



03/01/00 WED 17:40 FAX 429 421 5887 010

discrepancies with Oak Ridge and Brookhaven management, who agreed to take corrective actions.

## SCOPE AND METHODOLOGY

The audit was performed from April 2005 to January 2006 at Oak Ridge National Laboratory in Oak Ridge, Tennessee, and Brookhaven National Laboratory in Upton, New York. The audit scope covered all personal property items acquired by the two laboratories prior to the time of our site visits.

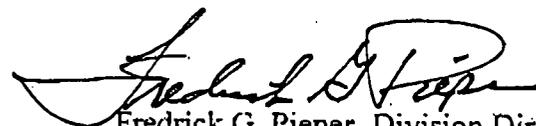
To accomplish the audit objective, we:

- Reviewed applicable Federal regulations, Department of Energy regulations and directives, and Oak Ridge and Brookhaven contract terms, policies, and procedures;
- Reviewed prior audits and reviews related to property management;
- Obtained personal property databases and compared capital equipment to financial records;
- Tested 355 and 475 randomly selected personal property items at Oak Ridge and Brookhaven, respectively;
- Traced a sample of procurement transactions, including purchase card transactions, to property records;
- Reviewed incident reports involving loss, theft, damage, or destruction of personal property;
- Reviewed criteria and thresholds for identifying sensitive items; and,
- Reviewed personal property disposal processes.

The audit was performed in accordance with generally accepted Government auditing standards for performance audits and included tests of internal controls and compliance with laws and regulations to the extent necessary to satisfy the audit objective. Because our review was limited, it would not necessarily have disclosed all internal control deficiencies that may have existed at the time of our audit. We considered performance measures established in accordance with the *Government Performance and Results Act of 1993* as they related to the audit objective. We relied on computer-processed data to accomplish the audit objective. When appropriate, we performed limited test work of data reliability during our audit and determined that we could rely on the computer-processed data.

An exit conference was held with representatives of Brookhaven and the Brookhaven Site Office. The Oak Ridge Office waived an exit conference.

Since no recommendations are being made in this report, a formal response is not required. We appreciate the cooperation of your staff and the Oak Ridge and Brookhaven staffs during our review.



Fredrick G. Pieper, Division Director  
Energy, Science and Environmental  
Audits Division  
Office of Inspector General

Attachment

- cc: Chief of Staff
- Team Leader, Audit Liaison, CF-1.2
- Audit Liaison, SC-32.1
- Audit Liaison, Oak Ridge Office
- Audit Liaison, Brookhaven Site Office