

## EXECUTIVE DIGEST

# OFFICE OF SUPPORT SERVICES

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### INTRODUCTION

This report, issued in September 2000, contains the results of our performance audit\* of the Office of Support Services (OSS), Department of Management and Budget.

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### AUDIT PURPOSE

This performance audit was conducted as part of the constitutional responsibility of the Office of the Auditor General. Performance audits are conducted on a priority basis related to the potential for improving effectiveness\* and efficiency\*.

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### BACKGROUND

OSS's mission\* is to provide a centralized source of expertise and value-added services meeting the needs of State government. OSS attempts to accomplish its mission through customer focus, integrity, innovation, responsiveness, expertise, and teamwork. OSS operations consist of mail and delivery services, materials management services, records and forms management, print and graphic services, and consolidated print center services.

As of October 1, 1999, OSS had 239 employees. OSS operating revenues and expenditures for fiscal year 1997-98 were approximately \$56.8 million and \$55.0 million, respectively.

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AUDIT OBJECTIVES  
AND CONCLUSIONS

**Audit Objective:** To assess the effectiveness of OSS's mail and delivery operations, materials management services, records and forms management, and print and graphic services.

**Conclusion:** We concluded that OSS's mail and delivery operations, materials management services, records and forms management, and print and graphic services were generally effective. However, we noted reportable conditions\* relating to forms management, materials management, the monitoring of printing operations, and Consolidated Print Center control procedures (Findings 1 through 4).

**Audit Objective:** To assess the effectiveness and efficiency of the State and Federal Surplus Property Programs.

**Conclusion:** We concluded that the State and Federal Surplus Property Programs were generally effective and efficient. However, we noted a reportable condition related to Federal Surplus Property Program effectiveness (Finding 5).

**Audit Objective:** To assess the internal control related to OSS warehousing operations.

**Conclusion:** We concluded that the internal control related to OSS warehousing operations was generally effective. However, we noted a reportable condition related to federal surplus property inventory controls (Finding 6).

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AUDIT SCOPE AND  
METHODOLOGY

Our audit scope was to examine the program and other records of the Office of Support Services. Our audit was conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included such tests of the records and such other auditing procedures as we considered necessary in the circumstances.

Our audit procedures included an examination of OSS's records and activities covering the period October 1, 1997 through November 30, 1999.

We performed a preliminary review that consisted of interviewing management and program staff and reviewing legislation, administrative rules, management plans, and other OSS reports and manuals. The purpose of the preliminary review was to obtain an understanding of OSS operations and to plan our audit.

We reviewed agency procedures, observed activities, and examined production data and inventory records to assess the effectiveness of OSS's mail and delivery operations, materials management services, records and forms management, and print and graphic services.

We examined the internal control related to the State and Federal Surplus Property Programs to determine if surplus property was adequately safeguarded. In addition, we examined documentation related to surplus property obtained, stored, and distributed to ensure that OSS was in compliance with State and federal requirements and that the property was disbursed in an effective and efficient manner.

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**AGENCY RESPONSES**

Our audit report contains 6 findings and 6 corresponding recommendations. OSS indicated that it agrees with the recommendations and has either complied with or taken steps to comply with all the recommendations.