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# A Guide to Marking and Uploading Government Property and Material



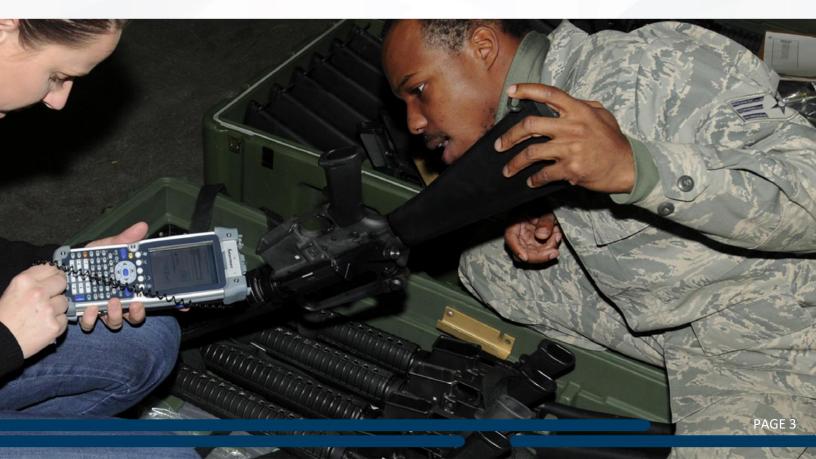
#### Introduction

The US Department of Defense has been working on the Financial Improvement and Audit Readiness (FIAR) directorate for almost ten years in a quest to become Audit Ready. Criticized as "the only major federal agency that has been unable to receive an audit opinion of any kind on its department-wide financial statements" in a 2013 report by the Government Accountability Office, the pressure is on to demonstrate that the Department of Defense (DoD) is not vulnerable to the ailments that afflict unaudited departments with waste, fraud and mismanagement.

The Trump administration and the US Congress is holding the DoD accountable to achieve and sustain full audit readiness. The DoD is acting diligently and is committed to rectify this problem through the Financial Improvement and Audit Readiness (FIAR) initiative. This department-wide endeavor requires military contractors and program managers to track and report real property, inventory, operating material and supplies, military equipment and general equipment by Fiscal Year 2018.

A full-scope audit is more than an investigation into accounting and financial record keeping. It will reach into every corner of the department and will require accountability for all qualifying asset information and to be able to verify the existence and completeness of that inventory.

This means that the auditors will be inspecting from "book to floor" and "floor to book". Ensuring that all of the items in the Government system of record actually exist and can be produced when asked for. Furthermore, the auditors will be inspecting all of the items that are onhand to ensure that they've been properly reported to that Accountable Property Systems of Record (or APSR).



# A Guide to Marking and Uploading Government Property and Material



### "Being under audit is our new normal at the DoD" David Norquist, DoD Comptroller and CFO

David Norquist, DoD Comptroller, published a <u>recent article</u> in the Defense News where he explained that "Being under audit is our new normal at the DoD". This will not only mean annual audits for the branches of the military but will also apply for the defense contractors who supply them.

Labeling and uploading all of your qualifying government property and material to the IUID Registry with an Item-Unique Identification (IUID) barcode is essential to supporting your program requirements to provide accurate inventory updates to the APSR.

This involves a disciplined multi-step process – called marking, data capture and registration (MDR) – that will likely place a significant burden on your available time, personnel and resources.

It's important to evaluate all available options including performing the task internally. But in most cases, it makes sense to have an expert Marking and Data Capture team come in and get the job done for you quickly and accurately, with no interruption in your operations and in time to meet the customer deadlines. What do you need to know to get the job done completely and accurately? This guide provides you that detail.



## Asset marking, data capture and registration: What's involved



Asset marking, data capture and registration is the process of locating and identifying certain targeted government property and material and uploading that data to the IUID Registry. In some cases, it is also required to place an IUID label, created to MIL STD 130, on qualifying assets for eventual data storage in an APSR. Here's what's involved in an asset MDR effort:

- ✓ Identifying government property and material that must be reported
- Capturing and formatting pedigree data about the property and material.
- ✓ Identifying property that qualifies for IUID and turning asset pedigree into a MIL STD 130 conforming 2D barcode labels
- Verifying the quality and validity of the barcode and creating a Certificate of Conformance for audit purposes
- ✓ Formatting and uploading the unique asset data to iRAPT and the IUID Registry

The IUID data elements to create the MIL STD 130 label consist of pedigree information (i.e. manufacturer's code, part number and serial number) and other identifying elements, which can include physical features, material composition and more. Property and material details must be captured and formatted accurately to report to government. This process creates that birth record for these items and there is only one chance to get it right!

An estimated 122,000,000 military assets require reporting to the IUID Registry. Most organizations are challenged with the internal resources, bandwidth, trained personnel, equipment, capital outlay and technology support to take on such an enormous effort. It's likely that you're organization is not staffed to perform this as a Do-It-Yourself (DIY) effort. But if you're not up to the task, there are experts who eat, sleep, breathe and live to mark, manage and report government property and material on a daily basis.

Should you perform the marking and data capture yourself with an internal team or should you get the experts to come in? Let's examine...

### Challenges with a do-it-yourself approach



Whether or not you choose to perform the asset marking, data capture and registration in-house depends on the scope, locations and quantity of the government property and material that needs to be marked and reported. There are turnkey systems available that will allow you to do all or some of it internally, and for some organizations, this may be the most appropriate way to go. But there are many things to consider before deciding, any one of which could be a deal breaker.

#### Bandwidth

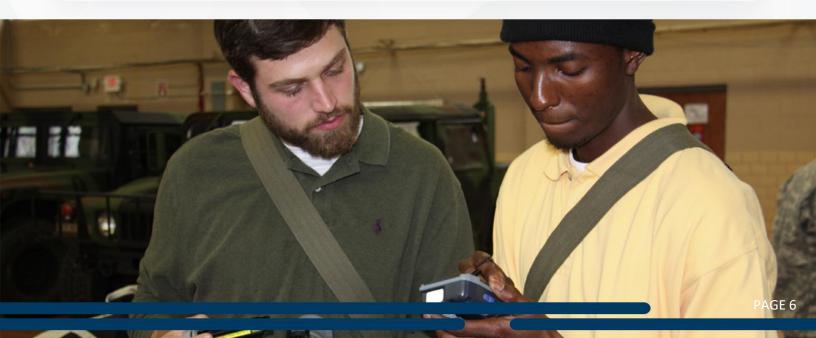
Since an in-house MDR effort will be an added activity to your primary operations, you'll need more time, more personnel or, most likely, both. And you'll need to develop a schedule that optimizes both as well. If property and material is located at multiple facilities across a wide geographic area, more time and personnel will be needed. Available workspace at one or more facilities is also a consideration.

#### Personnel Expense

Obviously, if you decide to hire more individuals to handle the marking, data capture and registration of property and material, you can expect payroll to grow. There's a trade-off when it comes to time and personnel. More hands will get the job done quicker. But, if assets are spread out in numerous facilities and unless the manpower is already there, costs can skyrocket when you include weeks or months of travel and lodging in the equation.

#### Training

Of course, any use of organization personnel, whether they're added just for the effort, or you assign existing workers, assumes they are all trained in how to capture and format asset data as well as mark and register the items accurately. To do MDR properly, there are a significant number of steps involved, and an array of devices, software and equipment each individual will need to learn how to use.



### Challenges with a do-it-yourself approach



#### **Equipment and Software**

Professional MDR teams work with a range of specialized equipment and software developed specifically for capturing and managing asset data, creating and printing barcodes, applying labels and plates, providing detailed progress reports, and registering data with the APSR. Your internal team will require the same tools, but not without an initial outlay on your part, the size of which will depend on your situation.

**Mobile computers** – for capturing and validating physical barcode labels for proper application on the specific property or material.

**Printers and laser-etchers** – for imprinting barcodes on long-lasting label material or metal plates.

Label and plate materials – such as polyester, polyacrylic, aluminum and other consumables for attachment and surface preparation

Handheld scanners and computer terminals – for scanning each label and validating that it is unique (not already registered in a database).



**IUID** verifier – for verifying the quality of the printed or etched barcode and whether the machine readable barcode conforms to MIL STD 130.

IUID Compliance and data management software – for the management of all government property and material data. This software creates all IUID data and uses business rules to format the data correctly for reporting all IUID and non-serialized property data to iRAPT and the IUID Registry for initial upload and ongoing life cycle events.

#### **Process Interruption**

A full-scale, internally driven marking and data capture effort will impact normal operations. There's no way around it.

## Outsourcing your marking, data capture and registration







For most, if not for all large-scale MDR projects, handing the job off to a focused, expert team with proven marking, data capture and registration experience is a course of action that should be seriously considered.

Whether your mandated under contract or your customer requires it to meet audit-readiness deadlines, a professional MDR team can make your life very easy. By enlisting a dedicated team of experts you will:

- ✓ Ensure accuracy and compliance throughout the entire marking, data capture and registration process
- Avoid some or all capital outlay for equipment, software and consumables
- Get a trained workforce in the marking, data capture and registration process, as well as the systems and software needed to perform it
- Forego having to hire, train, transport or sustain any additional personnel
- Keep your operations running with little or no interruption
- Be able to leverage the government property and material data you've generated to sustain your property management and compliance obligations

The ideal asset marking, data capture and registration solution is a balanced mix of project management know-how, expert individuals and proven technology.

## Outsourcing your marking, data capture and registration



#### **Project Management**

Someone has to organize and monitor the entire project and make sure quotas, intermediate goals and final objectives are met. This includes scheduling, on-site activity, ongoing collaboration with local customer representatives, real-time generation of metrics, and periodic project updates and reporting.

An experienced project manager is familiar with military standards, government property management best practices, how inventories must be performed and how to manage property and material. He or she also understands how an extensive diversity of asset types need to be handled – how they're stored, used and accounted for.

What's more, the project manager is adept at getting in, getting the job done and getting out with minimal, if any, disruption to normal operations.

#### **Expert Teams**

An experienced project manager will assemble the right team to complete the project, whether it involves multiple teams visiting numerous locations around the globe, or a single team visiting just one site. The size of these experienced, fully trained teams will vary depending on the scope of the project. It's not uncommon for A2B Tracking to mobilize dozens of MDR teams to scores of locations concurrently. They're trained to get the data right and stay on



schedule because strict compliance, and downstream demands, don't take time off.

In one instance, A2B Tracking dispatched numerous field-marking teams to military bases, installations and depots around the globe simultaneously – some on the remote outpost of Diego Garcia, some in Kuwait on the outskirts of armed conflict, even some in tsunami-stricken Japan. The project called for nearly 2 million assets to be located, marked and registered. The movement of people and equipment all had to be managed precisely, including all travel logistics and asset availability.

Of course, it's important that any potential field team members have the proper government clearances to enter military facilities, government agencies, research labs and other secure environments, in order to access assets. The right MDR crew has this covered.

### The technology factor



Successfully completing an asset marking, data capture and registration project requires the right tools—data management and capture software, label and plate production equipment, as well as marking materials and surface prep materials.

Technological advancement has simplified the task of seeking out, marking and registering critical assets regardless of the environment. Mobility plays a prominent role in processing items and tracking them from anywhere on the planet. Mobile computers, handheld scanners, cloud technology, tablets and smartphones have revolutionized how organizations can pinpoint and mark all government property and material according to government compliance requirements.

Your personnel will likely require some training in the equipment needed to properly mark and register your property and material. In contrast, an experienced team of MDR professionals already have a handle on the technology that not only gets your assets marked, but also allows you to take advantage of the fact that all your assets can now be tracked according to your government property management obligations.

#### Label Production Software, Printers and Verifiers

This tool is what translates item pedigree information, which is input by MDR team members, into a concatenated string of information stored in an IUID barcode or asset tag. Once created on-screen, it can be printed onto a label or laser-etched onto a metal plate and attached to the item. If you chose to hire an MDR team, this equipment, as well as a verifier, scanner and other devices, are available to each team member. No initial investment in equipment is necessary.

Often, label and plate materials have to comply with certain production or military standards to be accepted. For military assets, the standards for IUID marking are detailed in MIL-STD-130. Contractors and organizations in charge of government furnished property (or GFP) need to comply with specific contract clauses that require certain property and material in their possession to be marked.

#### Registration Software that Integrates into Government Systems

None of the above really means anything, however, without registering the government property and material with iRAPT and the IUID Registry. This step is part and parcel of the marking and data capture process, and marking teams are equipped with laptops and mobile devices containing cloud-based asset tracking and data management software.

In some cases, it may be desirable to register the property and material before the marking process occurs. The software to manage this process and link the virtual registrations (an IUID registration that does not yet contain a physical IUID mark) becomes even more critical to maintaining accurate pedigree data for mark creation and affixment when it comes time to place the mark on property.



### Tracking and Data Management Software

Software to manage property and material leverages cloud technology to communicate, register and update item-unique data. The premier software for managing government property, material and all IUID compliance and military shipping obligations is UC! Web™.

This software is designed to store, process and manage item pedigree data. It manages all government property and material life cycle events such as a transfer of custody, a change in location, maintenance history and final disposition. It does all of this as well as upload and update all this data to a centralized database, which is cloud accessible at any time. In short, UC! Web gives asset and property managers complete and immediate "visibility" into what they have and where it is located -- which is a huge benefit to being audit-ready.



#### Data Analytics and Sustainment Benefits for Government

Instant visibility into the location, quantity, condition and availability of critical items – from virtually anywhere in the world – is what makes marking assets so valuable. The ability to track lifecycle events by analyzing item data will help you make better management decisions, move resources to where they're needed most, and enable you to avoid ordering assets you already have but couldn't locate.



#### How A2B Tracking can help?

You don't have to go it alone. Attempting to marshal the resources, time, people, equipment training and ongoing project management internally, using existing personnel and facilities for large-scale marking, data capture and registration, makes it a challenge for you to avoid significant expense.

A2B Tracking can help you identify, mark and track your assets anywhere on the globe. We have the expertise and experience to mobilize numerous MDR teams concurrently and the project management to handle all the logistics and get you in compliance for audit readiness deadlines. You can learn more by visiting our website at a2btracking.com or calling 800.733.7592.

<sup>\*</sup>For details about the qualifying type and value of DoD assets subject to be in compliance with the Financial Improvement and Audit Readiness (FIAR) directive – as well as other important information regarding FIAR – you can visit the public website of the Under Secretary of Defense (Comptroller) at comptroller.defense.gov.





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