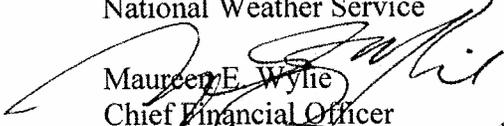


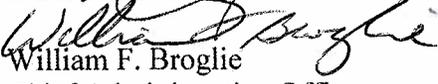


UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
CHIEF ADMINISTRATIVE OFFICER

September 27, 2010

MEMORANDUM FOR: Robert J. Byrd
Chief Financial Officer/Chief Administrative Officer
National Weather Service

FROM: 
Maurice E. Wylie
Chief Financial Officer


William F. Broglie
Chief Administrative Officer

SUBJECT: Reconsideration of Authorization to Eliminate Property Bar-codes
on National Weather Service Sub-Assemblies

ISSUE:

Recent Sunflower improvements and unresolved concerns regarding the consequences of eliminating bar-codes on sub-assemblies have resulted in reconsideration and revocation of the original approval granted to the National Weather Service (NWS) in May 2008 regarding deletion from the NOAA Sunflower property system (Sunflower) of NWS bar-coded sub-assemblies affiliated with bar-coded major systems.

BACKGROUND:

On April 29, 2008, permission was requested to delete from the NOAA Sunflower property system (Sunflower) National Weather Service (NWS) bar-coded sub-assemblies affiliated with bar-coded major systems. Logistical difficulties encountered in processing sub-assemblies through Sunflower and the inability of Sunflower to accommodate the child/parent concept were cited as the reasons for this request. It was also noted that one sub-assembly may require up to seven different custodial actions during one repair process. On May 5, 2008, the Chief Financial Officer approved your request provided that the serial numbers of the sub-assemblies were maintained and that a specific 26 series object classification code was used to affiliate sub-assemblies with a main system.

Since the time of this request, improvements to Sunflower have streamlined the process of transferring custody of sub-assemblies as they are moved to and from repair. Sunflower will also recognize the child/parent relationship. In addition, Personal Property Management Branch (PPMB) management has pledged to work with NWS management to take additional measures to further improve the processing of sub-assemblies through Sunflower. For example, PPMB has proposed that all AWIPS subassemblies be assigned to one property custodian. The property

custodian would then have the capability to move sub-assemblies anywhere within their custodial area without the need for the multiple custodial actions NWS originally cited.

In addition, we have several unresolved concerns regarding the consequences of eliminating bar-codes on sub-assemblies:

- Sunflower is the official Department of Commerce (DOC) system of record for recording property; the NWS Engineering Management Reporting System (EMRS) that you use for tracking sub-assemblies is not. In addition, PPMB would not have visibility of sub-assemblies recorded only in EMRS.
- NOAA must comply with Executive Order 13423 that requires the bar-coding of all monitors, which are components of the AWIPS station.
- NOAA has two annual physical inventory processes: the wall-to-wall physical inventory and the annual capitalized assets physical inventory. Not recording the sub-assemblies in Sunflower would result in difficulties for PPMB in ensuring completeness and accuracy of the inventory results.
- NWS has stated that after implementing the bar-code consolidation that the value of new devices added to an Advanced Weather Interactive Processing System (AWIPS) station, whether as a replacement of an old sub-assembly or a new function, is to be added to the top assembly value in Sunflower. This raises three concerns: (1) new devices that add new functionality should be evaluated to determine the existence or not of an upgrade condition requiring capitalization; (2) new devices that add new functionality should be evaluated to determine if the useful life of the top assembly has been extended as a result of the new devices; and (3) if new devices were to be always added to the top assembly value, there would need to also be a corresponding removal of the cost of the old assemblies or the capitalized cost recorded in Sunflower would become increasingly overstated over time.
- NWS has stated with regard to sub-assemblies identified for disposal that some of its offices have expressed interest in using these assets in support of other programs. NWS is proposing the re-bar-coding of such sub-assemblies at the time they are transferred for other use. This condition raises the concern that there may be great difficulty in consistently identifying and valuing those sub-assemblies that become stand alone assets and need to be entered into Sunflower.
- GSA regulations, the DOC Personal Property Management Manual, and NOAA's policies and procedures all have specific requirements regarding the disposal of personal property. Recording all assets in Sunflower best ensures the orderly disposal of assets in accordance with these requirements. For sub-assemblies recorded only in EMRS, there could be no similar assurance.

For these reasons, the approval granted in May 2008 to delete from Sunflower those NWS bar-coded sub-assemblies affiliated with bar-coded major systems is being revoked. Please take the

necessary steps to ensure that all sub-assemblies are properly bar-coded and included in Sunflower during the completion of your FY 2011 physical inventory of accountable personal property. Thank you for your cooperation.

If you have any questions or need additional information, please contact Mike Van Deusen on (301) 444-2174 or by e-mail at Michael.E.VanDeusen@noaa.gov (financial policy issues) or Edwin Lewis on (301) 713-3530 or by e-mail at Edwin.Lewis@noaa.gov (personal property/asset management issues).

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