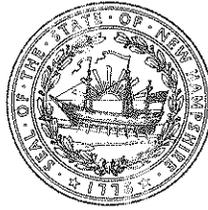


STATE OF NEW HAMPSHIRE
INTERNAL CONTROL OVER THE SAFEGUARDING,
ACCOUNTING FOR, AND REPORTING
THE STATE'S CAPITAL ASSETS
NOVEMBER 2016



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To The Fiscal Committee Of The General Court:

This report presents the results of our assessment of the internal controls in place over the safeguarding, accounting for, and reporting the State's capital assets during the nine months ended March 31, 2016.

The work performed did not constitute an audit of financial statements in accordance with *Government Auditing Standards* and was not designed for the purpose of expressing an opinion on the effectiveness of the internal controls. Accordingly, we do not express an opinion on the effectiveness of the State's internal controls.

The Department of Administrative Service's response is included with each finding in this report. We did not audit the Department's responses.

Office of Legislative Budget Assistant
Office Of Legislative Budget Assistant

November 2016

STATE OF NEW HAMPSHIRE
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TABLE OF CONTENTS

	<u>PAGE</u>
EXECUTIVE SUMMARY	1
BACKGROUND	2
OBJECTIVES, SCOPE, AND METHODOLOGY	4
PRIOR AUDIT	5
FINDINGS AND RECOMMENDATIONS*	
1. Establish Appropriate Control Environment	6
2. Clarify And Rededicate Controls Over Reporting Of Real Property	8
3. Reestablish Agency Equipment Inventory Controls.....	10
APPENDIX: Summary Of Survey Of Agency Practices	13

This report can be accessed in its entirety on-line at:
<http://www.gencourt.state.nh.us/LBA/AuditReports/financialreports.aspx>

* No comment suggests legislative action may be required.

**STATE OF NEW HAMPSHIRE
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EXECUTIVE SUMMARY

The objective of this audit was to determine whether the controls in place for safeguarding, accounting for, and reporting the State's capital assets were well designed and operating as intended during the nine months ended March 31, 2016. The purpose of this audit was not to render an opinion on any agency's financial statements, internal control, or compliance.

Agency management is responsible for establishing and maintaining effective internal controls, including controls over financial reporting, and controls over compliance with the laws, administrative rules, regulations, contracts, and grant agreements applicable to the agency's activities. The Department of Administrative Services (DAS) has developed an *Internal Control Guide* to help State agency personnel understand the concepts of internal control. It explains the purpose of internal control and also explains its five components: control environment, risk assessment, control activities, information and communication, and monitoring. In addition, the DAS also maintains a *Manual of Procedures* (MOP), approved by the Governor and Council, for use by all State agencies. The MOP contains guidance in a number of areas, including the use of the State's central accounting system, known as NHFirst.

We conducted our work in accordance with auditing standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (GAGAS). Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings.

SUMMARY OF RESULTS

We found the State's controls for safeguarding, accounting for, and reporting of its capital assets consisted of controls in place at the Department of Administrative Services, as the recipient and reporter of agency-reported information, and controls at the State agencies, which have possession of the assets.

We found the DAS controls were insufficiently designed to provide reasonable assurance that the specified internal control objectives would be achieved. DAS's controls over the receipt and use of agency-provided reporting were largely outdated and did not include controls designed to promote the efficient reporting of complete and accurate information in a format that could provide information on a State-wide basis. We found the operation of the controls at DAS to be similarly lacking. There was little indication that DAS demonstrated an appropriate control consciousness over the reporting by the agencies, or that DAS demonstrated a responsibility for establishing effective controls including risk assessments, control activities, communication, and monitoring over its and the agencies' related processes.

We found the design of the controls at the agencies for safeguarding, accounting for, and reporting of the State's capital assets to be varied. Certain agencies, primarily those in which capital assets play a significant role in their routine operations, had better designed controls. For other agencies, controls over capital assets were not formally documented or implemented. We found the operation of the agency controls were also mixed, with the controls at some agencies, and parts of agencies, operating better than others.

We found mixed compliance with statutes, rules, and policies and procedures related to the audit objectives. For example, while certain agencies performed required annual equipment inventory observations, some did not.

The cause of the general lack of control consistency and performance is not clear. The question of whether problematic performance and reporting by agencies resulted from a lack of DAS guidance and oversight; or whether the lack of DAS control involvement resulted from frustration caused by agency non-compliance could not be answered by the audit. The solution will require the cooperation of both DAS and the agencies. The auditee responses lack specificity and timelines for corrective action.

The appendix to the report summarizes the results of a survey of the capital asset practices of 20 agencies.

BACKGROUND

The State of New Hampshire's June 30, 2015 financial statements reported that the State owned \$6.83 billion of capital assets, including \$4.48 billion of infrastructure. Not included in the financial statement amount are the State assets that do not meet the State's financial reporting thresholds of \$100,000 for real property, \$500,000 for computer software, and \$10,000 for individual items of equipment. The State does not have a system that effectively accumulates and reports the cost of assets that are below the financial statement reporting thresholds.

The responsibility for safeguarding, accounting for, and reporting of the State's capital assets is shared between the Department of Administrative Services and the State agencies that are in possession of, or otherwise are assigned oversight of, those assets.

A number of statutes, rules, policies and procedures, and general State practices address the holding, securing, use, and reporting of the State's capital assets and guide the agencies in meeting those responsibilities. Pursuant to RSA 21-I:13, XV and XVI and RSA 21-I:14, I, the Department of Administrative Services (DAS) is responsible for providing guidance and for implementing an integrated system to properly safeguard, record, and report State-utilized real property, physical plant, and equipment.

During the nine months ended March 31, 2016, three DAS bureaus, including the Bureau of Purchase and Property (BPP); the Bureau of Fixed and Mobile Assets (BFMA), within the Division of Procurement and Support Services; and the Bureau of Financial Reporting, within

the Division of Accounting Services, were tasked with providing capital asset guidance to State agencies and aggregating and reporting agency-provided information.

During the period under review, the central system of controls at DAS primarily included providing guidance and receiving and accumulating agency-reported capital asset information including:

- Annual reporting by agencies of Exhibit E (Long-Term Asset Roll Forward) information for real property and equipment meeting comprehensive annual financial reporting (CAFR) thresholds in financial statement caption totals.
- Annual reporting by agencies of Exhibit E-1 (Detail Real Property Roll Forward) information for real property listing all properties by line item, with a reconciliation of any differences between amounts reported on the Exhibits E and E-1.
- Maintenance of a Real Property Database for input by agencies.
- Maintenance of a Fleet Management Database for input by agencies.
- Annual reporting by agencies of equipment listing (Exhibit F, Form P-16) of equipment meeting a \$250 reporting threshold. Detail of the equipment to include an identification number, purchase date and document reference number, item description, location, and historical cost.
- Monthly reporting by agencies of changes (additions and deletions) in equipment inventory (Exhibit G, Form P-21) by equipment ID number, description, original cost, purchase date and document reference number, location and whether equipment deletions were submitted to the State's surplus property program for disposal.
- Periodic reporting of lost, stolen, or destroyed equipment (P-18 report).

Agency controls included:

- Maintenance of capital asset records supporting ownership and historical costs in accordance with DAS policies and procedures for agencies.
- Preparation and submission of annual and periodic reporting to DAS (Forms P-16, P-21, P-11 (Declaration of Surplus Property) and P-18 (Discrepancy Report), Exhibits E (Long-Term Asset Rollforward) and E-1 (State Owned Real Property Report), with a Reconciliation of Exhibit E to Exhibit E-1 when required, Exhibit C (Capital Leases), and reporting of depreciation expense in some instances).
- Completion of an annual equipment inventory observation and count.
- Monitoring for infringement on agency property.

OBJECTIVES, SCOPE, AND METHODOLOGY

Audit Objectives

The objectives of the audit were to:

1. Assess the control environment, including management's policies and procedures for the establishment and maintenance of an effective control system over the safeguarding, accounting, and reporting of the State's capital assets.
 - Assess the adequacy of the design of internal controls over the safeguarding, accounting, and reporting of the State's capital assets by considering the internal control components of control environment, risk assessment, control activities, information and communication, and monitoring.
 - Assess the adequacy of controls addressed in written policies and procedures, and whether the design of those controls is adequate for the purpose including promoting compliance with laws, rules, policies, contracts, and other relevant criteria.
2. Assess the operation of the controls, including:
 - A. Functional compliance with written policies and procedures related to the safeguarding, accounting, and reporting of the State's capital assets.
 - B. Functional compliance with stated (but not necessarily documented) policies and procedures related to the safeguarding, accounting, and reporting of the State's capital assets with consideration given to:
 - 1) The identification of the State's capital assets, including the financial statement capital assets components of:
 - Land and Land Improvements,
 - Buildings and Building Improvements,
 - Equipment and Computer Software,
 - Construction in Progress,
 - Infrastructure, and
 - Where appropriate, accumulated depreciation.
 - 2) The valuing of the capital assets.
 - 3) The maintenance of supporting records of acquisition, cost, and ownership that provide useful and readily available information on assets, including use and purpose.
 - 4) The periodic inventorying and monitoring of the security of the assets, including inventory observation to ensure the assets' continued utility, and to detect any impingement on the State's ownership.

Audit Scope

The scope of our audit included the adequacy of internal controls relating to the safeguarding, accounting, and reporting of the State's capital assets. The term capital assets as used in this report includes equipment that meets the State's criteria of \$250 or more original purchase cost

and expected usable life of one year or more, and all real property, including land and land improvements, building and building improvements, and infrastructure.

The audit period was July 1, 2015 through March 31, 2016.

Audit Methodology

1. Review statutes and administrative rules.
2. Review State policies and procedures.
3. Interview Department of Administrative Services personnel.
4. Observe Department of Administrative Services operations and review relevant documentation including:
 - Policies and procedures;
 - Contracts and other agreement documents; and
 - Other documentation supporting the safeguarding, accounting for, and reporting of the State's capital assets.
5. Review design and operation of internal controls at Department of Administrative Services.
6. Review relevant agency policies and procedures.
7. Survey agency personnel regarding agency practices.
8. Observe agency operations and relevant documentation including:
 - Policies and procedures;
 - Contracts and other agreement documents; and
 - Other documentation supporting the safeguarding, accounting for, and reporting of the State's capital assets.
9. Review design and operation of internal controls at agencies.

PRIOR AUDIT

There are no prior audits that address internal controls specific to the safeguarding, accounting for, and reporting of the State's capital assets.

FINDINGS AND RECOMMENDATIONS

Observation No. 1: Establish Appropriate Control Environment

Observation:

There is a lack of a demonstrable control environment over the recording and reporting of State capital assets, as evidenced by the lack of planning for, performance of, and reaction to what should be relevant controls at the Department of Administrative Services (DAS). While DAS has issued a *Manual of Procedures (MOP)*, a *Long-Term Assets Policy and Procedures Manual*, and other policy directives that describe a number of capital asset control activities, DAS has not designed and established appropriate controls to reasonably ensure that information is:

- provided pursuant to its directives,
- in an efficient reporting form,
- subject to a review for completeness and accuracy,
- made available to known user groups, and is
- subject to an effective monitoring control to ensure that appropriate communication and feedback to submitting agencies is provided so that errors or omissions are corrected timely.

During the nine months ended March 31, 2016, while DAS collected capital asset information offered by agencies, DAS did not have a structure in place with an assigned responsibility to review the information for completeness, or notify agencies when information was incomplete or not provided. In fact, DAS could not demonstrate that notice was made and actions taken when certain of its own operating sections did not report the completion of an annual equipment inventory for fiscal year 2015.

Recommendation:

DAS should reestablish appropriate controls over the State's safeguarding, recording, and reporting of capital assets. DAS should review and determine its intended objectives for its safeguarding, accounting, and reporting of the State's capital assets; the risks in achieving those objectives; and the controls necessary to reasonably address those risks.

Once determined, DAS should establish and demonstrate the appropriate control environment to encourage employees to perform the risk assessments, control activities, communication, and monitoring necessary to reach and maintain management's objectives for "establishing an internal control structure over long-term assets that provide reasonable assurance of effective and efficient operations, reliable financial reporting and compliance with applicable laws and regulations. The major objective of the internal control over long-term assets is accountability."¹

¹ Department of Administrative Services, *Long-Term Assets Policy and Procedures Manual*, March 2002

Auditee Response:

We concur.

DAS agrees that it is necessary to revisit and evaluate existing procedures for continual improvement of all business processes including the safeguarding, accounting, and reporting of the State's capital assets. DAS also agrees with the necessity to establish and demonstrate the appropriate control environment over these procedures.

In response, DAS has initiated a Project Management focus for evaluating all of the Department's areas of responsibility. This includes identifying the purpose of a policy or program and establishing clear long term objectives. We are determining appropriate business processes where attention, correction, or improvement is needed, and assembling a prioritized project list. Identified projects are being prioritized based on, among other criteria, the likelihood and materiality of the level of associated risk, the costs and benefits associated with remediation, and the availability of resources needed to adequately support the projects. We have recently taken an un-prioritized list of over 250 projects and turned it into a focused list of 12 projects. A group of DAS staff recently attended a Project Management Boot Camp and will be working with the "business owners" in our Department to establish management plans with timelines and measurable goals to implement processes that are efficient and sustainable. This may mean changing procedures and policies in order to make sure we are doing *the right work at the right time, right, rather than just doing the same work, right.*

Included in the prioritized project list are expanded uses of NH First Inventory Management and Fixed Asset reporting capabilities. The use of NH First will provide a consistent way for agencies to report assets and the ability for the state to use the data to meet established goals. As DAS works through the development of work plans for prioritized projects, we will be developing timelines for each project based on priority level and workforce availability. During this approach, DAS must focus our efforts on accomplishing our organizational objectives and statutory charges as efficiently as possible while mitigating, to the extent feasible, risks to accomplishing those objectives.

Accordingly, DAS has determined that treating all assets, as defined in this report as over \$250 original purchase price, with an equal level of effort may not be an efficient and effective way to meet the State's business objectives. Although DAS recognizes the responsibilities of safeguarding and accounting of assets begins at the \$250 original purchase price, the thresholds relative to the reporting of assets for financial statement purposes is currently at \$10,000. The Project Management focus that DAS is utilizing is a perfect match for exploring the purpose and long term objectives of the lower cost asset inventory and determining an efficient process to meet the objectives.

Regarding those capital assets at or above financial reporting thresholds, DAS is comfortable with the current level of effort in relation to controls during the interim period required for the implementation of the NH First Fixed Asset reporting functions.

To establish efficient and effective re-engineered processes for fixed assets that fall under the financial reporting thresholds, DAS believes that it will likely be helpful to work with the State legislature on establishing a new policy. This policy should weigh the benefits of the application of the resources (staff, technology) required to safeguard, record, account, report and control all assets, regardless of cost, in the same manner with the risk associated with those controls. DAS believes that if the proper technology and training was provided to agencies, the responsibility and accountability for lower cost asset inventory could be at the agency level where these fixed assets physically reside. With the appropriate audit resources, DAS could perform an audit function over agency compliance with policies. In addition, agencies would benefit from technology improvements to assist them in efficiently, consistently and accurately tracking the multitude of lower cost assets in their control. This technology will be available in NH First. However, state-wide implementation must fall into a time frame that can be accomplished based on priority project management and available resources.

In the interim, DAS will review the policies and procedures currently in place to evaluate the continued validity of the underlying objectives and work toward creating uniformity of the form and format of the data collected from both DAS divisions and other agencies.

LBA Rejoinder:

The intent of the comment was to discuss the need for an appropriate control environment over the State's recording and reporting of capital assets. The control issues noted during the audit were largely the result of management's inattention to stated policies and procedures. Had an effective control environment been in place, there would have been timely follow-up by DAS and the agencies on missing, erroneous, and inefficient reporting. While we agree the State would benefit from "effective re-engineered processes", there will always be the need for demonstrated responsibility and commitment by the central service agency, DAS, as well as the agencies to ensure that employees understand the importance of effective compliance with the State's policies and procedures, and that the policies and procedures continue to efficiently meet management's objectives.

Observation No. 2: Clarify And Rededicate Controls Over Reporting Of Real Property

Observation:

The State's *Manual of Procedures* (MOP) and *Long-Term Assets Policy and Procedures Manual* identifies agency reporting requirements for real property including land and land improvements, buildings and building improvements, and infrastructure. The MOP requires agencies with reportable capital assets to complete an annual Exhibit E, which reports a roll-forward of capital asset balances including components of real property meeting the State's financial reporting thresholds, and an Exhibit E-1, which includes a listing of all real property of the agency, and a reconciliation of the two exhibits. The Exhibits E and E-1, along with a reconciliation of the same, are forwarded to DAS Bureau of Financial Reporting (BFR) for use in completing the State's comprehensive annual financial report. According to BFR, it uses information from the agency Exhibit Es for financial reporting purposes, but the Exhibit E-1 and the reconciliation are

not used. The BFR reports that it reviews the agency-submitted Exhibit Es for error “red flags”, but relies upon the annual audit to identify Exhibit E reporting errors. The BFR reported that it used the Exhibit E-1s in prior years when it was responsible for the preparation of a State-Owned Real Property Report, but BFR has not issued this report since 2011.

RSA 4:39-e directs each State agency to biennially “make a report identifying all real property owned or leased by the agency. For each parcel owned by the agency, the report shall include any reversion provisions, conservation or other easements, lease arrangements with third parties, and any other agreement that may affect the future sale of the property.” RSA 4:39-e, III, directs the DAS to develop a standard format for agencies to use in submitting the reports required by the statute. Partially in response to the charge, DAS established the State Real Property Database system, an on-line application that allows agencies to enter their real property information including the information required to be reported by RSA 4:39-e. At March 31, 2016, the DAS considered that the current design of the database met the needs of RSA 4:39-e for real property reporting. However, the implementation of the Real Property Database system has progressed slowly and DAS reported that as of March 31, 2016, certain information in the database was not complete or fully reliable. With additional data design and collection work, accurate information in the database could alleviate the need for agencies to prepare an Exhibit E-1, fulfill BFR financial reporting needs for an accurate data check for agency Exhibit E reporting, and provide a valuable central source of information of the State’s real property.

Recommendation:

DAS should review its real property reporting policies and procedures. Policies and procedures for real property reporting should be responsive to current and planned needs for the related information and the perceived risks in the related operations. Policies and procedures that may have been appropriate in the past should not be continued if they have become obsolete due to changing circumstances and lack of control maintenance.

DAS should place emphasis on its development and implementation of the State Real Property Database system, which could be designed to also be responsive to the needs of other sections of the DAS, including BFR, and other users. Establishing and maintaining a reliable database of State real property could provide an efficient source of supporting data for the State’s financial reporting, encourage the building and maintenance of a valuable State data resource, and alleviate the agencies’ annual Exhibit E-1 reporting burden.

Auditee Response:

We concur.

The Department will review its real property reporting policies and procedures to ensure they are responsive to the Department’s current objectives and mitigate associated risks to those objectives.

During this process the Department will modify or replace existing policies and procedures as deemed necessary to efficiently and effectively meet the objectives associated with the reporting of real property. Again, this process will be subject to a process analyzing the cost of designing

and providing certain levels of controls against the benefits of certain levels of risk factors mitigated.

Observation No. 3: Reestablish Agency Equipment Inventory Controls

Observation:

State statute and the State's *Manual of Procedures* (MOP) require agencies to perform an annual inventory of equipment with an original cost of \$250 or more and a useful life of one year or more. The MOP also requires agencies to prepare and submit an annual P-16 equipment listing of the equipment inventoried and P-18 discrepancy reports of equipment determined missing or unusable through the inventory process. Agencies are also directed to submit monthly P-21 equipment change reports. DAS directs agencies to provide electronic copies of the P-16 and P-21 data, however DAS is not explicit in setting a required format and, as a consequence, during the nine months ended March 31, 2016, agencies reported the data in various formats including electronic spreadsheets and PDF files, as well as paper-based forms. There is also a difference of understanding within units of DAS as to whether agencies should include on the P-16 equipment meeting the State's financial statement reporting threshold of \$10,000 or more and whether motor vehicles reported on the Fleet Management Database need to be included on the P-16. The lack of consistency in P-16 reporting makes an efficient data management process problematic.

DAS reports that it collects and tracks submitted P-16, P-21 and other related data but does not regularly review the data for completeness or agreement with other submitted data, compile the agency reports into a State data set, or otherwise utilize the data received. The DAS also reports that it does not consistently provide feedback to agencies submitting or failing to submit reports. Auditors noted that during the nine months ended March 31, 2016, DAS largely accepted the agency reporting without applying any control to the process, with the result that the submitted data was essentially of little value to DAS and there was no centralized control in place over agencies' equipment inventory and related reporting procedures. If properly structured and managed, a Statewide database of State-owned equipment could be used as support for financial reporting, budgeting, operational review, and other management purposes.

Recommendation:

DAS should review its and the State's equipment reporting policies and procedures. In order to promote compliance, policies and procedures for equipment reporting should be efficient, effective, and responsive to the current and planned needs for the information and the perceived risks in the related operations. Policies and procedures that may have become obsolete due to changing circumstances and lack of control maintenance should be discontinued to minimize the risk that control compliance becomes perceived as discretionary.

If DAS and State policy is to continue to require agencies to annually report P-16, P-21 and other related data to DAS, the reporting should be standardized in an electronic format that would allow DAS to efficiently load the data into a database or other information system that could subject the data to reasonable data validation controls. DAS should provide consistent timely

feedback to agencies to promote the reporting and collection of accurate and compliant data which could form the basis of a useful data source for users.

DAS should resolve the apparent differences in agencies' understanding relating to the reporting of equipment items meeting the State's financial reporting threshold. While many agencies currently include these items on their P-16 and similar report, the scope of the data requested from agencies should be consistent and complete in order for DAS to accumulate a central source of detail information on agency-owned equipment.

Auditee Response:

We concur in part.

See Response to Observation No. 1 as it relates to assets under the financial reporting limit. The process described below will be subject to a process analyzing the cost of designing and providing certain levels of controls against the benefits of certain levels of risk factors mitigated.

The Department will review its equipment reporting policies and procedures to ensure they are appropriately aligned with associated objectives, mitigate identified risks, and are administratively efficient. During this process the Department will modify or replace existing policies and procedures as deemed necessary to efficiently and effectively meet the objectives associated with the reporting and safeguarding of state owned equipment. This will include clarification and standardization of the form, format, and content of information required of the various state agencies for equipment reporting.

Potential statutory changes will be investigated as a means to provide DAS with some flexibility in setting its associated objectives. Again, this process will be subject to a process analyzing the cost of designing and providing certain levels of controls against the benefits of certain levels of risk factors mitigated.

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**Appendix
Summary Of Survey Of Agency Practices**

The following is a summary of the questions and responses of a phone survey of 20 State agencies that occurred during the two weeks ended May 27, 2016.

Question	Yes	No	N/A
1. Is the agency aware of the requirement for an annual equipment inventory count?	19	1	-
2. Is the agency aware of any guidance or resources provided by DAS to help with the inventory process? Where does this guidance come from?	6	14	-
3. Does the agency perform an equipment inventory count every year?	14	6	-
4. Did the agency complete an equipment inventory count for fiscal year 2015?	15	5	-
5. If a complete equipment inventory count was not done for fiscal year 2015, has one been done in the past 5 years?	2	3	15
6. If any items were found missing during the inventory did the agency resolve the issues?	8	-	12
7. Was a Discrepancy Report (Form P-18) used?	2	6	12
8. Were the missing equipment items reported (included in) the inventory count results (Form P-16)?	7	1	11*
9. Does the agency annually prepare an Equipment Inventory Listing (Form P-16) pursuant to an inventory?	18	2	-
10. Was the most recent P-16 filed with the DAS timely?	9	8	3
11. Was this a complete listing?	15	1	2**
12. Does the agency's P-16 include vehicles?	16	2	2
13. Does the agency plan to file a P-16 this year (2016)?	19	1	-
14. Does the agency prepare the Monthly Equipment Adjustment Report (Form P-21)?	16	4	-
15. Is the P-21 form reviewed before submission?	14	2	4
16. Was the most recent P-21 filed with DAS timely?	14	3	3
17. Does the agency submit a P-21 each month regardless of changes?	12	5	3
18. Is a P-21 submitted consistently for every month?	11	5	4
19. Is the agency confident the P-21 captures all equipment activity for the monthly period?	16	-	4

Question	Yes	No	N/A
20. Does the agency receive any feedback from DAS on your P-16 or P-21 forms?	2	18	-
21. Did the agency report an Exhibit E for fiscal year 2015?	19	1	-
22. Does the agency have real property?	13	7	-
23. Is there documentation of ownership, such as deeds and purchase orders?	16	3	1
24. Do the balances reported on the Exhibit E meet the reporting threshold criteria?	16	3	1
25. Does the agency have concerns over the accuracy of the balances reported?	-	19	1
26. Did the agency receive any feedback from DAS regarding information contained on the Exhibit E?	6	13	1
27. If no Exhibit E was prepared, was agency aware of Exhibit E requirement?	1		19
28. Does the agency submit an Exhibit E-1?	12	1	7
29. Does the Exhibit E-1 include all real property?	12	-	8
30. If the agency prepared both the Exhibit E and E-1, was a reconciliation prepared if there is a reported difference?	7	1	12
31. If a reconciliation was prepared, was this reconciliation submitted to DAS with the Exhibit E and E-1 forms?	7	1	12
32. If both E and E-1 were prepared, were any discrepancies noted by the agency or DAS?	4	3	13
33. Does the agency maintain ownership records for real property, such as deeds, easements or other records of property interests?	9	3	8

* Additionally, one agency responded “unknown” to the question

** Additionally, two agencies responded “unknown” to the question