

**AAA BRIEFING**  
**9 Jun 99**

**PROPERTY PLANT & EQUIPMENT**  
**Internal Control Testing Phase**

**Sites Visited:** NAB; MVO; SAJ; SWF; SPL; NWP; HNC; ERDC (WES); Central Processing Center; Western Processing Center; USACE Finance Center

**Major Controls:** Documentation, inventories, reviews/reconciliations, policies/procedures/processes, trained staff

**MAJOR FINDINGS**

<b>STRENGTHS</b>	<b>WEAKNESSES</b>	<b>NEEDED IMPROVEMENTS</b>
Annual inventories conducted.	Inventories being conducted using manual process – not always bar code scanned.	Use scanners to inventory <b><u>ALL</u></b> personal property.
PBO follows up at least a portion of the activity each year (e.g., may target completion over 3 years).	Bar code changes not always supported.	Need guidance on documenting bar code changes.
Property transfers accurately processed and supported.	All capitalized property not in both the financial system (CEFMS) and the personal property management system (APPMS). Reconciliation incomplete.	Ensure reconciliation between APPMS and CEFMS for capitalized assets.
	Out of date or no inventory SOPs. HQ guidance defines what to do; local guidance missing on how to do it.	Write or update inventory process SOPs at local level.