

UCAR Management Committee (UMC)
 Working Group #4 - Administrative Efficiency & Agility
 PROPERTY ADMINISTRATION

Item #	Staff Raised Issues/Concerns:	Staff Identified Impact(s)	Staff Proposed Solution(s) ²	WG#4 Recommendations, Comments, and Actions Based on SME Discussion	President's Council Response	Status
1	Problems can arise when the UCAR Purchasing Card (UPC) is used for the purchase of 'Sensitive' or lab-tagged equipment by staff not aware of the property, tagging, and tracking requirements. Similar problems are caused by the \$500 threshold for reimbursement of purchases by staff (e.g., cheap laptops, smart phones, etc.).	Department Property Administrator (DPA) not knowing that "sensitive" property which may or may not require tagging and tracking has been made. Concerns: 1) potential finding on audits; 2) staff not obtaining eligible discounts; and 3) staff paying taxes, even though UCAR is exempt in many states.	1) Limit the staff that are issued UPC's, and add limits (and/or clarify) what can be purchased with them. 2) Staff, other than a designated Lab Purchasing Administrator, should only be able to purchase disposable items that do not have property, tagging, or tracking requirements. 3) Additional and periodic training on what should or should not be purchased with a UPC are needed because tracking and property rules change. 4) Ensure that all UPC holders are made aware of rule changes using proactive communication mechanisms (email and website notifications). Lower threshold for reimbursement to \$100.	1) The SMEs agreed that UPC use can be limited at the lab/program level if there is a concern about losing track of sensitive or lab-tagged items. A couple SMEs expressed concern about implementing restrictions broadly across all of UCAR as this could unnecessarily hinder the use of UPCs. Labs/programs would lose required flexibility when working in the field, etc. 2) Labs/programs can decide who has a UPC. Labs/programs can establish their own guidelines with regards to the types of purchases, and within UCAR guidelines the level of requisition authority for a given employee. UCAR's Property Administrator maintains a list of UCAR required "Sensitive Property". If programs want to be more restrictive, they can. The list is updated as needed. As long as labs/programs track items on UCAR's published list, they will be in compliance with the guidance. 3) Sensitive Property is a frequent topic in regular DPA meetings. All DPAs have had sensitive property training from the Property Assistant. DPAs have also received specific training from the UPC Administrator in Contracts on how to query the UPC Payment/Net system for purchases coded as "sensitive property" by the cardholder. In addition, the cardholders are currently required to attend annual UPC cardholder training from the UPC Administrator in Contracts where the cardholders are trained on how to code sensitive property. 1) Recommendation: All DPAs should be required to attend mandatory annual UPC training to ensure they are aware of the latest policies and to review any recurring problems and/or issues that may have occurred during the year. UCAR has a posted Property policy on the F&A webpage. Note: All DPAs have had sensitive property training from the Property Assistant. DPAs have also received specific training from the UPC Administrator in Contracts on how to query the UPC Payment/Net system for purchases coded as "sensitive property" by the cardholder. In addition, the cardholders are currently required to attend annual UPC cardholder training from the UPC		

¹This column list the issues and concerns raised by staff that was collected during the feedback solicitation process and clarified during the subject matter expert (SME) meeting(s).

²This column lists proposed solutions from the staff feedback process and, where applicable, refined during the SME meeting(s).

				Administrator in Contracts where the cardholders are trained on how to code sensitive property. 4) It was agreed that this is a Contracts Office issue and that lowering the purchasing threshold to below \$500 is not practical as it would unnecessarily constrain the organization. Entities need to be aware of when staff members purchase inexpensive laptops, cell phones, and other possible sensitive items or items that should be tagged.		
2	Currently, all Fixed Assets must be purchased by UCAR Contracts. There is a lack of communication as to the status of many purchases and oftentimes the process seems to take much longer than expected.	Delays in equipment ordering and receipt of goods; Status of Order - not knowing order status (ETA's, updates to orders, correspondence with vendors, appropriate PO's, canceled orders, etc.); In some instances, it is not clear which Contract Administrator placed the order?	1) Allow Lab Purchasing Administrator to handle and purchase fixed assets for Lab. 2) Improve communication within Contracts to address delays, status, and which Contract Administrator placed an order. 3) Consider using an order tracking system.	1) This will be considered as part of the IT assessment follow up and business reengineering. 2a) Recommendation: Staff members within the UCAR Contracts Office should increase their communication with requisitioners to ensure that all parties are regularly made aware of the status of their purchases. Note: Actions are already taking place to help improve communications between the Contracts Office and requisitioners. 2b) Recommendation: To improve communication across UCAR, an online order tracking system should be implemented. Note: This is a long-term solution and UCAR has indicated that it will be accomplished as part of the FinTools projects.		

3	Sensitive Property (SP) Inventory Worksheets are being requested twice a year: beginning of June and beginning of December. What is the justification for the frequency? Why is Sensitive Property updated four times as often as Fixed Assets?	A high amount of staff time is used to send reports.	Sensitive Property Inventory – Long- term solution - Create and store centrally a SP workbook in Excel. All DPAs would have access to input their lab/program SP data into a central drive. Access would be password protected. This would eliminate the need to send reports to the Property Office. Proposed solution – pilot program. Short-term solution – Property will only request SP one time per year; unless required for a specific audit.	3) Recommendation: The UCAR Property Office should review the staff proposed solution (on the left) and identify opportunities for process improvements. Note: The UCAR Property Office has indicated that it supports the proposed solutions and has identified an opportunity for process improvement.		
4	Property Updates are requested too frequently. The current schedule is as follows: - The Responsible Person Update (RPU) is conducted twice a year; beginning of July and beginning of January	A large amount of staff time is used to repeat a process almost immediately after completing it.	1) During the year that we have a Fixed Asset Physical Inventory (FAPI), we recommend skipping the Responsible Person Update since the FAPI is very thorough and covers the same information.	4) Recommendation: UCAR Property should revisit the inventory schedule to try to prevent having a Responsible Person Update (RPU) too close to an inventory which is redundant. Note: The UCAR Property Office agreed with this issue and Property has worked with divisions to realign the RPUs to a more effective schedule as needed.		
	- Fixed Asset Physical Inventory (FAPI) conducted every two (2) years What is the justification for this frequency? What is driving this need? Why is there a separate Responsible Person Property Update?		2) During the year that we do not have a FAPI conduct the Sensitive Property updates. 3) Have less frequent full inventory activities, perhaps every two years. In the interim, do spot checks and if problems are found, then do a deeper update for that part of the organization. Regardless of the proposed changes above, the DPAs will continue to keep the FADB updated in real time as field campaigns, office changes, and other changes occur.	2) UCAR Property indicated that the proposed solution is not a viable solution because SP and tracking Fixed Assets are completely independent. Each is tracked based upon government regulations. 3) UCAR Property indicated that biennial inventories are a regulatory requirement. If labs/programs choose biennial inventories versus an annual inventory they will have to complete two Responsible Person Updates (RPU) in between inventories. If labs/programs choose to do an annual inventory instead of a biennial inventory it would eliminate the requirement to complete any RPUs.		
5	Assets and Sensitive Property are being tracked in too many disparate databases across the organization, including: DPA's local database (Excel spreadsheets, other database software – either off the shelf or home developed); UCAR Property Office Excel spreadsheet; and on the 'Orion' (server).	Duplicate data entry; Time requirements; Increase in possibility for error; and Orion (server) is difficult to use, can lead to data entry or copying errors.	1) Work with the DPAs to reduce the number of places to enter data. 2) Scheduling - Let the DPAs know the schedule for updating the server Orion. 3) Create a master database – accessible for update by all labs/programs and the Property Office (currently labs/programs maintaining their own separate databases). Look for a way to create a link between lab/program databases and F&As database so data can be pushed/pulled so we don't have duplicate entry and to help minimize the error rate caused by these complexities.	5) Recommendation: The UCAR Property Office should review this problem and identify a solution(s) that minimizes the need for redundant data entry and work to consolidate the databases. Note: This will be considered as part of the IT assessment follow up and business reengineering.		
6	DPA meetings: • Material presented is repetitive; • Attendance is decreasing - many DPAs have stopped coming (based upon statistical data, this is not true; attendance is increasing) • A lot of time is spent bringing new DPAs up to speed.	Non-productive and repetitive meetings are an inefficient use of staff time.	1) Restructure DPA meetings. 2) Hold occasional property meetings within each lab/program, including a representative from the UCAR	6) Recommendation: UCAR Property should ask DPAs for agenda items to get them more engaged in the meeting content. UCAR Property should also continue to include agenda items that are driven by issues, problems, new policies, audits, etc. In addition, the use of network based meetings (telecons or video conferencing) should be considered to reduce travel time. Note: UCAR Property has agreed to try remote conferencing to save DPA drive time. 2) During the meetings with the SMEs, it was agreed that quarterly meetings are important and that special lab/program meetings should not substitute for standing DPA meetings. Lab/program		

			<p>Property Office to talk about lab/program - specific issues. Convene focus groups across UCAR for DPAs tailored to specific groups and their needs. Only those labs/program affected would attend. Topics to be presented may include:</p> <ul style="list-style-type: none"> - Training for new DPAs - Handling property going out to the field - Computer systems - Sensitive property discussion, including UCAR-owned and loaned visitor laptops and computers 	<p>meetings are already held on an 'as needed' basis. UCAR Property indicated that this is a due diligence issue for auditors – we have regular meetings where important information is being conveyed</p>		
7	<p>Equipment Loan and Field Inventory Forms are not specific enough. See: http://www.fin.ucar.edu/forms/PROPERTY/prop_title.shtml The loan process itself and the forms are not clear.</p>	<p>The information required on the form is not always noted, leading to possibility of difficulties in locating either sensitive property or fixed assets.</p>	<p>1) As a UCAR official form, all updates should be completed by the UCAR Property Office. 2) Add a section in the form for lab/program comments. 3) Re-examine the equipment loan purpose and process at UCAR and clarify the roles and rules involved and the importance to the institution (or not) of doing equipment loans.</p>	<p>7) Recommendation: UCAR Property should work with DPAs to determine where the current forms need revision as indicated in the information provided herein. Note: UCAR Property has indicated that all forms are owned by the Property Office and the Property Office is responsible for revisions (Legal reviews all revisions before implemented). There are "Equipment Loan Forms for 1) employees; 2) non-employees (individuals); and, 3) non-UCAR organizations (entities). The Property Office will review the forms and, if appropriate, add a section for comments. All three forms have instructions – UCAR Property will review to ensure the purpose of the forms are clear; will add sample data into the form; and will review instructions to ensure they are complete. Field Inventory Form – UCAR Property will review the field inventory form and rewrite (clarify) the instructions.</p>		
8	<p>Equipment Loans – Other Research Entities Some labs/programs receive a high- volume of requests for lending equipment to other researchers for short periods of time, including Member Universities. In the past, we did this with a simple "e-mail agreement" and the user would assume financial liability in case of damage. In a recent case, the loan process took 1)</p>	<p>Loss of several staff-days on both ends. Delay of getting the equipment ready for use. Lack of buy-in by our staff to use this process in the future.</p>	<p>Have a <i>simple</i> form available that could be "e-signed" by just one representative from each institution.</p>	<p>8) Recommendation: UCAR Property should work with DPAs to determine where the current equipment forms need revision and facilitate a discussion with UCAR Legal to determine if any simplification can be accomplished. Note: UCAR Property indicated that the PI/program needs to work with their contacts at the other entities to determine who can sign equipment form(s). It was agreed that with foreign partners this can sometimes be a cultural issue. UCAR Property also indicated that they will request a legal review of UCAR's 'Non-UCAR' organizational loan agreement to</p>		
	<p>three (3) weeks to complete; 2) involved extensive negotiations between an administrator and the property officers of both UCAR and the user's university; and 3) took research staff time.</p>			<p>determine if we can simplify the form, but we still require a signature on the legal contractually binding form.</p>		