This technical assistance memorandum (TA) is released to assist area agencies on aging (AAA) identify, define, and develop processes and procedures within their AAA.

The TA’s intent is two fold. The Section wants to encourage AAAs to document their standards, policies, processes, and procedures or work instructions allowing for an increased ability to determine and measure when compliance is achieved and identify areas for process improvement. The Section also wants to help minimize the possibility of monitoring findings by ensuring the AAAs: have processes and procedures, the processes and procedures are in compliance, and the AAAs are following their processes and procedures.

For some readers, this information may be new and for others, it will serve as a refresher.

There are many elements, ranging from business regulations and strategic plans to procedures and work instructions, involved in process management. This TA covers four elements: standards, policies, processes, and procedures or work instructions. Below is a graphic illustrating the hierarchy.

The hierarchy can be found in all areas whether it is a corporate business, a government agency, the soccer team, or a household. Standards are established, policies are developed to explain and define, and processes and procedures or work instructions are used to provide greater detail on how the policies and standards will be accomplished. Whether they are written or not, they are always present. Committing the elements to paper adds value, sets a baseline by providing an established method that is specific, measurable, achievable, realistic, and trackable - SMART.
Standards
A standard establishes the level of expectation. An example is the Older Americans Act. The act establishes the governance by which the state units on aging and the area agencies on aging (AAA) must be guided. Both the AAAs and DADS must comply with the Older Americans Act.

Policy
A policy expands and outlines how a standard will be met. It sets the areas of responsibilities and requirements that must exist and what has flexibility. Depending on the intent, a policy is interchangeable with a standard. An example would be the Texas Administrative Code. Using the information contained within the Act, DADS develops “rules” defining the responsibilities and providing details on how the standard will be accomplished. DADS rules cover from how the Administration on Aging funds are disbursed to the administrative responsibilities of the AAAs to how the Respite Voucher Service is to be conducted by the AAAs. See the Example Table.

Process
A process covers how the policy will be achieved. A process can range from an overview to detailed information. In a number of situations, a process is interchangeable with a procedure. Both elements have similar, if not the same, properties. It depends on what is needed in the environment. If, in development, the process becomes complicated, cumbersome, or many people are involved, turn the process into a high level overview and have supporting procedures or work instructions. A process, like a procedure or work instruction, has an activity sequence and can use a number of methods to illustrate that sequence. By establishing a baseline, SMART objectives can be utilized and measured. An example could be a AAA’s hiring policy or inclement weather policy or the A&I – AAA Section’s Budget Instructions for Fiscal Year 2009. See the Example Table.

Procedure or Work Instruction
A procedure describes how to perform administrative tasks whereas work instructions provide a step by step instruction for performing work on physical items. A procedure or work instruction should contain sufficient detail and depth to enable anyone with basic related knowledge or expertise to accomplish the task. Several methods to illustrate the procedure or work instruction may be employed. The procedure or work instruction can contain one or more of the methods. Below are some of the methods:

- text, paragraph by paragraph
- table form – step 1, step 2, step 3 and so on
- flowchart
- print screens of each step with instructions in the margins
- video clips

Examples:
1. If the user is installing a software program or entering data into a database, a procedure (because this is an administrative task) employing print screens could be a better choice. The user can match what is seen on the computer to what the procedure illustrates.

2. A work instruction on how to answer a AAA telephone line (work instruction because this is performing work on a physical item) could include embedded video clips illustrating the correct and incorrect way to answer the line. It could also show examples of how to handle abusive and rude behavior from the caller.
3. A report must be submitted. This report has information coming from several sources and must be seen by a number of people. The procedure (because this is an administrative [or fiscal] task) could contain a flowchart. Each symbol (e.g., square, circle, and triangle) has a specific meaning. A flowchart can be basic as a “decision tree” (a yes or no chart) or as complicated as a system mapping used by an IT database administrator or a fishbone chart to illustrate cause and effect.

The method chosen needs to encourage the use, not discourage. Always remember who is likely to use the procedure or work instruction and the expertise level of that person. Use the method that will most likely get the procedure or work instruction used.

Test the procedure or work instruction before it is used. This is critical. Someone who has basic familiarity with the subject but does not routinely perform the task is ideal for testing the procedure or work instruction. Having someone “test” it to see if they can follow the procedure or work instruction, will always identify missing information.

Every effort should be made to develop the procedure or work instruction before the task has to be performed. Spend the time and energy at the beginning, in development, not after the fact by trying to capture or fix the procedure or work instruction. It is more efficient and effective and in the long run, has less associated costs and frustrations.

Once a procedure or work instruction is used and there is consistent compliance to the procedure or work instruction, meaning the same result is seen every time the procedure or work instruction is followed, improvements can be identified. It is easy to fall into the trap of trying to move immediately into “improvements” before the procedure or work instructions have been established and there has been consistent compliance to it. When the process is trying to be “improved” before there is compliance, the procedure or work instruction (and process) is still in the development and test phases.

An example could be the NAPIS data entry procedure or a job posting to the website procedure.

Numbering Scheme

If your AAA does not already have a document numbering scheme or a records management numbering scheme or format, one should be designed.

For the AAA Section, we determined the areas of concern such as fiscal, program and administration and designated a code letter for each area. At that point, a series of numbers were assigned to each area. Be sure to designate a number series large enough to cover current and projected needs. List items normally found within each area. Example: Fiscal would have Closeout and Budget processes and Special Initiatives has Housing Bond processes. This will help the author determine the area in which the document belongs. Design a numbering sequence utilizing the area of concern code and the document’s number.

Once a numbering scheme is designed, it can be utilized in other ways. The AAA Section used the same area definition and a similar coding when the new permanent number scheme for the program instructions and technical assistance memorandums was designed.

A copy of the Section’s Processes and Procedures Numbering System procedure (A.700) is attached. Also attached, is the Program Instruction and Technical Assistance Memorandum Numbering format table. Feel free to use any part of the procedures. Also, at the end of this TA, is another example of how processes and procedures can be organized.
Standardize Document Format

Again, if not already identified by the area agency on aging, the AAA Section recommends standardizing the process and procedure format. The Section uses the same format for both a process or procedure or work instruction. Design a format that works best for your area agency on aging. The key is consistency. Once designed and approved, use the format for all processes or procedures, or both. See the attached A.700 Processes and Procedures Numbering System Procedure for an example of the Section’s standardized format. Also, at the end of this TA, is another example of how processes and procedures can be organized.

Document and Revision Control

Keeping track of what is issued, the issue date and version number as well as the original signed document and the maintenance of a control book can be a challenge. Designate a person to be owner of the control book and responsible for maintaining the tracking log. The Section maintains a document tracking sheet for each area (see the A.700 Processes & Procedures Numbering System Procedure). The tracking sheet lists the document number and name along with the document’s owner (author), version date and number. It also lists when the owner and director approved the document, when the document was put into the Control Book and distributed to the staff. Attached is an excerpt from the Section’s AAA Section Administration (area) as an example. How the documents and revisions are controlled is at the discretion of the AAA, but keep in mind maintaining consistency is the key to a well developed system that is easy to understand and follow.

Examples: Below is a table listing examples of a standard, policy, process, and procedure or work instruction and how they are connected.
<table>
<thead>
<tr>
<th>Standard</th>
<th>Policy</th>
<th>Process</th>
<th>Procedure or Work Instruction</th>
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<tbody>
<tr>
<td>Older Americans Act</td>
<td>Texas Administrative Code §85.202 AAA Fiscal Responsibilities</td>
<td>Access &amp; Intake Division – AAA Section’s Budget Instructions for Fiscal Year 2009</td>
<td>Area Agency on Aging of (XXX) - Budget Development Procedure</td>
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<td>Older Americans Act</td>
<td>Texas Administrative Code §85.302 Nutrition Services</td>
<td>Access &amp; Intake Division – AAA Section’s Program Instruction AAA-PI 300 – Older Americans Act Nutrition Waiver Requests</td>
<td>Area Agency on Aging of (XXX) – Completing and Submitting a Nutrition Waiver Request</td>
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<tr>
<td>Council of Governments (COG) Administrative Operations</td>
<td>XXX – COG Inclement Weather Policy</td>
<td>Area Agency on Aging of XXX’s Closing the Area Agency on Aging due to Inclement Weather</td>
<td>Area Agency on Aging of XXX’s How to Check the Weather Line</td>
</tr>
<tr>
<td>OMB A-87 &amp; A-122</td>
<td>Texas Administrative Code §85.202 AAA Fiscal Responsibilities</td>
<td>XXX-COG or Area Agency on Aging of XXX’s Capital Equipment Tracking Process</td>
<td>Area Agency on Aging of XXX’s Annual Physical Inventory Procedure</td>
</tr>
<tr>
<td>Older Americans Act</td>
<td>Texas Administrative Code §83.3 System of Access and Assistance</td>
<td>Area Agency on Aging of XXX’s Recording IR&amp;A Units Process</td>
<td>Area Agency on Aging of XXX’s Allocating Expenditures to 2-1-1 Call Centers Procedure</td>
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<tr>
<td>Texas Administrative Code §85.201 AAA Administrative Responsibilities</td>
<td>XXX-COG or Area Agency on Aging of XXX’s Business Contingency Plan</td>
<td>Area Agency on Aging of XXX’s Emergency Disaster Plan</td>
<td>XXX AAA’s Service Providers Emergency Disaster Procedure</td>
</tr>
</tbody>
</table>
Access & Intake Division – Area Agencies on Aging Section

Processes and Procedures Numbering System Procedure

Goal:
- Assign a specific number to each process or procedure that also identifies to which area the process or procedures pertains.

Purpose:
- Categorize the procedures or processes into their specific areas.
- Establish a set of numbers assigned to a specific area
- Easy references when referring to a process or procedure.

Areas Affected:
- Fiscal
- A&I – AAA Section Administration
- Oversight
- Performance (Reporting)
- Program
- Reporting
- Special Initiatives
- Technical

Process:
When the need for a process or procedure is determined, the AAA Policy and Oversight Support Specialist (AAAPOSS) will refer to the Processes and Procedure Numbering System Guide (see attached) to determine the area in which the process or procedure best fits. Once determined, the AAAPOSS will use the number guide and the individual area’s Process Tracking sheet to determine the next sequential number to assign the document.

Other Processes Affected:
- F.701 – A&I – AAA Section Process Tracking
- F.702 - A&I – AAA Section Process Format
Access & Intake Division – Area Agencies on Aging Section

Document Owner:
(The Document Owner and the AAA Section Director must approve all changes to the process.)

Approvals:

Document Owner: _______________________________ AAA Policy & Oversight Support Specialist _______________________________ Date

Section Director: _______________________________ Betty I. Ford _______________________________ Date

Document History:
(Outlines the revision history of document)

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<tr>
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### Processes and Procedures Numbering System Guide

**Format:** Area Code.Doc #(sequential)

**Example:** A.101; F.210

<table>
<thead>
<tr>
<th>Name</th>
<th>Area Code</th>
<th>Document Numbers</th>
<th>Areas</th>
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</table>
| AAA Oversight               | O         | 100 – 199        | Rules  
PMT – Overview  
Policy Instructions  
Technical Assistance  
Monitoring / Risk Assessment |
| Fiscal                      | F         | 200 – 299        | Closeout  
Budget  
Budget Amendment  
RFR & RfAJ  
Refund R.fR  
Single Audit  
Indirect Cost Allocation  
Audit Confirmation  
PMT – Fiscal |
| Program                     | P         | 300 – 399        | Area Plan  
Contract  
PMT – Program |
| Performance (Reporting)     | R         | 400 – 499        | QPR  
PMT – Performance  
Reconciliation  
NAPIS  
LBB |
| Technical                   | T         | 500 – 599        | Help Desk Mailbox  
Reports Mailbox |
| Special Initiatives         | SI        | 600 – 699        | CMS  
Housing Bonds  
Grants  
Benefit Counselors |
| A&A – AAA Section Administration | A   | 700 – 799        | Leave Requests  
Calendars  
Process & Procedures Manual |
PI / TA Numbering Scheme

<table>
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<tr>
<th>Area</th>
<th>Code</th>
<th>Examples of Subjects in Area</th>
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<tr>
<td>Fiscal</td>
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<td>Closeout, Budget, Budget Amendment, RIR &amp; RFAJ, Refund RIR, Single Audit, Indirect Cost Allocation, Audit Confirmation, PMT – Fiscal</td>
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<td>Area Plan, Contract, PMT – Program, Guidelines, Policies &amp; Procedures</td>
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<td>QPR, PMT – Performance Reconciliation, NAPIS, LBB</td>
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<td>Help Desk Mailbox, Reports Mailbox, PMT Components</td>
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<tr>
<td>Special Initiatives</td>
<td>6</td>
<td>CMS, Housing Bonds, Grants, Benefit Counselors</td>
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The Code number proposed corresponds with the document numbering sequence used currently in the AAA Section Processes and Procedures Numbering Procedure (A.700).
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</tr>
</tbody>
</table>
Examples of Other Ways to Develop and Organize Processes and Procedures

Table of Contents

Chapter 1: XXX Area Agency on Aging Operations                                                                 ...
1.1 Purpose and Mission ....................................................
1.2 Principal Law and Support Documents........................
  1.2.1 Purpose..................................................................
  1.2.2 Policy ....................................................................
1.3 XXX Senior Advisory Committee................................
  1.3.1 Purpose........................................................................
  1.3.2 Policy ...........................................................................
  1.3.3 Procedures....................................................................
Chapter 2: Administrative Responsibilities .......................  
2.1 Organizational Structure ............................................
  2.1.1 Purpose........................................................................
  2.1.2 Policy ...........................................................................
  2.1.3 Procedures............................................................
  2.2 Titles............................................................................
  2.2.1 Purpose........................................................................
  2.2.2 Policy ...........................................................................
  2.2.3 Procedures...................................................................
2.3 Staff Resources..............................................................
  2.3.1 Purpose........................................................................
  2.3.2 Policies ........................................................................
  2.3.3 Procedures....................................................................
2.4 Conflict of Interest ........................................................
  2.4.1 Purpose........................................................................
  2.4.2 Policy , Provider Monitoring....................................
  2.4.3 Procedures, Provider Monitoring................................
2.5 Accountability............................................................
  2.5.1 Purpose........................................................................
  2.5.2 Policy ...........................................................................
  2.5.3 Procedures....................................................................
  2.5.4 Policy, Accuracy of QPR Data....................................
  2.5.5 Procedures, Accuracy of QPR Data.............................
2.6 Provider Review............................................................
  2.6.1 Purpose........................................................................
  2.6.2 Policy , Provider Monitoring....................................
  2.6.3 Procedures, Provider Monitoring................................
  2.6.4 Policy, Customer Satisfaction Surveys ............... Error! Bookmark not defined.
  2.6.5 Procedures, Customer Satisfaction Surveys.............. Error! Bookmark not defined.
  2.6.6 Policy, Provider Responsibilities.............................. Error! Bookmark not defined.
  2.6.7 Procedures, Provider Responsibilities....................... Error! Bookmark not defined.
  2.6.8 Policy, Administrative Sanctions............................... Error! Bookmark not defined.
  2.6.9 Procedures, Administrative Sanctions...................... Error! Bookmark not defined.
2.7 Records........................................................................
  2.7.1 Purpose........................................................................
  2.7.2 Policy ...........................................................................
2.7.3 Procedures .............................................. Error! Bookmark not defined.
2.8 Targeting Service Delivery ......................................... Error! Bookmark not defined.
2.8.1 Purpose.......................................................... Error! Bookmark not defined.
2.8.2 Policy, Targeting ................................................ Error! Bookmark not defined.
2.8.3 Procedures, Targeting ......................................... Error! Bookmark not defined.
2.8.4 Policy, Non Discrimination .................................. Error! Bookmark not defined.
2.8.5 Procedures, Non Discrimination ................................ Error! Bookmark not defined.
2.8.6 Policy, Limited English Proficiency ..................... Error! Bookmark not defined.
2.8.7 Procedures, Limited English Proficiency ............... Error! Bookmark not defined.
2.9 Visibility.............................................................. Error! Bookmark not defined.
2.9.1 Purpose.......................................................... Error! Bookmark not defined.
2.9.2 Policy ............................................................ Error! Bookmark not defined.
2.9.3 Procedures ...................................................... Error! Bookmark not defined.
2.10 Uniform Telephone Listings ..................................... Error! Bookmark not defined.
2.10.1 Purpose.......................................................... Error! Bookmark not defined.
2.10.2 Policy ............................................................ Error! Bookmark not defined.
2.10.3 Procedures ...................................................... Error! Bookmark not defined.
2.11 Listing of DADS as Primary Funding Source ........... Error! Bookmark not defined.
2.11.1 Purpose.......................................................... Error! Bookmark not defined.
2.11.2 Policy ............................................................ Error! Bookmark not defined.
2.11.3 Procedure ...................................................... Error! Bookmark not defined.
2.12 Identification of Focal Point .................................. Error! Bookmark not defined.
2.12.1 Purpose.......................................................... Error! Bookmark not defined.
2.12.2 Policy ............................................................ Error! Bookmark not defined.
2.12.3 Procedures ...................................................... Error! Bookmark not defined.
2.13 Identification of Area Agency on Aging Facilities .... Error! Bookmark not defined.
2.13.1 Purpose.......................................................... Error! Bookmark not defined.
2.13.2 Policy ............................................................ Error! Bookmark not defined.
2.13.3 Procedure ...................................................... Error! Bookmark not defined.
2.14 Approval of Direct Services Applications ............... Error! Bookmark not defined.
2.14.1 Purpose.......................................................... Error! Bookmark not defined.
2.14.2 Policy ............................................................ Error! Bookmark not defined.
2.14.3 Procedures ...................................................... Error! Bookmark not defined.
2.15 Direct Purchase of Service ...................................... Error! Bookmark not defined.
2.15.1 Purpose.......................................................... Error! Bookmark not defined.
2.15.2 Policy ............................................................ Error! Bookmark not defined.
2.15.3 Procedures ...................................................... Error! Bookmark not defined.
2.16 Processing Vendor Requests .................................. Error! Bookmark not defined.
2.16.1 Purpose.......................................................... Error! Bookmark not defined.
2.16.2 Policy ............................................................ Error! Bookmark not defined.
2.16.3 Procedures ...................................................... Error! Bookmark not defined.
2.17 Updating the Vendor Choice List ......................... Error! Bookmark not defined.
2.17.1 Purpose.......................................................... Error! Bookmark not defined.
2.17.2 Policy ............................................................ Error! Bookmark not defined.
2.17.3 Procedures ...................................................... Error! Bookmark not defined.
2.18 Appeals Procedures for Service Providers and Applicants Error! Bookmark not defined.
2.18.1 Purpose.......................................................... Error! Bookmark not defined.
2.18.2 Policy ............................................................ Error! Bookmark not defined.
2.18.3 Procedures ...................................................... Error! Bookmark not defined.
2.18.4 Policy, Appeals ................................................ Error! Bookmark not defined.
2.18.5 Procedures, Appeals ........................................ Error! Bookmark not defined.
2.18.6 Policy, Formal Hearings .................................... Error! Bookmark not defined.
Chapter 6: Nutrition and Transportation

6.1 Nutrition Service Standards

6.1.1 Purpose

6.1.2 Policy

6.1.3 Procedures

6.1.3 Policy, Facility Safety

6.1.4 Procedures, Facility Safety

6.1.5 Policy, Meal Preparation

6.1.6 Procedures, Meal Preparation

6.1.7 Policy, Provider Staff Qualifications

6.1.8 Procedures, Provider Staff Qualifications

6.1.9 Policy, Departmental Requirements

6.1.10 Procedures, Departmental Requirements

6.1.11 Policy, Client Focus

6.1.12 Procedures, Client Focus

6.1.13 Policy, Nutrition Data Entry and Processing of Invoices

6.1.14 Procedures, Nutrition Data Entry

6.1.15 Procedures, Nutrition Service Unit Entry

6.1.16 Nutrition Monthly Invoice Procedure

6.1.17 Policy, Service Authorization

6.1.18 Procedures, Service Authorization

6.1.19 Policy, Nutrition Provider Monitoring

6.1.20 Procedures, Nutrition Provider Monitoring

6.2 Transportation Service Standards

6.2.1 Policy

6.2.2 Procedures

6.2.3 Nutrition Transportation Client Intake Policy

6.2.4 Nutrition Transportation Client Intake Procedures

6.2.5 Medical Transportation Client Intake Procedures

6.2.6 Transportation Monthly Invoice Procedure
3.1.4 Procedures, Tracking Capital Equipment

The XXX AAA will:

- Maintain an inventory of all fixed assets/capital equipment purchased with Title III funds. The list will describe the item purchased, purchase price, purchase date, and physical location. The list will also track Title III capital equipment that has been transferred or sold, become inoperable, lost or stolen. The list will include both provider and in house capital equipment.

- For items purchased in subsequent years, the item will be added to the inventory at the time of purchase.

- Review the inventory annually during the first quarter of the fiscal year.

- Inspect all Title III capital equipment at least annually.

- Provide subcontractors guidelines for tagging, transferring, or reporting inoperable, lost, or stolen Title III capital equipment.

- Direct the subcontractors to maintain a copy of the inventory in their permanent files. This inventory should be available for inspection by the AAA, DADS, XXXCOG, or others as need dictates.

- Notify subcontractors that Title III capital equipment may not be transferred without the written approval of the XXXCOG Executive Director.

- In the event the contract with the provider is cancelled or not renewed, the following procedures regarding capital equipment will be taken:
  - Identify all capital equipment.
  - Determine the depreciated value of all capital equipment.
  - Determine if any other subcontractor has need of the equipment and if so arrange for a transfer.
  - If the provider wants to retain the capital equipment, negotiate a fair price for the equipment. Any dollars owing the AAA may be considered a credit against a final payment to the provider.
  - If the subcontractor does not want to retain the equipment, arrange for an appropriate disposition. Each case will be analyzed individually. The last option would be to have the equipment returned to the AAA.

3.1.5 Policy, Subcontractors and Capital Equipment

The procedures for tracking of Title III capital equipment apply to both subcontractors and internal purchases.

3.1.6 Procedures, Subcontractors and Capital Equipment

The XXX AAA directs the following procedures for subcontractors in tracking capital equipment.

- The subcontractor will maintain a copy of the inventory in their permanent files. This inventory should be available for inspection by the AAA, DADS, or others as need dictates. The list will describe the item purchased, purchase price, purchase date, and physical location.

- Review the Title III capital equipment list annually during the first quarter to ensure accuracy. Items should be added to the list at the time of purchase.

- Tag all Title III capital equipment according to XXXCOG policy. The tag should indicate the item was purchased with Title III funds and include the date of purchase.
• Complete a Fixed Asset Transfer Form (XXXCOG Procurement Form 13) when requesting the transfer of Title III capital equipment. Capital equipment may not be transferred, sold, or moved without written permission.

• Maintain a copy of all capital equipment transfers.

• The XXX AAA will use money from the sale of any capital equipment to expand the AAA sponsored program services.

• Report inoperable, lost, or stolen property to XXX AAA immediately. The provider will submit a completed Notification of Inoperable, lost, or Stolen Property form (XXXCOG Procurement Form 10) within three (3) days of the incident or discovery. The provider will file a police report, if necessary.

• The subcontractor will conduct an investigation and provide the results to XXX AAA within two weeks after the item is discovered missing.

• The XXX AAA may conduct its own investigation or accept the subcontractor's /vendor’s investigation. A record will be established listing all unaccountable items. The XXX AAA will take appropriate action.