



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

ONR-CH1/kmm/JMK
SSIC 4330
SER. 245/FY12-079
28 August 2012

Sent via email to: fstauch@umich.edu

Frederick Stauch
Supervisor, Property Officer
The University Of Michigan
3050-09 Wolverine Tower - 1273
3003 S State Street
Ann Arbor, MI. 48109

Dear Mr. Stauch,

The Office of Naval Research, Chicago Regional Office, performed a Property Control System Analysis (PCSA) of the University of Michigan property control system 11 – 13 June 2012. The review was performed in accordance with FAR and OMB requirements and within the guidance provided by the Engineering and Systems Review Branch, Office of Naval Research.

The objective of the PCSA was to ascertain the ability of the University of Michigan Property Control System to protect, preserve, account for and control Government-owned property in its custody. The PCSA 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 PCSA.

According to ONR records, the total value of ONR administered property at the University of Michigan as of 06/01/2012 is \$ 934,434.28. The property is distributed as follows:

DOD	NASA
\$ 934,434.28	\$ 0.00

Based upon the results of this PCSA and in the judgment of the Property Administrator, the property control system at the University of Michigan is found to be in a compliant status. However, there are five (5) recommendations noted in the attached PCSA results. To remain in a compliant status, the University is required to submit a corrective plan of action with 30 days of receipt of this letter. The plan of action should address all five recommendations to avoid future findings.

Thank you for your assistance in this matter. If you have any questions or concerns about this report, please contact me at (312) 886-2649.

Kevin McCormick
Contract Specialist

Cc:
Henry Mehler, ESRB - ONR Boston
Gwendolyn V. Jordan, ONR Chicago
Joshua Kabisch, ONR Chicago