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STUDY OF AID/W PROPERTY RECORDS AND  
INVENTORY MANAGEMENT

FINAL REPORT BRIEFING

APRIL 14, 1980

CONTRACT AID/OTR-C-1691  
WORK ORDER NO. 2

MANAGEMENT TECHNOLOGY GROUP  
SCIENCE MANAGEMENT CORPORATION

ORIGIN AND PURPOSE OF THE PROJECT

- PUBLICITY AND CONGRESSIONAL CONCERN
- INADEQUATE PROPERTY INVENTORIES AND PROPERTY RECORD SYSTEMS
- UNCERTAINTIES REGARDING PROPERTY MANAGEMENT ROLES AND RESPONSIBILITIES
- AID MANAGEMENT CONCERN
- IDENTIFY PROPERTY RECORDS SYSTEM REQUIREMENTS
- RECOMMEND MANAGEMENT ROLES AND RESPONSIBILITIES
- PROVIDE PRAGMATIC SYSTEM IMPLEMENTATION PLAN

PROJECT APPROACH

- IDENTIFY AND REVIEW MAJOR PROPERTY MANAGEMENT FUNCTIONS
- INTERVIEW PROPERTY USERS AND MANAGERS
- CHARACTERIZE INADEQUACIES IN CURRENT SYSTEMS AND PROCEDURES
- IDENTIFY AND EVALUATE PRACTICAL SYSTEM SOLUTIONS
- FORMULATE IMPLEMENTATION PLAN

PRINCIPAL FINDINGS REGARDING AID/W PROPERTY MANAGEMENT  
AND SYSTEM IMPROVEMENT REQUIREMENTS

• PROPERTY INVENTORY RECORDS

DIFFICULTIES HAVE BEEN ENCOUNTERED IN RECONCILING PAST INVENTORIES, AND INVENTORIES HAVE NOT BEEN PERFORMED WITH SUFFICIENT FREQUENCY. PROPERTY CONTROL RECORDS OF NON-SERIALIZED PROPERTY DO NOT PROVIDE A DETAILED AND RELIABLE REPRESENTATION OF THE AID/W INVENTORY.

• PROPERTY IDENTIFICATION AND MARKING

CURRENT OPERATING PRACTICES DO NOT PROVIDE FOR THE MARKING OF NON-SERIALIZED PROPERTY FOR IDENTIFICATION PURPOSES. AS A RESULT, CONTROL RECORDS FOR NON-SERIALIZED PROPERTY MUST BE MAINTAINED BY TYPE OF ITEM RATHER THAN BY INDIVIDUAL ITEM.

• RECORDS MANAGEMENT SYSTEMS

SEVERAL NON-INTERGRADED SYSTEMS ARE CURRENTLY IN USE BY THE GENERAL SERVICES DIVISION (MO/GS). THIS FACT CONTRIBUTES TO A FRAGMENTED APPROACH TO PROPERTY RECORDS MANAGEMENT.

• REQUISITION STATUS TRACKING

PRESENT OPERATING METHODS DO NOT PROVIDE FEEDBACK OF PROCUREMENT STATUS INFORMATION TO THE OFFICE REQUISITIONING PROPERTY. IT ALSO DOES NOT PROVIDE A CLEARLY DEFINED POINT OF CONTACT WHICH CAN BE CONSULTED REGARDING THE STATUS OF ALL PROPERTY MANAGEMENT REQUESTS.

• ACCOUNTABILITY FOR PROPERTY

HANDBOOK 20 PLACES PRIMARY RESPONSIBILITY FOR PHYSICAL CONTROL ON THE INDIVIDUAL USING THE PROPERTY AND PRIMARY RESPONSIBILITY FOR RECORDS MANAGEMENT ON MO/GS. HOWEVER, THESE RESPONSIBILITIES HAVE NOT BEEN FULLY AND CLEARLY IMPLEMENTED. THIS IS DUE IN PART TO THE FACT THAT AID/W DOES NOT HAVE A WELL DEFINED PROCEDURE FOR ISSUING PROPERTY TO USERS THAT ASSURES PROPER ACCOUNTABILITY, ESPECIALLY FOR NON-SERIALIZED PROPERTY.

• ACQUISITION, MAINTENANCE, AND DISPOSAL PLANNING AND MANAGEMENT

BECAUSE SYSTEMS IN USE BY MO/GS ARE NOT INTEGRATED AND HIGHLY DEVELOPED, THEY DO NOT PROVIDE INFORMATION ESSENTIAL TO LONG-RANGE PROPERTY ACQUISITION PLANNING AND MANAGEMENT ACTIVITIES.

PRINCIPAL REQUIREMENTS WHICH SHOULD BE MET BY  
AN IMPROVED PROPERTY MANAGEMENT SYSTEM

- WILL INSURE AID/W COMPLIANCE WITH FEDERAL PROPERTY MANAGEMENT REGULATIONS AND AID HANDBOOK 20
- WILL ALLOW FOR THE MAINTENANCE OF RELIABLE PROPERTY CONTROL RECORDS WHICH CAN BE UPDATED IN A TIMELY MANNER AND WILL FACILITATE EFFICIENT CONDUCT OF PERIODIC PHYSICAL INVENTORIES
- WILL PROVIDE USEFUL DATA TO SUPPORT PROPERTY MANAGEMENT DECISION MAKING AND PLANNING ACTIVITIES AND WILL SUPPORT THE FULL RANGE OF PROPERTY MANAGEMENT FUNCTIONS
- CAN BE IMPLEMENTED WITHIN A RELATIVELY SHORT PERIOD OF TIME AND AT A RELATIVELY LOW INCREMENTAL COST
- WILL NOT IMPOSE UNDUE BURDENS ON AID/W BUREAU STAFFS AND WILL NOT REQUIRE ADDITIONAL STAFFING FOR OPERATION.

SUMMARY REVIEW OF  
NON-EXPENDABLE PROPERTY RECORDS MANAGEMENT SYSTEMS OPTIONS

SYSTEM OPTIONS SYSTEM EVALUATION CRITERIA	USE CURRENT AID/W SYSTEMS AND PROCEDURES	EXPAND Q-1 SYSTEM	ADAPT THE POST PROPERTY SYSTEM
1. AIDS COMPLIANCE WITH FEDERAL PROPERTY MANAGEMENT REGULATIONS	NO	POSSIBLY	YES
2. PROVIDES RELIABLE PROPERTY CONTROL RECORDS?	DOUBTFUL	POSSIBLE	YES
3. PROVIDES FOR NUMERICAL IDENTIFICATION OF EACH ITEM?	NO	POSSIBLE	YES
4. FACILITATES PERFORMANCE OF INVENTORIES AND RECORD RECONCILIATIONS?	NO	POSSIBLE	YES
5. INTEGRATED APPROACH TO SYSTEM IMPLEMENTATION?	NO	YES	YES
6. CONTROLS ON DATA ACCESS?	LIMITED	POSSIBLE	YES
7. PROVIDES DATA TO SUPPORT OTHER PROPERTY MANAGEMENT ACTIVITIES?	VERY LIMITED	POSSIBLE	YES
8. PROVIDES PROPERTY LIFE CYCLE DATA?	NO	YES	YES
9. PROVIDES REQUISITION STATUS TRACKING?	NO	YES	YES
10. IMPLEMENTATION TIME REQUIRED?	N/A	OVER ONE YEAR	APPROXIMATELY ONE YEAR
11. SYSTEM IMPLEMENTATION COSTS?	N/A	PROBABLY OVER \$100,000	DEPENDS ON HARDWARE AND OTHER OPTIONS SELECTED. SEE SECTION ON IMPLEMENTATION AND OPERATING COST.
12. MAKES EFFECTIVE USE OF AVAILABLE STAFF RESOURCES	NO	YES	YES
13. COMPATIBLE WITH FUTURE AID SYSTEMS WORLDWIDE?	NO	NO	YES

DESIRABLE FEATURES OF THE POST PROPERTY SYSTEM

- UNIQUE PROPERTY ITEM IDENTIFICATION AND BARCODE MARKING
- MODULAR SOFTWARE CONSTRUCTION
- COMPATIBILITY WITH FUTURE AID AND STATE DEPARTMENT ADMINISTRATIVE SUPPORT SYSTEMS AND EQUIPMENT
- MINIMAL MODIFICATION OF CURRENT AID FORMS AND PROCEDURES
- PROVEN SYSTEM WHICH CAN BE IMPLEMENTED RAPIDLY
- FLEXIBLE SYSTEM OPERATION AND USER INTERFACING

PROPERTY MANAGEMENT SYSTEM MODULES

1. PROPERTY PROCUREMENT
2. PROPERTY RECEIVING
3. PROPERTY MAINTENANCE
4. PROPERTY DISPOSAL
5. PROPERTY INVENTORY FUNCTIONS
6. PERPETUAL INVENTORY FUNCTIONS
7. PHYSICAL INVENTORY UTILITIES
8. UTILITY FUNCTIONS

STANDARD REPORTS

1. ITEMS NOT RECEIVED, 60/90/XXX DAYS
2. SUMMARY OF OUTSTANDING PROCUREMENTS
3. SUMMARY OF COMPLETED PROCUREMENTS
4. ITEMS DUE REPLACEMENT BY AGENCY
5. INVENTORY LISTING BY AGENCY
6. INVENTORY LISTING BY LOCATION
7. HAND RECEIPT REPORTS
8. LIST OF ITEMS DISPOSED OF

PROPERTY PROCUREMENT

ACTIVITIES PERFORMED OR SUPPORTED

- . Procurement of New Property
- . Procurement Status Reporting
- . Vendor Information Reporting
- . Property Receiving

FUNCTIONAL CONFIGURATION

CPU

INPUTS

- . Purchase Order No.
- . Vender Identification Information

(PROCUREMENT)

Terminal  
Printer

OUTPUTS

- . Purchase Order
- . Vendor Activity Reports
- . Status Tracking Reports

(WAREHOUSE)

Terminal

ACCESSIBLE INFORMATION

- . Updated Inventory
- . Property Storage Locations

INPUTS

- . Property Requisition
- . Property Item Code and other Descriptive Information
- . Receipt Information

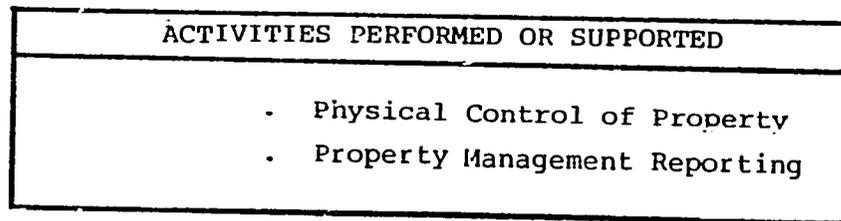
(PROPERTY  
MANAGEMENT)

Terminal  
Printer

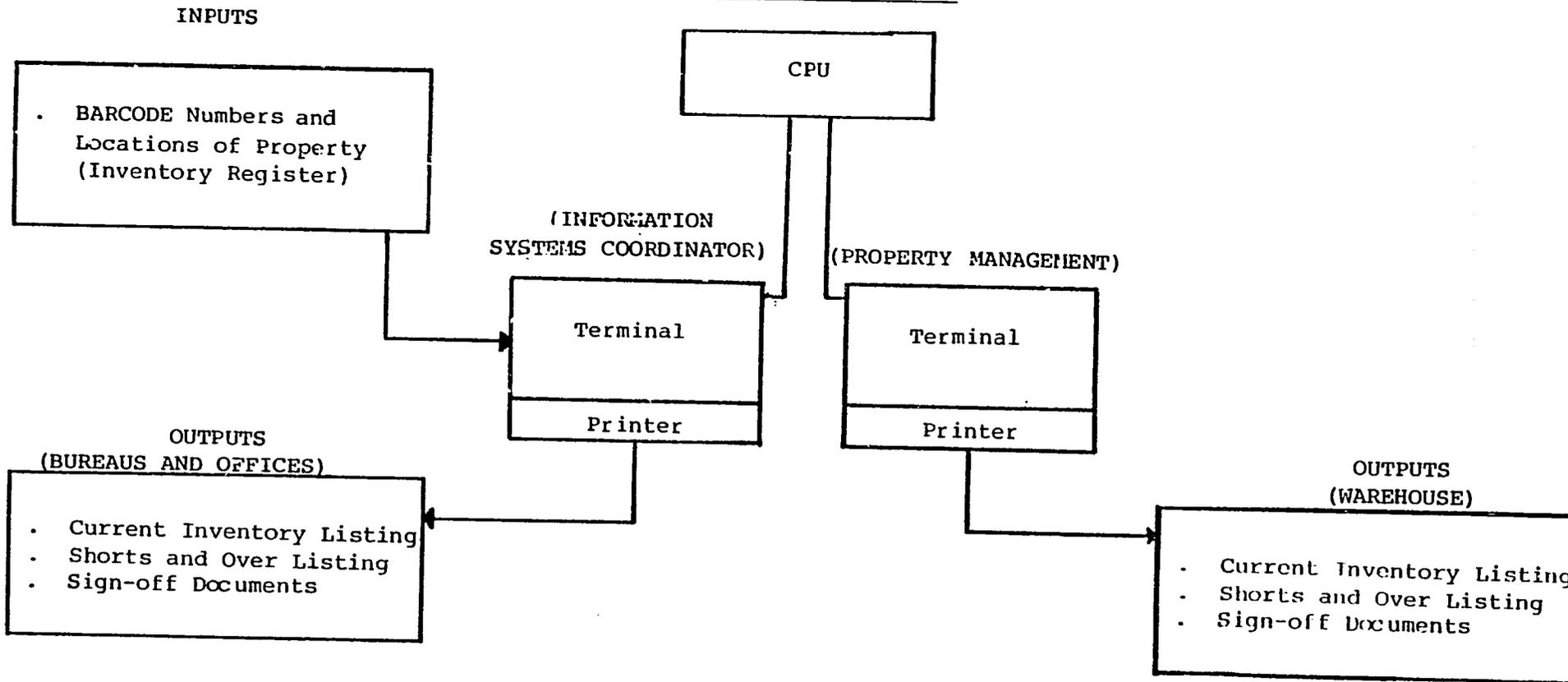
OUTPUTS

- . Updated Inventory
- . Status Reports

PHYSICAL INVENTORY AND RECORDS RECONCILIATION



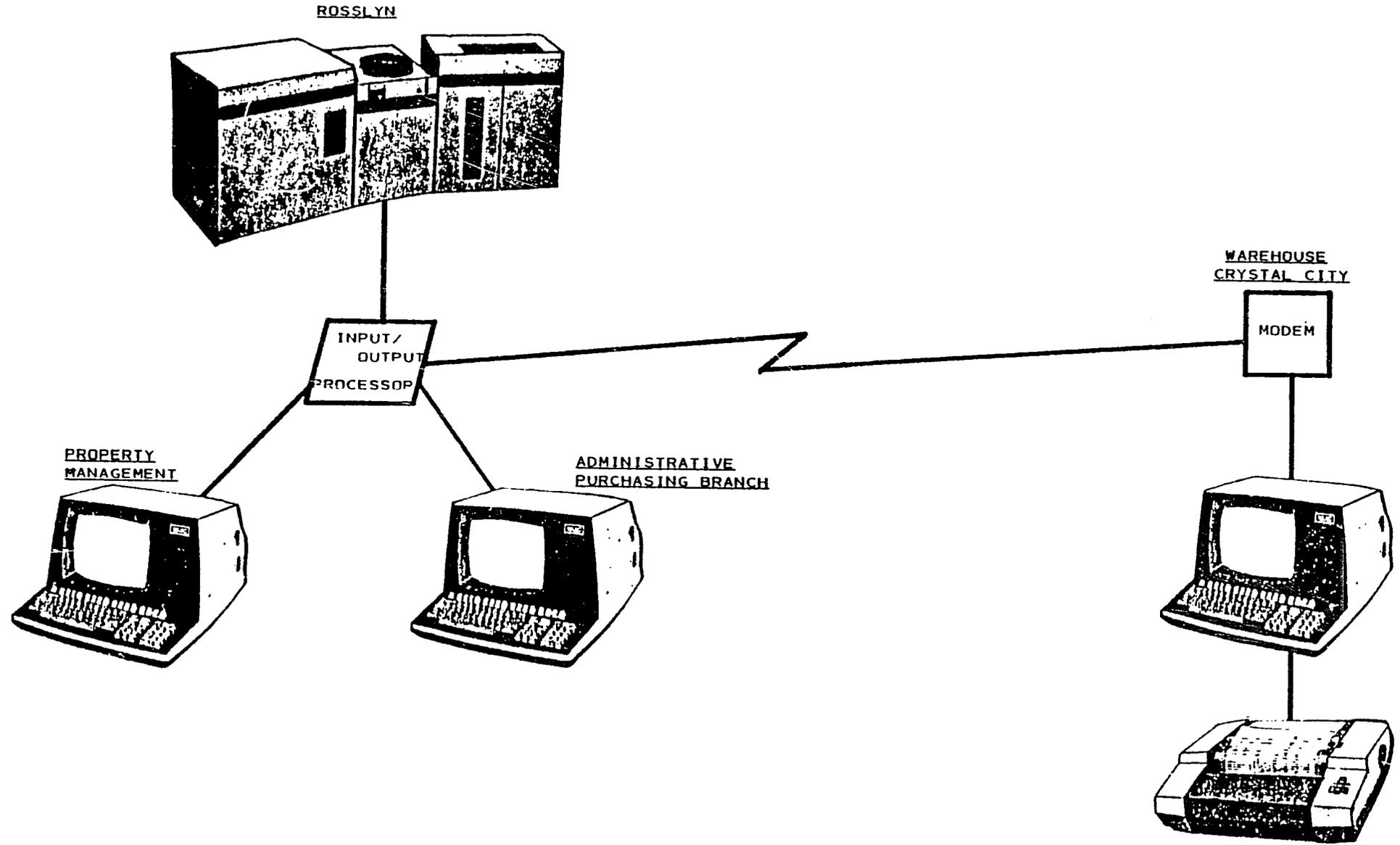
FUNCTIONAL CONFIGURATION



PRINCIPAL SYSTEM IMPLEMENTATION ACTIVITIES

- PROCUREMENT OF EQUIPMENT AND ADAPTATION OF SYSTEM SOFTWARE
- CONDUCT AND RECONCILIATION OF A PHYSICAL INVENTORY OF AID/W  
NON/EXPENDABLE PROPERTY
- RESTRUCTURING OF THE ORGANIZATION OF THE GENERAL SERVICES  
DIVISION
- TRAINING OF PERSONNEL AND INTRODUCTION OF NEW SYSTEMS AND  
PROCEDURES

RECOMMENDED HARDWARE CONFIGURATION  
OPTION 1: COMPLETE WANG VS SYSTEM

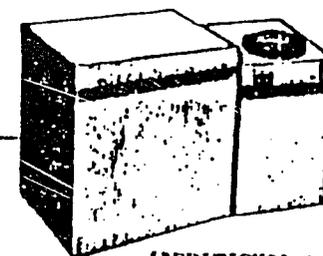


RECOMMENDED HARDWARE CONFIGURATION

OPTION 2: WANG VS WITH REMOTE TERMINAL ACCESS

OFFICE OF DATA MANAGEMENT

(UNIVERSAL, NORTH)



(ADDITIONAL DISK DRIVE AND MEMORY IS OPTIONAL.)

INPUT/  
OUTPUT  
PROCESSOR

MODEM

(ROSSLYN)

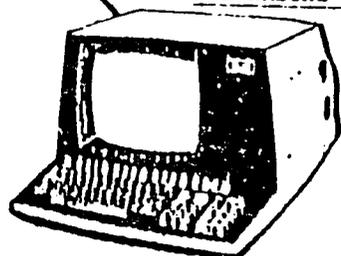
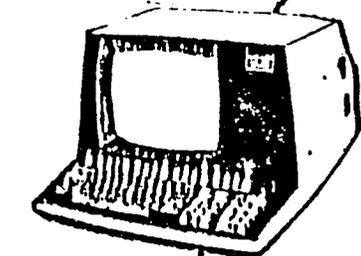
MODEM  
SHARING  
UNIT

50' Cable

50' Cable

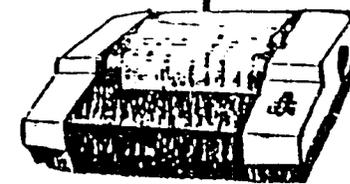
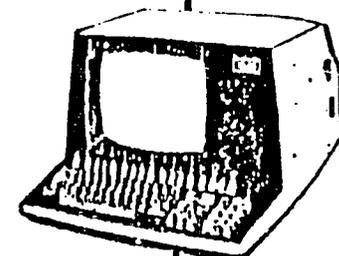
INFORMATION  
SYSTEMS COORDINATOR  
and  
PROPERTY  
MANAGEMENT

ADMINISTRATIVE  
PURCHASING BRANCH



WAREHOUSE  
(CRYSTAL CITY)

MODEM





GOALS OF THE RECOMMENDED PHYSICAL INVENTORY

- AN ACCURATE DATA BASE UPON WHICH TO BUILD AND MAINTAIN A PROPERTY CONTROL AND RECORDS MANAGEMENT SYSTEM
- THE COLLECTION OF DATA CONSISTENT WITH SYSTEM RECOMMENDATIONS THAT HAVE BEEN PRESENTED TO AID BY SMC
- COLLECTION OF PROPERTY INFORMATION IN A MANNER WHICH WILL FACILITATE THE EFFICIENT CONDUCT OF FUTURE PROPERTY INVENTORIES AND RECORDS RECONCILIATIONS.

AID NON-EXPENDABLE  
PROPERTY INVENTORY  
AND  
DATA COLLECTION FORM

A.

1. INVENTORY CONDUCTED BY: \_\_\_\_\_ 2. DATE OF INVENTORY: \_\_\_\_\_  
\_\_\_\_\_

B.

3. BUREAU/OFFICE: \_\_\_\_\_ 4. BUILDING CODE: \_\_\_\_\_  
5. LOCATION CODE: \_\_\_\_\_ 6. ROOM NUMBER: \_\_\_\_\_

C.

7. PROPERTY ITEM DESCRIPTION: (A) \_\_\_\_\_  
\_\_\_\_\_

(B) \_\_\_\_\_  
\_\_\_\_\_

8. BARCODE NUMBER: \_\_\_\_\_ 9. ITEM CODE: \_\_\_\_\_

10. MANUFACTURER'S SERIAL NUMBER: \_\_\_\_\_

11. PROPERTY CONDITION: \_\_\_\_\_

13. RESPONSIBLE PERSON: \_\_\_\_\_  
\_\_\_\_\_

12. OWNERSHIP:

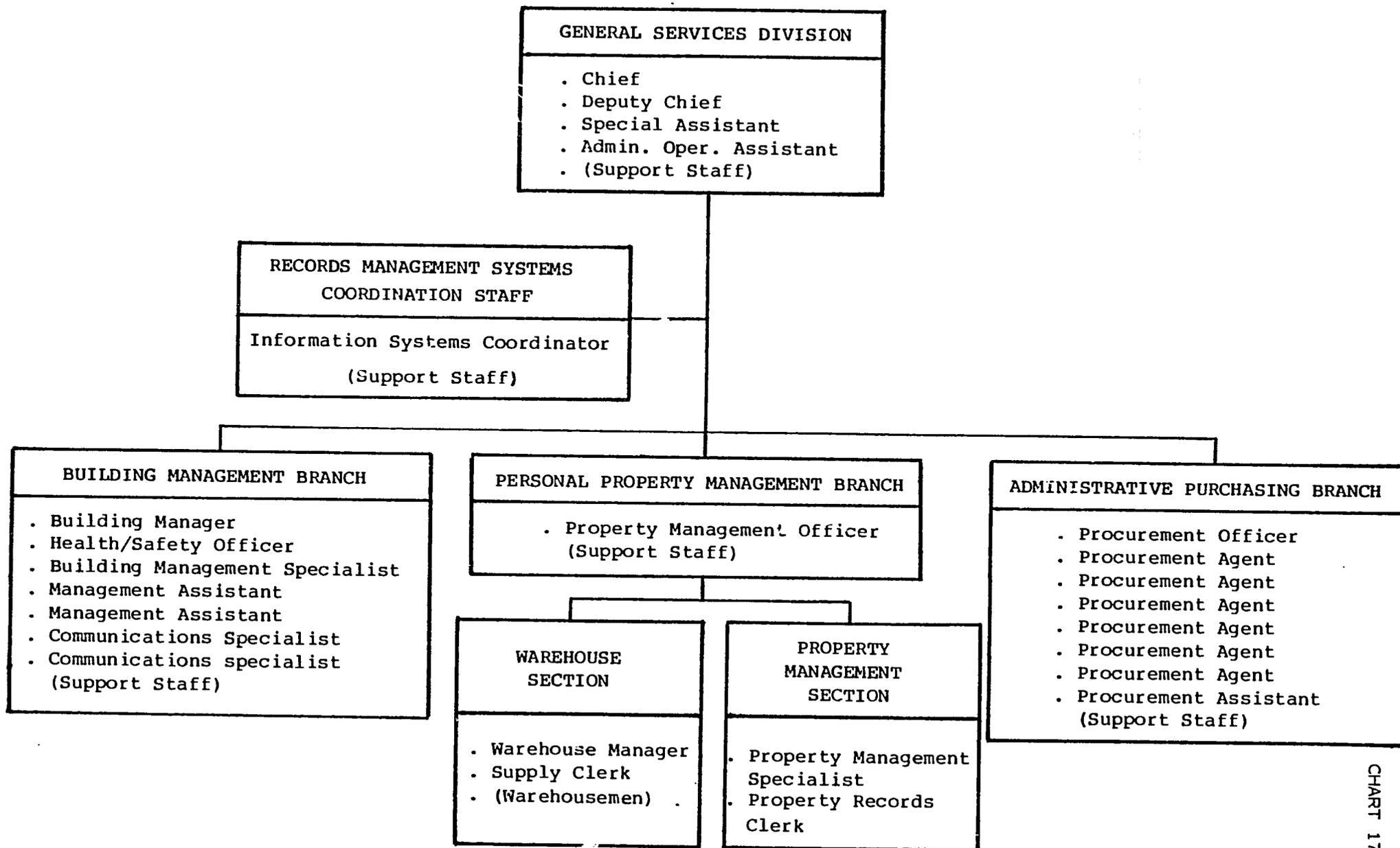
AID OWNED

LEASED

ON-LOAN

OTHER

REVISED GENERAL SERVICES DIVISION ORGANIZATIONAL STRUCTURE



**AID/\* NON-EXPENDABLE PROPERTY IMPLEMENTATION SCHEDULE**  
 (EXPRESSED IN NUMBER OF WEEKS NEEDED AFTER A DECISION TO IMPLEMENT HAS BEEN REACHED)\*

WEEKS

	5	10	15	20	25	30	35	40	45	50
<u>HARDWARE PROCUREMENT AND SOFTWARE MODIFICATION</u>										
1. Selection of Equipment	[Bar from week 0 to 5]									
2. Placement of Equipment Order	[Bar from week 5 to 10]									
3. Lead Time for Procurement of System Hardware	[Bar from week 10 to 20]									
4. Software Modification and Transfer	[Bar from week 10 to 20]									
<u>WORK PROCEDURES REVISIONS</u>										
5. Establish Reporting Relationships and Revise Work Flows	[Bar from week 0 to 10]									
6. Orientation Seminars	[Bar from week 0 to 10]									
<u>CONDUCT OF PHYSICAL INVENTORY</u>										
7. Preparation of Scope of Work	[Bar from week 0 to 5]									
8. Solicitation of Quotations and Contractor Selection	[Bar from week 5 to 15]									
9. Conduct of Physical Inventory	[Bar from week 15 to 25]									
10. Data Entry	[Bar from week 20 to 25]									
<u>INVENTORY RECONCILIATION AND PHASED IMPLEMENTATION</u>										
11. Inventory Reconciliation	[Bar from week 25 to 30]									
12. Operator Training	[Bar from week 25 to 30]									
13. Implement Property Management Modules	[Bar from week 30 to 40]									
14. Implement Procurement Module	[Bar from week 45 to 50]									

\* This exhibit represents the minimal amount of time necessary for implementation of the Property Records and Inventory Management System, actual performance time may vary.

SUMMARY OF INCREMENTAL IMPLEMENTATION COST ESTIMATES

HARDWARE OPTIONS IMPLEMENTATION COSTS	OPTION 1: VS-COMplete	OPTION 2: VS-REMOTE ACCESS	OPTION 2: REMOTE ACCESS WITH DISK DRIVE AND MEMORY UNITS
1. Hardware Procurement Costs	\$ 66,600	\$ 30,300	\$ 52,600
2. Physical Inventory Costs	72,000	72,000	72,000
3. Personnel Training Costs	<u>7,200</u>	<u>7,200</u>	<u>7,200</u>
4. Total Implementation Costs	<u>\$145,800</u>	<u>\$109,500</u>	<u>\$131,800</u>

EXPECTED BENEFITS FROM RECOMMENDED SYSTEM AND  
IMPLEMENTATION PLAN

- THE SYSTEM OUTPUTS WILL PROVIDE A MECHANISM FOR INCREASED PHYSICAL CONTROL AND ACCOUNTABILITY FOR INDIVIDUAL ITEMS OF PROPERTY WHICH WILL HELP INSURE AID/W COMPLIANCE WITH FEDERAL PROPERTY MANAGEMENT REGULATIONS AND WITH AID HANDBOOK 20 PROCEDURES
- THE SYSTEM WILL FACILITATE MAINTENANCE OF ACCURATE PROPERTY RECORDS AND WILL FACILITATE FAST AND EFFICIENT CONDUCT OF ANNUAL PHYSICAL INVENTORIES AND RECONCILIATION ACTIVITIES
- THE SYSTEM WILL PROVIDE USEFUL INFORMATION TO SUPPORT MANAGEMENT DECISION-MAKING AND PLANNING ACTIVITIES INCLUDING FORECASTING OF AID/W PROPERTY PROCUREMENT, MAINTENANCE AND DISPOSAL NEEDS
- THE SYSTEM WILL RESULT IN STREAMLINING OF THE PROPERTY REQUISITION PROCESS AND WILL PROVIDE A SINGLE SOURCE OF CURRENT REQUISITION STATUS INFORMATION
- THE SYSTEM'S MODULAR DESIGN WILL ALLOW A PHASED IMPLEMENTATION WHICH, ONCE COMPLETED, WILL RESULT IN AN INTEGRATED APPROACH TO PROPERTY MANAGEMENT AND RELATED MO/GS SUPPORT FUNCTIONS
- THE BASIC SOFTWARE HAS BEEN PROVEN IN USE AT OVERSEAS POSTS AND THE SYSTEM IS FLEXIBLE AND READILY ADAPTABLE AS NEW PROPERTY MANAGEMENT REQUIREMENTS EVOLVE. THE SYSTEM CAN BE EXTENDED TO SUPPORT SPACE USE PLANNING. ALSO THE EQUIPMENT CAPABILITIES CAN BE APPLIED TO OTHER ACTIVITIES PERFORMED BY MO/GS SUCH AS MAINTENANCE OF THE TELEPHONE DIRECTORIES, CARPOOL LIST, ETC.
- THE SYSTEM WILL BE COMPATIBLE WITH PROPERTY MANAGEMENT SYSTEMS IN U.S. EMBASSIES OVERSEAS AND WITH THE ADMINISTRATIVE SUPPORT SYSTEMS BEING DEVELOPED BY AID AND THE STATE DEPARTMENT USING WANG VS MINICOMPUTER SYSTEMS.
- THE PROPOSED IMPLEMENTATION PLAN WILL ENABLE AID/W TO REALIZE THE SYSTEM BENEFITS AT AN EARLY DATE AND AT MINIMAL INCREMENTAL COSTS SINCE IT ENVISIONS USE, TO A SIGNIFICANT EXTENT, OF EXISTING SYSTEM SOFTWARE AND HARDWARE AND REQUIRES ONLY MINOR MODIFICATIONS IN EXISTING PROPERTY MANAGEMENT FORMS AND PROCEDURES.