



**DEPARTMENT OF THE NAVY**  
OFFICE OF NAVAL RESEARCH  
CHICAGO REGIONAL OFFICE  
JOHN C. KLUCZYNSKI FEDERAL BUILDING  
230 SOUTH DEARBORN STREET SUITE 380  
CHICAGO IL 60604-1595

IN REPLY REFER TO

ONRCHI/KMM  
SSIC 4330  
SER 245/1002  
14 March 2022

Mr. Frederick Stauch  
Administrative Project Coordinator  
University of Michigan  
Division of Research Development Administration  
7135 Wolverine Tower - 1273  
Ann Arbor, MI 48109

Dear Mr. Stauch:

The Office of Naval Research, Chicago has performed a Limited Property Management System Analysis (PMSA) of the University of Michigan property control system. The PMSA, conducted on 03/10/2022 was performed in accordance with FAR and OMB requirements.

The objective of the PMSA was to ascertain the ability of the University of Michigan's property control system to protect, preserve, account for and control Government-owned property in their custody. The PMSA included various tests and analyses of the institution's internal management controls for property management, inventory procedures, reports, disposition activities and other areas as deemed necessary to perform the PMSA.

According to ONR records, the total value of ONR administered property at the University of Michigan as of 03/10/2022 is \$832,588.90. The property is distributed as follows:

<b>DOD</b>	<b>NASA</b>
\$832,588.90	\$0.00

The previous PMSA was conducted on 05/2021. The previous PMSA did not report any findings of the property control system. A 2021 Single Audit was not ready at the time of this report. The 2020 report which addressed the institution's overall property control system, did sustain finding 2020-0001. The University is reconciling the campus-wide inventory and training is ongoing in accordance with the stated plan of action. The cognizant auditing agency, Department of Health and Human Services, sustained the finding and did not require follow-up.

The University of Michigan Property Policies and Procedures have been reviewed for completeness and have been found to be acceptable.

The University of Michigan recently performed a physical inventory. The inventory was performed in accordance with their approved policies and procedures. There were no deficiencies identified during the physical inventory.

For the last property reporting period the University of Michigan submitted all annual property reports in a timely manner. The annual reports that were submitted for this period contained accurate information.

The University of Michigan has routinely requested disposition instructions within a reasonable timeframe after the property is no longer needed for its assigned project.

The University has submitted their final property reports in a timely manner.

Based upon the results of this PMSA and in the judgment of the Property Administrator, the property control system at the University of Michigan is compliant to protect, preserve, account for and control Government owned property.

Thank you for your assistance in this matter. If you have any questions, please contact me at [kevin.m.mccormick23.civ@us.navy.mil](mailto:kevin.m.mccormick23.civ@us.navy.mil).

Kevin McCormick  
Property Administrator

Copy to:  
Lisa Erickson, ONR Boston  
Josh Kabisch, ONR Chicago