



Report In Brief

U.S. Department of Commerce Office of Inspector General

March 2008



Why We Did This Review

This audit follows a similar audit we conducted at the U.S. Census Bureau in 2007. In that audit, we found improvements were still necessary despite Census's implementation of Department-wide initiatives designed to strengthen such controls and its own efforts to strengthen property management.

In 2006, the Department revealed that 1,138 laptops had been lost Department-wide. Of that number, 672 belonged to Census. After examining Census's policies, we looked at USPTO's controls over personal property.

Background

USPTO has substantial accountable property assets, approximately 20% of which are located offsite because the bureau operates three programs that enable employees to work from home using laptop computers and related equipment. All property regardless of where it is located must be tracked in USPTO's Enterprise Asset Management System (EAMS).

To view the full report, visit www.oig.doc.gov/oig/reports/2008/CAR-18701.pdf

U.S. Patent and Trademark Office

USPTO Has Reasonable Controls Over Personal Property, but Additional Improvements are Needed (CAR-18701)

What We Found

Since the fall of 2006, USPTO has supplemented its existing internal controls by implementing Departmental initiatives designed to strengthen controls for safeguarding laptops and other accountable personal property. Despite this progress, we found USPTO needs to strengthen its procedures in a number of areas, including the following:

USPTO needs to strengthen the procedures for its inventory of accountable personal property to ensure that (1) it conducts inventories consistent with the requirements of the Department Personal Property Management Manual, (2) personnel assigned to conduct the inventory are properly trained, (3) policies and procedures relating to accountability over personal property assets are readily accessible from a central source, (4) an appropriate quality assurance review of the inventory, including verifying property on hand to EAMS, is conducted, and (5) inventory duties are adequately segregated.

USPTO needs to strengthen its procedures for addressing lost/missing/stolen property by excluding property management officials from property boards of review. The bureau also needs to continue promptly and thoroughly documenting actions taken on their lost/missing/stolen cases.

What We Recommended

We made seven recommendations for better personal property management at USPTO:

- 1) Conduct inventories consistent with the requirements contained in the Department Personal Property Management Manual dated October 2007,
- 2) Provide training to employees conducting inventories,
- 3) Make property management information readily available to USPTO employees,
- 4) Require the Inventory Support Team to perform its quality assurance review in accordance with the contract, which requires that the team select and verify 10% of the property on-hand with EAMS,
- 5) Require property accountability officers to inventory the holdings of the property custodians who report to them,
- 6) Follow Departmental policy in establishing property boards of review, and
- 7) Use Report of Review of Property forms (CD-52s) to promptly and thoroughly document actions taken on cases of lost/missing/stolen property.