

Change Page

Section 7.3 -- Lost or Stolen State Property

Changes/additions are denoted in underlined red. Deletions denoted as ~~strikethroughs~~.

REVISION DATE	CHANGE NUMBER	CHANGE
3/23/11	1	Click here for red letter edition
9/13/2005	1	<p>POLICY: Change:</p> <p>All lost or stolen state property is to be reported immediately to the the Director of Central Procurements and Payments of the Department of Health. In the case of stolen state property, the local law enforcement agency should be notified immediately.</p> <p>TO:</p> <p>All lost or stolen state property, <u>including tagged assets, supplies, and cash</u>, is to be reported immediately to the the Director of <u>the Office of Internal Audit</u> of the Department of Health. In the case of stolen state property, the local law enforcement agency should be notified immediately.</p> <p>Change Reason:</p> <ol style="list-style-type: none"> 1. Primary change was to revise the sequence of events for reporting lost and stolen property solely to the Office of Internal Audit rather than to Central Procurement. The only role that Central Procurement has in this process now is to remove property from POST. 2. Secondary change was to revise division names to reflect the names currently used in the Department. 3. As a courtesy to Capitol Police, they were added to law enforcement agencies to be notified by Central Office personnel, if property was suspected of being stolen.
9/13/2005	2	<p>PROCEDURE: Change:</p> <p>When it is discovered that a property item is missing, the employee making the discovery should conduct an investigation to determine to the best of their ability if the item has been lost or stolen. If the item is thought to have been lost or stolen, the employee should immediately notify the , Section Chief or County/Regional Director who should immediately contact the Director of Central Procurements and Payments of the Department of Health and, if stolen, the local law enforcement agency. Central Office personnel in addition to the procedures noted above, should notify the security service located in the building.</p> <p>If employee misconduct is suspected, the procedures listed above for</p>

reporting shortages do not apply. Instead, Section Chiefs or County/Regional Directors should directly report the matter immediately to the Office of Audit and Investigations. Determining the nature and extent of losses due to employee misconduct may require further review. Therefore, the Office of Audit and Investigations must be consulted **before** the employee is notified of the allegation or any disciplinary action is taken.

The employee to whom the property is assigned must complete a **Lost or Stolen Property Report, PH-1766**. This report must fully document the loss and be completed in its entirety. A copy of the incident report, if applicable, should be attached. The employee's supervisor must approve the Lost or Stolen Report. A cover memorandum briefly summarizing the information in the report along with the Lost or Stolen Report and other relevant attachments must then be sent to the Director of Audit with copies sent to the Director of Central Procurement and Payments of the Department of Health and to the Fiscal Services Section of the Bureau of Health Services.

Address the cover memo to:

Director of Audit
Office of Audit and Investigations
11th Floor, Andrew Johnson Tower
710 James Robertson Parkway
Nashville, Tennessee 37247-0110

Copies should be sent to:

Director or Central Procurements and Payments
Department of Health
12thFloor Andrew Johnson Tower
710 James Robertson Parkway
Nashville, TN 37247-0315

Director of Fiscal Services
Bureau of Health Services
4th Floor Cordell Hull Building
525 5thAvenue North
Nashville, TN 37247

The Office of Audit and Investigations will log the initial notification (received verbally from the Director of Central Procurement and Payments of the Department of Health), track receipt of the "Lost or Stolen Property Report" and related correspondence, and ensure proper reporting to the Comptroller's Office. If the loss is significant or if inherent internal control/procedural deficiencies contributed to the loss, the Office of Audit and Investigations will conduct a review of the matter in coordination with the Comptroller's Office. The results of this review and appropriate recommendations will be reported to management. Otherwise, the Office of Audit and Investigations will review the "Lost or Stolen Property Report" for propriety and reasonableness, obtain clarification (if necessary), and sign the "Office of Audit and Investigations Complete" section to approve removal of the property from the POST inventory system. Once this review has been completed, the approved "Lost or Stolen Property Report" will be forwarded to the Director of Central Procurement and Payments of the Department of

Health. The Director of Central Procurement and Payments shall then effectuate removal of the property from the POST inventory system through communication with the Department of General Services, Asset Management Section

If the item which has been reported lost is subsequently located, notify the Director of Central Procurement and Payments of the Department of Health to ensure proper reporting to Asset Management for reinstatement to the department inventory listing. The Director of Central Procurement and Payments shall immediately notify the Office of Audit and Investigations that the item has been located.

TO:

When it is discovered that a property item is missing, the employee making the discovery should conduct an investigation to determine to the best of their ability if the item has been lost or stolen. Refer to Table 1 found on the last page of this policy to determine who is to be contacted to report lost or stolen property and the sequence for reporting. ~~If the item is thought to have been lost or stolen, the employee should immediately notify the Section Chief or County/Regional Director who should immediately contact the Director of Central Procurements and Payments the Office of Internal Audit of the Department of Health and, if stolen, the local law enforcement agency. Central Office personnel in addition to the procedures noted above, should notify the Capitol Police and security service located in the building.~~

If employee misconduct is suspected, the procedures listed above for reporting shortages do not apply. Instead, Section Chiefs or County/Regional Directors should directly report the matter immediately to the Office of Internal Audit and Investigations. Determining the nature and extent of losses due to employee misconduct may require further review. Therefore, the Office of Internal Audit and Investigations must be consulted **before** the employee is notified of the allegation or any disciplinary action is taken.

~~The employee to whom the property is assigned~~ Property Officer at the location where the asset is discovered to be missing must complete a Lost or Stolen Property Report, PH-1766. This report must fully document the loss and be completed in its entirety. A copy of the law enforcement agency incident report, (or incident number if the report is not available) if applicable, should be attached. The employee's supervisor must approve the Lost or or Stolen Report. A cover memorandum briefly summarizing the information in the report along with the Lost or Stolen Report and other relevant attachments must then be sent to the Director of the Office of Internal Audit with ~~copies~~ a copy sent to the Director of Central Procurement and Payments of the Department of Health and to the Fiscal Services Section of the Bureau of Health Services.

Address the cover memo to:

Director of the Office of Internal Audit
Office of Audit and Investigations
11th Floor, Andrew Johnson Tower
710 James Robertson Parkway
Nashville, Tennessee 37247-0110

Copies Copy should be sent to:

Director of Central Procurements and Payments
 Department of Health
 12th Floor Andrew Johnson Tower
 710 James Robertson Parkway
 Nashville, TN 37247-0315

Director of Fiscal Services
 Bureau of Health Services
 4th Floor Cordell Hull Building
 525 5th Avenue North
 Nashville, TN 37247

The Office of Internal Audit and Investigations will log the initial notification (received verbally from the Director of Central Procurement and Payments of the Department of Health), track receipt of the "Lost or Stolen Property Report" and related correspondence, and ensure proper reporting to the Comptroller's Office. If the loss is significant or if inherent internal control/procedural deficiencies contributed to the loss, the Office of Internal Audit and Investigations will conduct a review of the matter in coordination with the Comptroller's Office. The results of this review and appropriate recommendations will be reported to management. Otherwise, the Office of Internal Audit and Investigations will review the "Lost or Stolen Property Report" for propriety and reasonableness, obtain clarification (if necessary), and sign the "Office of Audit and Investigations Complete" section to approve removal of the property from the POST inventory system. Once this review has been completed, the approved "Lost or Stolen Property Report" will be forwarded to the Director of Central Procurement and Payments of the Department of Health. The Director of Central Procurement and Payments shall then effectuate removal of the property from the POST inventory system through communication with the Department of General Services, Asset Management Section

If the item which has been reported lost is subsequently located, notify the Director of Central Procurement and Payments of the Department of Health to ensure proper reporting to Asset Management for reinstatement to the department inventory listing. The Director of Central Procurement and Payments shall immediately notify the Office of Internal Audit and Investigations that the item has been located.

Table 1 - Who to Contact for Lost or Stolen Property

Item	Item Location	Evidence Questionable (Note 1)	Clear Evidence (Note 2)	First Contact (Note 3)	Second Contact	Third Contact	Fourth Contact
Lost Item	Central Office	NA	NA	Section Chief	Internal Audit	HSA Fiscal Services	
	Regional Offices	NA	NA	Regional Director	Internal Audit	HSA Fiscal Services	
	County Health Depts.	NA	NA	County Director	Regional Director (Note 3)	Internal Audit	HSA Fiscal Services
Stolen Item	Central Office	✓		Section Chief	Internal Audit	HSA Fiscal Services	Others as suggested

							by Internal Audit
			✓	Section Chief	Metro Police Dept AND Capital Police AND Building Security	Internal Audit	HSA Fiscal Services
	Regional Offices	✓		Regional Director	Internal Audit	HSA Fiscal Services	Others as suggested by Internal Audit
			✓	Regional Director	Local Law Enforcement	Internal Audit	HSA Fiscal Services
	County Health Depts	✓		County Director	Regional Director (Note 3) AND Internal Audit	Others as suggested by Internal Audit	HSA Fiscal Services
			✓	County Director	Local Law Enforcement	Internal Audit	Regional Director (Note 3) AND HSA Fiscal Services

Note 1: Use this if circumstances surrounding the item's disappearance are questionable.

Note 2: Use this if there is clear evidence that the item has been stolen.

Note 3: If management cannot be reached proceed to the next contact.

Change Reason:

1. Primary change was to revise the sequence of events for reporting lost and stolen property solely to the Office of Internal Audit rather than to Central Procurement. The only role that Central Procurement has in this process now is to remove property from POST.
2. Secondary change was to revise division names to reflect the names currently used in the Department.
3. As a courtesy to Capitol Police, they were added to law enforcement agencies to be notified by Central Office personnel, if property was suspected of being stolen.

08/30/2001

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POLICY: Change

'All lost or stolen state property is to be reported to the Director of Internal Audit of the Department of Health. In the case of stolen state property, the local law enforcement agency should be notified immediately.'

to

'All lost or stolen state property is to be reported immediately to the the Director of Central Procurements and Payments of the Department of Health ~~Director of Internal Audit of the Department of Health~~. In the case of stolen state property, the local law enforcement agency should be notified immediately.'

Change Reason: To comply with the Department's new procedures for

		reporting lost and stolen property dated January, 2001.
08/30/2001	2	<p>PURPOSE:</p> <p>Change:</p> <p>To accurately account for all state property.</p> <p>To:</p> <p>To accurately account for all state property <u>and to ensure prompt reporting of lost or stolen property.</u></p> <p>Change Reason: To comply with the Department's new procedures for reporting lost and stolen property dated January, 2001.</p>
08/30/2001	3	<p>PROCEDURE, paragraph 1: Change:</p> <p>'When it is discovered that a property item is missing, the employee making the discovery should conduct an investigation to determine to the best of their ability if the item has been lost or stolen. If the item is thought to have been stolen, the employee should notify the program or facility administrator who should contact the local law enforcement agency. Central Office personnel should report immediately any missing or stolen items to the Division of Internal Audit of the Department of Health and the security service located in the building.'</p> <p>to</p> <p>When it is discovered that a property item is missing, the employee making the discovery should conduct an investigation to determine to the best of their ability if the item has been lost or stolen. If the item is thought to have been <u>lost or</u> stolen, the employee should <u>immediately</u> notify the program or facility administrator, <u>Section Chief or County/Regional Director</u> who should <u>immediately</u> contact <u>the Director of Central Procurements and Payments of the Department of Health and, if stolen,</u> the local law enforcement agency. Central Office personnel report immediately any missing or stolen items to the Division of Internal Audit of the Department of Health and <u>in addition to the procedures noted above,</u> should <u>notify</u> the security service located in the building.</p> <p>Change Reason: To comply with the Department's new procedures for reporting lost and stolen property dated January, 2001.</p>
08/30/2001	4	<p>PROCEDURE after paragraph 1: Add following:</p> <p><u>If employee misconduct is suspected, the procedures listed above for reporting shortages do not apply. Instead, Section Chiefs or County/Regional Directors should directly report the matter immediately to the Office of Audit and Investigations. Determining the nature and extent of losses due to employee misconduct may require further review. Therefore, the Office of Audit and Investigations must be consulted before the employee is notified of the allegation or any disciplinary action is taken.</u></p>

		<p>Change Reason: To comply with the Department's new procedures for reporting lost and stolen property dated January, 2001.</p>
08/30/2001	5	<p>PROCEDURE paragraphs 2 &3: Change:</p> <p>'The employee to whom the property is assigned must complete a <u>Lost or Stolen Property Report, PH-1766</u>. This report must fully document the loss and be completed in its entirety. The Lost or Stolen Report must then be sent to the Fiscal Services Section of the Bureau of Health Services (FSS). This office will forward the form immediately to the Director of Internal Audit who will review the report and, if the loss is of significance, investigate and prepare a written report for the Commissioner's Office.</p> <p>If the item which has been reported lost is subsequently located, the FSS should be notified. This office will forward the information to Property and Procurement to reinstate the item on the Departmental Inventory Listing.'</p> <p>to</p> <p>'The employee to whom the property is assigned must complete a <u>Lost or Stolen Property Report, PH-1766</u>. This report must fully document the loss and be completed in its entirety. <u>A copy of the incident report, if applicable, should be attached. The employee's supervisor must approve the Lost of Stolen Report. A cover memorandum briefly summarizing the information in the report along with the</u>The Lost or Stolen Report <u>and other relevant attachments</u> must then be sent to the <u>Director of Audit with copies sent to the Director of Central Procurement and Payments of the Department of Health and to the</u> Fiscal Services Section of the Bureau of Health Services (FSS). This office will forward the form immediately to the Director of Internal Audit who will review the report and, if the loss is of significance, investigate and prepare a written report for the Commissioner's Office.</p> <p><u>Address the cover memo to:</u></p> <p style="padding-left: 40px;"><u>Director of Audit</u> <u>Office of Audit and Investigations</u> <u>11th Floor, Andrew Johnson Tower</u> <u>710 James Robertson Parkway</u> <u>Nashville, Tennessee 37247-0110</u></p> <p><u>Copies should be sent to:</u></p> <p style="padding-left: 40px;"><u>Director or Central Procurements and Payments</u> <u>Department of Health</u> <u>12th Floor Andrew Johnson Tower</u> <u>710 James Robertson Parkway</u> <u>Nashville, TN 37247-0315</u></p> <p style="padding-left: 40px;"><u>Director of Fiscal Services</u> <u>Bureau of Health Services</u> <u>4th Floor Cordell Hull Building</u> <u>525 5th Avenue North</u> <u>Nashville, TN 37247</u></p>

		<p><u>The Office of Audit and Investigations will log the initial notification (received verbally from the Director of Central Procurement and Payments of the Department of Health), track receipt of the "Lost or Stolen Property Report" and related correspondence, and ensure proper reporting to the Comptroller's Office. If the loss is significant or if inherent internal control/procedural deficiencies contributed to the loss, the Office of Audit and Investigations will conduct a review of the matter in coordination with the Comptroller's Office. The results of this review and appropriate recommendations will be reported to management. Otherwise, the Office of Audit and Investigations will review the "Lost or Stolen Property Report" for propriety and reasonableness, obtain clarification (if necessary), and sign the "Office of Audit and Investigations Complete" section to approve removal of the property from the POST inventory system. Once this review has been completed, the approved "Lost or Stolen Property Report" will be forwarded to the Director of Central Procurement and Payments of the Department of Health. The Director of Central Procurement and Payments shall then effectuate removal of the property from the POST inventory system through communication with the Department of General Services, Asset Management Section</u></p> <p>If the item which has been reported lost is subsequently located, the FSS should be notified <u>notify the Director of Central Procurement and Payments of the Department of Health to ensure proper reporting to Asset Management for reinstatement to the department inventory listing. This office will forward the information to Property and Procurement to reinstate the item on the Departmental Inventory Listing. The Director of Central Procurement and Payments shall immediately notify the Office of Audit and Investigations that the item has been located.'</u></p> <p>Change Reason: To comply with the Department's new procedures for reporting lost and stolen property dated January, 2001.</p>
08/30/2001	6	<p>NECESSARY FORM: Change:</p> <p>'Lost or Stolen Property Report, PH-1766'</p> <p>to</p> <p>'<u>Lost or Stolen Property Report, PH-1766 (Revised 02/01)</u>'</p> <p>Change Reason: To comply with the Department's new procedures for reporting lost and stolen property dated January, 2001.</p>
08/30/2001	7	<p>After NECESSARY FORM: Add section:</p> <p><u>REFERENCE DOCUMENTS</u></p> <p> <u>Tennessee Code Annotated, Section 8-19-501.</u></p> <p> <u>Procedures for Reporting Lost or Stolen Property, Office of Audit and Investigations, January 2001.</u></p> <p>Change Reason: To comply with the Department's new procedures for reporting lost and stolen property dated January, 2001.</p>

12/29/1999	-	No change
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