



DEFENSE REUTILIZATION AND MARKETING SERVICE
74 WASHINGTON AVENUE NORTH
BATTLE CREEK, MICHIGAN 49037-3092

IN REPLY
REFER TO J413

June 10, 2011

MEMORANDUM FOR THE STATE OF UTAH

SUBJECT: 1033 Program Compliance Review (PCR)

In accordance with the DLA/State of Utah Memorandum of Agreement dated April 2, 2009 a Program Compliance Review (PCR) was conducted on the State of Utah 1033 Program Office. Over 7,509 line items of Controlled Property have been transferred to your State, with an Original Acquisition Value of \$3,350,406.80. The PCR was conducted May 23-25 2011, by a DLA Disposition Services J413 Law Enforcement Support Office (LESO) Western Team consisting of Mr. Carlos Torres and Ms. Pam Rowse. DLA Disposition Services is a field activity of DLA and has program management responsibilities for the 1033 Program as delegated by the Office of the Secretary of Defense.

State of Utah personnel conducted themselves professionally during the course of this review. The DLA Disposition Services LESO PCR Team also visited six (6) State of Utah Law Enforcement Agencies (LEAs), in addition to the detailed review conducted of the State Office. Each LEA was honest and forthright during the conduct of this PCR. The State 1033 Program Office and each of the selected LEAs were motivated, knowledgeable, and enthusiastic about the 1033 Program. Most importantly, the State of Utah 1033 Program Office received a rating of COMPLIANT for the May 2011 PCR. The next PCR is tentatively scheduled for May 2013.

The full May 2011 PCR Report is attached for your review. We look forward to assisting the State of Utah with this great and valuable program. Please feel free to contact me with any questions or concerns at Craig.Barrett@dla.mil or call (269) 961-5420.

CRAIG A. BARRETT
Chief, Law Enforcement Support Office
Customer Support

Attachment

1. Program Compliance Review



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J413 Law Enforcement Support Office (LESO)

June 10, 2011

MEMORANDUM FOR THE STATE OF UTAH 1033 PROGRAM STATE
COORDINATOR

SUBJECT: Program Compliance Review (PCR)

I. LESO will verify:

1. Is the State Coordinator appointed, in writing, by the current Governor of the State and is this letter on file?

Yes: Mr. Dan Martinez was appointed as the 1033 State Coordinator on October 28, 2009 by Governor Gary R. Herbert.

2. Has the current State Coordinator signed the current Defense Logistics Agency (DLA) Memorandum of Agreement (MOA)?

Yes: Mr. Dan Martinez signed the DLA MOA on April 2, 2009.

3. Are the State Points of Contacts (POCs) appointed, in writing, by the current Governor appointed State Coordinator and is this on file?

Yes: Mr. Dan Martinez appointed Loretta Potter as the State Point of Contact (SPOC) for the 1033 Program on November 8, 2010.

4. Has the State Coordinator delegated his/her approval authority to anyone, and if so, is a letter, signed by the State Coordinator, on file naming the individual(s)?

Yes: Mr. Dan Martinez has delegated approval authority to the State Point of Contact in the SPOC appointment letter dated November 8, 2010.

II. Website Familiarization

Do designated personnel performing the duties with the State 1033 Program have access to the following websites and can they navigate through them proficiently. (1) Law Enforcement Support Office (LESO) website, (2) LESO Automation (3) DLA Disposition Services? If not, are any provisions being made to provide such training? Note: See table below.

WEBSITE FAMILIARITY	YES	NO
<ul style="list-style-type: none"> • LESO website: https://www.drms.dla.mil/rtd03/leso/index.shtml 	X	
<ul style="list-style-type: none"> • LESO Automation: https://www.drms.dla.mil/leso/LesoHome.html 	X	
<ul style="list-style-type: none"> • DLA Disposition Services website: https://www.drms.dla.mil 	X	

III. Eligibility Requirements

1. Are Application for Participation submitted by Law Enforcement Agencies (LEA) with arrest and apprehension authority signed by the Head of the LEA and by the State Coordinator?

Yes.

IV. Records Management

1. Is there a current State Plan of Operation on file?

Yes.

2. Does each LEA have a copy of the State Plan of Operation?

Yes: Each LEA is provided a copy once they are enrolled in the 1033 Program.

3. Does the State Plan of Operation address the following areas (**See Table**)?

SECTION	YES	NO
a. Purpose	X	
b. Authority	X	
c. Terms and Conditions	X	
-LEA Eligibility Criteria	X	
-How to Enroll in the State 1033 Program	X	
-LEA Screener Criteria	X	
-Identification/Acquisition of Property	X	

-Transportation of Property	X	
-Storage of Property	X	
-Distribution of Property	X	
-Security of Property	X	
-Accountability of Property	X	
-Establish Inactive File	X	
-Utilization of Property	X	
-State Compliance Reviews	X	
-Transfer of Property	X	
**DEMIL Equipment	X	
-Disposal of Property	X	
**DEMIL Equipment	X	
d. Training	X	
e. The State of _____ will:	X	
f. The LEA _____ will:	X	
g. Termination Criteria	X	
h. Signatures (Chief of the LEA and State Coordinator)	X	

V. Property and Inventory Control

1. Are the following accurate accountable records of all Section 1033 property maintained (See Table)?

FORMS	YES	NO	N/A
a. DRMS Form 103 with all justifications	X		
b. DD Form 1348 receipt	X		
c. DD Form 1348 turn-in	X		
d. Disposal documentation	X		
e. Transfer documentation	X		
f. Approved Bureau of Alcohol, Tobacco and Firearms (ATF) Form 10s (http://www.atf.gov/forms/pdfs/f532010.pdf) SEE Definitions for proper form use of registration requirements.	X		
g. Approved ATF Form 5 (for transfers of weapons) http://www.titleii.com/pdf/010205-Form5.pdf	X		
h. Certificate of Aircraft Registration AC Form 8050-1 http://forms.faa.gov/info_new.asp?form_number=8050-1&open_doc=N			X
i. Other pertinent paperwork through the LESO (i.e. justification forms, memo for record, etc.)	X		

2. Regarding DEMIL items and items sensitive to theft, are items properly stored in a controlled storage area?

Yes: All LEAs inspected had proper and secure storage areas.

3. Have all reports of missing, lost, stolen, damaged, or destroyed property of Section 1033 been reported to the appropriate local, State and Federal officials and LESO? Note: If the property is DEMIL Coded B, C, D, E, F or G you have (24) Hours for notification. If your property is DEMIL Code A, or Q6 you have within (7) days to report.

Yes.

4. In determining State Coordinator's recommendation for approval of LEA request, is consideration given to the needs and resources of its LEAs (i.e. size of LEA, mission requirement and like property on hand)? **NOTE:** LESO personnel must conduct a random search of records.

Yes: The SC and SPOCs are good stewards of allocating property.

5. Are monthly and annual reconciliations of property receipt being conducted (See **Table**)?

RECONCILIATION	YES	NO
MONTHLY - Items entering the Law Enforcement Equipment Database System (LEEDS) from DRMS -Reconciliation conducted online -Validated and certified by State Coordinator -Documentation provided for mismatched items -No un-reconciled items older than 90 days		X
ANNUAL - Items on hand in LEEDS -Reconciliation of the following property: <ul style="list-style-type: none"> • Peacekeepers, APCs, Aircrafts, Night Vision Goggles/Sights, Weapons • DEMIL Code B – Q items • High Dollar Items (\$20,000 and above each) -Are serial numbers or tail numbers provided/available -Validated and certified by State Coordinator -On file -Forwarded to the LESO	X	

NOTE: SC is aware of the data integrity in LEEDS, therefore they are not utilizing the RECON function. LESO concurs.

VI. Transitional Distribution Point (TDP) and Customer Reserve Stock (CRS)

1. Is there an authorization document from DLA, on hand, authorizing your State to operate as a CRS?

N/A

2. Are CRS property requests earmarked for a specific LEA identifying them as the end user?

N/A

3. Is there an authorization document from DLA, on hand, authorizing your State to operate as a TDP?

N/A

4. Are TDP property requests earmarked for a specific LEA identifying them as the end user?

N/A

5. Are 1033 assets identified and stored apart from other categories of property such as 1122 and State Agencies for Surplus Property (SASP)?

N/A

VII. Compliance and Utilization Reviews

1. Is there a State compliance review program in place, and if not, is there a system whereby the State Coordinator validates that LEAs are complying with the terms and conditions of the 1033 program?

Yes: SPOCs conduct random compliance reviews on property that has an acquisition value of \$5000.00 or more.

2. Are periodic physical reviews and spot checks of LEA(s) property being conducted? If yes, provide the name and date of the LEA(s) that received the audit.

Yes: All agencies that have an individual property acquisition value of over \$5000.00.

3. What steps were taken to resolve cases of noncompliance with the MOA or State Plan of Operation?

The State internally suspends LEAs until issues are resolved.

4. Provide all records identifying LEA reconciliation, and compliance review results.

Yes.

VIII. Non-Utilized Property

1. Are current procedures in place for identifying and reporting *serviceable* property when no longer needed?

Yes: LEAs contact the SC for disposition instructions.

2. Determine what steps are taken to *minimize* the acquisition of unnecessary property.

The State Point of Contact reviews all request to ensure they are valid prior to approval.

3. Has there been an incident where a LEA has sold property received under the 1033 Program or received 1033 property for the sole purpose of selling it? If yes, provide details and supporting documentation of the outcome (who, what, when, where, how much):

Yes: Iron County Sheriff's Department sold 16 weapons in 2008. 15 of the weapons have been recovered by the FBI; all documentation was forwarded to DLA LESO. The SC was provided turn-in documents and directed to return the 15 weapons back to U.S. Army TACOM no later than June 30, 2011.

IX. Compliance with the MOA

1. Is all property transferred consistent with requirements of the DLA MOA?

Yes.

2. Does the State provide a written agreement of understanding for liability, property damage and/or workmen's compensation requirements?

Yes: This is identified in the State Plan of Operation.

Conclusion: The compliance review results for the State of Utah were found to be COMPLIANT. Overall, the State of Utah's 1033 Program is in compliance with the current terms and conditions as set forth in the MOA between DLA and the State.

The overall property accounting portion of the review was SATISFACTORY. 100 % of the inventory samples of weapons, and tactical vehicles were present. 86 % of the line items and 96 % of the eaches of Controlled Property (Demilitarization Required) was present. The State will be scheduled for a Program Compliance Review in Fiscal Year 2013.

The State is deploying a comprehensible state wide property accounting system which will allow each individual LEA to have access to their individual property book. This will enhance current property accounting and program compliance process for the state of Utah.

The State Coordinator and State Point of Contact are fully engaged in the 1033 Program. The State is working to increase awareness and enrollment of the program. The State is currently in the process of ensuring that enrollments are up to date and working diligently on reconciling LEAs property books. The State Coordinator and State Point of Contact are fully capable and highly engaged in this task.

LESO Recommends:

-That the State increases their internal compliance reviews with a focus on reconciling all controlled property in Fiscal Year 2011.

LESO Directs:

- That the State conducts a 100 percent 1033 Program property book reconciliation for accounts that list the State Coordinator and State Point of contact as the Points of Contact. The reconciliation should result in transferring the account via an updated application for participation or deleting the account if no property is on the account not later than June 30, 2011.

-That the State work with DLA LESO to purge all accounts that do not have property on record no later than June 30, 2011

PCR Inventory Results

Agency	Line Items	Line Items O/H	Pieces	Pieces O/H
State Coordinator	7	7	175	175
Murray City PD	1	1	2	2
Layton PD	1	1	4	4
North Ogden PD	3	0	16	0
Midvale PD	32	31	459	458
Division of Wildlife Resources	36	29	1279	1213
Total	80	69	1935	1852
% Actual O/H	N/A	86%	N/A	96%

NOTE: O/H = On-Hand.

Mr. Carlos S. Torres, LESO Western Team Lead and Ms. Pam Rowse conducted site visits at the following LEAs:

1. State Coordinators Office
2. Murray Police Department
3. Layton Police Department
4. North Ogden Police Department
5. Midvale Police Department
6. Division of Wildlife Resources

Mr. Carlos S. Torres and Ms. Pam Rowse would like to thank Mr. Dan Martinez and Ms. Loretta Potter, for their time, support and cooperation.

As always, we at LESO stand ready to support and serve. If you have any questions or concerns, please feel free to contact us.


Carlos S. Torres
LESO Representative



Pamela Rowse
LESO Representative

Dates the PCR was conducted: May 23-25, 2011

Attachment: Daily Activity Report

Day 1: MORNING: The PCR Team met with the 1033 Program State Coordinator (SC) Mr. Dan Martinez and the State Point of Contact (SPOC), Ms. Loretta Potter. They are located at the Government Surplus Property Building in Draper, UT. A brief was conducted by the PCR Lead which covered the Background, Purpose, and the Scope of the visit. The PCR Lead answered some questions and then the SC gave the PCR Team a tour of his facility. The entire compound sits on a ten acre footprint. The SC is the Federal and State Surplus Property Manager. The 1033 Program is one of his many programs that he is responsible for.

The PCR Team reviewed the States' 1033 Program files and records. The record keeping was systematic, and orderly. The State maintains a 1033 Program file on each LEA that is enrolled. Files requested by the PCR team could be easily located and retrieved.

AFTERNOON: The PCR Team and the SPOC drove to the Murray City Police Department to conduct an inventory of 1033 Property. We were greeted by Officer Brain Hadley, he is not a POC for the agencies 1033 Program; however he is the operator for the Peacekeeper. An inventory of two Peacekeepers was conducted. There were no data plates on the vehicles therefore the serial numbers could not be verified. The PCR Lead provided an overview of the 1033 Program, Officer Hadley expressed his appreciation of the two vehicles and thanked the PCR Team for the visit.

The PCR Team inventoried a sample of 1 line items; the line item consisted of two Peacekeepers which was present. This was the entire inventory for the agency.

Day 2: MORNING: The PCR Team, SC, and SPOC met with the Layton City Police Department to conduct an inventory of 1033 Property. The PCR Team was greeted by Lieutenant James Petre and Debbie Joubert. The PCR Team informed the agency of the intent of the visit and provided a detailed brief on the 1033 Program. They were unaware of the potential of the 1033 Program and are interested in reengaging in the program. An inventory of four M-14's was conducted, all weapons were accounted for. The M-14's are the only property that the agency has procured through the 1033 Program.

The PCR Team visited North Ogden Police Department to conduct an inventory of 1033 Property. The PCR Team was greeted by Officer Paul Rhoades. The PCR Team informed Officer Rhoades of the intent of the visit and an overview of the 1033 Program. The PCR Team inventoried a sample of 3 line items, 3 items could not be located. The PCR Lead directed that Officer Rhoades submit a detailed Memorandum for Record (MFR) to LESO via the State Coordinator for items that could not be located not later than June 30, 2011.

AFTERNOON: PCR Team, SC, and SPOC visited DLA Disposition Services Site Hill. The team met with the Area Manager, Mr. Richard Ward and the Site Supervisor, Mr. David Beasley. PCR Lead introduced the State Coordinator and State Point of Contact to the Area Manger and Supervisor. The PCR Lead provided a brief of the intent of the LESO Program Compliance Review for the State of Utah. The PCR Lead addressed some DoD Policies that affected LESO customers such as turn-in of Hazardous Waste, Night Vision Equipment, and the release of Up-Armored Highly Mobile Multipurpose Wheeled Vehicles. The supervisor informed us that most LESO reutilization business is not with the state of Utah. He supports the program and is looking forward to working with and supporting the states' 1033 Program. The Area Manger and Supervisor gave the PCR Team a tour of the facility and showed the PCR Team property that had good LESO reutilization potential. It was a very informative and productive visit; the PCR Team thanked the Area Manager and Supervisor for their time and support.

The face to face meeting with members Disposition Services Hill was extremely valuable. Visiting Disposition Service Sites fully engages the DLA LESO staff with the 2010-2020 DLA Disposition Services Strategic Roadmap by meeting all four of the Goals and Objectives.

1. GOAL 1: Engages LESO's staff, Disposition Services Sites employees and LESO Customers to establish a customer satisfaction base.
2. GOAL2: Increases LESO's staff and field employee's capability to support LESO customers by awareness of the 1033 Program with the goal of systematically increasing new LESO business.
3. GOAL3: Workforce development, LESO's staff reviews reutilization and disposal processes with Disposition Services field employees and receives first hand experiences at the execution of reutilization and disposal processes in the field.
4. GOAL 4: Continuous Improvement is being executed by interacting with the Disposition Site and working closely on improving and streamlining reutilization, disposal, and accounting processes.

LESO will continue to work closely with Disposition Services Sites to increase reutilization and provide any support that may be required.

Day 3: MORNING: The PCR Team visited the Midvale Police Department to conduct an inventory of 1033 property. The PCR Team was greeted by Officer Mike Loyd. The PCR Team provided an overview of the 1033 Program and briefed the intent of the

visit. Officer Loyd informed the PCR Team that he was the individual who has worked the 1033 Program since the agency enrolled in the program. The PCR Team inventoried 32 line items, 31 line items could be accounted for.

Upon conclusion of the visit the PCR Lead directed that Officer Loyd submit a detailed Memorandum for Record (MFR) to LESO via the State Coordinator for items that could not be located not later than June 30, 2011. In addition, the PCR Team recommended that the agency incorporate a detailed property accounting system. The agency was receptive to the recommendation.

AFTERNOON: The PCR Team visited the Division of Wildlife Resources to conduct an inventory of 1033 Property. The PCR Team was greeted by Captain Tony Wood. The PCR Team informed Captain Wood of the intent of the visit and an overview of the 1033 Program. The PCR Team inventoried a sample of 36 line items, 5 line items could not be located. The line items that could not be located were either locally destroyed or stolen in a burglary, all incidents are documented in a police report. An error with the weapons inventory was discovered. The weapons inventory from LEEDS had incorrect serial numbers listed on the inventory; the LESO weapons team reconciled and corrected the LEEDS weapons inventory for the agency. The PCR Lead directed that the agency submit a detailed Memorandum for Record (MFR) to LESO via the State Coordinator for items that could not be located not later than June 30, 2011.