

## **2011 QSC ASSET INVENTORY**

### **Purpose of Inventory**

The goals for the 2011 calendar year asset inventory are:

1. Review inventory assets and Inventory file to determine additions or deletions.
2. Examine the QSC property management and disposal process.
3. Examine the current QSC Balance Sheet for currency of asset valuation.

### **Basis of Inventory**

The Excel Asset Inventory file from the 2010 Audit Committee report was utilized as the primary reference document for this inventory. Methodology was manual location of items on that file and other found on Club premises.

### **Summary of the Inventory**

Over a period of several days, all Items listed on the 2010 Asset Inventory were researched, and those found were re-tagged with a 2011 QSC Asset Label. Clay targets (expendables) were not inventoried, as the Operations Staff is conducting and recording a by-weekly box count routinely. Numerous items on the 2010 Inventory File could not be located. A number of items were found during the Audit which had not been added to the QSC Asset Inventory file, or could not definitely be identified as Club assets. There was no evidence of any coherent asset management protocol or procedures noted during the past year. Updated hard copy of QSC Asset Inventory File is attached as Incl 1. Items not located and items added based upon research during the inventory are highlighted with differing colors (see legend)

### **Findings and Recommendations**

*1. Finding:* The number of Club asset items listed on the QSC 2010 Inventory file which were not located is 28. The number of items found which from research appear to be Club property but have not been added to the Club Asset Inventory file is 24.

*Discussion:* A number of the items which were not located were identified on previous audits as “not found” and some of those, according to Club sources were definitely disposed of by BOD authority. However, no action was taken to properly annotate the Club Asset Inventory file with date and reason for disposition (see *Finding 3* below).

#### ***Recommendation:***

1. Club Board of Directors (BOD) review all items on attached Club Asset Inventory for accuracy of value, source and usability/value to operations of the Club.
2. BOD determine action to be taken on asset items not located.
3. BOD determine that all items added during this Audit are, in fact, Club property.

**BOD Response:** Recommendations accepted. The BoD has begun to review the inventory and associate it with current assets or appropriate disposition.

2. **Finding:** The items listed at Incl 2 are items which were discovered during this audit for which there was no apparent acquisition by the Club, or which are of unknown status and ownership.

**Discussion:** N/A

**Recommendation:** BOD review the items at Incl 2 to determine if Club owned or privately owned. Items determined to be Club owned assets should be tagged with an asset label and added to the QSC Asset Inventory file. Additional labels are included at Incl 4.

**BOD Response:** Recommendation accepted. The duties of the operations officer will be amended to reflect this responsibility.

3. **Finding:** The Club Asset Inventory file is not being maintained, items obtained as Club Assets are not being added to the Asset Inventory file, and procedures for documenting and tracking disposition of Club assets are not in place.

**Discussion:** There was no evidence that any process or procedure was in place to secure and account for Club inventory assets. Items have clearly been discarded during the past year, apparently for logical reason, with no visible attempt to maintain the Club Asset Inventory with date and reason for disposal. For example: two AMD computers, a HP printer, a Dell Printer, and old fax/phone combo, a UPS, a viewgraph, and miscellaneous desk furnishings were listed on a previous audit done two years ago. These items were apparently discarded, but no action is indicated on the latest (2010) Asset Inventory file. Items found on the Club premises had not been added to the Club Asset Inventory file. When interviewed, Club Operations personal indicated no knowledge of the Club Asset Inventory file or pertinent maintenance procedures. There was no Asset Inventory file discovered in the Club files. Nor was the previously formulated Asset Inventory SOP found in the Club management procedures binder (Copy attached at Incl 3).

**Recommendation:**

1. BOD review and update 2007 QSC Asset Management SOP and publish current version.
2. BOD assure that Club operations staff are trained on the Club Asset Management procedures and maintenance of the Club Asset Inventory File.

**BOD Response:** Recommendations accepted. Due to personnel turnover, it is not clear whether and how the asset inventory was maintained. Also, a recent policy to better secure Club assets may supplement, or in some cases, substitute for some elements of the

previous SOP. In any case, the SOP will be updated and used to train operations staff in Club asset management procedures, including the maintenance of a master Club asset inventory file.

**4. Finding:** Review of Club Balance Sheet Fixed Asset data indicates a need for review and updating.

**Discussion:** Items being carried as Fixed Assets have not been reviewed or updated for at least two years. Accuracy of the Balance Sheet is thus in question.

**Recommendation:**

1. The Club BOD review with the Club Independent Accountant items currently carried as Fixed Assets on the Club Balance Sheet and update appropriately.
2. The BOD review and determine with the Club Independent Accountant the appropriate dollar value of newly obtained assets to be carried on the Club Balance Sheet.

**BOD Response:** Recommendations accepted. The BoD will work with the accountant to correct the balance sheet, as appropriate, and determine the appropriate treatment of newly obtained assets.

**5. Finding:** (Repeat finding) There are numerous items of office equipment and furniture taking up space in the Club back office that appear to be broken, inoperative or superfluous to Club needs.

**Discussion:** N/A

**Recommendation:** An authorized representative of the BOD sort through the items stored in the back room and present a list of items unusable or superfluous to Club needs for review by the BOD and disposition determination.

**BOD Response:** Recommendation accepted.

**6. Finding:** There are several items of archery targetry in the conex container which, since the Club no longer is required to have an archery membership, may no longer be of use to the Club membership.

**Discussion:** These items appear to be deteriorating from storage in a poor environment. The 3D deer targets are pretty well shot up and in need of some minor repair. The bag and "Black Hole" targets are in reasonable shape, but will deteriorate if left in the damp conex for a prolonged period.

**Recommendation:** The BOD review and determine the Club use for these items. If they are superfluous to the needs of the membership, recommend the BOD offer them for sale to Club members.

**BOD Response:** Recommendation accepted.

/S/

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2 September 2011

4 Incl:  
Asset Management.doc  
2011 Asset Inventory.xls  
2011 QSC Asset Audit UnId Items.xls  
Inventory Labels 2011.pub