle mileage before the ticket is signed to verify that entries are correct?

Response: YES_____ NO_____ NA_____
Remarks:

Step 5: Issues

Control Objective: Bar code property and have customer sign for issued property.

Control Technique: Check recent receipts to determine if issues were prepared and compare bar-codes to documentation.

Test Question:

Are all nonexpendable items being bar-coded upon receipt?

Response: YES_____ NO_____ NA_____
Remarks:

Step 6: Discrepancies in Receipts

Control Objective: Ensure discrepancies in receipts are reported to the inventory account or to the supply support activity (SSA).

Control Technique: Review documentation to determine if discrepancies have been reported.

Test Questions:

1. Are receiving discrepancies documented and reported to the vendor within 3 days of receipt?

Response: YES_____ NO_____ NA_____
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Remarks:

2. When discrepancies in shipment of unclassified COMSEC equipment are discovered, has an investigation and submission of insecurity report taken place IAW TB 380-41-5 and TB 380-40-22, respectively?

Response: YES_____ NO_____ NA_____

Remarks:

3. For lost or damaged freight, has the transportation officer sent a SF 382, U.S. Government Freight Loss/Damage Claim, to CEPR-ZA requesting resolution?

Response: YES_____ NO_____ NA_____

Remarks:

4. Are partial deliveries and items received without documentation being corrected with the shipping agency within five (5) working days after receipt?

Response: YES_____ NO_____ NA_____

Remarks:

Step 7: Sensitive Item Receiving

Control Objective: Prevent theft or unauthorized use of sensitive items.

Control Technique: Inspect receiving area for unsecured sensitive items.

Test Question:

Are sensitive and pilferable items stored in a properly secured area IAW AR 190-51?

Response: YES_____ NO_____ NA_____

Remarks:

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Reviewer (Signature)

FUNCTION: Storage

ORGANIZATION:

ACTION OFFICER:

REVIEWER:

DATE COMPLETED:

Step 1: Protection In Storage

Control Objective: Ensure proper storage practices are conducted by warehouse personnel.

Control Technique: Conduct walk-through to determine if proper warehouse practices are enforced in storage area.

Test Questions:

1. Are items left outside for storage protected from rain and other weather elements? (DOD 4145.19-R-1)

Response: YES _____ NO _____ NA _____

Remarks:

2. If storing lumber in an open storage area, is it free from water accumulation and tilted for runoff to preclude dampness?

Response: YES _____ NO _____ NA _____

Remarks:

3. Are small cell batteries stored in a cool, well-ventilated, controlled area?

Response: YES _____ NO _____ NA _____

Remarks:

4. Is electronic material stored in racks or bins with sufficient shelving to prevent crushing or damage?

Response: YES _____ NO _____ NA _____

Remarks:

5. Are tires, tubes and other rubber products stored in areas away from heat and light?

Response: YES _____ NO _____ NA _____

Remarks:

Step 2: Administrative Functions

Control Objective: Ensure periodic reviews are conducted for

space utilization, disposal procedures, and control of warehouse stock.

Control Techniques:

1. Review stock space utilization to prevent wasted space.
2. Review active locations and observe turn-over of property to ensure only active items remain in locations.

Test Questions:

1. Has excess material been removed from stock in order to make room for incoming items? (DOD 4145.19-R-1)

Response: YES_____ NO_____ NA_____

Remarks:

2. Does the layout of the warehouse prevent unauthorized personnel from entering storage areas?

Response: YES_____ NO_____ NA_____

Remarks:

3. Is property that has been identified for return to stock or disposal segregated from operating stock?

Response: YES_____ NO_____ NA_____

Remarks:

4. Are items stored in the warehouse stocked for easy access and free from obstruction?

Response: YES_____ NO_____ NA_____

Remarks:

5. Do material condition tags show if equipment is serviceable or unserviceable, and are they updated when condition codes change?

Response: YES_____ NO_____ NA_____

Remarks:

6. Has an aggressive security education program for all employees been developed?

Response: YES_____ NO_____ NA_____

Remarks:

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Reviewer (Signature)

FUNCTION: Managing the Property Book (Nonexpendable Property)

ORGANIZATION:

ACTION OFFICER:

REVIEWER:

DATE COMPLETED:

EVENT CYCLE 1. Maintain Property Book Records

Control Objective: Maintain formal records for property book accounting.

Control Technique: Determine if property book records are maintained, and if guidance has been published for records maintenance.

Test Question:

Does the PBO use APPMS to show on a continuing basis, the condition and location of all property, value of property, and on-hand balances?

Response: YES_____ NO_____ NA_____

Remarks:

EVENT CYCLE 2. Hand Receipt Account Requirements

Step 1: Sub-Hand Receipt Accounts

Control Objective: Control sensitive and pilferable items at the user level.

Control Technique: Determine if sensitive and pilferable items are controlled at the user level by the use of sub-hand receipts.

Test Questions:

1. Has the division, district, lab, or FOA established procedures for sub-hand receipting property, and considered special conditions such as the geographical location of property, the value of items, and physical security factors?

Response: YES_____ NO_____ NA_____

Remarks:

2. Are pilferable items being sub-hand receipted to the user level?

Response: YES_____ NO_____ NA_____

Remarks:

Step 2: Control of Property by the HRH

Control Objective: Ensure HRHs control property.

Control Technique: Inventory HRH accounts to determine if property is being controlled.

Test Questions:

1. Is all privately owned property in the HRH area of control marked with ENG Form 4878, Privately-Owned Property? This is done to ensure that personal property is not mistaken for Corps-owned property.

Response: YES_____ NO_____ NA_____

Remarks:

2. Are items that are removed from Corps premises being controlled through the use of property pass procedures?

Response: YES_____ NO_____ NA_____

Remarks:

3. When HRHs change, is an inventory completed with the new HRH?

Response: YES_____ NO_____ NA_____

Remarks:

4. When PBOs change, is a 100% inventory of all items not on hand receipt completed and documented?

Response: YES_____ NO_____ NA_____

Remarks:

EVENT CYCLE 3: Issue of Durable Hand Tools.

Control Objective: Responsibility for durable hand tools is established.

Control Technique: Review documentation for compliance with procedures.

Test Questions:

1. Have procedures been published for control of tools in local standard operating procedures?

Response: YES_____ NO_____ NA_____

Remarks:

2. Are tools kept in boxes, cabinets or work benches being controlled by the use of annexes to property records?

Response: YES_____ NO_____ NA_____

Remarks:

3. Are tools issued for more than one day, but less than 30 days, being issued on a temporary hand receipt?

Response: YES_____ NO_____ NA_____

Remarks:

4. Does the durable register contain, as a minimum, the following information?

- a. Reference number to track an item to a voucher.
- b. Date item acquired.
- c. Value of item.
- d. Description/noun
- e. Signature, date of issue, and hand receipt account number.

Response: YES_____ NO_____ NA_____

Remarks:

5. If the tool chit concept is being used, are uniquely colored or numbered tags (chits) in place to show who has removed a specific tool?

Response: YES_____ NO_____ NA_____

Remarks:

EVENT CYCLE 4. Post-Inventory Actions

Control Objective: Process additional transactions to complete inventories.

Control Technique: Review inventories to ensure all required actions are completed.

Test Questions:

1. After completion of an inventory, are completed reconciliation results being provided by the HRH to the PBO for him to locate and re-scan missing items?

Response: YES_____ NO_____ NA_____

Remarks:

2. When shortages are found during an inventory, and there are no signed transfer or turn-in documents, has a DD FORM 4697, Report of Survey, been processed IAW AR 735-5?

Response: YES_____ NO_____ NA_____

Remarks:

EVENT CYCLE 5. Reports of Survey

Control Objective: Account for lost, damaged or destroyed property.

Control Technique: Review documentation for adjustments.

Test Questions:

1. Does the PBO review accident/incident reports, common source data, for mishaps involving damage to government property to ensure Reports of Survey are being submitted for lost, damaged, or destroyed property, and are they recorded in APPMS?

Response: YES_____ NO_____ NA_____

Remarks:

2. Are reimbursements made for property that was lost, damaged or destroyed due to negligence?

Response: YES_____ NO_____ NA_____

Remarks:

EVENT CYCLE 6. Research

Control Objective: National stock numbers and established source of supply is used when available.

Control Technique: Compare local assigned stock numbers to cross reference data to determine if assigned stock numbers exist.

Test Questions:

1. Are national stock numbers being assigned to each item to be recorded on the property book?

Response: YES_____ NO_____ NA_____

Remarks:

2. Are generic nomenclatures assigned to items by using FEDLOG, the AMDF, SB 700-20 and other Federal item identifying guides?

Response: YES_____ NO_____ NA_____

Remarks:

3. Are commercial items being cataloged upon receipt?

Response: YES_____ NO_____ NA_____

Remarks:

EVENT CYCLE 7: Management of Loans/Leases of Army Materiel.

Control Objective: All loan/lease requests include proper justification and HQUSACE approval is obtained.

Control Technique: Determine if requests include proper justification.

Test Questions:

1. Do FOA obtain HQUSACE approval for loan/lease of equipment exceeding 180 days?

Response: YES_____ NO_____ NA_____
Remarks:

2. Are FOA aware of the additional procedures for loan/lease of USACE property contained in AR 700-131?

Response: YES_____ NO_____ NA_____
Remarks:

3. Are FOA aware that the information management office (IMO) holds sole authority to approve the lease of Federal information processing (FIP) resources?

Response: YES_____ NO_____ NA_____
Remarks:

4. Are requests for loan/lease of property for disaster relief processed through the CG, U.S. Army Forces Command (FORSCOM)? (AR 500-60)

Response: YES_____ NO_____ NA_____
Remarks:

EVENT CYCLE 8. Petroleum Management

Control Objective: Issue, control and account for fuel.

Control Technique: Review supporting documentation for errors.

Test Questions:

1. Are all U.S. Government national credit cards used to purchase petroleum products accounted for and controlled by the PBO?

Response: YES_____ NO_____ NA_____
Remarks:

2. Are vehicle credit cards for petroleum products removed from

the property book and destroyed when no longer needed, worn, mutilated, or expired?

Response: YES_____ NO_____ NA_____

Remarks:

3. Has the commander designated a responsible individual in writing to store, issue, and maintain control of all fuels, and to provide an audit trail for the amount of fuel used?

Response: YES_____ NO_____ NA_____

Remarks:

4. Have fuel losses due to spillage and/or contamination been documented to adjust account records?

Response: YES_____ NO_____ NA_____

Remarks:

5. Are monthly physical inventories of all bulk petroleum products performed for each type and grade of product?

Response: YES_____ NO_____ NA_____

Remarks:

6. When fuel losses exceed \$500, are reports of survey being initiated in a timely manner?

Response: YES_____ NO_____ NA_____

Remarks:

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Reviewer (Signature)

FUNCTION: Equipment Usage Management Program (EUMP)

ORGANIZATION:

ACTION OFFICER:

REVIEWER:

DATE COMPLETED:

CONTROL OBJECTIVE: Determine if the EUMP business process guidelines are being followed.

CONTROL TECHNIQUE: Review and analyze the equipment utilization documentation to determine if equipment utilization is being measured.

1. Are usage reports maintained on personal property requiring utilization reporting?

Response: YES _____ NO _____ NA _____

Remarks:

2. Is documentation on file for personal property exempt from meeting minimum usage tracking standards?

Response: YES _____ NO _____ NA _____

Remarks:

3. Is DA Form 2401 (Control Record for Equipment), ENG Form 3662, or an automated form filled out and maintained by the activity IAW current guidance?

Response: YES _____ NO _____ NA _____

Remarks:

4. Is the equipment record folder completed and properly maintained when equipment is used?

Response: YES _____ NO _____ NA _____

Remarks:

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Reviewer (Signature)

FUNCTION: Managing Expendable (Inventory) Property

ORGANIZATION:

ACTION OFFICER:

REVIEWER:

DATE COMPLETED:

EVENT CYCLE 1. Logistics Management Officer Responsibilities.

Step 1: Self Service Supply Center (SSSC)

Control Objective: Monitor transactions of the SSSC to ensure fraud, waste and abuse is prevented.

Control Technique: Review receipts and issues to ensure issued quantities are not unreasonable.

Test Question:

Does the Chief, Logistics Management Office, review PR&Cs on a continuing basis to assure issue and receipt quantities appear to be reasonable?

Response: YES_____ NO_____ NA_____

Remarks:

Step 2: Bench/Cupboard Stocks

Control Objective: Control supplies in bench/cupboard stocks.

Control Technique: Check bench/cupboard stocks for uncontrolled use and review issued quantities to ensure types and amount of stocked supplies are reasonable.

Test Question:

Is an annual review of bench/cupboard stocks performed by the LMO?

Response: YES_____ NO_____ NA_____

Remarks:

Step 3: Expendable Requisitions

Control Objective: Provide information for managers to review expendable acquisitions to detect waste and abuse.

Control Technique: Check to determine if managers have been provided summary sheets and if a review was accomplished.

Test Question:

Does LMO provide managers, periodically, summary sheets of expendable acquisitions to assure quantities and cost are kept reasonable, and to detect waste and theft of supplies?

Response: YES_____ NO_____ NA_____

Remarks:

EVENT CYCLE 2. Stock Control

Step 1: Review Requirements

Control Objective: Review stock level requirements.

Control Technique: Review requisitions for valid stock levels.

Test Questions:

1. Are items which show no issue for a period of 18 months reviewed as to need and possible removal from stock?

Response: YES_____ NO_____ NA_____

Remarks:

2. Have local procedures been established to ensure all items requisitioned for direct delivery are made known to the accountable officer prior to being issued to the customer?

Response: YES_____ NO_____ NA_____

Remarks:

Step 2: Research

Control Objective: Research requests for correct source of supply and valid stock numbers.

Control Technique: Review requests for proper research techniques.

Test Questions:

1. Are NSNs/MCNs assigned upon receipt of commercial equipment?

Response: YES_____ NO_____ NA_____

Remarks:

2. Are national stock numbers/management control numbers being assigned to each item when the criteria in AR 708-1 is reached?

Response: YES_____ NO_____ NA_____

Remarks:

3. Are generic nomenclatures assigned to items by using FEDLOG, the AMDF and other Federal item identifying guides?

Response: YES_____ NO_____ NA_____
Remarks:

4. Are proper physical security and pilferable item codes being used?

Response: YES_____ NO_____ NA_____
Remarks:

5. Are commercial items being cataloged upon receipt?

Response: YES_____ NO_____ NA_____
Remarks:

Step 3: Annual Reconciliation

Control Objective: Balance finance and accounting records with supply records.

Control Technique: Compare ending dollar figures and reconcile accordingly.

Test Question:

Has the annual reconciliation with the finance and accounting office been completed and documented?

Response: YES_____ NO_____ NA_____
Remarks:

EVENT CYCLE 3. Report of Survey/Adjustment Documents.

Control Objective: Document and obtain approval for property lost, damaged or destroyed.

Control Technique: Review adjustments for proper documentation.

Test Questions:

1. Is DA Form 4697, Report of Survey, used as required and processed IAW AR 735-5 when losses are discovered?

Response: YES_____ NO_____ NA_____
Remarks:

2. Are reimbursements made for property that was lost due to negligence?

Response: YES_____ NO_____ NA_____
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Remarks:

3. Is DA Form 444, Inventory Adjustment Report, being used to adjust losses or shortages of expendable property?

Response: YES_____ NO_____ NA_____

Remarks:

EVENT CYCLE 4. Food Items

Step 1: Separate Ordering and Receiving Responsibilities.

Control Objective: To preclude potential misappropriation by ensuring the individual computing requirements and preparing requisitions is not the same individual assigned to receive, receipt for, and store supplies. The requirement to designate separate requisitioning and receiving personnel is waived only when a dining facility is staffed by seven personnel or less.

Control Technique: Check to see delegation of authority has been given in writing to ensure different persons are delegated responsibilities for requisitioning and for receipt of supplies. Check requisitioned quantities against inventory on hand, and production schedule requirements.

Test Questions:

1. Have separate individuals been appointed to request and receive food supplies? (AR 30-1)?

Response: YES_____ NO_____ NA_____

Remarks:

2. Are requisitions checked to ensure only required food items are being requisitioned?

Response: YES_____ NO_____ NA_____

Remarks:

3. Are food items verified by weight or physical count to ensure agreement with entries on the receiving document, prior to signing the document?

Response: YES_____ NO_____ NA_____

Remarks:

Step 2: Establish Procedures to Ensure Subsistence Supplies Are Properly Safeguarded.

Control Objective: Preclude potential misappropriation of subsistence items without detection.

Control Technique: Review key control for storage area access

to determine who is authorized to remove supplies from stockage. Review trash removal procedures to determine potential for misappropriation of supplies by hiding them in the trash.

Test Questions:

1. Is stockage maintained at lowest efficient operational level so that an unauthorized decrease in level is easily and quickly detectable?

Response: YES_____ NO_____ NA_____
Remarks:

2. Is access to storage areas limited to authorized personnel?

Response: YES_____ NO_____ NA_____
Remarks:

3. Are trash, boxes, crates, etc., spot checked before removal from dining facility to preclude unauthorized removal?

Response: YES_____ NO_____ NA_____
Remarks:

Step 3: Control of Food Products.

Control Objective: Preclude items from being removed from inventory without proper documentation.

Control Technique: Review frequency and accuracy of records and physical inventory reconciliation.

Test Questions:

1. Are procedures established to ensure accurate recording of all food items removed from storage?

Response: YES_____ NO_____ NA_____
Remarks:

2. Are cooks allowed access to storage and authorized to remove supplies without proper documentation?

Response: YES_____ NO_____ NA_____
Remarks:

3. Is the frequency of record and physical inventory reconciliation sufficient for early and accurate detection of differences to facilitate identification of cause and correction?

Response: YES_____ NO_____ NA_____
Remarks:

EVENT CYCLE 5. Medical Items

Control Objective: Assure all documentation for medical items is current, and control over these items is maintained at all times.

Control Technique: Compare on-hand inventories against requirements and property records. Review frequency and accuracy of records and physical inventory reconciliations.

Test Questions:

1. Are items issued from stockage by someone responsible for stock controls?

Response: YES_____ NO_____ NA_____
Remarks:

2. Are medical items inventoried quarterly to prevent loss through fraud, waste, and abuse?

Response: YES_____ NO_____ NA_____
Remarks:

3. Does the section responsible for the storage of medical items use disinterested personnel to inventory them?

Response: YES_____ NO_____ NA_____
Remarks:

4. Has a "Notice of Delegation of Authority-Receipt for Supplies" been accomplished to ensure different persons are delegated responsibility for requisitioning and for receipt of medical supplies?

Response: YES_____ NO_____ NA_____
Remarks:

5. Are medical items stored IAW AR 190-51?

Response: YES_____ NO_____ NA_____
Remarks:

6. Are medical items rotated using the "First-In, First-Out (FIFO)" concept to prevent the use of out-dated material?

Response: YES_____ NO_____ NA_____
Remarks:

7. Are out-dated medical items disposed of IAW procedures contained in the Federal Property Management Regulations, and DOD Manual 4160.21-M, Defense Utilization and Disposal Manual?

Response: YES_____ NO_____ NA_____

Remarks:

8. When medical items are discovered lost, damaged, or stolen, has documentation been accomplished using procedures in AR 190-series regulations and AR 735-5?

Response: YES_____ NO_____ NA_____

Remarks:

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Reviewer (Signature)

FUNCTION: Disposition of Property

ORGANIZATION:

ACTION OFFICER:

REVIEWER:

DATE COMPLETED:

Step 1: Reporting Excess - Hand Receipt Holder Level

Control Objective: HRH report all excess when need no longer exists.

Control Technique: Review hand receipt accounts for possible excess.

Test Questions:

1. Are HRHs promptly reporting excess equipment, unneeded and unauthorized property to the PBO for final disposition in a timely manner?

Response: YES_____ NO_____ NA_____

Remarks:

2. Has the FOA commander established local procedures to authorize the chief, construction division; chief, operations division; or other staff managers responsible for using heavy equipment to redistribute such equipment among project sites under their control before such equipment is considered excess and reported to the FOA PBO?

Response: YES_____ NO_____ NA_____

Remarks:

3. Are excess assets on hand reviewed by the PBO/accountable officer for internal redistribution prior to acquisition of new items?

Response: YES_____ NO_____ NA_____

Remarks:

Step 2: Excess Circularization

Control Objective: Review disposal documentation to determine if circularization was accomplished prior to disposal action.

Control Technique: Compare excess files to disposal documentation to determine if excess was reported.

Test Questions:

1. Prior to reporting items to GSA or DLA for reutilization action, are bulk expendable items with a line value of \$5,000 or more, and nonexpendable property in disposal condition code 9 or above (FPMR 101-43.4801) or supply condition code G or above being circularized within USACE?

Response: YES_____ NO_____ NA_____

Remarks:

2. Is excess or unauthorized property at the FOA being reported at least once a month to other FOAs to determine if there is a need for the property within USACE?

Response: YES_____ NO_____ NA_____

Remarks:

3. After 30 days, does the PBO remove property from the circularization list?

Response: YES_____ NO_____ NA_____

Remarks:

4. When property has been transferred from the revolving fund to a civil project, is coordination with the FOA office for transfer of funds being made in a timely manner?

Response: YES_____ NO_____ NA_____

Remarks:

Step 3: Disposal Processing

Control Objective: Excess is reported and timely action is taken to properly dispose of it.

Control Technique: Review all disposal actions to determine if they were processed IAW appropriate regulations.

Test Questions:

1. Have personnel been trained on the disposal of government property? Is this training documented to show dates and duration?

Response: YES_____ NO_____ NA_____

Remarks:

2. Is equipment that has been accepted by GSA/DRMO in-place still accounted on the property book pending physical transfer?

Response: YES_____ NO_____ NA_____

Remarks:

3. Has surplus or excess property been abandoned or destroyed without proper authorization?

Response: YES_____ NO_____ NA_____

Remarks:

4. Is nonreportable excess property held at the location for a minimum of 21 days for Federal screening, and an additional 21 days for donation screening?

Response: YES_____ NO_____ NA_____

Remarks:

5. If, because of geographical considerations, GSA or DRMO cannot be used, is property being disposed of IAW FPMR 101-45.304-1?

Response: YES_____ NO_____ NA_____

Remarks:

6. When determination has been made that a piece of equipment has no commercial value, or the estimated cost of its continued care and handling exceed the estimated cost of its sale, does a technically qualified person state this in writing, and is proper authority obtained prior to abandonment or destruction?

Response: YES_____ NO_____ NA_____

Remarks:

7. Is the "Two-Man-Rule" used to ensure property is genuinely excess prior to being reported for disposition action?

Response: YES_____ NO_____ NA_____

Remarks:

8. When reporting revolving fund property to GSA/DRMO for screening, has the PBO included the statement on the DD Form 1348-1, "This property was purchased through revolving funds and is to be reimbursed"?

Response: YES_____ NO_____ NA_____

Remarks:

9. Has all excess ADPE been reported through DITMS to DISA?

Response: YES_____ NO_____ NA_____

Remarks:

10. Are proper procedures being taken to report excess and surplus property to GSA and other redistribution agencies prior

to being donated to eligible receivers?

Response: YES_____ NO_____ NA_____
Remarks:

11. Does the Standard Form 120, Report of Excess Personal Property, contain all required information?

Response: YES_____ NO_____ NA_____
Remarks:

12. Is the disposal of hazardous material IAW DOD 4160.21-M?

Response: YES_____ NO_____ NA_____
Remarks:

13. Has the FOA commander documented the authorization to cannibalize civil or military equipment?

Response: YES_____ NO_____ NA_____
Remarks:

14. Before cannibalization actions have begun on ADPE, has DISA given approval?

Response: YES_____ NO_____ NA_____
Remarks:

Step 4: Special Reporting Requirements.

Control Objective: Report all assets with special reporting requirements to the MACOM.

Control Technique: Review disposal transactions to determine if assets with special reporting requirements were reported.

Test Questions:

1. Are line items that had an original acquisition cost of more than \$50,000 being forwarded through logistics channels to ACSLOG before action is taken to abandon or destroy the property?

Response: YES_____ NO_____ NA_____
Remarks:

2. Is ACSLOG being contacted before disposal action is taken on civil aircraft or any of their components?

Response: YES_____ NO_____ NA_____
Remarks:

3. Are Nuclear Regulatory Commission-controlled materials being

reported to Safety and Occupational Health Office for disposal instructions?

Response: YES_____ NO_____ NA_____

Remarks:

4. Are vessels in excess of 1500 gross tons being reported to ACSLOG for disposal instructions?

Response: YES_____ NO_____ NA_____

Remarks:

5. Are government-owned, civil-funded vehicles which are excess and not eligible for replacement processed through the division office for reutilization screening prior to forwarding to ACSLOG?

Response: YES_____ NO_____ NA_____

Remarks:

6. Before disposing of any library material, has it been cleared through the PBO for possible transfer to USACE archives?

Response: YES_____ NO_____ NA_____

Remarks:

7. Do transfers of unclassified controlled cryptographic items (CCI) and components between organizations comply with requirements as prescribed in TB 380-41-3 and AR 710-3?

Response: YES_____ NO_____ NA_____

Remarks:

Step 5: Exchange/Sale Items

Control Objective: Follow correct exchange/sales procedures.

Control Technique: Determine if assets offered for exchange/sales were authorized to be replaced.

Test Question:

Are proper exchange/sale procedures being followed IAW the FPMR?

Response: YES_____ NO_____ NA_____

Remarks:

Step 6. Precious Metal Recovery Program.

Control Objective: Recover all precious metals from used materials prior to disposal.

Control Technique: Review generating activity records to

determine if an active program is in place and in use.

Test Questions:

1. Have local procedures been developed to process the recovery of precious metals from excess unserviceable property?

Response: YES_____ NO_____ NA_____
Remarks:

2. When processing precious metals, are procedures outlined in DOD 4160.21-M being followed?

Response: YES_____ NO_____ NA_____
Remarks:

3. If applicable, are precious metal annual reports submitted to GSA in a timely manner?

Response: YES_____ NO_____ NA_____
Remarks:

4. Are items that are being processed for precious metals being secured until the transfer takes place?

Response: YES_____ NO_____ NA_____
Remarks:

I have reviewed this function within my organization and have supplemented the prescribed management control review checklist as listed below. The controls prescribed in this checklist, as amended, are in place and operational for my organization (except for the weaknesses described in the attached plan, which includes schedules for correcting the weaknesses).

Reviewer (Signature)